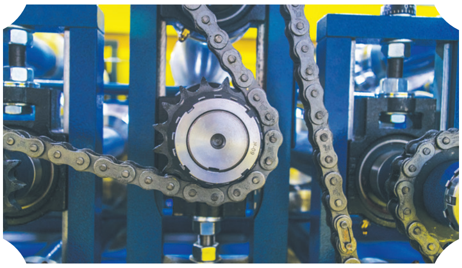
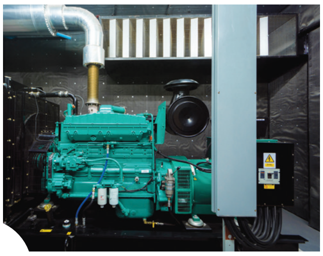
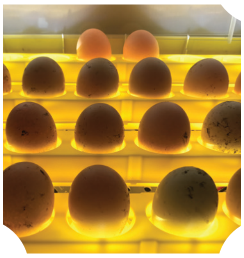
indiamart | #BadaAasaanHai



Transforming Businesses





2019-20
Subsidiary Companies
Annual Report

CONTENTS

Board's Report

Dear Member,

Your Directors have pleasure in presenting the 6th Board's Report on the Business and Operations of the Company together with the Audited Financial Statement for the year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the year ended March 31, 2020 is as follows:

(Amount in INR Thousand)

Particulars	2019-20	2018-19
Revenue from Operations	2,777.82	1,575.06
Other Income	265.47	133.80
Total Income	3,043.29	**1,708.86**
Employee Benefit Expenses	43,592.60	25,165.35
Depreciation and amortisation expense	910.83	498.38
Financial Cost	18,823.92	14,113.28
Other Expenses	8,480.40	6,956.23
Total Expenses	71,807.75	**46,733.24**
Loss before tax	(68,764.46)	(45,024.38)
Total Tax Expenses	-	-
Loss for the year	(68,764.46)	**(45,024.38)**
Other Comprehensive income (OCI) for the year, net of tax	297.75	(129.10)
Total Comprehensive expenses for the financial year	(69,062.21)	**(45,153.48)**
Earnings per Equity Share (INR) –Face value of ₹ 10/- each	(9.82)	(6.43)

REVIEW OF OPERATIONS

During the financial year under review, your Company has achieved total revenue from operations amounting to ₹ 27,77,820/- as compared to ₹ 15,75,060/- in the previous financial year. The Company has incurred Loss of ₹ 6,87,64,460/-. 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 58,00,000 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 under 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.

Mr. Prateek Chandra and Mr. Manoj Bhargava were appointed as Additional Directors with effect from October 29, 2018. There appointment was regularized by the Shareholder in 5th Annual General Meeting of the Company held on September 24, 2019.

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), 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 five (5) times during the financial year on May 10, 2019, June 03, 2019, July 30, 2019, October 21, 2019 and January 20, 2020. The intervening the gap between any two meetings was within the limits prescribed by the Companies Act, 2013 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 Board Meetings held during the tenure	No. of Meeting attended during the financial year ended March 31, 2020
1.	Mr. Brijesh Kumar Agrawal	Director	5	5
2.	Mr. Prateek Chandra	Director	5	5
3.	Mr. Manoj Bhargava	Director	5	5

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 members. Three (3) meetings of the Allotment Committee were held during the Financial Year 2019-20. The Committee meetings were held on September 28, 2019, December 17, 2019 and March 12, 2020.

The composition of the Committee as at March 31, 2020 and the attendance of each member at the Committee Meetings are as given below:

Sl. No.	Name of Members	Category	No. of Committee Meetings held during the tenure	No. of Meeting Attended during the financial year ended March 31, 2020
1	Mr. Brijesh Kumar Agrawal	Member	3	3
2	Mr. Prateek Chandra	Member	3	3

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 members out of which two 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 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.

EXTRACTS OF ANNUAL RETURN

In accordance with Section 134(3) (a) of the Companies Act 2013, an extract of the Annual Return in the prescribed Form No. MGT-9 is appended as '**Annexure-1**' to this Report.

The Company has uploaded the Annual Return referred to in Section 92(3), for the financial year ended March 31, 2020 on its website, which may be viewed at http://poora.com.

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.

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 2019-20	Financial Year 2018-19
Inflows	**Nil**	Nil
Outflows	**86,201**	Nil

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: May 11, 2020

Brijesh Kumar Agrawal
Director & Chief Executive Officer
DIN: 00191760

Manoj Bhargava
Director
DIN: 08267536

ANNEXURE-1

EXTRACT OF ANNUAL RETURN
FORM NO. MGT-9

For the financial year ended March 31, 2020

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 {Reg. Office} 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

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, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% 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	-	-	-	-	-	-	-	-	-

BOARD'S REPORT

FINANCIAL STATEMENTS

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):	**-**	**70,01,800**	**70,01,800**	**100%**	**-**	**70,01,800**	**70,01,800**	**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)	**-**	**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%**	**-**

*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 (April 1, 2019)			Shareholding at the end of the year (March 31, 2020)			% change in shareholding 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, 2019]		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, 2019		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	-	-	-	-	-	-	-	-

V. INDEBTEDNESS

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

BOARD'S REPORT

FINANCIAL STATEMENTS

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	**Brijesh Kumar Agrawal**	**Manoj Bhargava**
Date: May 11, 2020	Director & Chief Executive Officer	Director
	DIN: 00191760	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 31,2020, 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 31,2020

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

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

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial period ended at March 31,2020 . 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 year ended at March 31, 2020 amounted to ₹ 2,777.82 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
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:

- 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 31,2020 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2020 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:11 May 2020

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 31,2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls 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

Place: Delhi
Date: 11 May 2020

Pankaj Jain (Partner)
Membership No. 095412

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 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 securities premium 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

Place: Delhi
Date: 11 May 2020

Pankaj Jain (Partner)
Membership No. 095412

Balance Sheet

As at March 31, 2020

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

	Notes	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	4	1,944.28	490.83
Intangible assets	5	173.55	106.56
Financial assets			
(i) Other financial assets	6	313.92	246.00
Non-current tax assets (net)	16	166.55	-
Other non-current assets	7	16,778.54	16,131.18
Total non-current assets		**19,376.84**	**16,974.57**
Current assets			
Financial assets			
(i) Cash and cash equivalents	8	22,911.12	14,765.36
(ii) Others financial assets	6	-	123.11
(iii) Loans	6	1,254.46	383.33
Current tax assets (net)	16	1,701.75	1,764.06
Other current assets	7	677.35	422.43
Total current assets		**26,544.68**	**17,458.29**
Total assets		**45,921.52**	**34,432.86**
Equity and liabilities			
Equity			
Equity share capital	9	70,018.00	70,018.00
Other equity	10	(237,813.95)	(160,961.87)
Total equity		**(167,795.95)**	**(90,943.87)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	11	204,129.38	119,515.60
Provisions	14	2,352.09	833.56
Contract Liabilities	15	72.98	8.73
Total non-current liabilities		**206,554.45**	**120,357.89**
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		405.07	1,912.41
(ii) Other financial liability	13	2,477.66	953.61
Provisions	14	244.58	728.93
Contract Liabilities	15	3,707.76	1,009.37
Other current liabilities	15	327.95	414.52
Total current liabilities		**7,163.02**	**5,018.84**
Total liabilities		**213,717.47**	**125,376.73**
Total equity and liabilities		**45,921.52**	**34,432.86**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

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

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

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

Rahul Luthra
(Company Secretary)

Place: Noida
Date: 11 May 2020

BOARD'S REPORT

FINANCIAL STATEMENTS

Statement of Profit and Loss

For the year ended March 31, 2020

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

	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Income:			
Revenue from operations	17	2,777.82	1,575.06
Other income	18	265.47	133.80
Total income		**3,043.29**	**1,708.86**
Expenses:			
Employee benefits expense	19	43,592.60	25,165.35
Finance costs	20	18,823.92	14,113.28
Depreciation and amortisation expense	21	910.83	498.38
Other expense	22	8,480.40	6,956.23
Total expenses		**71,807.75**	**46,733.24**
Loss before tax		**(68,764.46)**	**(45,024.38)**
Income tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Loss for the year		**(68,764.46)**	**(45,024.38)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement gain (losses) on defined benefit plans		(297.75)	(129.10)
Income tax effect		-	-
		(297.75)	**(129.10)**
Other comprehensive income for the period net of tax		**(297.75)**	**(129.10)**
Total comprehensive expense for the year		**(69,062.21)**	**(45,153.48)**
Earnings per equity share :	23		
Basic earnings per equity share (INR) - face value of ₹ 10 each		(9.82)	(6.43)
Diluted earnings per equity share (INR) - face value of ₹ 10 each		(9.82)	(6.43)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

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

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

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

Rahul Luthra
(Company Secretary)

Place: Noida
Date: 11 May 2020

Statement of changes in equity

for the year ended 31 March 2020

(A) EQUITY SHARE CAPITAL (REFER NOTE 9)

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

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2018	**70,018.00**
Changes in equity share capital during the year	-
As at 31 March 2019	**70,018.00**
As at 1 April 2019	**70,018.00**
Changes in equity share capital during the year	-
As at 31 March 2020	**70,018.00**

(B) OTHER EQUITY (REFER NOTE 10)

Particulars	Equity portion of OCCRPS (refer note 11)	Retained earnings	Total other equity
Balance as at 1 April 2018	**-**	**(216,666.40)**	**(216,666.40)**
Loss for the year	-	(45,024.38)	(45,024.38)
Other comprehensive income/ (loss) for the year		(129.10)	(129.10)
Equity Contribution	100,858.01	-	100,858.01
Total comprehensive income	**100,858.01**	**(45,153.48)**	**55,704.53**
Balance as at 31 March 2019	**100,858.01**	**(261,819.88)**	**(160,961.87)**
Balance as at 1 April 2019	**100,858.01**	**(261,819.88)**	**(160,961.87)**
Loss for the year	-	(68,764.46)	(68,764.46)
Other comprehensive income/ (loss) for the year	-	(297.75)	(297.75)
Equity contribution	(7,789.86)	-	(7,789.86)
Total comprehensive loss	**(7,789.86)**	**(69,062.22)**	**(76,852.08)**
Balance as at 31 March 2020	**93,068.15**	**(330,882.10)**	**(237,813.95)**

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

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

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

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

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

Rahul Luthra
(Company Secretary)

Place: Noida
Date: 11 May 2020

Statement of Cash Flows

For the year ended March 31, 2020

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss before tax	(68,764.46)	(45,024.38)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation of property, plant and equipment	850.70	427.34
Amortisation of intangible assets	60.13	71.04
Finance income	(265.48)	(133.80)
Interest expense on financial liability measured at amortised cost	18,823.92	14,113.28
Operating loss before working capital changes	**(49,295.19)**	**(30,546.52)**
Movement in working capital		
(Increase)/decrease in other financial assets	55.18	(2.25)
(Increase)/ decrease in other assets	(1,773.42)	(1,205.31)
(Increase)/decrease in other financial liability	1,524.06	726.99
Increase/(decrease) in trade payables	(1,507.34)	(93.30)
Increase/(decrease) in other liabilities	(86.57)	29.83
Increase/(decerease) in provisions	736.43	569.99
Increase/(decrease) in contract liabilities	2,762.64	676.12
Cash generated from operations	**(47,584.21)**	**(29,844.45)**
Income tax paid/ (refund) (net)	(104.24)	(138.82)
Net cash generated/(used) in operating activities	**(47,688.45)**	**(29,983.27)**
Cash flow from investing activities		
Purchase of property, plant and equipments	(2,304.15)	(238.14)
Interest received	265.48	133.80
Purchase of intangible assets	(127.12)	-
Net cash flows generated used in investing activities	**(2,165.79)**	**(104.34)**
Cash flow from financing activities		
Interest on others	-	(15.41)
Proceeds from short term loan	-	2,500.00
Repayment from short term loan	-	(2,500.00)
Proceeds from issuance of Optionally convertible cumulative redeemable preference share (OCCRPS) (Note 11)	58,000.00	42,500.00
Net cash generated from financing activities	**58,000.00**	**42,484.59**
Net (decrease) / increase in cash and cash equivalents	**8,145.76**	**12,396.98**
Cash and cash equivalents at the beginning of the year	14,765.36	2,368.38
Cash and cash equivalents at the end of the year (Note 8)	**22,911.12**	**14,765.36**
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	22,911.12	14,765.36
Total cash and cash equivalents (Note 8)	**22,911.12**	**14,765.36**

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

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

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

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

Rahul Luthra
(Company Secretary)

Place: Noida
Date: 11 May 2020

1. CORPORATE INFORMATION

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

The financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 11 May 2020.

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 2020 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. 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 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.

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

<u>Initial recognition and measurement</u>

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.

<u>Subsequent measurement</u>

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 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.

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.

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.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

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

Estimates and assumptions

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

a) Defined benefit plans (gratuity benefit)

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

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

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

Further details about gratuity obligations are given in Note 24.

b) Fair value measurement of financial instruments

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

3A Changes in accounting policy and disclosures

Ind AS 116 Leases

Leases (as lessee)

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. The adoption of Ind AS 116 has no impact on financial statements of the Company.

4 PROPERTY, PLANT AND EQUIPMENT

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

	Computers	Office equipments	Total Property, Plant and Equipment
Gross carrying amount			
As at 1 April 2018	**787.53**	**859.23**	**1,646.76**
Additions for the year	238.14	-	238.14
As at 31 March 2019	**1,025.67**	**859.23**	**1,884.90**
Additions for the year	2,251.84	52.31	2,304.15
As at 31 March 2020	**3,277.51**	**911.54**	**4,189.05**
Accumulated depreciation			
As at 1 April 2018	**518.11**	**448.62**	**966.73**
Charge for the year	242.28	185.06	427.34
As at 31 March 2019	**760.39**	**633.68**	**1,394.07**
Charge for the year	750.83	99.87	850.70
As at 31 March 2020	**1,511.22**	**733.55**	**2,244.77**
Net book value			
As at 1 April 2018	**269.42**	**410.61**	**680.03**
As at 31 March 2019	**265.28**	**225.55**	**490.83**
As at 31 March 2020	**1,766.29**	**177.99**	**1,944.28**

5 INTANGIBLE ASSETS

	Softwares	Total
Gross carrying amount		
As at 1 April 2018	**635.04**	**635.04**
Additions for the year	-	-
As at 31 March 2019	**635.04**	**635.04**
Additions for the year	127.12	127.12
As at 31 March 2020	**762.16**	**762.16**
Accumulated amortisation		
As at 1 April 2018	**457.44**	**457.44**
Amortisation for the year	71.04	71.04
As at 31 March 2019	**528.48**	**528.48**
Amortisation for the year	60.13	60.13
As at 31 March 2020	**588.61**	**588.61**
Net book value		
As at 1 April 2018	**177.60**	**177.60**
As at 31 March 2019	**106.56**	**106.56**
As at 31 March 2020	**173.55**	**173.55**

6 FINANCIAL ASSETS

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

		As at 31 March 2020	As at 31 March 2019
a)	**Non-current (unsecured, considered good unless stated otherwise)**		
	Other financial assets		
	Security deposits	**313.92**	246.00
	Total other financial assets	**313.92**	**246.00**
b)	**Current (unsecured, considered good unless stated otherwise)**		
	Other financial assets		
	Security deposits	-	123.11
		-	**123.11**
c)	**Loans**		
	Loans to employees (unsecured, considered good unless stated otherwise)		
	Current	**1,254.46**	383.33
		1,254.46	**383.33**

The above loans represents interest free loans to employees, which are recoverable in maximum 24 monthly instalments.

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

	As at 31 March 2020	As at 31 March 2019
Non-current (unsecured, considered good unless otherwise stated)		
Indirect taxes recoverable	**16,778.54**	16,131.17
Total	**16,778.54**	**16,131.18**
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind	**114.25**	214.51
Prepaid expenses	**563.10**	207.92
Total	**677.35**	**422.43**

8 CASH AND CASH EQUIVALENTS

	As at 31 March 2020	As at 31 March 2019
Balance with bank		
- On current accounts	**22,911.12**	14,765.36
Total Cash and cash equivalents	**22,911.12**	**14,765.36**

Notes:

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

9 SHARE CAPITAL

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

Authorised equity share capital	Number of shares	Amount
As at 1 April 2018	**5,50,00,000**	**5,50,000.00**
Increase during the year	-	-
As at 31 March 2019	**5,50,00,000**	**5,50,000.00**
Increase during the year	-	-
As at 31 March 2020	**5,50,00,000**	**5,50,000.00**

Issued equity share capital (subscribed and fully paid up)	Number of shares	Amount
As at 1 April 2018	**70,01,800**	**70,018.00**
Shares issued during the year	-	-
As at 31 March 2019	**70,01,800**	**70,018.00**
Shares issued during the year	-	-
As at 31 March 2020	**70,01,800**	**70,018.00**

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 31 March 2020		As at 31 March 2019	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART)	**70,01,800**	**100%**	70,01,800	100%

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

	As at 31 March 2020		As at 31 March 2019	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART)	**70,01,800**	**100%**	70,01,800	100%

10 OTHER EQUITY

	As at 31 March 2020	As at 31 March 2019
Equity portion of OCCRPS (refer note 11)	**93,068.15**	1,00,858.01
Retained earnings	**(3,30,882.10)**	(2,61,819.88)
Total	**(2,37,813.95)**	**(1,60,961.87)**

11 BORROWINGS

Measured at amortised cost	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Non-current	**-**	**-**	-	-
Optionally convertible cumulative redeemable preference shares (unsecured)	**1,52,76,325**	**2,04,129.38**	94,76,325	1,19,515.60
Total	**1,52,76,325**	**2,04,129.38**	94,76,325	1,19,515.60

Notes:

During the year ended March 31,2019, The Company earlier had 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. The new OCCRPS issued during year ended March 31,2020 are on same terms.

