

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **TEN TIMES ONLINE PRIVATE LIMITED**

### Opinion

We have audited the accompanying interim standalone Ind AS financial statements of **TEN TIMES ONLINE PRIVATE LIMITED** ("the Company"), which comprise the interim standalone Balance Sheet as at June 30, 2019, and the interim standalone Statement of Profit and Loss, including other comprehensive income, interim standalone Cash Flow Statement and the interim standalone Statement of Changes in Equity for the three -month period then ended, and notes to the interim 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 interim standalone Ind AS financial statements give a true and fair view in conformity with the accounting principle generally accepted in India including the Indian Accounting Standard (Ind AS) 34 specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended:

- (a) in the case of the interim standalone Balance Sheet, of the state of affairs of the Company as at June 30, 2019;
- (b) in the case of the interim standalone Statement of Profit and Loss including other comprehensive income, of the profit for the three-month period ended on that date;
- (c) in the case of the interim Cash Flow Statement, of the cash flows for the three -month period ended on that date; and
- (d) in the case of the interim Statement of Changes in Equity, of the changes in equity for the three -month period ended on that date.

### Basis for Opinion

We conducted our audit of the interim 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 Interim 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 interim 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 June 30, 2019. 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
<b>Revenue recognition (as described in note 2.2(c) and Note 14 of the standalone Ind AS financial statements)</b>	
<p>Total turnover for the period ended June 30, 2019 amounted to Rs. 24,171.73 thousands. The Company generates revenue primarily from web services and follows a prepaid model for its business.</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>· We read the Company's revenue recognition accounting policies and assessed compliance of policies with applicable financial reporting standards.</li> <li>· We obtained an understanding of the revenue recognition process and tested controls around revenue recognition.</li> <li>· 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.</li> <li>· 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.</li> <li>· 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.</li> <li>· We also obtained and tested overall reconciliation of revenue and collection as generated from IT systems with accounting system.</li> </ul>

### Management's Responsibility for the Interim Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these interim 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 interim 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 interim 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 Interim Standalone Financial Statements**

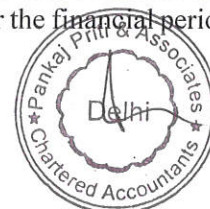
Our objectives are to obtain reasonable assurance about whether the interim standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but 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 interim 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 interim 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 interim standalone financial statements, including the disclosures, and whether the interim 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 June 30, 2019 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.

**For Pankaj Priti & Associates**

Chartered Accountants

Firm's Registration No. 016461N



**Pankaj Jain (Partner)**

Membership No. 095412



Place: NOIDA

Date: 30th July 2019

UDIN-19095412AAAAEK3455



**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 2(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 30<sup>th</sup> June 2019 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 30<sup>th</sup> June 2019, 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: NOIDA  
Date: 30th July 2019



**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 1 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*  
**Pankaj Jain (Partner)**  
Membership No. 095412

Place: NOIDA  
Date: 30th July 2019



**TEN TIMES ONLINE PRIVATE LIMITED**

**Balance Sheet as at 30 June 2019**

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

		As at	As at
	Notes	30 June 2019	31 March 2019
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1,538.82	1,579.79
Deferred tax assets (Net)	21	172.58	8.49
Other financial assets	5	2,137.50	2,137.50
<b>Total non-current assets</b>		<b>3,848.90</b>	<b>3,725.78</b>
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Investments	5	31,996.74	31,458.83
(ii) Trade receivables	7	2,686.42	3,690.67
(iii) Cash and cash equivalents	8	4,434.80	8,233.34
(iv) Loans	5	84.00	196.00
Current tax assets (Net)	13	3,942.89	3,764.57
Other current assets	6	1,898.90	1,788.67
<b>Total current assets</b>		<b>45,043.75</b>	<b>49,132.08</b>
<b>Total assets</b>		<b>48,892.65</b>	<b>52,857.86</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	9	623.33	623.33
Other equity		33,356.31	32,439.71
<b>Total equity</b>		<b>33,979.64</b>	<b>33,063.04</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Provisions	11	1,587.77	1,322.75
<b>Total non-current liabilities</b>		<b>1,587.77</b>	<b>1,322.75</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
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		3,842.84	8,671.05
Provisions	11	1,335.14	1,046.45
Contract liabilities	12	7,589.77	7,404.55
Other current liabilities	12	557.49	1,350.02
<b>Total current liabilities</b>		<b>13,325.24</b>	<b>18,472.07</b>
<b>Total liabilities</b>		<b>14,913.01</b>	<b>19,794.82</b>
<b>Total equity and liabilities</b>		<b>48,892.65</b>	<b>52,857.86</b>
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: Noida