Authorised preference share capital

	Number of shares	Amount
As at 1 April 2018	**2,50,00,000**	**2,50,000**
Increase during the year	-	-
As at 31 March 2019	**2,50,00,000**	**2,50,000**
Increase during the year	-	-
As at 31 March 2020	**2,50,00,000**	**2,50,000**

Issued preference share capital (subscribed and fully paid up)

	Number of shares	Amount
As at 1 April 2018	**52,26,325**	**52,263.25**
Increase during the year	42,50,000	42,500.00
As at 31 March 2019	**94,76,325**	**94,763.25**
Increase during the year	58,00,000	58,000.00
As at 31 March 2020	**1,52,76,325**	**1,52,763.25**

a) Shares held by holding company

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

	As at 31 March 2020		As at 31 March 2019	
	Number	Percentage	Number	Percentage
0.01% Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
Indiamart Intermesh Limited	**1,52,76,325**	**100%**	94,76,325	100%

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

	As at 31 March 2020		As at 31 March 2019	
	Number	Percentage	Number	Percentage
0.01% Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
Indiamart Intermesh Limited	**1,52,76,325**	**100%**	94,76,325	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

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

	As at 31 March 2020	As at 31 March 2019
Payable to micro, small and medium enterprises	-	-
Other trade payables		
Related party	-	1,523.47
Other	405.07	388.94
Total	**405.07**	**1,912.41**

Trade payables are non-interest bearing and are normally settled on 30-day terms.

13 OTHER FINANCIAL LIABILITIES

	As at 31 March 2020	As at 31 March 2019
Payable to employees	2,477.66	953.61
	2,477.66	**953.61**

14 PROVISIONS

	As at 31 March 2020	As at 31 March 2019
Non-current		
Provision for employees benefits*		
Provision for gratuity	1,513.00	833.56
Provision for leave encashment	839.09	-
	2,352.09	833.56
Current		
Provision for employees benefits*		
Provision for gratuity	105.97	31.72
Provision for leave encashment	138.61	697.21
Total	**244.58**	**728.93**

* For details of movement in provision for gratuity and leave encashment, refer note 24.

15 CONTRACT AND OTHER LIABILITIES*

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

		As at 31 March 2020	As at 31 March 2019
(a)	**Contract Liabilities**		
	Non-current		
	Deferred revenue	**72.98**	8.73
		72.98	8.73
	Current		
	Deferred revenue	**3,680.80**	919.47
	Advances from customers	**26.96**	89.90
		3,707.76	1,009.37
	Total	**3,780.74**	1,018.10
(b)	**Other liabilities**		
	Professional Tax	**5.18**	-
	Tax deducted at source payable	**252.24**	413.56
	Contribution to provident fund payable	**66.10**	0.27
	Contribution to ESI payable	**4.43**	0.68
	Total	**327.95**	**414.51**

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

16 INCOME TAX ASSETS AND LIABILITIES

	As at 31 March 2020	As at 31 March 2019
Current tax assets (net of provisions)		
Current	**1,701.75**	1,764.06
Non current	**166.55**	-
Total	**1,868.30**	**1,764.06**

17 REVENUE FROM OPERATIONS

	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of services		
Income from web services	**2,777.82**	1,575.06
Total	**2,777.82**	**1,575.06**

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 2020		For the year ended 31 March 2019	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Income from web services	**3,707.76**	**72.98**	1,009.37	8.73
	3,707.76	**72.98**	**1,009.37**	**8.73**

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.

BOARD'S REPORT

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Contract liability (deferred revenue)

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

	As at 31 March 2020	As at 31 March 2019
Income from web services	3,780.74	1,018.10
	3,780.74	1,018.10
Non-current	72.98	8.73
Current	3,707.76	1,009.37
	3,780.74	1,018.10

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance at the beginning of the year	1,018.10	341.99
Less: Revenue recognised from contract liability balance at the begnning of the year	844.83	341.99
Add: Amount received from customers during the year	5,540.46	2251.18
Less: Revenue recognised from amount received during the year	1,932.99	1233.08
Closing balance at the end of the period	3,780.74	1,018.10

18 OTHER INCOME

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income on fixed deposit with banks	262.67	133.80
Other interest income	2.80	-
Total	265.47	133.80

19 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus	41,945.69	24,158.85
Gratuity expense (refer note 24)	455.95	304.42
Leave encashment expense (refer note 24)	608.02	355.29
Contribution to provident and other funds	292.67	162.43
Staff welfare expenses	290.27	184.36
Total	43,592.60	25,165.35

20 FINANCE COSTS

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense on financial liability measured at amortised cost	18,823.92	14,097.87
Interest on others	-	15.41
	18,823.92	14,113.28

21 DEPRECIATION AND AMORTIZATION EXPENSE

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation of property, plant and equipment (refer note 4)	**850.70**	427.34
Amortisation of intangible assets (refer note 5)	**60.13**	71.04
Total	**910.83**	**498.38**

22 OTHER EXPENSES

	For the year ended 31 March 2020	For the year ended 31 March 2019
Internet and other online expenses	**2,067.09**	2,663.90
Rent	**2,837.10**	2,069.48
Rates and taxes	**75.96**	40.49
Communication costs	**24.28**	36.79
Advertisement expenses	**55.41**	61.50
Printing and stationery	**38.26**	-
Repair and maintenance:		
-Plant and machinery	**75.55**	16.41
-Others	**-**	9.17
Travelling and conveyance	**505.30**	174.17
Legal and professional fees	**2,074.15**	1,505.98
Brokerage and commision	**20.48**	-
Directors' sitting fees	**-**	20.00
Auditor's remuneration	**60.00**	50.00
Insurance expenses	**527.48**	278.06
Collection charges	**10.65**	0.28
Recruitment and training expenses	**103.71**	30.00
Miscellaneous expenses	**4.98**	-
Total	**8,480.40**	**6,956.23**

Payment to Auditors

	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditor:		
- Audit fee	**60.00**	50.00
	60.00	**50.00**

23 EARNINGS PER SHARE

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

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Basic earning per share		
Loss for the year	**(68,764.46)**	(45,024.38)
Weighted average number of equity shares in calculating basic EPS	**70,01,800**	70,01,800
Basic earning per share	**(9.82)**	**(6.43)**
Diluted earning per share		
Loss for the year for basic earnings per share	**(68,764.46)**	(45,024.38)
Interest expense on convertible preference shares	**18,823.92**	14,097.87
Adjusted Loss for the year	**(49,940.54)**	**(30,926.51)**
Weighted average number of equity shares in calculating basic EPS	**70,01,800**	70,01,800
Potential equity shares in the form of convertible preference shares	**1,15,57,857**	66,47,558
Total no. of shares outstanding (including dilution)	**1,85,59,657**	**1,36,49,358**
Diluted earning per share	**(9.82)**	**(6.43)**

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 defined 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:

Gratuity - Defined benefit

	As at 31 March 2020	As at 31 March 2019
Present value of unfunded defined benefit obligation	**1,618.97**	865.27
	1,618.97	**865.27**

Leave encashment - other long term employee benefit plan

	As at 31 March 2020	As at 31 March 2019
Present value of other long term empoyee benefit plan	**977.70**	697.21
	977.70	**697.21**

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

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

Reconciliation of present value of defined benefit obligation for Gratuity

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

Particulars	Gratuity	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the year	**865.27**	431.76
Benefits paid		-
Current service cost	**389.53**	270.74
Interest cost	**66.42**	33.68
Remeasurements		
Actuarial (gains) losses		
- changes in demographic assumptions	**497.41**	(70.21)
- changes in financial assumptions	**(42.21)**	153.15
- experience adjustments	**(157.45)**	46.15
Balance at the end of the year	**1,618.97**	**865.27**

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

Particulars	Leave encashment	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the year	**697.21**	431.65
Benefits paid	**(327.53)**	(89.73)
Current service cost	**397.95**	296.94
Interest cost	**53.52**	33.67
Remeasurements		
Actuarial (gains) losses		
- changes in demographic assumptions	**302.04**	(6.83)
- changes in financial assumptions	**(42.20)**	113.92
- experience adjustments	**(103.29)**	(82.41)
Balance at the end of the year	**977.70**	**697.21**

b) Expense recognised in profit or loss

Particulars	Gratuity	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	**389.53**	270.74
Net interest expense	**66.42**	33.68
Components of defined benefit costs recognised in profit or loss	**455.95**	304.42
Remeasurement of the net defined benefit liability:		
Actuarial (gain) loss on defined benefit obligation	**297.75**	129.10
Components of defined benefit costs recognised in other comprehensive income	**297.75**	129.10
Total	**753.70**	**433.52**

Particulars	Leave encashment	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	**397.95**	296.94
Net interest expense	**53.52**	33.67
Actuarial (gain) loss on other long term employee benefit plan	**156.55**	24.68
Components of defined benefit costs recognised in profit or loss	**608.02**	**355.29**

c) Actuarial assumptions

Principal actuarial assumptions at the reporting date

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

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate	**6.35%**	7.66%

Attrition rate:

	As at 31 March 2020		As at 31 March 2019
	Upto 4 years of service	Above 4 years of service	
Ages			
Upto 30 years	**9.65%**	**0.00%**	25.00%
From 31 to 44 years	**11.76%**	**14.29%**	25.00%
Above 44 years	**0.00%**	**0.00%**	25.00%
Future salary growth			
Year 1	**5.00%**	**5.00%**	12.00%
Year 2	**8.00%**	**12.00%**	12.00%
Year 3 and onwards	**8.00%**	**12.00%**	12.00%
Mortality table	India Assured Life Moratility (2012-14)		India Assured Life Mortality (2006-08)

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

d) Sensitivity analysis

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

Gratuity

For the year ended 31 March 2020	Increase	Decrease
Impact of change in discount rate by 0.50%	**(96.42)**	**106.91**
Impact of change in salary by 0.50%	**66.43**	**(66.15)**

For the year ended 31 March 2019	Increase	Decrease
Impact of change in discount rate by 0.50%	(20.65)	21.56
Impact of change in salary by 0.50%	20.39	(19.80)

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

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

Particulars	As at 31 March 2020	As at 31 March 2019
Within one year	**105.97**	31.72
Within one - three years	**177.70**	201.40
Within three - five years	**208.88**	186.39
Above five years	**1,126.42**	445.77
Total	**1,618.97**	**865.27**

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:

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

	As at 31 March 2020	As at 31 March 2019
Financial assets		
- Cash and cash equivalents	**22,911.12**	14,765.36
- Loan to employees	**1,254.46**	383.33
- Security deposits	**313.92**	**369.11**
Total financial assets	**24,479.50**	**15,517.80**
Financial liabilities		
Measured at Amortised cost		
- Borrowings	**2,04,129.38**	1,19,515.60
- Trade payables & Other financial liabilities	**2,882.73**	2,866.02
Total financial liabilities	**2,07,012.11**	1,22,381.62

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 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

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.

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

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

Contractual maturities of financial liabilities

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

As at 31 March 2020	Within 1 year	Between 1 and 5 years	More than 5 years	Total
Trade payables	**405.07**	**-**	**-**	**405.07**
Other financial liabilities	**2,477.66**	**-**	**-**	**2,477.66**
Borrowings	**-**	**-**	**2,04,129.38**	**2,04,129.38**
	2,882.73	**-**	**2,04,129.38**	**2,07,012.11**

As at 31 March 2019	Within 1 year	Between 1 and 5 years	More than 5 years	Total
Trade payables	1,912.41	-	-	1,912.41
Other financial liabilities	953.61	-	-	953.61
Borrowings	-	-	1,19,515.60	1,19,515.60
	2,866.02	-	1,19,515.60	1,22,381.62

28 RELATED PARTY TRANSACTIONS

i) Names of related parties and related party relationship

a) Holding Company Indiamart Intermesh Limited

b) Key Management Personnel (KMP)

Director & CEO	Brijesh Kumar Agrawal
Director & CFO	Prateek Chandra
Director	Manoj Bhargava
Company Secretary	Rahul Luthra

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

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Issue of 0.01% Optionally convertible cumulative redeemable preference share (OCCRPS)		
IndiaMart InterMesh Ltd	58,000.00	42,500.00
Loan from Holding Company		
IndiaMart InterMesh Ltd	-	2,500.00
Repayment of short term loan - Unsecured during the year	-	(2,500.00)
Interest paid on Loan from holding Company		
IndiaMart InterMesh Limited	-	15.41
Director's sitting fees	-	20.00
Amount due to related parties at the end of the year from holding Company		
IndiaMart InterMesh Limited		1,523.47

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 CONTINGENT LIABILITIES IN RESPECT OF INCOME-TAX DEMAND

a) 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.

b) 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.

30 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.

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

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

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

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

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

Rahul Luthra
(Company Secretary)

Place: Noida
Date: 11 May 2020

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, 2020.

FINANCIAL HIGHLIGHTS

The Financial Performance of the Company for the year ended March 31, 2020 is as follows:

(Amount in INR Thousand)

Particulars	2019-20	2018-19
Revenue from Operations	1,27,754.65	91,111.98
Other Income	529.38	2,060.74
Total Income	1,28,284.03	**93,172.72**
Employee Benefit Expenses	74,739.81	57,427.87
Depreciation and amortisation expense	1,379.02	792.22
Other Expenses	40,746.86	29,259.29
Total Expenses	1,16,865.69	**87,479.38**
Profit before tax	11,418.34	5,693.34
Total Tax Expenses	2,609.30	1,436.18
Profit for the year	8,809.04	4,257.16
Other Comprehensive income for the financial year	(995.76)	(425.06)
Total Comprehensive income for the financial year	7,813.28	**3,832.10**
Basic Earnings per Equity Share (INR) –Face value of ₹ 10/- each	141.32	68.30
Diluted Earnings per Equity Share (INR)–Face value of ₹ 10/- each	63.11	30.34

REVIEW OF OPERATIONS

During the year under the review, your Company achieved revenue from operations of ₹ 12,77,54,650/- as compared ₹ 9,11,11,980/- in the previous year resulting in a growth of 40.22 per cent. Net Profit after taxation stood at ₹ 88,09,040/- as compared to previous year profit of ₹ 42,57,160/-. 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 had not issued any Equity Shares.

DIVIDEND

Your Directors didn't recommend any dividend on equity shares for the Financial Year 2019-20.

TRANSFER TO RESERVES

Net profit after tax of ₹ 88,09,040/- 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

Particulars of loans given, investments made, guarantees given and securities provided are given in Note No. 6 & 7 to the Financial Statements.

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 under 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.

Mr. Prateek Chandra was appointed as Additional Director of the Company by Board of Directors on October 29, 2018. His appointment was regularized by Shareholders of the Company at 6th Annual General Meeting of the Company held on September 24, 2019.

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. Mayank Chowdhary (DIN: 07967272), 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 10, 2019, June 03, 2019, July 30, 2019, October 21, 2019, November 29, 2019 and January 20, 2020. The intervening the gap between any two meetings was within the limits prescribed by the Companies Act, 2013 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 Board Meetings held during the tenure	No. of Meeting attended during the financial year ended March 31, 2020
1.	Mr. Atul Todi	Whole Time Director	6	6
2.	Mr. Mayank Chowdhary	Whole Time Director	6	6
3.	Mr. Prateek Chandra	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.

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 members out of which two 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 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

EMPLOYEES STOCK OPTIONS

Your Company has always believed in motivating employees and rewarding them for their continuous hard work, dedication and support, which has led the Company on the growth path. The detail of the Employee Stock Options is attached as '**Annexure -1**' to this Report.

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 2nd Annual General Meeting till the conclusion of 7th Annual General Meeting (AGM) of the Company.

Since, the tenure of Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N), Statutory Auditors, shall conclude at the 7th AGM, the Board of Directors may consider the re-appointment of Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N), Statutory Auditors of the Company and place the said proposal before the shareholders in the ensuing AGM, who will hold office from the conclusion of said AGM until the 12th 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.

EXTRACTS OF ANNUAL RETURN

In accordance with Section 134(3) (a) of the Companies Act 2013, an extract of the Annual Return in the prescribed Form No. MGT-9 is appended as '**Annexure-2**' to this Report.

The Company has uploaded the Annual Return referred to in Section 92(3), for the financial year ended March 31, 2020 on its website, which may be viewed at https://10times.com.

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.

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 follow:

(Amount in INR)

Details	Financial Year 2019-20	Financial Year 2018-19
Inflows	**9,67,71,186**	6,28,91,200
Outflows	**62,15,527**	43,36,170

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 **Ten Times Online Private Limited**

Place: Noida
Date: May 11, 2020

Atul Todi
Whole-time Director
DIN: 06515212

Mayank Chowdhary
Whole-time Director
DIN: 07967272

ANNEXURE-1

EMPLOYEE STOCK OPTION PLAN (ESOP) DETAILS FOR THE YEAR ENDED MARCH 31, 2020

A. DETAILS OF ESOP AS PER RULE 12(9) OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014

PARTICULARS	ESOP 2017	ESOP (I) – 2018	ESOP (II) – 2018
Employee Stock Options outstanding at beginning of year (April 1, 2019)	75,380	826	1,798
Employee Stock option granted during the year	-	-	-
Sub-total 1	75,380	826	1,798
Employee Stock option Exercised	-	-	-
Employee Stock option Lapsed/Forfeited	-	171	576
Employee Stock option Expired	-	-	-
Sub-total 2	-	171	576
Employee Stock option outstanding at the end of year (Sub-total 1-2) (in force options)	75,380	655	1,222
Employee Stock option exercisable at the end of year (March 31, 2020)	40,589	523	245
Total number of shares arising as a result of exercise of Employee Stock option	-	-	-
Money realised by exercise of Employee Stock option	-	-	-

B. OPTION VESTED

During the year 2019-20, an aggregate of 6,567 Employee Stock Options vested.

C. VARIATION OF TERMS OF OPTIONS

During the year 2019-20, No variation was made to the terms of the Employee Stock Options granted to the Eligible Employees.

D. EMPLOYEE WISE DETAILS OF OPTIONS GRANTED DURING THE YEAR:

(i) Key Managerial Personnel:

KEY MANAGERIAL PERSONNEL	Employee Stock Options
Atul Todi, Whole time Director	Nil
Mayank Chowdhary, Whole time Director	Nil

(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year: NIL

(iii) Identified directors/employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant: NIL

On behalf of the Board
For **Ten Times Online Private Limited**

Place: Noida
Date: May 11, 2020

Atul Todi
Whole-time Director
DIN: 06515212

Mayank Chowdhary
Whole-time Director
DIN: 07967272

ANNEXURE - 2

EXTRACT OF ANNUAL RETURN

FORM NO. MGT-9

For the financial year ended March 31, 2020

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**	U72300DL2014PTC265480
2.	**Registration Date**	February 26, 2014
3.	**Name of the Company**	Ten Times Online Private Limited
4.	**Category/Sub-Category of the Company**	Public Company
5.	**Address of the Registered office and contact details**	Ten Times Online Private Limited, 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi- 110002 Contact No. 011-49995600 {Reg. Office} Email- compliance@10times.com Website- www.10times.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

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.	Other data processing, hosting and related activities	63119	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, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% 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.	-	62,331	62,331	99.997%	-	62,331	62,331	99.997%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	**-**	**62,333**	**62,333**	**100%**	**-**	**62,333**	**62,333**	**100%**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% 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)	**-**	**62,333**	**62,333**	**100%**	**-**	**62,333**	**62,333**	**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)	**-**	**62,333**	**62,333**	**100.00%**	**-**	**62,333**	**62,333**	**100.00%**	**0**

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

B. Shareholding of Promoter:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2019)			Shareholding at the end of the year (March 31, 2020)			% change in shareholding 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	62,331	99.997%	0%	62,331	99.997%	0%	-
2.	Dinesh Chandra Agarwal (Nominee of Indiamart Intermesh Limited)	1	0.0015%	0%	1	0.0015%	0%	-
3.	Brijesh Kumar Agrawal (Nominee of Indiamart Intermesh Limited)	1	0.0015%	0%	1	0.0015%	0%	-
Total		**62,333**	**100%**	**0%**	**62,333**	**100.00%**	0%	**-**

D. Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding details		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	62,333	100%	62,333	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	62,333	100%	62,333	100.00%

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

F. 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:

(Amount in INR Thousand)

SL. NO.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Atul Todi (WTD)	Mr. Mayank Chowdhary (WTD)	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	5,226.22	4,803.22	10,029.44
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9.90	32.40	42.30
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-

(Amount in INR Thousand)

SL. NO.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Atul Todi (WTD)	Mr. Mayank Chowdhary (WTD)	
4	Commission - as % of profit - others, specify…	-	-	-
5	Others, please specify	-	-	-
TOTAL (A)		**5,236.12**	**4,835.62**	**10,071.74**

* The Company does not have Manager.

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 **Ten Times Online Private Limited**

Place: Noida
Date: May 11, 2020

Atul Todi
Whole-time Director
DIN: 06515212

Mayank Chowdhary
Whole-time Director
DIN: 07967272

Independent Auditor's Report

To The Board Of Directors Of Ten Times Online Private Limited

OPINION

We have audited the accompanying standalone Ind AS financial statements of TEN TIMES ONLINE PRIVATE LIMITED ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2020, 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, 2020;

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

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

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial period ended March 31, 2020. 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 16 of the standalone Ind AS financial statements)	
Total turnover for the year ended March 31, 2020 amounted to ₹ 1,27,754.65 thousands. The Company generates revenue primarily from web services and follows a prepaid model for its business. Revenue from web services are recognised based on output method i.e. pro-rata over the period of the contract as and when the company satisfies performance obligations by transferring the promised services to its customers. 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
The Company's disclosures are included in Note 2.2(c) and Note 15 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 March 31, 2020 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) 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: 11 May 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEN TIMES 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 **TEN TIMES ONLINE PRIVATE LIMITED** ("the Company") as of 31th March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 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: 11 May 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEN TIMES 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 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 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 paid / provided in accordance with the requisite approvals/mandate by the provision of section 197 read with schedule V to the Companies Act, 2013

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: 11 May 2020

Balance Sheet

As at March 31, 2020

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

	Notes	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	4	**1,858.46**	1,579.79
Intangible assets	5	**75.88**	-
Deferred tax assets (Net)	22	**1708.12**	8.50
Other financial assets	6	**2,497.50**	2,137.50
Total non-current assets		**6,139.96**	**3,725.79**
Current assets			
Financial assets			
(i) Investments	6	**46,328.99**	31,458.83
(ii) Trade receivables	8	**5,823.85**	3,690.67
(iii) Cash and cash equivalents	9	**5,728.49**	8,233.34
(iv) Bank balances other than cash and cash equivalents	9	**407.69**	-
(v) Loans	7	**200.00**	196.00
Current tax assets (Net)	15	**2,158.43**	3,764.57
Other current assets	7	**3,005.87**	1,788.67
Total current assets		**63,653.32**	**49,132.08**
Total assets		**69,793.28**	**52,857.87**
Equity and liabilities			
Equity			
Equity share capital	10	**623.33**	623.33
Other equity		**43,381.70**	32,439.72
Total equity		**44,005.03**	**33,063.05**
Liabilities			
Non-current liabilities			
Provisions	13	**4,782.98**	1,322.75
Total non-current liabilities		**4,782.98**	**1,322.75**
Current liabilities			
Financial liabilities			
Trade payables	11		
(a) total outstanding dues of micro enterprises and small enterprises		**-**	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		**1,836.60**	1,771.64
(ii) Other financial liabilities	12	**3,061.47**	6,899.41
Provisions	13	**403.70**	1,046.45
Contract liabilities	14	**13,810.46**	7,404.55
Other current liabilities	14	**1,893.04**	1,350.02
Total current liabilities		**21,005.27**	**18,472.07**
Total liabilities		**25,788.25**	**19,794.82**
Total equity and liabilities		**69,793.28**	**52,857.87**
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 : 11 May 2020

For and on behalf of the Board of Directors of
Ten Times Online Private Limited

Mayank Chowdhary
(Whole-time Director)
DIN: 07967272

Atul Todi
(Whole-time Director)
DIN: 06515212

Place: Noida
Date: 11 May 2020

Statement of Profit and Loss

For the year ended March 31, 2020

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

	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Income:			
Revenue from operations	16	**127,754.65**	91,111.98
Other income	17	**529.38**	2,060.74
Total income		**128,284.03**	**93,172.72**
Expenses:			
Employee benefits expense	18	**74,739.81**	57,427.87
Depreciation/Amortisation expense	19	**1,379.02**	792.22
Other expenses	20	**40,746.86**	29,259.29
Total expenses		**116,865.69**	**87,479.38**
Profit before tax		**11,418.34**	**5,693.34**
Income tax expense	22		
Tax expenses		**4,051.74**	1,324.23
Deferred tax		**(1,364.68)**	111.95
Previous year tax adjustment		**(77.76)**	-
Total tax expense		**2,609.30**	**1,436.18**
Profit for the year		**8,809.04**	**4,257.16**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement (losses) on defined benefit plans		**(1,330.70)**	(574.41)
Income tax effect		**334.94**	149.35
		(995.76)	**(425.06)**
Other comprehensive income for the year, net of tax		**(995.76)**	**(425.06)**
Total comprehensive profit for the year		**7,813.28**	**3,832.10**
Earnings per equity share:	21		
Basic earnings per equity share (INR)		**141.32**	68.30
Diluted earnings per equity share (INR)		**63.11**	30.34
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 : 11 May 2020

For and on behalf of the Board of Directors of
Ten Times Online Private Limited

Mayank Chowdhary
(Whole-time Director)
DIN: 07967272

Atul Todi
(Whole-time Director)
DIN: 06515212

Place: Noida
Date: 11 May 2020

Statement of changes in equity

for the year ended 31 March 2020

(A) EQUITY SHARE CAPITAL (REFER NOTE 10)

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

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2018	**623.33**
Changes in equity share capital during the year	-
As at 31 March 2019	**623.33**
Changes in equity share capital during the year	-
As at 31 March 2020	**623.33**

(B) OTHER EQUITY (REFER NOTE 10)

Particulars	Attributable to owners of Ten Times Online Private Limited Reserves and surplus		Total
	Employee share based payment reserve	Retained earnings	
Balance as at 1 April 2018	**6,959.58**	**11,557.55**	**18,517.13**
Profit for the year	-	4,257.16	4,257.16
Other comprehensive income	-	(425.06)	(425.06)
Employee share based payment expense	10,090.49	-	10,090.49
Total comprehensive income	**10,090.49**	**3,832.10**	**13,922.59**
Balance as at 31 March 2019	**17,050.07**	**15,389.65**	**32,439.72**
Profit for the year	**-**	**8,809.04**	**8,809.04**
Other comprehensive income	-	(995.76)	(995.76)
Total comprehensive income	-	7,813.28	7,813.28
Employee share based payment expense	3,128.70	-	3,128.70
Total comprehensive profit	**3,128.70**	**7,813.28**	**10,941.98**
Balance as at 31 March 2020	**20,178.77**	**23,202.93**	**43,381.70**

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 : 11 May 2020

For and on behalf of the Board of Directors of
Ten Times Online Private Limited

Mayank Chowdhary
(Whole-time Director)
DIN: 07967272

Atul Todi
(Whole-time Director)
DIN: 06515212

Place: Noida
Date: 11 May 2020

Statement of Cash Flows

For the year ended March 31, 2020

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

Particulars	As at 31 March 2020	As at 31 March 2019
Profit/(Loss) before tax	**11,418.34**	**5,693.34**
Adjustments for:		
Depreciation/amortisation	1,379.02	792.22
Provision for doubtful debts	865.78	-
Share-based payment expense	3,128.70	10,090.49
Gain on disposal of mutual fund investments	(288.93)	(56.00)
Interest income	(175.38)	(99.24)
Fair value gain on financial assets measured at fair value through profit and loss	(39.65)	(1,905.50)
Gain on disposal of property, plant and equipment	(25.42)	-
Operating profit/(loss) before working capital changes	**16,262.46**	**14,515.31**
Movement in working capital		
(Increase)/decrease in trade receivables	(2,998.95)	1,794.58
(Increase)/decrease in other assets	(1,221.20)	(991.46)
(Increase)/decrease in other non-current financial assets	(360.00)	(2,137.50)
Increase/(decrease) in other liabilities	6,948.93	1,294.88
Increase/(decrease) in trade and other payables	(3,772.98)	3,626.59
Increase/(decrease) in provisions	1,486.79	620.29
Cash generated from operations	**16,345.05**	**18,722.69**
Direct taxes paid (net of refunds)	(2,367.86)	(2,168.22)
Net cash generated in operating activities	**13,977.19**	**16,554.47**
Cash flow from investing activities		
Investment in fixed deposits with banks	(400.50)	-
Purchase of property, plant and equipment	(1,640.37)	(1,962.20)
Purchase of other intangible assets	(93.20)	-
Investment in mutual funds	(36,200.00)	(9,500.00)
Interest received	168.19	99.24
Proceeds from redemption of mutual funds	21,658.42	3,000.00
Procceds from disposal of property, plant and equipment	25.42	-
Net cash (used) in investing activities	**(16,482.04)**	**(8,362.96)**
Cash flow from financing activities		
Proceeds from equity share capital	-	-
Net cash generated from financing activities	-	-
Increase in cash and cash equivalents	**(2,504.85)**	**8,191.51**
Cash and cash equivalents at the beginning of the year	**8,233.34**	**41.83**
Cash and cash equivalents at the end of the year	**5,728.49**	**8,233.34**
Components of cash and cash equivalents		
Cash and cheques on hand	-	10.00
Balances with banks:		
- On current accounts	5,728.49	8,223.34
Total cash and cash equivalents (note 9)	**5,728.49**	8,233.34
Summary of significant accounting policies		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

For and on behalf of the Board of Directors of
Ten Times Online Private Limited

Mayank Chowdhary
(Whole-time Director)
DIN: 07967272

Atul Todi
(Whole-time Director)
DIN: 06515212

Place: Noida
Date: 11 May 2020

Notes to Financial Statements

for the year ended March 31, 2020

1. CORPORATE INFORMATION

Ten Times Online Private Limited ("the Company") is a public company domiciled in India and was incorporated on February 26, 2014 under the provisions of the Companies Act applicable in India. The Company is engaged business of marketing of corporate events, conferences, including its sales, marketing, management, operational, collaboration, and other trade and business-related services all over the world through the use of various channel of information technology through online or otherwise. 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 11 May 2020.

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 2020 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 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:

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(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 24)

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 arranging exhibition, trade shows and concerts for the client. Revenue is recognized based on the service rendered to clients. The Company collects GST on behalf of Government and therefore it is not an economic benefit therefore excluded from the Revenue.

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

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.

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

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

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

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which the entity operates, or for the market in which the asset is used.

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

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

h) Taxes

Current Income tax

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

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

Deferred Tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that 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

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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.

i) Provisions and contingent liabilities

Provisions

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

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

Contingent liabilities

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

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

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 other current financial liabilities in the balance sheet.

Post-employment obligations

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

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

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

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

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

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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) Share-based payments

Employees of the Company also receive remuneration in the form of share-based payment transactions under Company's Employee stock option plan (ESOP).

Equity settled transaction

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

l) 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

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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 receivable

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

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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

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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.

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.

m) Foreign currency transactions

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

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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.

n) 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.

o) 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.

p) 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.

q) Contributed equity

Equity shares are classified as equity.

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

3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

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

Estimates and assumptions

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

a) 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

Notes to Financial Statements

for the year ended March 31, 2020

management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on the unused tax losses.

b) 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.

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.

3A. Changes in accounting policy and disclosure

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.