Date: 30th July 2019

UDIN-190954127AAA EK3455

For and on behalf of the Board of Directors

**Ten Times Online Private Limited**

Mayank Chowdhary  
(Whole-time Director)  
DIN: 07967272

Prateek Chandra  
(Director)  
DIN: 00356853

Place: Noida

Date: 30th July 2019

**TEN TIMES ONLINE PRIVATE LIMITED**  
**Statement of profit and loss for the period ended 30 June 2019**  
(Amounts in INR "Thousands", unless otherwise stated)

	Notes	For the Period ended 30 June 2019	For the Period ended 30 June 2018
<b>Income:</b>			
Revenue from operations	14	24,171.73	16,724.32
Net gain on financial assets measured at FVTPL	15	537.91	233.95
Other income	16	33.97	-
<b>Total income</b>		<b>24,743.61</b>	<b>16,958.27</b>
<b>Expenses:</b>			
Employee benefits expense	17	15,725.47	11,161.53
Depreciation expense	18	255.88	77.24
Other expenses	19	8,559.49	5,145.98
<b>Total expenses</b>		<b>24,540.84</b>	<b>16,384.75</b>
<b>Profit before tax</b>		<b>202.77</b>	<b>573.52</b>
<b>Income tax expense</b>	21		
Tax expenses		23.36	159.77
Deferred tax		(116.38)	(7.39)
<b>Total tax expense</b>		<b>(93.02)</b>	<b>152.38</b>
<b>Profit for the period</b>		<b>295.79</b>	<b>421.14</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss in subsequent period</b>			
Re-measurement (losses) on defined benefit plans		(183.52)	(114.41)
Income tax effect		47.71	31.83
		(135.81)	(82.58)
<b>Other comprehensive income for the period, net of tax</b>		<b>(135.81)</b>	<b>(82.58)</b>
<b>Total comprehensive profit for the period</b>		<b>159.98</b>	<b>338.56</b>
<b>Earnings per equity share:</b>	20		
Basic earnings per equity share (INR)		4.75	6.76
Diluted earnings per equity share (INR)		2.11	3.06
<b>Summary of significant accounting policies</b>	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: Noida  
Date: 30th July 2019

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

Mayank Chowdhary  
(Whole-time Director)  
DIN: 07967272

Prateek Chandra  
(Director)  
DIN: 00356853

Place: Noida  
Date: 30th July 2019



**TEN TIMES ONLINE PRIVATE LIMITED**  
**Statement of Cash Flows for the period ended 30 June 2019**  
(Amounts in INR "Thousands", unless otherwise stated)

Particulars	For the period ended 30 June 2019	For the period ended 30 June 2018
<b>Profit/(Loss) before tax</b>	<b>202.77</b>	<b>573.52</b>
Adjustments for:		
Depreciation/amortisation	255.88	77.24
Share-based payment expense	756.62	2,422.34
Gain on disposal of mutual fund investments	-	(56.00)
Fair value gain on financial assets measured at fair value through profit and loss	(537.91)	(177.95)
<b>Operating profit/(loss) before working capital changes</b>	<b>677.36</b>	<b>2,839.15</b>
<b>Movement in working capital</b>		
(Increase)/decrease in trade receivables	1,004.25	4,143.37
(Increase)/decrease in other assets	1.77	194.21
Increase/(decrease) in other liabilities	(607.31)	(2,107.40)
Increase/(decrease) in trade and other payables	(4,828.22)	(3,495.67)
Increase/(decrease) in provisions	370.19	142.85
<b>Cash generated from operations</b>	<b>(3,381.96)</b>	<b>1,716.51</b>
Direct taxes paid (net of refunds)	(201.67)	(842.48)
<b>Net cash generated in operating activities</b>	<b>(3,583.63)</b>	<b>874.03</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment and other intangible assets	(214.91)	(193.79)
Investment in mutual funds	-	(1,000.00)
Proceeds from redemption of mutual funds	-	3,000.00
<b>Net cash (used) in investing activities</b>	<b>(214.91)</b>	<b>1,806.21</b>
<b>Cash flow from financing activities</b>		
Proceeds from equity share capital	-	-
<b>Net cash generated from financing activities</b>	<b>-</b>	<b>-</b>
<b>Increase in cash and cash equivalents</b>	<b>(3,798.54)</b>	<b>2,680.23</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>8,233.34</b>	<b>41.83</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4,434.80</b>	<b>2,722.06</b>
<b>Components of cash and cash equivalents</b>		
Cash and cheques on hand	-	10.00
Balances with banks:		
- On current accounts	4,434.80	2,712.06
<b>Total cash and cash equivalents (note 8)</b>	<b>4,434.80</b>	<b>2,722.06</b>