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for the year ended March 31, 2020

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

4 PROPERTY, PLANT AND EQUIPMENT

	Computers	Office equipments	Furniture and Fixtures	Total Property, Plant and Equipment
Gross carrying amount				
At 1 April 2018	**507.14**	**122.56**	**-**	**629.70**
Additions	1,915.21	34.96	12.03	1,962.20
At 31 March 2019	**2,422.35**	**157.52**	**12.03**	**2,591.90**
Additions	1,541.43	82.04	16.90	1,640.37
Disposal/Adjustment	158.10	-	-	158.10
At 31 March 2020	**3,805.68**	**239.56**	**28.93**	**4,074.17**
Accumulated Depreciation				
At 1 April 2018	**171.60**	**48.29**	**-**	**219.89**
Charge during the year	752.41	38.78	1.03	792.22
At 31 March 2019	**924.01**	**87.07**	**1.03**	**1,012.11**
Charge during the year	1,304.27	51.73	5.70	1,361.70
Disposal/Adjustment	158.10	-	-	158.10
At 31 March 2020	**2,070.18**	**138.80**	**6.73**	**2,215.71**
Net book value				
At 1 April 2018	**335.54**	**74.27**	**-**	**409.81**
At 31 March 2019	**1,498.34**	**70.45**	**11.00**	**1,579.79**
At 31 March 2020	**1,735.50**	**100.76**	**22.20**	**1,858.46**

5 INTANGIBLE ASSETS

	Softwares	Total
Gross carrying amount	-	-
As at 1 April 2018	**-**	**-**
Additions	-	-
As at 31 March 2019	**-**	**-**
Additions	93.20	93.20
Disposal/Adjustment	-	-
As at 31 March 2020	**93.20**	**93.20**
Accumulated amortisation		
As at 1 April 2018	-	-
Amortisation for the year	-	-
As at 31 March 2019	-	-
Amortisation for the year	**17.32**	**17.32**
Disposal/Adjustment	-	-
As at 31 March 2020	**17.32**	**17.32**
Net book value		
As at 1 April 2018	-	-
As at 31 March 2019	-	-
As at 31 March 2020	**75.88**	**75.88**

Notes to Financial Statements

for the year ended March 31, 2020

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

6 FINANCIAL ASSETS

		As at 31 March 2020	As at 31 March 2019
a)	**Non Current assets**		
	Security deposits (non-current)	**2,497.50**	2,137.50
		2,497.50	**2,137.50**

		As at 31 March 2020		As at 31 March 2019	
		No. of Units	Aamount	No. of Units	Amount
b)	**Current investments**				
	Investment in mutual funds - Quoted (measured at FVTPL)				
	HDFC Liquid Fund -Regular Plan-Growth	-	-	2,328.59	8,523.33
	HDFC- Equtiy Saving fund-Regular-Growth	**1,67,302.16**	**5,515.78**	1,40,386.43	5,165.52
	HDFC Low Duration Fund- Retail -Regular Plan- Growth	-	-	1,96,990.19	7,707.60
	HDFC Hybrid Equity Fund-Regular-Growth	**1,14,426.50**	**4,857.63**	41,348.01	2,251.15
	HDFC Short term debt Fund - Regular-Growth	**5,14,032.29**	**11,637.54**	3,78,460.35	7,811.23
	ICICI Prudential Saving Fund - Growth	**27,639.98**	**10,706.30**	-	-
	Aditya Birla Sunlife Corporate Bond Fund- Growth	**1,73,942.42**	**13,611.74**	-	-
	Total current investments		**46,328.99**		31,458.83

7 OTHER ASSETS

		As at 31 March 2020	As at 31 March 2019
a)	**Current (Unsecured, considered good unless otherwise stated)**		
	Advances to vendors	**537.39**	392.05
	Advances recoverable in cash or kind	**29.54**	43.03
	Balances with Government authorities	**1,368.35**	825.89
	Prepaid expenses	**1,070.59**	527.70
	Total	**3,005.87**	1,788.67
b)	**Loans (current)**		
	Loans to employees considered good- Unsecured	**200.00**	196.00
	Total	**200.00**	**196.00**

Notes: The above loans represents interest free loans to employees, which are recoverable in maximum 24 monthly instalments.

8 TRADE RECEIVABLES

	As at 31 March 2020	As at 31 March 2019
Considered good- Secured	-	-
Considered good- Unsecured	**5,823.85**	3,690.67
Trade Receivables which have significant increase in credit risk	**1,654.83**	789.05
Trade Receivables credit impaired	**(1,654.83)**	(789.05)
Total	**5,823.85**	**3,690.67**

Notes: No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes to Financial Statements

for the year ended March 31, 2020

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

9 CASH AND CASH EQUIVALENTS

	As at 31 March 2020	As at 31 March 2019
Cash on hand	-	10.00
Balance with bank		
- On current accounts	5,728.49	8,223.34
Total Cash and cash equivalents	**5,728.49**	**8,233.34**
Notes:		
Cash and cash equivalents for the purpose of cash flow statement comprise cash and cash equivalents as shown above.		
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity for less than twelve months	407.69	-
Total	**407.69**	-

10 EQUITY SHARE CAPITAL AND OTHER EQUITY

a) Equity share capital

Authorised share capital	Number of shares	Amount
As at 1 April 2018	**1,50,000**	**1,500.00**
Increase/decrease during the year	-	-
As at 31 March 2019	**1,50,000**	**1,500.00**
Increase/(decrease) during the year	-	-
As at 31 March 2020	**1,50,000**	**1,500.00**

Issued share capital	Number of shares	Amount
As at 1 April 2018	**62,333**	**623.33**
Shares issued during the year	-	-
As at 31 March 2019	**62,333**	**623.33**
Shares issued during the year	-	-
As at 31 March 2020	**62,333**	**623.33**

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 31 March 2020		As at 31 March 2019	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART)	62,333	100%	62,333	100%

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

	As at 31 March 2020		As at 31 March 2019	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (including Nominee shares held on behalf of IndiaMART)	62,333	100%	62,333	100%

Notes to Financial Statements

for the year ended March 31, 2020

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

d) Other equity

	As at 31 March 2020	As at 31 March 2019
Employee share based payment reserve	**20,178.77**	17,050.07
Retained earnings	**23,202.93**	15,389.65
Total other equity	**43,381.70**	**32,439.72**

11 TRADE PAYABLES

	As at 31 March 2020	As at 31 March 2019
Current		
Payable to micro, small and medium enterprises	**-**	-
Other trade payables	**1,836.60**	1,771.64
Total	**1,836.60**	**1,771.64**

Trade payables are non-interest bearing and are normally settled on 30-day terms.

12 OTHER FINANCIAL LIABILITIES

	As at 31 March 2020	As at 31 March 2019
Current		
Payable to employees	**3,061.47**	6,899.41
Total	**3,061.47**	**6,899.41**

13 PROVISIONS

	As at 31 March 2020	As at 31 March 2019
Non-current		
Provision for employees benefits		
Provision for gratuity	**3,276.37**	1,322.75
Provision for leave encashment	**1,506.61**	-
Total	**4,782.98**	1,322.75
Current		
Provision for employees benefits		
Provision for gratuity	**140.90**	257.97
Provision for leave encashment	**262.80**	788.48
	403.70	**1,046.45**

14 CONTRACT & OTHER CURRENT LIABILITIES

	As at 31 March 2020	As at 31 March 2019
(a) Contract liabilities*		
Deferred Revenue	**13,463.23**	7,363.19
Advance from customers	**347.23**	41.36
Total	**13,810.46**	**7,404.55**
(b) Other current liabilities		
GST Payable	**88.24**	174.70
Tax deducted at source payable	**1,803.28**	1,171.61
ESI Payables	**1.52**	3.71
Total	**1,893.04**	**1,350.02**

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

Notes to Financial Statements

for the year ended March 31, 2020

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

15 CURRENT TAX ASSETS AND LIABILITIES

	As at 31 March 2020	As at 31 March 2019
Current tax assets (net of provisions)		
Advance income tax	**2,158.43**	3,764.57
Total	**2,158.43**	**3,764.57**

16 REVENUE FROM OPERATIONS

	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of services		
Income from web services	**1,27,754.65**	91,111.98
Total	**1,27,754.65**	**91,111.98**

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 2020		For the year ended 31 March 2019	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Income from web services	**13,810.46**	-	7,404.55	-
	13,810.46	-	7,404.55	-

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

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

Contract liability (deferred revenue)	For the year ended 31 March 2020	For the year ended 31 March 2019
Income from web services	**13,810.46**	7,404.55
	13,810.46	**7,404.55**
Non-current		
Current	**13,810.46**	**7,404.55**
	13,810.46	**7,404.55**

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance at the beginning of the year	**7,404.55**	5,707.01
Less: Revenue recognised from contract liability balance at the begning of the year	**7,404.55**	5,707.01
Add: Amount received from customers during the year	**1,34,160.56**	92,809.52
Less: Revenue recognised from amount received during the year	**1,20,350.10**	85,404.97
Closing balance at the end of the year	**13,810.46**	**7,404.55**

Notes to Financial Statements

for the year ended March 31, 2020

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

17 OTHER INCOME

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income		
- on fixed deposit with banks	**7.19**	-
- others	**168.19**	99.24
Net gain on disposal of current investments	**288.93**	56.00
Fair value gain on financial assets measured at FVTPL	**39.65**	1,905.50
Net gain on disposal of property, plant and equipment	**25.42**	-
Total	**529.38**	**2,060.74**

18 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus	**67,570.06**	45,265.94
Gratuity expense	**821.03**	487.15
Leave encashment expense	**1,107.83**	197.18
Contribution to provident and other funds	**34.41**	33.43
Employee share based payment expense	**3,128.70**	10,090.49
Staff welfare expenses	**2,077.78**	1,353.68
Total	**74,739.81**	**57,427.87**

19 DEPRECIATION EXPENSE

	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation of property, plant and equipment (refer note 4)	**1,361.70**	792.22
Amortisation of intangible assets (refer note 5)	**17.32**	-
Total	**1,379.02**	**792.22**

20 OTHER EXPENSE

	For the year ended 31 March 2020	For the year ended 31 March 2019
Communication costs	**2,019.07**	860.46
Insurance expenses	**1,018.18**	510.22
Internet and other online expenses	**3,174.77**	2,441.36
Legal and professional fees	**3,178.91**	2,360.69
Outsourced support cost	**15,864.39**	13,337.52
Printing and stationery	**143.01**	165.09
Travelling and conveyance	**1,603.64**	1,366.51
Advertisement Expenses	**244.50**	65.99
Brokerage & commision	**140.70**	1,623.00
Rates and taxes	**106.04**	117.67
Recruitment and training expenses	**606.80**	345.93
Rent	**9,207.62**	3,926.35
Repair and maintenance:		
- Plant and machinery	**239.20**	150.47
- Others	**29.69**	228.33
Auditor's remuneration	**60.00**	60.00
General expenses	**-**	51.75
Foreign exchange fluctuation (net)	**884.63**	229.22
Allowances for doubtful debts & Bad debts	**1,511.25**	1,025.90
Collection charges	**714.46**	392.83
Total	**40,746.86**	**29,259.29**

Notes to Financial Statements

for the year ended March 31, 2020

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

Payment to Auditors	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditor:		
- Audit fee	**60.00**	60.00
	60.00	**60.00**

21 EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit 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 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 2020	For the year ended 31 March 2019
Basic		
Profit for the year	**8,809.04**	4,257.16
Weighted average number of equity shares in calculating basic EPS	**62,333**	62,333
Basic earnings per equity share	**141.32**	68.30
Diluted		
Profit for the year	**8,809.04**	4,257.16
Weighted average number of equity shares in calculating basic EPS	**62,333**	62,333
Employee stock options scheme	**77,257**	78,004
Total Shares	**1,39,590**	**1,40,337**
Diluted earnings per equity share	**63.11**	**30.34**

22 INCOME TAX

The major components of income tax expense are:

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Current income tax		
Current income tax for the year	**4,051.74**	1,324.23
Adjustments in respect of current income tax of previous year	**(77.76)**	-
	3,973.98	**1,324.23**
Deferred tax		
Relating to origination and reversal of temporary differences	**(1,364.68)**	111.95
	(1,364.68)	111.95
Total income tax credit	**2,609.30**	**1,436.18**

b) Income tax recognised in other comprehensive income (OCI)
Deferred tax related to items recognised in OCI during the period

	For the year ended 31 March 2020	For the year ended 31 March 2019
Net loss on remeasurements of defined benefit plans	**334.94**	**149.35**

Notes to Financial Statements
for the year ended March 31, 2020

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

c) **Reconciliation of tax expense and the accounting loss multiplied by statutory income tax rate.**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Income before tax from operations	**11,418.34**	5,693.34
Accounting profit before income tax	**11,418.34**	5,693.34
Tax expense at statutory income tax rate of 25.17% (March 31, 2019: 26.00%)	**2,874.00**	1,480.27
Adjustments in respect of differences taxed at lower tax rates	**-**	(5.82)
Adjustments in respect of differences in deferred tax for prior years	**(264.42)**	-
Non-deductible expenses for tax purposes:	**-**	-
Other non-deductible expenses	**-**	(38.26)
Tax expense at the effective income tax rate of 25.17% (March 31, 2019: 26.00%)	**2,609.58**	**1,436.19**

d) **Breakup of deferred tax recognised in the Balance sheet**

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax asset		
Provision for gratuity	**860.13**	346.71
Provision for compensated absences	**445.36**	84.95
Property, plant and equipment and other intangible assets	**107.53**	16.71
Allowances for doubtful debts	**416.52**	205.15
Total deferred tax assets (A)	**1,829.54**	653.51
Deferred tax liabilities		
Re-measurement of investment in mutual funds to fair value	**(121.43)**	(645.02)
Total deferred tax liablities (B)	**(121.43)**	**(645.02)**
Net deferred tax asset	**1,708.11**	**8.49**

e) **Breakup of deferred tax income recognised in Statement of profit and loss**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Deferred tax income relates to the following:		
Provision for gratuity	**513.41**	276.01
Provision for compensated absences	**360.40**	34.62
Property, plant and equipment and other intangible assets	**90.82**	17.04
Re-measurement of investment in mutual funds to fair value	**523.59**	(495.42)
Allowances for doubtful debts	**211.37**	205.15
Deferred tax income	**1,699.61**	**37.40**

f) **Reconciliation of Deferred tax asset (Net):**

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance as of 1 April	**8.50**	(28.90)
Tax income/(expense) during the year recognised in profit or loss	**1,364.68**	(111.95)
Tax income/(expense) during the year recognised OCI	**334.94**	149.35
Closing balance as of 31 March 2020	**1,708.12**	**8.50**

23 DEFINED BENEFIT PLAN AND OTHER LONG TERM EMPLOYEE BENEFIT PLAN

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service 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.

Notes to Financial Statements

for the year ended March 31, 2020

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

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

Gratuity - Defined benefit

	As at 31 March 2020	As at 31 March 2019
Present value of defined benefit obligation	**3,417.27**	1,580.72
Net liability arising from defined benefit obligation	**3,417.27**	**1,580.72**

Leave encashment - Long-term employee benefit

	As at 31 March 2020	As at 31 March 2019
Present value of defined benefit obligation	**1,769.41**	788.48
Net liability arising from defined benefit obligation	**1,769.41**	**788.48**

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 its components.

Reconciliation of present value of defined benefit obligation for Gratuity

	Gratuity	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the period	**1,580.72**	519.16
Benefits paid	**(315.18)**	-
Current service cost	**699.69**	446.66
Interest cost	**121.34**	40.49
Past service cost		
Actuarial (gains) losses recognised in other comprehensive income		
- changes in demographic assumptions	**1,011.59**	156.02
- changes in financial assumptions	**(104.10)**	195.33
- experience adjustments	**423.21**	223.06
Balance at the end of the period	**3,417.27**	**1,580.72**

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

	Leave encashment	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the period	**788.48**	655.34
Benefits paid	**(126.89)**	(64.04)
Current service cost	**518.44**	308.36
Interest cost	**60.53**	51.12
Past service cost		
Actuarial (gains) losses recognised in other comprehensive income		
- changes in demographic assumptions	**572.64**	(2.59)
- changes in financial assumptions	**(54.51)**	113.09
- experience adjustments	**10.73**	(272.80)
Balance at the end of the period	**1,769.41**	**788.48**

Notes to Financial Statements

for the year ended March 31, 2020

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

b) Expense recognised in profit or loss

	Gratuity	
	For the year ended 31 March 2020	**For the year ended 31 March 2019**
Current service cost	**699.69**	446.66
Net interest expense	**121.34**	40.49
Components of defined benefit costs recognised in profit or loss	**821.03**	487.15
Remeasurement of the net defined benefit liability		
Actuarial (gain) loss on defined benefit obligation	**1,330.70**	574.41
Components of defined benefit costs recognised in other comprehensive income	**1,330.70**	**574.41**

Components of defined benefit costs recognised in other comprehensive income

	Leave encashment	
	For the year ended 31 March 2020	**For the year ended 31 March 2019**
Current service cost	**518.44**	308.36
Net interest expense	**60.53**	51.12
Actuarial (gain) loss on long term employee benefit	**528.86**	(162.30)
Components of defined benefit costs recognised in profit or loss	**1,107.83**	**197.18**

c) Actuarial assumptions

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

	As at 31 March 2020	**As at 31 March 2019**
Discount rate	**6.50%**	**7.66%**

Attrition rate:

	As at 31 March 2020		**As at 31 March 2019**
	Upto 4 years of service	**Above 4 years of service**	
Attrition rate: (%)			
Ages			
Upto 30 years	**13.89%**	**10.00%**	30.00%
From 31 to 44 years	**15.91%**	**10.00%**	30.00%
Above 44 years	**12.50%**	**0.00%**	30.00%
Future salary growth			
Year 1	**6.00%**	**6.00%**	12.00%
Year 2	**8.00%**	**12.00%**	12.00%
Year 3 and onwards	**8.00%**	**12.00%**	12.00%
Mortality table		India Assured Life Moratility (2012-14)	India Assured Life Moratility (2006-08)

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

Notes to Financial Statements
for the year ended March 31, 2020

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

d) Sensitivity analysis

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

Gratuity

For the period ended 31 March 2020	Increase	Decrease
Impact of change in discount rate by 0.50%	**(192.43)**	**210.91**
Impact of change in salary by 0.50%	**130.31**	**(124.97)**

For the period ended 31 March 2019	Increase	Decrease
Impact of change in discount rate by 0.50%	(28.30)	29.33
Impact of change in salary by 0.50%	27.90	(27.23)

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

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

Particulars	As at 31 March 2020	As at 31 March 2019
Within one year	**140.90**	257.97
Within one - three years	**363.66**	456.92
Within three - five years	**441.14**	293.51
Above five years	**2,471.57**	572.32
Total	**3,417.27**	**1,580.72**

24 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 31 March 2020	As at 31 March 2019
Financial assets			
a) Measured at fair value through profit or loss (FVTPL)			
Mandatorily measured at FVTPL			
- Investment in mutual funds	Level 1	**46,328.99**	31,458.83
		46,328.99	**31,458.83**
b) Measured at Amortised cost			
- Trade receivables		**5,823.85**	3,690.67
- Security deposits		**2,497.50**	2,137.50
- Cash and cash equivalents		**5,728.49**	8,233.34
		14,049.84	14,061.51
Total financial assets		**60,378.83**	**45,520.34**
Financial liabilities			
a) Measured at Amortised cost			
- Trade payables		**1,836.60**	1,771.64
Total financial liabilities		**1,836.60**	**1,771.64**

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

i) The carrying value of trade receivables, cash and cash equivalents, trade payables, security deposits and other financial assets and financial liabilities measured at amortised cost approximate their fair value.

ii) Fair value of quoted mutual funds is based on quoted market prices at the reporting date.

Notes to Financial Statements

for the year ended March 31, 2020

25 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 is neither subject to externally imposed capital requirements nor exposed to external borrowings.

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.

26 A. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Company's Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the audit committee.

i) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and bank balances, trade receivables 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's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry in which customers operate.

Cash and cash equivalents, bank deposits and investments in mutual funds

The Company maintaines its cash and cash equivalents and investment in mutual funds with reputed banks and financial institutions. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Security deposits

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

ii) Liquidity risk management

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

Ultimate responsibility for liquidity risk management rests with the board of directors, who has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining

Notes to Financial Statements

for the year ended March 31, 2020

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

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 2020	Within 1 year	Between 1 and 5 years and thereafter	Total
Trade payables	1,771.64	-	1,771.64

31 March 2019	Within 1 year	Between 1 and 5 years and thereafter	Total
Trade payables	1,836.60	-	1,836.60

iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include foreign currency reeivables, deposits, investments in mutual funds.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company's exposure to unhedged foreign currency risk as at 31 March 2020 and 31 March 2019 has been disclosed in note below. Currency risks related to the principal amounts of the Company's US dollar trade receivables.

Unhedged foreign currency exposure

	As at 31 March 2020	As at 31 March 2019
Trade receivable	USD 18.15 (INR 1368.10)	USD 1.43 (INR 98.57)

Sensitivity	Impact on profit/(loss) before tax	
	For the year ended 31 March 2020	For the year ended 31 March 2019
USD sensitivity		
₹/USD - increase by 2%	27.36	1.97
₹/USD - decrease by 2%	(27.36)	(1.97)

Interest rate risk

Investment of short-term surplus funds of the Company in liquid schemes of mutual funds provides high level of liquidity from a portfolio of money market securities and high quality debt and categorized as 'low risk' product from liquidity and interest rate risk perspectives.

Sensitivity	Impact on profit/(loss) before tax	
	For the year ended 31 March 2020	For the year ended 31 March 2019
+ 5% change in NAV of mutual funds	2,316	1,573
- 5% change in NAV of mutual funds	(2,316)	(1,573)

Notes to Financial Statements
for the year ended March 31, 2020

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

26 B. SEGMENT INFORMATION

The primary reporting of the Company has been performed on the basis of business segment. The Company has only one reportable business segment, which is to conduct, organize, manage, promote or participate in any exhibition, tradeshow, trade fair, trade event, conference, seminar, buyer-seller meet, contact promotion program, product or service promotion event, brand promotion program, overseas promotion campaign, market survey and information dissemination anywhere in the world to facilitate trade, commerce and business and operate in a single business segment based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. Accordingly, the figures appearing in these financial statements relate to the Company's single business segment.

Information about geographical areas:

The company's revenue from continuing operations from external customers by location of operations and information of its non-current assets by location of assets are detailed below:

	Revenue from external customers	
	For the year ended 31 March 2020	For the year ended 31 March 2019
India	**30,983.46**	28,220.78
Singapore	**26,594.57**	18,589.35
China	**12,840.94**	12,056.45
United States	**20,935.54**	10,623.28
Others	**36,400.14**	21,622.12
	1,27,754.65	91,111.98

	Non-current assets*	
	As at 31 March 2020	As at 31 March 2019
India	**1,934.34**	1,579.79
	1,934.34	1,579.79

* Non-current assets exclude financial instruments, deferred tax assets, post-employement benefit assets and prepayments.

27 RELATED PARTY DISCLOSURES

Names of related parties and related party relationship

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

Holding Company	Indiamart Intermesh Limited

Key Management Personnel

Whole-time Director	Mr. Atul Todi
Whole-time Director	Mr. Mayank Chowdhary
Director	Mr. Prateek Chandra

Enterprises over which Key Management Personnel & Relatives have significant influence	Mansa Enterprises Private Limited (Ceases to be related party w.e.f December 27th, 2018)

Key management personnel compensation

	For the year ended 31 March 2020	For the year ended 31 March 2019
Short-term employee benefits	**10,029.44**	8,719.20
Post- employment benefits	**370.44**	425.61
Other long-term employee benefits	**364.25**	213.31
Employee share based payment expense	**2,965.91**	9,715.99
	13,730.04	**19,074.11**

Notes to Financial Statements

for the year ended March 31, 2020

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

27 (a) Related party transactions

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Enterprises over which Key Management Personnel & Relatives have significant influence		
Expenses for rent		920.00
Holding Company		
Services Obtained		84.75

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 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

28 EMPLOYEE STOCK OPTION PLAN

The Company has provided various share-based payment schemes to its employees in the preceding Financial year. During the year ended 31 March 2020, the following schemes were in operation:

	Ten Times ESOP 2017	Ten Times ESOP 2018 -I	Ten Times ESOP 2018 -II
Date of grant	16 October, 2017	30 July, 2018	30 July, 2018
Date of Board Approval	16 October, 2017	30 July, 2018	30 July, 2018
Date of Shareholder's approval	16 August, 2017	16 August, 2017	16 August, 2017
Number of options approved	75,380	826	1,798
Method of Settlement	Equity	Equity	Equity
Vesting period (in months)	96	36	48

The details of activity have been summarized below:

Ten Times ESOP - 2017

	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	**75,380**	**10**	75,380	10
Granted during the year	**Nil**	**Nil**	Nil	Nil
Forfeited/ expired during the year	**Nil**	**Nil**	Nil	Nil
Exercised during the year	**Nil**	**Nil**	Nil	Nil
Outstanding at the end of the year	**75,380**	**10**	75,380	10
Exercisable at the end of the year	**40,589**	**10**	34,790	10

Ten Times ESOP 2018 - I

	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	**826**	**25**	Nil	Nil
Granted during the year	**Nil**	**Nil**	826	25
Forfeited/ expired during the year	**171**	**25**	Nil	Nil
Exercised during the year	**Nil**	**Nil**	Nil	Nil
Outstanding at the end of the year	**655**	**25**	826	25
Exercisable at the end of the year	**523**	**25**	Nil	Nil

Notes to Financial Statements

for the year ended March 31, 2020

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

Ten Times ESOP 2018 - II

	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	**1,798**	**100**	Nil	Nil
Granted during the year	**Nil**	**Nil**	1,798	100
Forfeited/ expired during the year	**576**	**100**	Nil	Nil
Exercised during the year	**Nil**	**Nil**	Nil	Nil
Outstanding at the end of the year	**1,222**	**100**	1,798	100
Exercisable at the end of the year	**245**	**100**	Nil	Nil

Figures for current year ended 31 March 2020 and previous year are as follows:

	As at 31 March 2020		
	Ten Times ESOP - 2017	Ten Times ESOP 2018 - I	Ten Times ESOP 2018 - II
Range of exercise prices	**10**	**25**	**100**
Number of options outstanding	**75,380**	**655**	**1,222**
Weighted average remaining contractual life of options (in years)	**5.50**	**1.33**	**2.33**
Weighted average exercise price	**10**	**25**	**100**
Weighted average share price for the options exercised during the year	**Nil**	**Nil**	**Nil**

	As at 31 March 2019		
	Ten Times ESOP - 2017	Ten Times ESOP 2018 - I	Ten Times ESOP 2018 - II
Range of exercise prices	10	25	100
Number of options outstanding	75,380	826	1,798
Weighted average remaining contractual life of options (in years)	6.50	2.33	3.33
Weighted average exercise price	10	25	100
Weighted average share price for the options exercised during the year	Nil	Nil	Nil

Stock Options granted

The fair value of options is measured using Black-Scholes valuation model. The key inputs used in the measurement of the grant date fair valuation of equity settled plans are given in the table below:

	As at 31 March 2020		
	Ten Times ESOP - 2017	Ten Times ESOP 2018 - I	Ten Times ESOP 2018 - II
Weighted average share price	**342.62**	**352.88**	**353.58**
Exercise Price	**10**	**25**	**100**
Expected Volatility	**0**	**0**	**0**
Historical Volatility	**52.63%**	**53.72%**	**53.72%**
Life of the options granted (Vesting and exercise year) in years	**5.5**	**1.33**	**2.33**
Expected dividends	**Nil**	**Nil**	**Nil**
Average risk-free interest rate	**6.87%**	**5.08%**	**6.81%**

Notes to Financial Statements

for the year ended March 31, 2020

	As at 31 March 2019		
	Ten Times ESOP - 2017	Ten Times ESOP 2018 - I	Ten Times ESOP 2018 - II
Weighted average share price	342.62	352.88	353.58
Exercise Price	10	25	100
Expected Volatility	0	0	0
Historical Volatility	52.63%	53.72%	53.72%
Life of the options granted (Vesting and exercise year) in years	6.5	2.33	3.33
Expected dividends	Nil	Nil	Nil
Average risk-free interest rate	6.87%	5.08%	6.81%

Effect of the employee share-based payment plans on the profit and loss account and on its financial position:

	31 March 2020	31 March 2019
Total Employee Compensation Cost pertaining to share-based payment plans	**3,128.70**	10,090.49
Compensation Cost pertaining to equity-settled employee share-based payment plan included above	**3,128.70**	10,090.49
Total Liability for employee stock options outstanding as at year end	**20,178.77**	17,050.07

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

The Company has during the period not received any intimation from any of its suppliers regarding their status under The Micro, Small and Medium Enteprises Development Act, 2006 and hence disclosures , if any, relating to amount unpaid as at the year end along with interest paid/payable as required under the said Act have not been given. Based on the information available with the Company there are no principal / Interest amounts due to micro and small entperises.

30 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 : 11 May 2020

For and on behalf of the Board of Directors of
Ten Times Online Private Limited

Mayank Chowdhary
(Whole-time Director)
DIN: 07967272

Atul Todi
(Whole-time Director)
DIN: 06515212

Place: Noida
Date: 11 May 2020

Board's Report

Dear Members,

Your Directors have pleasure in presenting 4th Board's Report on the business and operations of the Company together with the Audited Financial Statement for the year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the year ended March 31, 2020 is as follows:

(Amount in INR thousands)

Particulars	2019-20	2018-19
Revenue from Operations	**28,288.47**	11,831.41
Other Income	**986.03**	-
Total Income	**29,274.50**	11,831.41
Financial Cost	**3,218.82**	234.09
Other Expenses	**28,607.84**	28,113.47
Total Expenses	**31,826.66**	28,347.56
Loss before tax	**(2,552.16)**	(16,516.15)
Total Tax Expenses	**4.59**	-
Profit/(Loss)for the year	**(2,556,75)**	(16,516.15)
Total Comprehensive income/(loss) for the financial year	**(2,556.75)**	(16,516.15)
Earnings per Equity Share (INR) –Face value of ₹ 10/- each	**(25.57)**	(165.16)

REVIEW OF OPERATIONS

During the financial year under review, your Company has achieved total revenue from operations amounting to ₹ 2,82,88,470/- as compared to ₹ 1,18,31,410/- in the previous year resulting in a growth of 139.10 percent. The Company has incurred Loss of ₹ 25,52,160/-.

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 5,00,000 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.

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.

Mr. Praveen Kumar Goel was appointed as Additional Director of the Company w.e.f. October 29, 2018. His appointment was regularized by Shareholders of the Company at 3rd Annual General Meeting of the Company held on September 24, 2019.

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), 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 10, 2019, June 03, 2019, July 30, 2019, October 21, 2019, December 17, 2019 and January 20, 2020. The intervening the gap between any two meetings was within the limits prescribed by the Companies Act, 2013 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 Board Meetings held during the tenure	No. of Meeting Attended during the financial year ended March 31, 2020
1	Mr. Shrawan Kumar Sharma	Director	6	6
2	Mr. Praveen Kumar Goel	Director	6	5
3	Mr. Amit Jain	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

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 5th 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.

EXTRACTS OF ANNUAL RETURN

In accordance with Section 134(3) (a) of the Companies Act 2013, an extract of the Annual Return in the prescribed Form No. MGT-9 is appended as **'Annexure -2'** to the Board's Report.

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.

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 2019-20	Financial Year 2018-19
Inflows	Nil	Nil
Outflows	64,385	2,49,930

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**

Shrawan Kumar Sharma
Director
DIN: 07043379

Praveen Kumar Goel
Director
DIN: 03604600

Place: Delhi
Date: May 11, 2020

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, 2020 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**

Shrawan Kumar Sharma
Director
DIN: 07043379

Praveen Kumar Goel
Director
DIN: 03604600

Place: Delhi
Date: May 11, 2020

ANNEXURE - 2

EXTRACT OF ANNUAL RETURN

FORM NO. MGT-9

For the financial year ended March 31, 2020

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 {Reg. Office} 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

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 1, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% 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%**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% 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 April 1, 2019			Shareholding at the end of the year March 31, 2020			% 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	0.01%	0%	1	0.01%	0%	-
Total		**1,00,000**	**100%**	**0%**	**1,00,000**	**100%**	**0%**	**-**

C. Change in Promoters' Shareholding:

Sl. No.	Particulars	Shareholding at the beginning of the year April 1, 2019		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, 2019		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**

Shrawan Kumar Sharma
Director
DIN: 07043379

Praveen Kumar Goel
Director
DIN: 03604600

Place: Delhi
Date: May 11, 2020

Independent Auditors' 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 at March 31,2020 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 at March 31,2020

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

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

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial period endedat March 31,2020. 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.