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

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



Place: Noida  
Date: 30th July 2019

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

*Mayank Chowdhary*  
**Mayank Chowdhary**  
(Whole-time Director)  
DIN: 07967272

Place: Noida  
Date: 30th July 2019

*Prateek Chandra*  
**Prateek Chandra**  
(Director)  
DIN: 00356853

*[Handwritten signature]*

TEN TIMES ONLINE PRIVATE LIMITED

Statement of changes in equity for the period ended 30 June 2019

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

(a) Equity share capital (refer note 9)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 01 Apr 2018	623.33
Changes in equity share capital during the Period	-
As at 30 June 2018	623.33
As at 01 Apr 2019	623.33
Changes in equity share capital during the Period	-
As at 30 June 2019	623.33

(b) Other equity (refer note 9)

Particulars	Attributable to owners of Ten Times Online Private Limited		Total reserve and surplus	Total
	Reserves and surplus			
	Employee stock options outstanding	Retained earnings		
Balance as at 01 April 2018	6,959.58	11,557.55	18,517.13	18,517.13
Profit for the year		421.14	421.14	421.14
Other comprehensive income		(82.58)	(82.58)	(82.58)
Total comprehensive income	-	338.56	338.56	338.56
Employee stock option expense	2,422.34		2,422.34	2,422.34
Balance as at 30 June 2018	9,381.92	11,896.11	21,278.04	21,278.04
Balance as at 01 April 2019	17,050.07	15,389.64	32,439.71	32,439.71
Profit for the period	-	295.79	295.79	295.79
Other comprehensive income	-	(135.81)	(135.81)	(135.81)
Total comprehensive income	-	159.98	159.98	159.98
Employee share based payment expense	756.62	-	756.62	756.62
Total comprehensive profit	756.62	159.98	916.60	916.60
Balance as at 30 June 2019	17,806.69	15,549.62	33,356.31	33,356.31

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: Noida  
Date: 30th July 2019



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

Mayank Chowdhary  
(Whole-time Director)  
DIN: 07967272

Place: Noida  
Date: 30th July 2019

Prateek Chandra  
(Director)  
DIN: 00356853

Handwritten signature/initials.



## TEN TIMES ONLINE PRIVATE LIMITED

### Notes to financial statements for the period ended 30th June 2019

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

#### 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 in 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 channels of information technology through online or otherwise. The registered office of the Company is located at 1st Floor, 29-Daryaganj, Netaji Subash Marg New Delhi-110002, India.

The interim financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 30th July, 2019.

#### 2. Significant accounting policies

##### 2.1 Basis of preparation

The interim financial statements of the Company have been prepared in accordance with Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs ("MCA").

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

The interim 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 interim financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the interim 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 interim financial statements.

###### a) Current versus non-current classification

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

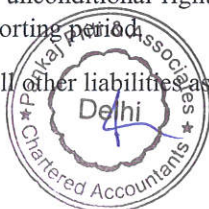
- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used 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.



**TEN TIMES ONLINE PRIVATE LIMITED**  
**Notes to financial statements for the period ended 30th June 2019**  
(Amounts in INR "Thousands", unless otherwise stated)

---

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.

**b) 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:

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

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

For assets and liabilities that are recognised in the interim 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 23)





## TEN TIMES ONLINE PRIVATE LIMITED

### Notes to financial statements for the period ended 30th June 2019

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

#### c) 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).

#### d) 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.

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.

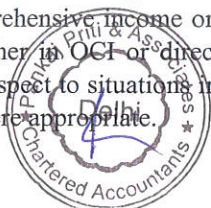
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period end and adjusted prospectively, if appropriate.

#### e) Taxes

##### Current Income tax

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

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



## TEN TIMES ONLINE PRIVATE LIMITED

### Notes to financial statements for the period ended 30th June 2019

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

---

#### 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.





## TEN TIMES ONLINE PRIVATE LIMITED

### Notes to financial statements for the period ended 30th June 2019

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

---

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 interim 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.

##### 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



## TEN TIMES ONLINE PRIVATE LIMITED

### Notes to financial statements for the period ended 30th June 2019

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

---

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.

#### **h) 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.

#### **i) 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.





## TEN TIMES ONLINE PRIVATE LIMITED

### Notes to financial statements for the period ended 30th June 2019

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

---

#### 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 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.



**TEN TIMES ONLINE PRIVATE LIMITED**

**Notes to financial statements for the period ended 30th June 2019**

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

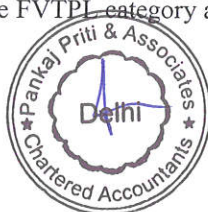
---

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.