Revenue recognition (as described in Note 2.2(d) and Note 14 of the standalone Ind AS financial statements)

Key audit matters	How our audit addressed the key audit matter
Total turnover for the year ended at March 31,2020 amounted to ₹ 28,288 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. The Company's disclosures are included in Note 2.2(c) and Note 14 to the financial statement, which outlines the accounting policy for revenue and details of revenue recognized.	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. • 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 31,2020 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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: 11 May 2020

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 31,2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS 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: 11 May 2020

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: 11 May 2020

Balance Sheet

as at 31 March 2020

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

	Notes	As at 31 March 2020	As at 31 March 2019
Assets			
Current assets			
Financial assets			
(i) Investments	4	**16,984.30**	-
(ii) Cash and cash equivalents	5	**11,622.17**	19,459.94
(iii) Others financial assets	6	**3,827.12**	5,497.49
Other current assets	7	**3,111.63**	3,055.99
Current tax assets	13	**24.99**	38.65
Total current assets		**35,570.21**	**28,052.07**
Total assets		**35,570.21**	**28,052.07**
Equity and Liabilities	8		
Equity			
Equity share capital		**1,000.00**	1,000.00
Other equity		**5,805.02**	3,331.88
Total Equity		**6,805.02**	**4,331.88**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	9	**28,352.86**	20,163.92
Total non-current liabilities		**28,352.86**	**20,163.92**
Current liabilities			
Financial liabilities			
(i) Trade payables	10		
(a) total outstanding dues of micro enterprises and small enterprises		**-**	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		**54.00**	456.57
(ii) Other financial liabilities	11	**309.88**	3,034.20
Other current liabilities	12	**48.45**	65.50
Total current liabilities		**412.33**	**3,556.27**
Total Liabilities		**28,765.19**	**23,720.19**
Total Equity and Liabilities		**35,570.21**	**28,052.07**
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

For and on behalf of the Board of Directors
Pay With Indiamart Private Limited

Per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date: 11 May 2020

Praveen Kumar Goel
(Director)
DIN- 03604600

Place: Delhi
Date: 11 May 2020

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Statement of Profit and Loss

for the year ended 31 March 2020

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

	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Income:			
Revenue from operations	14	**28,288.47**	11,831.41
Other income	15	**986.03**	-
Total income		**29,274.50**	**11,831.41**
Expenses:			
Finance costs	16	**3,218.82**	234.09
Other expenses	17	**28,607.84**	28,113.47
Total expenses		**31,826.66**	**28,347.56**
Loss before tax		**(2,552.16)**	**(16,516.15)**
Income tax expense			
Current tax		**4.59**	-
Deferred tax		**-**	-
Total tax expense		**4.59**	**-**
Loss for the year		**(2,556.75)**	**(16,516.15)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement losses on defined benefit plans		**-**	-
Income tax effect		**-**	-
		-	**-**
Other comprehensive income for the year, net of tax		**-**	**-**
Total comprehensive loss for the year		**(2,556.75)**	**(16,516.15)**
Earnings per equity share:	18		
Basic/diluted earnings per equity share (INR)		**(25.57)**	(165.16)
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

For and on behalf of the Board of Directors
Pay With Indiamart Private Limited

Per Pankaj Jain
Partner
Membership No.: 095412

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: New Delhi
Date: 11 May 2020

Place: Delhi
Date: 11 May 2020

Statement of changes in equity

for the year ended 31 March 2020

(A) EQUITY SHARE CAPITAL (REFER NOTE 8)

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

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2018	**1,000.00**
Changes in equity share capital during the year	-
As at 31 March 2019	**1,000.00**
As at 1 April 2019	**1,000.00**
Changes in equity share capital during the year	-
As at 31 March 2020	**1,000.00**

(B) OTHER EQUITY (REFER NOTE 8)

Particulars	Equity portion of OCCRPS (refer note 9)	Reserve and Surplus	Total
		Retained earnings	
Balance as at 1 April 2018	**-**	**(3,222.14)**	**(3,222.14)**
Loss for the Year	-	(16,516.15)	(16,516.15)
Equity contribution	23,070.17	-	23,070.17
Total comprehensive income	**23,070.17**	**(16,516.15)**	**6,554.02**
Balance as at 31 March 2019	**23,070.17**	**(19,738.29)**	**3,331.88**
Balance as at 1 April 2019	**23,070.17**	**(19,738.29)**	**3,331.88**
Loss for the year	-	(2,556.75)	(2,556.75)
Equity contribution	5,029.89	-	5,029.89
Total comprehensive income	**5,029.89**	**(2,556.75)**	**2,473.14**
Balance as at 31 March 2020	**28,100.06**	**(22,295.04)**	**5,805.02**

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
Pay With Indiamart Private Limited

Per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date: 11 May 2020

Praveen Kumar Goel
(Director)
DIN- 03604600

Place: Delhi
Date: 11 May 2020

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Statement of Cash Flows

for the year ended 31 March 2020

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss before tax	**(2,552.16)**	**(16,516.15)**
Adjustments for:		
Interest expense	3,218.82	234.09
Net gain on disposal of current investments	(16.49)	-
Fair value gain on financial assets measured at fair value through profit and loss	(967.81)	-
Operating (loss) before working capital changes	**(317.64)**	**(16,282.06)**
Movement in working capital		
(Increase)/Decrease in other financial assets	1,670.37	(3,011.67)
(Increase)/Decrease in other current assets	(55.64)	(2,429.84)
Increase/(Decrease) in other liabilities	(17.04)	25.79
Increase/(Decrease) in other financial liabilities	(2,724.32)	(713.51)
Increase/(Decrease) in trade and other payables	(402.57)	(23.19)
Cash generated from operations	**(1,846.84)**	**(22,434.49)**
Direct taxes paid	9.07	(38.65)
Net cash generated/(used) in operating activities	**(1,837.77)**	**(22,473.14)**
Cash flow from investing activities		
Investment in mutual funds	(22,000.00)	-
Redemption of mutual funds	6,000.00	-
Net cash used in investing activities	**(16,000.00)**	**-**
Cash flow from financing activities		
Proceeds from preference share capital	10,000.00	30,000.00
Net cash generated from financing activities	**10,000.00**	**30,000.00**
Net (decrease) / increase in cash and cash equivalents	(7,837.77)	7,526.86
Cash and cash equivalents at the beginning of the year	**19,459.94**	**11,933.08**
Cash and cash equivalents at the end of the year	**11,622.17**	**19,459.94**
Components of cash and cash equivalents		
Cash and cheques on hand		
Balances with banks:		
- On current /nodal accounts	11,622.17	19,459.94
Total cash and cash equivalents (note 5)	**11,622.17**	**19,459.94**

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

For and on behalf of the Board of Directors
Pay With Indiamart Private Limited

Per Pankaj Jain
Partner
Membership No.: 095412

Praveen Kumar Goel
(Director)
DIN- 03604600

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: New Delhi
Date: 11 May 2020

Place: Delhi
Date: 11 May 2020

Notes to financial statements
for the year ended 31 March 2020

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. 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 11 May 2020.

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 2020 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

Notes to financial statements

for the year ended 31 March 2020

is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

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

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

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

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

- Disclosures for significant estimates and assumptions (Note 3)
- Disclosures for valuation methods and quantitative disclosure of fair value measurement hierarchy (Note 21)

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, 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.

Notes to financial statements

for the year ended 31 March 2020

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/ 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,

Notes to financial statements

for the year ended 31 March 2020

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.

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

Notes to financial statements
for the year ended 31 March 2020

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

Notes to financial statements

for the year ended 31 March 2020

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.

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

Notes to financial statements

for the year ended 31 March 2020

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.

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

Notes to financial statements

for the year ended 31 March 2020

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.

3A. Changes in accounting policy and disclosures

Ind AS 116 Leases

Leases (as lessee)

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. The adoption of Ind AS 116 has no impact on financial statements of the Company.

Notes to financial statements

for the year ended 31 March 2020

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

4 CURRENT INVESTMENTS

Investments in mutual funds- quoted (measured at FVTPL)

	As at 31 March 2020		As at 31 March 2019	
	No. of Units	Amount	No. of Units	Amount
ICICI Prudential Saving Fund-Direct Plan Growth	31,691.44	16,984.30	-	-
Total	**31,691.44**	**16,984.30**	-	-

5 CASH AND CASH EQUIVALENTS

	As at 31 March 2020	As at 31 March 2019
Balance with bank		
- On current /nodal accounts	11,622.17	19,459.94
Total Cash and cash equivalents	**11,622.17**	**19,459.94**

Notes:

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

6 OTHER FINANCIAL ASSETS

	As at 31 March 2020	As at 31 March 2019
Current (unsecured, considered good unless stated otherwise)		
Amount recoverable from payment gateway banks	3,827.12	5,497.49
Total	**3,827.12**	**5,497.49**

These financial assets are measured at amortised cost.

7 OTHER CURRENT ASSETS

	As at 31 March 2020	As at 31 March 2019
Current (Unsecured, considered good unless otherwise stated)		
Balances with government authorities	3,111.63	3,054.52
Prepaid expenses	-	1.47
Total	**3,111.63**	**3,055.99**

8 SHARE CAPITAL

Equity share capital

Authorised equity share capital	Number of shares	Amount
At 1st April 2018	**100,000**	**1,000.00**
Increase during the year	150,000	1,500.00
At 31st March 2019	**250,000**	**2,500.00**
Increase during the year	-	-
At 31st March 2020	**250,000**	**2,500.00**

Issued equity share capital (subscribed and fully paid up)	Number of shares	Amount
At 1st April 2018	**100,000**	**1,000.00**
Increase during the year	-	-
At 31st March 2019	**100,000**	**1,000.00**
Increase during the year	-	-
At 31st March 2020	**100,000**	**1,000.00**

Notes to financial statements
for the year ended 31 March 2020

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

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

	31 March 2020		31 March 2019	
	Number	percentage	Number	percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (one share held by Shrawan Sharma as Nominee of IndiaMART)	**100,000**	**100%**	100,000	100%

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

	31 March 2020		31 March 2019	
	Number	percentage	Number	percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (one share held by Shrawan Sharma as Nominee of IndiaMART)	**100,000**	**100%**	100,000	100%

d) Other equity

	As at 31 March 2020	As at 31 March 2019
Equity portion of optionally convertible cumulative redeemable preference shares (refer note 9)	**28,100.06**	23,070.17
Retained earnings	**(22,295.04)**	(19,738.29)
Total other equity	**5,805.02**	**3,331.88**

9 BORROWINGS

	As at 31 March 2020	As at 31 March 2019
Non-current		
Liability component of compound financial instrument		
Optionally convertible cumulative redeemable preference shares (unsecured)	**28,352.86**	20,163.92
Total	**28,352.86**	**20,163.92**

Terms of conversion/ redemption of 0.01% Optionally Convertible Cumulative Redeemable Preference Share (OCCRPS)

The Company has issued only one class of preference shares i.e 0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS). The OCCRPS shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend and repayment in case of a winding up; the OCCRPS shall be participating in the surplus funds; the OCCRPS shall be participating in surplus assets and profits, on winding- up which may remain after the entire capital has been repaid; the OCCRPS will be entitled to dividend, if declared by the Board of Directors, on cumulative basis.With effect from 22 February 2019, the Company has changed its terms of OCCRPS to fix the tenure till 31 January 2028 and amount of redemption of preference shares to ₹ 30 per share including ₹ 20 per share for premium on redemption. The OCCRPS holders have voting rights only in respect of certain matters as per the provisions of Section 47(2) of the Companies Act 2013. The OCCRPS will be optionally convertible into equity share of the Company at 1:1 ratio at the option of the holder at the expiry of terms on 31 January 2028 at ₹ 30 per share including ₹ 20 per shar for premium on redemption. Consequent to the change in redemption terms with effect from 22 February 2019 the nature is changed from fair value through P&L to measurement through amortise cost . During the period the company has issued OCCRPS on the same terms as referred above.

Notes to financial statements
for the year ended 31 March 2020

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

Authorised preference share capital	Number of shares	Amount
At 1st April 2018	**1,000,000**	**10,000.00**
Increase during the year	3,850,000	38,500.00
At 31st March 2019	**4,850,000**	**48,500.00**
Increase during the year	-	-
At 31st March 2020	**4,850,000**	**48,500.00**

Issued preference share capital (subscribed and fully paid up)	Number of shares	Amount
At 1st April 2018	**650,000**	**6,500.00**
Shares issued during the year	1,500,000	15,000.00
At 31st March 2019	**2,150,000**	**21,500.00**
Shares issued during the year	500,000	5,000.00
At 31st March 2020	**2,650,000**	**26,500.00**

a) **Shares held by holding company**

	31 March 2020		31 March 2019	
	Number	percentage	Number	percentage
Optionally Convertible Cumulative Redeemable Prefrence shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited	2,650,000	100%	2,150,000	100%

B) **Details of shareholders holding more than 5% preference shares in the Company**

	31 March 2020		31 March 2019	
	Number	percentage	Number	percentage
Optionally Convertible Cumulative Redeemable Prefrence shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited	2,650,000	100%	2,150,000	100%

10 TRADE PAYABLES

	As at 31 March 2020	As at 31 March 2019
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 24)	-	-
Dues to other than MSMEDs		
- Relaty party (refer note 19)	-	-
- others	**54.00**	456.57
Total	**54.00**	**456.57**

11 OTHER FINANCIAL LIABILITIES

	As at 31 March 2020	As at 31 March 2019
Other advances	**309.88**	3,034.20
Total	**309.88**	**3,034.20**

BOARD'S REPORT

FINANCIAL STATEMENTS

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for the year ended 31 March 2020

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

12 OTHER CURRENT LIABILITIES

	As at 31 March 2020	As at 31 March 2019
Tax deducted at source payable	**48.45**	55.66
GST payable	**-**	9.84
Total	**48.45**	**65.50**

13 CURRENT TAX ASSETS AND LIABILITIES

	As at 31 March 2020	As at 31 March 2019
Advance income tax	**24.99**	38.65
	24.99	**38.65**

14 REVENUE FROM OPERATIONS

	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of services		
Income from Services	**28,288.47**	11,831.41
Total	**28,288.47**	**11,831.41**

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

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance at the beginning of the year	**-**	-
Add: Amount received from customers during the year	**28,288.47**	11,831.41
Less: Revenue recognised during the year	**(28,288.47)**	(11,831.41)
Closing balance at the end of the year	**-**	**-**

15 OTHER INCOME

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income		
- others	**1.73**	-
Net gain on disposal of current investments	**16.49**	-
Fair value gain on financial assets measured at FVTPL	**967.81**	-
Total	**986.03**	**-**

16 FINANCE COSTS

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense on financial liability measured at amortised cost	**3,218.82**	234.09
Total	**3,218.82**	**234.09**

Notes to financial statements

for the year ended 31 March 2020

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

17 OTHER EXPENSES

	For the year ended 31 March 2020	For the year ended 31 March 2019
Advertisement expenses	**-**	520.00
Customer Support Expenses	**2,101.01**	2,045.94
Legal and professional fees	**880.32**	1,211.83
Referral fees	**3,937.12**	1,091.75
Rates and taxes	**44.88**	388.76
Auditor's remuneration	**60.00**	7.00
Collection charges	**21,231.08**	22,846.81
Allowances for doubtful debts (including bad debts)	**353.43**	-
General expenses	**-**	1.38
Total	**28,607.84**	**28,113.47**

Payment to Auditors

	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditor:	**60.00**	7.00
- Audit fee	**60.00**	7.00

18 EARNINGS PER SHARE

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

Diluted EPS are calculated by dividing the (loss) for the year attributable to the equity holders of the Company by weighted average number of Equity shares outstanding during the 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:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss for the year	**(2,556.75)**	(16,516.15)
Interest expense on Optionally convertible cumulative redeemable preference shares	**3,218.82**	234.09
Adjusted loss for the year	**662.07**	(16,282.05)
Weighted average number of equity shares in calculating basic EPS	**100,000**	100,000
Potential equity shares in the form of convertible preference shares	**2,429,372**	1,046,575
Total no. of shares outstanding (including dilution)	**2,529,372**	**1,146,575**
Basic (loss) per equity share	**(25.57)**	**(165.16)**
Diluted (loss) per equity share	**(25.57)**	**(165.16)**

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

19 RELATED PARTY TRANSACTIONS

a) Names of related parties and related party relationship

Holding Company	Indiamart Intermesh Limited
Key Management Personnel	Shrawan Kumar Sharma , Director Praveen Kumar Goel, Director Amit Jain, Director

Notes to financial statements
for the year ended 31 March 2020

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

b) Related party transactions :

i) 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 2020	For the year ended 31 March 2019
Holding Company		
Issue of preference Share (incl. premium)	10,000.00	30,000.00
Holding Company		
Reimbursement for refundable cases	124.52	-
Key Management Personnel		
Security Deposits received from shrawan kumar sharma	-	100.00
Security Deposits repaid to shrawan kumar sharma	-	(100.00)
Holding Company		
Income from services	1,478.73	1,932.32
Referral fees paid	3,937.12	1,091.75

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.

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:

Particulars		31 March 2020	31 March 2019
Financial assets			
a) Measured at fair value through profit or loss (FVTPL)			
- Investment in mutual funds	Level 1	**16,984.30**	-
		16,984.30	-
b) Measured at Amortised cost			
- Cash and cash equivalents		**11,622.17**	19,459.94
- Others financial assets		**3,827.12**	5,497.49
		15,449.29	**24,957.43**
Total financial assets		**32,433.59**	**24,957.43**
Financial liabilities			
Measured at amortised cost			
- Borrowings		**28,352.86**	20,163.92
- Trade payables		**54.00**	456.57
- Other Financial Liabilities		**309.88**	3,034.20
		28,716.74	**23,654.69**
Total financial liabilities		**28,716.74**	**23,654.69**

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

i) The carrying value of financial 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

Notes to financial statements

for the year ended 31 March 2020

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

22 CAPITAL MANAGEMENT

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

The Company is neither subject to externally imposed capital requirements nor exposed to external borrowings. For the purpose of the capital management, the management considers the borrowings pertaining to OCCRPS as part of the Capital.

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

23 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

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 INR 11,622.17 as on 31st March 2020 (INR 19,459.94 as at 31 March 2019). 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. Investments in liquid plan/schemes are with Asset Management Companies having highest rating.

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.

Notes to financial statements
for the year ended 31 March 2020

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

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

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 2020	Within 1 year	Within 1 year to 5 Years	More than 5 years	Total
Trade payables	54.00	-	-	54.00
Other financial liabilities	309.88	-	-	309.88
Borrowings	-	-	28,352.86	28,352.86
	363.88	-	28,352.86	28,716.74

31 March 2019	Within 1 year	Within 1 year to 5 Years	More than 5 years	Total
Trade payables	456.57	-	-	456.57
Other financial liabilities	3,034.20	-	-	3,034.20
Borrowings	-	-	20,163.92	20,163.92
	3,490.78	-	**20,163.92**	**23,654.69**

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

The Company has during the year not received any intimation from any of its suppliers regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures , if any, relating to amount unpaid as at the year end along with interest paid/payable as required under the said Act have not been given. Based on the information available with the Company there are no principal / Interest amounts due to micro and small entperises.

25 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 financial statements

As per our report of even date

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

For and on behalf of the Board of Directors
Pay With Indiamart Private Limited

Per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date: 11 May 2020

Praveen Kumar Goel
(Director)
DIN- 03604600

Place: Delhi
Date: 11 May 2020

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Board's Report

Dear Members,

Your Directors have pleasure in presenting 15th Board's Report on the business and operations of the Company together with the Audited Financial Statement for the year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

The Financial Performance of the Company for the year ended March 31, 2020 is as follows:

(Amount in INR thousand)

Particulars	2019-20	2018-19
Revenue from Operations	-	-
Other Income	3.24	6.41
Total Income	**3.24**	**6.41**
Employee Benefit Expenses	-	-
Purchase of traded goods	-	-
Financial Cost	3,136.74	669.10
Other Expenses	120.17	52.94
Total Expenses	**3,256.91**	**722.04**
Loss before tax	(3,253.67)	(715.63)
Total Tax Expenses	-	-
Profit/(Loss) for the year	**(3,253.67)**	**(715.63)**
Other Comprehensive loss for the financial year	-	-
Total Comprehensive income/(loss) for the financial year	**(3,253.67)**	**(715.63)**
Earnings per Equity Share (INR) – Face value of ₹ 10/- each	(29.58)	(6.51)

REVIEW OF OPERATIONS

No Business activities were 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, 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 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 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 under 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.

Mr. Praveen Kumar Goel, Mr. Sudhir Gupta and Mr. Manoj Bhargava were appointed as Additional Directors of the Company w.e.f. October 29, 2018. There appointment was regularized by Shareholders of the Company at 14th Annual General Meeting of the Company held on September 24, 2019.

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), 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 five (5) times during the financial year on May 10, 2019, June 03, 2019, July 30, 2019, October 21, 2019 and January 20, 2020. The intervening the gap between any two meetings was within the limits prescribed by the Companies Act, 2013 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 Board Meetings held during the tenure	No. of Meeting attended during the financial year ended March 31, 2020
1.	Mr. Praveen Kumar Goel	Director	5	4
2.	Mr. Manoj Bhargava	Director	5	5
3.	Mr. Sudhir Gupta	Director	5	5

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 10th Annual General Meeting till the conclusion of 15th Annual General Meeting (AGM) of the Company.

Since, the tenure of Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N), Statutory Auditors, shall conclude at the 15th AGM, the Board of Directors may consider the re-appointment of Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N), Statutory Auditors of the Company and place the said proposal before the shareholders in the ensuing AGM, who will hold office from the conclusion of said AGM until the 20th 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.

EXTRACTS OF ANNUAL RETURN

In accordance with Section 134(3) (a) of the Companies Act 2013, an extract of the Annual Return in the prescribed Form No. MGT-9 is appended as '**Annexure-1**' to this Report.

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.

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 International Private Limited**

Place: Ghaziabad
Date: May 11, 2020

Sudhir Gupta
Director
DIN: 08267484

Manoj Bhargava
Director
DIN: 08267536

ANNEXURE-1

EXTRACT OF ANNUAL RETURN
FORM NO. MGT-9

For the financial year ended March 31, 2020

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**	U72200DL2005PTC136907
2.	**Registration Date**	May 31, 2005
3.	**Name of the Company**	Tradezeal International Private Limited
4.	**Category/Sub-Category of the Company**	Public Company
5.	**Address of the Registered office and contact details**	TRADEZEAL INTERNATIONAL PRIVATE LIMITED, 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi- 110002 Contact No. 011- 49995600 {Reg. Office} 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, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% 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%**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% 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 shareholding 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%**	**-**	**1,10,000**	**100%**	**-**	**-**

* % upto two decimal places

C. Change in Promoters' Shareholding:

Sl. No.	Particulars	Shareholding at the beginning of the year [As on April 01, 2019]		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 International Private Limited**

Place: Ghaziabad
Date: May 11, 2020

Sudhir Gupta
Director
DIN: 08267484

Manoj Bhargava
Director
DIN: 08267536

Independent Auditor's Report

To the Board of Directors of Tradezeal International Private Limited

We have audited the accompanying standalone Ind AS financial statements of Tradezeal International Private Limited ("the Company"), which comprise the standalone Balance Sheet as at at March 31,2020, 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 at March 31,2020

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

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

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial period ended at March 31,2020 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 at March 31,2020 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2020 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: 11 May 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRADEZEAL INTERNATIONAL 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 International Private Limited ("the Company") as of at March 31,2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS 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: 11 May 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRADEZEAL INTERNATIONAL 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: 11 May 2020

Balance Sheet

As at March 31, 2020

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

	Notes	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
Financial assets			
(i) Investments	4	-	-
(ii) Loan	4	-	-
		-	-
Current assets			
Financial assets			
(i) Trade receivables	5	-	-
(ii) Cash and cash equivalents	6	37.42	241.49
(iii) Bank balances other than cash and cash equivalents	7	153.24	-
Other current assets	8	-	57.52
Total current assets		**190.66**	**299.01**
Total assets		**190.66**	**299.01**
Equity and liabilities			
Equity			
Equity share capital	9	1,100.00	1,100.00
Other equity	9	(23,986.94)	(20,733.27)
Total equity		**(22,886.94)**	**(19,633.27)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	10	23,052.51	19,915.78
Total non-current liabilities		**23,052.51**	**19,915.78**
Current liabilities			
Financial liabilities			
(i) Trade payables	11		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		25.09	16.50
Total current liabilities		**25.09**	**16.50**
Total liabilities		**23,077.60**	**19,932.28**
Total equity and liabilities		**190.66**	**299.01**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

For and on behalf of the Board of Directors of
Tradezeal International Private Limited

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: 11 May 2020

Statement of Profit and Loss

For the year ended March 31, 2020

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

	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Income:			
Other income	12	3.24	6.41
Total income		**3.24**	**6.41**
Expense:			
Finance costs	13	3,136.74	669.10
Other expenses	14	120.17	52.94
Total expenses		**3,256.91**	**722.04**
Loss before tax		**(3,253.67)**	**(715.63)**
Income tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Loss for the year		**(3,253.67)**	**(715.63)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement gains/(losses) on defined benefit plans		-	-
Income tax effect		-	-
		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive loss for the year		**(3,253.67)**	**(715.63)**
Earnings per equity share:	15		
Basic earnings per equity share (INR)		(29.58)	(6.51)
Diluted earnings per equity share (INR)		(29.58)	(6.51)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

For and on behalf of the Board of Directors of
Tradezeal International Private Limited

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: 11 May 2020

Statement of changes in equity

for the year ended 31 March 2020

(A) EQUITY SHARE CAPITAL (REFER NOTE 9)

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

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2018	**1,100.00**
Changes in equity share capital	-
As at 31 March 2019	**1,100.00**
Changes in equity share capital	-
As at 31 March 2020	**1,100.00**

(B) OTHER EQUITY (REFER NOTE 9)

Particulars	Equity portion of OCCRPS (refer note 10)	Retained earnings	Total other equity
Balance as at 1 April 2018	**2,047.93**	**(20,037.41)**	**(17,989.48)**
Loss for the year		(715.63)	(715.63)
Equity Contribution	(2,028.16)	-	(2,028.16)
Total comprehensive income	**(2,028.16)**	**(715.63)**	**(2,743.79)**
Balance as at 31 March 2019	**19.77**	**(20,753.04)**	**(20,733.27)**
Loss for the year	-	(3,253.67)	(3,253.67)
Balance as at 31 March 2020	**19.77**	**(24,006.71)**	**(23,986.94)**

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

For and on behalf of the Board of Directors of
Tradezeal International Private Limited

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: 11 May 2020

Statement of Cash Flows

For the year ended March 31, 2020

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss before tax	**(3,253.67)**	**(715.63)**
Adjustments for:		
Balances written off (included in rates & taxes)	57.52	-
Finance costs	3,136.74	669.10
Interest income	(3.24)	
Operating (loss) before working capital changes	**(62.65)**	**(46.53)**
Movement in working capital		
(Increase)/decrease in trade receivables	-	31.81
Increase/(Decrease) in trade and other payables	8.58	(3.16)
Cash generated from operations	**(54.07)**	**(17.88)**
Direct taxes paid (net of refunds)	-	-
Net cash generated/used in operating activities	**(54.07)**	**(17.88)**
Cash flow from investing activities		
Investment in fixed deposits with bank(having original maturity of more than three months)	(150.00)	-
Net cash used in investing activities	**(150.00)**	**-**
Cash flow from financing activities		
Proceeds from Preference share capital	-	-
Net cash generated from financing activities	**-**	**-**
Net (decrease) / increase in cash and cash equivalents	**(204.07)**	**(17.88)**
Cash and cash equivalents at the beginning of the year	**241.49**	**259.37**
Cash and cash equivalents at the end of the year	**37.42**	**241.49**
Components of cash and cash equivalents		
Cash and cheques on hand	0.35	0.35
Balances with banks:		
- On current accounts	37.07	241.14
Total cash and cash equivalents (note 6)	**37.42**	**241.49**
Summary of significant accounting policies		

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

For and on behalf of the Board of Directors of
Tradezeal International Private Limited

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: 11 May 2020

Notes to Financial Statements

for the year ended March 31, 2020

1. CORPORATE INFORMATION

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 providing the services including Domestic trade and International Business facilitation services including sales, management, Operational, commercial, Financial, communication, promotional, information processing or any other trade and business related all over the world. 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 11 May 2020.

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 2020 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

Notes to Financial Statements
for the year ended March 31, 2020

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 16)

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

Notes to Financial Statements

for the year ended March 31, 2020

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/ 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

Notes to Financial Statements

for the year ended March 31, 2020

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.

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.

Notes to Financial Statements

for the year ended March 31, 2020

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

Notes to Financial Statements

for the year ended March 31, 2020

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.

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.

Notes to Financial Statements

for the year ended March 31, 2020

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.

l) Contributed equity

Equity shares are classified as equity.

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

3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

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

Estimates and assumptions

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

Notes to Financial Statements

for the year ended March 31, 2020

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.

3A. Changes in accounting policy and disclosures

Ind AS 116 Leases

Leases (as lessee)

The Company has adopted Ind AS 116 'Leases' with the date of initial application being 1 April 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.

The adoption of Ind AS 116 has no impact on financial statements of the Company.

Notes to Financial Statements

for the year ended March 31, 2020

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

4 NON CURRENT ASSETS

Measured at amortised cost	As at 31 March 2020		As at 31 March 2019	
	No of units	Amount	No of units	Amount
Non Current Investment	-	-	-	-
Trade investment valued at cost unless stated otherwise				
Investment other than subsidiaries				
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				
Loans inter corporate (Instant Procurement Services Private Limited)		**5,000.00**		5,000.00
		5,000.00		5,000.00
Less : Provision for diminution in the value of investment		**(5,000.00)**		(5,000.00)
		-		-

5 TRADE RECEIVABLES

	As at 31 March 2020	As at 31 March 2019
Considered good- Unsecured (B)	-	-
Trade receivables which have significant increase in credit risk	**25.91**	25.91
Provision for doubtful debts	**(25.91)**	(25.91)
Total	-	-

Notes:

No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

6 CASH AND CASH EQUIVALENTS

	As at 31 March 2020	As at 31 March 2019
Cash on hand	**0.35**	0.35
Balance with bank		
- On current accounts	**37.07**	241.14
Cash and cash equivalents as per statement of cash flows	**37.42**	**241.49**

Notes:

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

7 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31 March 2020	As at 31 March 2019
Deposits with		
-remaining maturity upto twelve months	**153.24**	-
Total	**153.24**	-

Notes to Financial Statements

for the year ended March 31, 2020

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

8 OTHER CURRENT ASSETS

	As at 31 March 2020	As at 31 March 2019
Current (Unsecured, considered good unless otherwise stated)		
Balances with government authorities	-	57.52
Total	**-**	**57.52**

9 SHARE CAPITAL

Equity share capital

Authorised equity share capital	Number of shares	Amount
At 01 April 2018	**5,00,000**	**5,000.00**
Increase during the year		
At 31 March 2019	**5,00,000**	**5,000.00**
Increase during the year		
At 31 March 2020	**5,00,000**	**5,000.00**

Issued equity share capital (subscribed and fully paid up)	Number of shares	Amount
At 01 April 2018	**1,10,000**	**1,100.00**
Shares issued during the year	-	-
At 31 March 2019	**1,10,000**	**1,100.00**
Shares issued during the year	-	-
At 31 March 2020	**1,10,000**	**1,100.00**

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

	31 March 2020		31 March 2019	
	Number	percentage	Number	percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (Including the nominee shares held on behalf of IndiaMART)	**1,10,000**	**100%**	1,10,000	100%

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

	31 March 2020		31 March 2019	
	Number	percentage	Number	percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (Including the nominee shares held on behalf of IndiaMART)	**1,10,000**	**100%**	1,10,000	100%

d) Other equity

	As at 31 March 2020	As at 31 March 2019
Retained earnings	**(24,006.71)**	(20,753.04)
Equity portion of OCCRPS (refer note 10)	**19.77**	19.77
Total other equity	**(23,986.94)**	**(20,733.27)**

Notes to Financial Statements

for the year ended March 31, 2020

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

10 BORROWINGS

	As at 31 March 2020	As at 31 March 2019
Measured at amortised cost		
Non-current		
Liability component of compound financial instrument		
Optionally convertible cumulative redeemable preference shares (unsecured)	**23,052.51**	19,915.78
Total non-current borrowings	**23,052.51**	**19,915.78**

Terms of conversion/ redemption of 0.01% Optionally Convertible Cumulative Redeemable Preference Share (OCCRPS)

In the year ended March 31,2019, the Company earlier had 2 classes of preference shares i.e 0.01% Optionally Convertible Redeemable Preference Shares (OCRPS) and Redeemable Prefernce Shares (RPS).The OCRPS 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 OCRPS shall be participating in the surplus funds; the OCRPS shall be participating in surplus assets and profits, on winding- up which may remain after the entire capital has been repaid; the OCRPS will be entitled to dividend, if declared by the Board of Directors, on cumulative basis. The OCRPS holders have voting rights only in respect of certain matters as per the provisions of Section 47(2) of the Companies Act 2013. Series 'Optionally Convertible Redeemable Preference Shares : INR 13,700 The OCRPS shall be Convertible/Reedemable (in whole or in part) at the option of the holder of the OCRPS at any time within 20 years from the allotment of the respective OCRPS. Series 'Reedemable Preference Share : INR 5,000.00 Redeemable Preference shares (RPS) will be Redeemable (In whole or in part) either at the option of the company or at the option of the holder of the preference shares after the expiry of 5years from the date of allotment but before any time within 20 years from the date of allotment of prefrence shares at par.

With effect from 22 February 2019, the Company has converted its series Redeemable Prefernce Share and Optionally Convertible Redeemable Preference Shares into Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS). And also changed terms of all OCCRPS to 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.