## TEN TIMES ONLINE PRIVATE LIMITED

### Notes to financial statements for the period ended 30th June 2019

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

#### 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





## TEN TIMES ONLINE PRIVATE LIMITED

### Notes to financial statements for the period ended 30th June 2019

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

life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

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

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

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

#### Financial liabilities

##### Initial recognition and measurement

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

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

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

##### Subsequent measurement

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

##### Financial liabilities at fair value through Profit or Loss:

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

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

##### Loans and borrowings

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





## TEN TIMES ONLINE PRIVATE LIMITED

### Notes to financial statements for the period ended 30th June 2019

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

---

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.

#### **j) Foreign currency transactions**

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

#### Transactions and balances

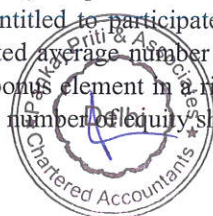
Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

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.

#### **k) 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.



## TEN TIMES ONLINE PRIVATE LIMITED

### Notes to financial statements for the period ended 30th June 2019

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

---

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.

#### **l) 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.

#### **m) 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 interim financial statements of the Company as a whole.

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

##### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the interim 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 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.





**TEN TIMES ONLINE PRIVATE LIMITED****Notes to financial statements for the period ended 30th June 2019**

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

---

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.

**New and amended standard****IND AS 116 Leases**

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

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

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



**TEN TIMES ONLINE PRIVATE LIMITED**

**Notes to Financial Statements for the period ended 30 June 2019**

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

**4 Property, plant and equipment**

	Computers	Office equipment	Furniture and Fixtures	Total Property, plant and equipment
<b>Gross carrying amount</b>				
At 01 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	195.00	9.01	10.90	214.91
Disposal/Adjustment	-	-	-	-
At 30 June 2019	2,617.35	166.53	22.93	2,806.81
<b>Accumulated Depreciation</b>				
At 01 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 period	246.41	8.70	0.77	255.88
Disposal/Adjustment	-	-	-	-
At 30 June 2019	1,170.42	95.77	1.80	1,267.99
<b>Net book value</b>				
At 01 April 2018	335.54	74.27	-	409.81
At 31 March 2019	1,498.34	70.45	11.00	1,579.79
At 30 June 2019	1,446.93	70.76	21.13	1,538.82





5 Financial assets

a) Non Current assets  
Security deposits (non-current)

As at 30 June 2019	As at 31 March 2019
2,137.50	2,137.50
<u>2,137.50</u>	<u>2,137.50</u>

b) Current investments

Investment in mutual funds - Quoted (measured at FVTPL)

	As at 30 June 2019		As at 31 March 2019	
	No. of Units	Amount	No. of Units	Amount
HDFC Liquid Fund -Regular Plan-Growth	2,329	8,672.62	2,329	8,523.33
HDFC- Equity Saving fund-Regular-Growth	1,40,386	5,251.01	1,40,386	5,165.52
HDFC Low Duration Fund- Retail -Regular Plan- Growth	1,96,990	7,843.42	1,96,990	7,707.60
HDFC Hybrid Equity Fund-Regular-Growth	41,348	2,269.34	41,348	2,251.15
HDFC Short term debt Fund - Regular-Growth	3,78,460	7,960.35	3,78,460	7,811.23
<b>Total current investments</b>		<u>31,996.74</u>		<u>31,458.83</u>

c) Loans (current)

Loans to employees considered good- Secured	-	-
Loans to employees considered good- Unsecured	84.00	196.00
Loans to employees which have significant increase in credit risk	-	-
Loans to employees credit impaired	-	-
<b>Total</b>	<u>84.00</u>	<u>196.00</u>

Notes:

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

6 Other assets

Current (Unsecured, considered good unless otherwise stated)

	As at 30 June 2019	As at 31 March 2019
Advances to vendors	473.84	392.05
Advances recoverable in cash or kind	43.03	43.03
Balances with Government authorities	1,048.31	825.89
Prepaid expenses	333.72	527.70
<b>Total</b>	<u>1,898.90</u>	<u>1,788.67</u>

7 Trade receivables

	As at 30 June 2019	As at 31 March 2019
Considered good- Secured	-	-
Considered good- Unsecured	2,686.42	3,690.67
Trade Receivables which have significant increase in credit risk	755.08	789.05
Trade Receivables credit impaired	(755.08)	(789.05)
<b>Total</b>	<u>2,686.42</u>	<u>3,690.67</u>

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.