	Optionally Convertible Cumulative Redeemable Preference Shares (Face value INR 10 per share)		Redeemable Preference Shares (Face value INR 10 per share)	
Authorised preference share capital	**Number of shares**	**Amount**	**Number of shares**	**Amount**
At 1 April 2018	**20,00,000**	**20,000**	**5,00,000**	**5,000**
Increase/decrease during the year	5,00,000	5,000	(5,00,000)	(5,000)
At 31 March 2019	**25,00,000**	**25,000**	**-**	**-**
Increase/(Decrease) during the year	-	-		
At 31 March 2020	**25,00,000**	**25,000**	**-**	**-**

	Optionally Convertible Cumualtive Redeemable Preference Shares (Face value INR 10 per share)		Redeemable Preference Shares (Face value INR 10 per share)	
Issued preference share capital (subscribed and fully paid up)	**Number of shares**	**Amount**	**Number of shares**	**Amount**
At 1 April 2018	**13,70,000**	**13,700**	**5,00,000**	**5,000**
Shares issued during the year	5,00,000	5,000	(5,00,000)	(5,000)
At 31 March 2019	**18,70,000**	**18,700**	**-**	**-**
Shares issued during the year				
At 31 March 2020	**18,70,000**	**18,700**	-	-

Notes to Financial Statements
for the year ended March 31, 2020

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

a) Shares held by holding company

	31 March 2020		31 March 2019	
	Number of shares	percentage	Number of shares	percentage
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
Indiamart Intermesh Limited	**18,70,000**	**100%**	18,70,000	100%

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

	31 March 2020		31 March 2019	
	Number of shares	percentage	Number of shares	percentage
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
Indiamart Intermesh Limited	**18,70,000**	**100%**	18,70,000	100%

11 TRADE PAYABLES

	As at 31 March 2020	As at 31 March 2019
Current		
Current		
Dues to other than MSMEDs	**-**	-
- others	**25.09**	16.50
Total	**25.09**	**16.50**

12 OTHER INCOME

	For the year ended 31 March 2020	For the year ended 31 March 2019
Other income	-	6.41
Interest Income		
- on fixed deposit with banks	**3.24**	-
Total	**3.24**	**6.41**

13 FINANCE COSTS

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)	**3,136.74**	669.10
Total	**3,136.74**	**669.10**

14 OTHER EXPENSES

	For the year ended 31 March 2020	For the year ended 31 March 2019
Legal and professional fees	**12.98**	11.56
Rates and taxes	**82.23**	3.60
Auditor's remuneration	**23.60**	11.26
Collection charges	**1.36**	0.62
Total	**120.17**	**52.94**

Notes to Financial Statements

for the year ended March 31, 2020

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

Payment to Auditors

	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditor:	**23.60**	11.26
- Audit fee	**23.60**	11.26

15 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:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Basic		
Loss for the year	**(3,253.67)**	(715.63)
Weighted average number of equity shares in calculating basic EPS	**1,10,000**	1,10,000
Basic earning (loss) per share	**(29.58)**	(6.51)
Diluted		
Loss for the period	**(3,253.67)**	(715.63)
Weighted average number of equity shares in calculating basic EPS	**1,10,000**	1,10,000
Potential equity shares in the form of convertible preference shares	**18,70,000**	18,70,000
Total no. of shares outstanding (inluding dilution)	**19,80,000**	19,80,000
Diluted earning (loss) per share	**(29.58)**	**(6.51)**

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

16 FINANCIAL INSTRUMENTS

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

Particulars	31 March 2020	31 March 2019
Financial assets		
a) Measured at Amortised cost		
- Cash and cash equivalents	**37.42**	241.49
Total financial assets	**37.42**	**241.49**
Financial liabilities		
b) Measured at Amortised cost		
- Borrowings	**23,052.51**	19,915.78
Total financial liabilities	**23,052.51**	**19,915.78**

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

17 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, and all other equity reserves attributable to the equity shareholder of the Company. The Company manages its capital to

Notes to Financial Statements

for the year ended March 31, 2020

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 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.

18 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 stakeholders 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 and financial assets carried at amortised

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 37.42 (INR 241.49 as on 31 March 2019). 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 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:

Notes to Financial Statements
for the year ended March 31, 2020

Contractual maturities of financial liabilities

31 March 2020	Within 1 year	Within 1 year to 5 Years	More than 5 years	Total
Trade payables	32.46	-	-	**32.46**
Borrowings	-	-	23,052.51	**23,052.51**

31 March 2019	Within 1 year	Within 1 year to 5 Years	More than 5 years	Total
Trade payables	16.50	-	-	**16.50**
Borrowings	-	-	19,915.78	**19,915.78**

19 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

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.

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

The Company has during the year not received any intimation from any of its suppliers regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures , if any, relating to amount unpaid as at the year end along with interest paid/payable as required under the said Act have not been given. Based on the information available with the Company there are no principal / Interest amounts due to micro and small entperises.

21 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.

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

For and on behalf of the Board of Directors of
Tradezeal International Private Limited

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: 11 May 2020

Board's Report

Dear Members,

Your Directors have pleasure in presenting 12th Board's Report on the business and operations of the Company together with the audited Financial Statement for the year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the year ended March 31, 2020 is as follows:

(Amount in INR thousand)

Particulars	2019-20	2018-19
Revenue from Operations	-	-
Other Income	1.26	-
Total Income	1.26	**-**
Other Expenses	42.43	26.25
Total Expenses	42.43	**26.25**
Loss before tax	(41.17)	(26.25)
Total Tax Expenses	-	-
Profit/(Loss) for the year	(41.17)	**(26.25)**
Other Comprehensive loss for the financial year	-	-
Total Comprehensive income/(loss) for the financial year	(41.17)	**(26.25)**
Earnings per Equity Share (INR) –Face value of ₹ 10/- each	(1.37)	(0.87)

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 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 under 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.

Mr. Praveen Kumar Goel, Mr. Sudhir Gupta and Mr. Manoj Bhargava were appointed as Additional Directors of the Company w.e.f. October 29, 2018. There appointed was regularized by shareholders of the Company at 11th Annual General Meeting of the Company held on September 24, 2019.

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), 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 five (5) times during the financial year on May 10, 2019, June 03, 2019, July 30, 2019, October 21, 2019 and January 20, 2020. The intervening the gap between any two meetings was within the limits prescribed by the Companies Act, 2013 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 Board Meetings held during the tenure	No. of Meeting attended during the financial year ended March 31, 2020
1.	Mr. Praveen Kumar Goel	Director	5	4
2.	Mr. Manoj Bhargava	Director	5	5
3.	Mr. Sudhir Gupta	Director	5	5

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 7th Annual General Meeting till the conclusion of 12th Annual General Meeting of the Company.

Since, the tenure of Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N), Statutory Auditors, shall conclude at the 12th AGM, the Board of Directors may consider the re-appointment of Pankaj Priti & Associates, Chartered Accountants (Firm Registration No. 016461N), Statutory Auditors of the Company and place the said proposal before the shareholders in the ensuing AGM, who will hold office from the conclusion of said AGM until the 17th 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 Audit

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

EXTRACTS OF ANNUAL RETURN

In accordance with Section 134(3) (a) of the Companies Act 2013, an extract of the Annual Return in the prescribed Form No. MGT-9 is appended as **'Annexure-1'** to this Report.

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.

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**

Place: Ghaziabad
Date: May 11, 2020

Sudhir Gupta
Director
DIN: 08267484

Manoj Bhargava
Director
DIN: 08267536

ANNEXURE-1

EXTRACT OF ANNUAL RETURN
FORM NO. MGT-9

For the financial year ended March 31, 2020

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 {Reg. Office} 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	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, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% 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	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**-**	**30,000**	**30,000**	**100%**	**-**	**30,000**	**30000**	**100%**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% 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)	**-**	**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 shareholding 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.	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, 2019]		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.):	Nil			
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**

Place: Ghaziabad
Date: May 11, 2020

Sudhir Gupta
Director
DIN: 08267484

Manoj Bhargava
Director
DIN: 08267536

Independent Auditor's Report

To the Board of Directors of Hello Trade Online Private Limited

OPINION

We have audited the accompanying standalone Ind AS financial statements of Hello Trade Online Private Limited ("the Company"), which comprise the standalone Balance Sheet as at March 31,2020, 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 31,2020

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

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

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial period ended . at March 31,2020 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2020 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 contarcts.

   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: 11 May 2020

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 Hello Trade Online Private Limited ("the Company") as of at March 31,2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS 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 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: 11 May 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLO TRADE 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: 11 May 2020

Balance Sheet

As at March 31, 2020

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

	Notes	As at 31 March 2020	As at 31 March 2019
Assets			
Current assets			
Financial assets			
(i) Cash and cash equivalents	4	**37.93**	122.00
(ii) Bank balances other than cash and cash equivalents	5	**51.26**	-
Total current assets		**89.19**	**122.00**
Total assets		**89.19**	**122.00**
Equity and liabilities			
Equity			
Equity share capital	7	**300.00**	300.00
Other equity		**(235.69)**	(194.52)
Total equity		**64.31**	**105.48**
Current liabilities			
(i) Trade payables	6		
(a) total outstanding dues of micro enterprises and small enterprises		**-**	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		**24.88**	16.52
Total current liabilities		**24.88**	**16.52**
Total liabilities		**24.88**	**16.52**
Total equity and liabilities		**89.19**	**122.00**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

For and on behalf of the Board of Directors of
Hello Trade Online Private Limited

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: 11 May 2020

Statement of Profit and Loss

For the year ended March 31, 2020

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

	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Income:			
Revenue from operations			
Other income	8	**1.26**	-
Total income		**1.26**	-
Expenses:			
Other expenses	9	**42.43**	26.25
Total expenses		**42.43**	**26.25**
Loss before tax		**(41.17)**	**(26.25)**
Income tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Loss for the year		**(41.17)**	**(26.25)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement gains/(losses) on defined benefit plans			
Income tax effect		-	
		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive loss for the year		**(41.17)**	**(26.25)**
Earning per equity share:	**10**		
		(1.37)	(0.87)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

For and on behalf of the Board of Directors of
Hello Trade Online Private Limited

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: 11 May 2020

Statement of changes in equity

for the year ended 31 March 2020

(A) EQUITY SHARE CAPITAL (REFER NOTE 7)

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

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2018	**200.00**
Changes in equity share capital during the year	100.00
As at 31 March 2019	**300.00**
Changes in equity share capital during the year	-
As at 31 March 2020	**300.00**

(B) OTHER EQUITY (REFER NOTE 7)

	Reserve and Surplus	
Particulars	**Retained earnings**	**Total**
Balance as at 1 April 2018	**(168.27)**	**(168.27)**
Loss for the year	(26.25)	(26.25)
Other comprehensive income	-	-
Total comprehensive income	**(26.25)**	**(26.25)**
Balance as at 31 March 2019	**(194.52)**	**(194.52)**
Loss for the year	(41.17)	(41.17)
Other comprehensive income	-	-
Other comprehensive income	**(41.17)**	**(41.17)**
Balance as at 31 March 2020	**(235.69)**	**(235.69)**

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

For and on behalf of the Board of Directors of
Hello Trade Online Private Limited

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: 11 May 2020

Statement of Cash Flows

For the year ended March 31, 2020

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss before tax	**(41.17)**	(26.25)
Adjustments for:		
Interest income	**(1.26)**	-
Operating loss before working capital changes	**(42.43)**	**(26.25)**
Movement in working capital		
Increase in Trade payables	**8.36**	9.52
Cash generated from operations	**(34.07)**	**(16.73)**
Direct taxes paid (net of refunds)	**-**	-
Net cash generated/used in operating activities	**(34.07)**	**(16.73)**
Cash flow from investing activities		
Investment in fixed deposits with bank(having original maturity of more than three months)	**(50.00)**	-
Net cash used in investing activities	**(50.00)**	**-**
Cash flow from financing activities		
Proceeds from receipt of equity shares capital	**-**	100.00
Net cash generated from financing activities	**-**	**100.00**
Net (decrease) / increase in cash and cash equivalents	**(84.07)**	**83.28**
Cash and cash equivalents at the beginning of the year	**122.00**	**38.73**
Cash and cash equivalents at the end of the year	**37.93**	**122.00**
Components of cash and cash equivalents		
Cash and cheques on hand	**14.00**	14.00
Balances with banks:		
- On current accounts	**23.93**	108.00
Total cash and cash equivalents (note 4)	**37.93**	**122.00**
Summary of significant accounting policies		

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

For and on behalf of the Board of Directors of
Hello Trade Online Private Limited

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: 11 May 2020

Notes to Financial Statements

for the year ended March 31, 2020

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 11 May 2020.

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 2020 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:

Notes to Financial Statements

for the year ended March 31, 2020

(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 11)

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

Notes to Financial Statements

for the year ended March 31, 2020

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/ 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.

Notes to Financial Statements

for the year ended March 31, 2020

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

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

Debt instruments at FVTOCI

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

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

b) The asset's contractual cash flows represent SPPI

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

Debt instrument at FVTPL

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

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

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

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and

Notes to Financial Statements

for the year ended March 31, 2020

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.

Notes to Financial Statements

for the year ended March 31, 2020

- 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.

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.

Notes to Financial Statements
for the year ended March 31, 2020

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.

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.

3A. Changes in accounting policy and disclosures

Ind AS 116 Leases

Leases (as lessee)

The Company has adopted Ind AS 116 'Leases' with the date of initial application being 1 April 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. The adoption of Ind AS 116 has no impact on financial statements of the Company.

Notes to Financial Statements

for the year ended March 31, 2020

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

4 CASH AND CASH EQUIVALENTS

	As at 31 March 2020	As at 31 March 2019
Cash on hand	**14.00**	14.00
Balance with bank		
- On current accounts	**23.93**	108.00
Cash and cash equivalents as per statement of cash flows	**37.93**	**122.00**

Notes:

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

5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31 March 2020	As at 31 March 2019
Deposits with		
-remaining maturity upto twelve months	**51.26**	-
Total	**51.26**	**-**

6 TRADE PAYABLES

	As at 31 March 2020	As at 31 March 2019
Payable to micro, small and medium enterprises	**-**	-
- others	**24.88**	16.52
Total	**24.88**	**16.52**

7 SHARE CAPITAL

Equity share capital

Authorised equity share capital	Number of shares	Amount
At 01 April 2018	**60,000**	**60,000**
Increase/decrease during the year	-	-
At 31 March 2019	**60,000**	**60,000**
Increase/decrease during the year	-	-
At 31 March 2020	**60,000**	**60,000**

Issued share capital (subscribed and fully paid up)	Number of shares	Amount
At 01 April 2018	**20,000**	**200.00**
Increase during the year	10,000	100.00
At 31 March 2019	**30,000**	**300.00**
Increase during the year	-	-
At 31 March 2020	**30,000**	**300.00**

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.

Notes to Financial Statements

for the year ended March 31, 2020

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

b) Shares held by holding company

	31 March 2020		31 March 2019	
	Number	percentage	Number	percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (hundred shares held by Dinesh Chandra Agarwal as Nominee of IndiaMART)	30,000	100%	30,000	100%

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

	31 March 2020		31 March 2019	
	Number	percentage	Number	percentage
Equity shares of ₹ 10 each fully paid				
Indiamart Intermesh Limited (hundred shares held by Dinesh Chandra Agarwal as Nominee of IndiaMART)	30,000	100%	30,000	100%

d) Other equity

	As at 31 March 2020	As at 31 March 2019
Retained earnings	**(235.69)**	(194.52)
Total other equity	**(235.69)**	**(194.52)**

8 OTHER INCOME

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income		
- on fixed deposit with banks	**1.26**	-
Total	**1.26**	**-**

9 OTHER EXPENSES

	For the year ended 31 March 2020	For the year ended 31 March 2019
Legal and professional fees	**11.21**	13.33
Rates and taxes	**7.60**	3.40
Bank charges	**0.02**	-
Auditor's remuneration	**23.60**	9.52
Total	**42.43**	**26.25**

Payment to Auditors

	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditor:	**23.60**	9.52
- Audit fee	**23.60**	9.52

10 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 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:

Notes to Financial Statements

for the year ended March 31, 2020

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Basic/Diluted		
Loss for the year	**(41.17)**	(26.25)
Weighted average number of equity shares in calculating basic EPS	**30,000**	30,000
Basic/Dilutive loss per equity share	**(1.37)**	**(0.87)**

11 FINANCIAL INSTRUMENTS

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

Particulars	As at 31 March 2020	As at 31 March 2019
Financial assets		
Measured at Amortised cost		
- Cash and cash equivalents	**37.93**	122.00
Total financial assets	**37.93**	**122.00**
Financial liabilities		
Measured at Amortised cost		
- Trade payables	**24.88**	16.52
Total financial liabilities	**24.88**	**16.52**

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.

12 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. There are no debts in the company

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.

13 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 stakeholders 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 and financial assets carried at amortised

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 37.93 at 31 March 2020 (31 March 2019 : INR 122.00). 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.

Notes to Financial Statements
for the year ended March 31, 2020

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 2020	Within 1 year	Between 1 and 5 years	More than 5 years	Total
Trade payables	**24.88**	**-**	**-**	**24.88**
	24.88	**-**	**-**	**24.88**

31 March 2019	Within 1 year	Within 1 year to 5 Years	More than 5 years	Total
Trade payables	16.52	-	-	16.52
	16.52	**-**	**-**	**16.52**

14 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

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

The Company has during the year not received any intimation from any of its suppliers regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures , if any, relating to amount unpaid as at the period end along with interest paid/payable as required under the said Act have not been given. Based on the information available with the Company there are no principal / Interest amounts due to micro and small entpersies.

The accompanying notes are an integral part of the financial statements

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

per **Pankaj Jain**
Partner
Membership No.: 095412

Place: New Delhi
Date : 11 May 2020

For and on behalf of the Board of Directors of
Hello Trade Online Private Limited

Sudhir Gupta
(Director)
DIN: 08267484

Manoj Bhargava
(Director)
DIN: 08267536

Place: Ghaziabad
Date: 11 May 2020

INDIAMART INTERMESH LIMITED

CIN NO.: L74899DL1999PLC101534

REGISTERED OFFICE OF THE COMPANY

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CORPORATE OFFICE OF THE COMPANY

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