8 Cash and cash equivalents

	As at 30 June 2019	As at 31 March 2019
Cash on hand	-	10.00
Balance with bank	-	-
- On current accounts	4,434.80	8,223.34
<b>Total Cash and cash equivalents</b>	<u>4,434.80</u>	<u>8,233.34</u>

Notes:

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



9 Equity share capital and other equity  
a) Equity share capital

Authorised share capital

As at 01 April 2018  
Increase/decrease during the year  
As at 31 March 2019  
Increase/decrease during the Period  
As at 30 June 2019

Number of shares	Amount
1,50,000.00	1,500.00
-	-
1,50,000.00	1,500.00
-	-
1,50,000.00	1,500.00

Issued share capital

As at 01 April 2018  
Shares issued during the year  
As at 31 March 2019  
Shares issued during the period  
As at 30 June 2019

Number of shares	Amount
62,333.00	623.33
-	-
62,333.00	623.33
-	-
62,333.00	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 30 June 2019		As at 31 March 2019	
Number	% Holding	Number	% Holding
62,333	100%	62,333	100%

Equity shares of INR 10 each fully paid  
Indiamart Intermesh Limited

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

As at 30 June 2019		As at 31 March 2019	
Number	% Holding	Number	% Holding
62,333	100%	62,333	100%

Equity shares of INR 10 each fully paid  
Indiamart Intermesh Limited

d) Other equity

Employee stock options outstanding  
Retained earnings  
Total other equity

As at 30 June 2019	As at 31 March 2019
17,806.69	17,050.07
15,549.62	15,389.64
33,356.31	32,439.71





**TEN TIMES ONLINE PRIVATE LIMITED**
**Notes to Financial Statements for the period ended 30 June 2019**

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

**10 Trade payables**

	As at 30 June 2019	As at 31 March 2019
<b>Current</b>		
Payable to micro, small and medium enterprises	-	-
Other trade payables	3,842.84	8,671.05
<b>Total</b>	<b>3,842.84</b>	<b>8,671.05</b>

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

**11 Provisions**

	As at 30 June 2019	As at 31 March 2019
<b>Non-current</b>		
<b>Provision for employees benefits</b>		
Provision for gratuity	1,587.77	1,322.75
<b>Total</b>	<b>1,587.77</b>	<b>1,322.75</b>
<b>Current</b>		
<b>Provision for employees benefits</b>		
Provision for gratuity	341.92	257.97
Provision for leave encashment	993.22	788.48
<b>Total</b>	<b>1,335.14</b>	<b>1,046.45</b>

**12 Contract & Other current liabilities**

	As at 30 June 2019	As at 31 March 2019
<b>(a) Contract liabilities*</b>		
Deferred Revenue	7,209.39	7,363.19
Advance from customers	380.38	41.36
<b>Total</b>	<b>7,589.77</b>	<b>7,404.55</b>
<b>(b) Other current liabilities</b>		
GST Payable	130.52	174.70
Tax deducted at source payable	422.08	1,171.61
ESI Payables	4.89	3.71
<b>Total</b>	<b>557.49</b>	<b>1,350.02</b>

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

**13 Current tax assets and liabilities**

	As at 30 June 2019	As at 31 March 2019
Advance income tax	7,153.53	6,951.85
Less: Provision for income tax	3,210.64	3,187.28
	<b>3,942.89</b>	<b>3,764.57</b>



	For the period ended 30 June 2019	For the period ended 30 June 2018
<b>14 Revenue from operations</b>		
Sale of services		
Income from web services	24,171.73	16,724.32
<b>Total</b>	<b>24,171.73</b>	<b>16,724.32</b>

**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 period ended 30 June 2019		For the period ended 30 June 2018	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Income from web services	7,589.77	-	4,895.54	-
	<b>7,589.77</b>	<b>-</b>	<b>4,895.54</b>	<b>-</b>

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)**

	As at 30 June 2019	As at 30 June 2018
Income from web services	7,589.77	4,895.54
	<b>7,589.77</b>	<b>4,895.54</b>
Non-current	-	-
Current	7,589.77	4,895.54
	<b>7,589.77</b>	<b>4,895.54</b>

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

	For the period ended 30 June 2019	For the period ended 30 June 2018
Opening balance at the beginning of the period	7,404.55	5,707.02
Less: Revenue recognised from contract liability balance at the beginning of the period	5,444.75	3,618.46
Add: Amount received from customers during the period	24,356.95	15,912.83
Less: Revenue recognised from amount received during the period	18,726.98	13,105.86
Closing balance at the end of the period	<b>7,589.77</b>	<b>4,895.54</b>

**15 Net Gain/(loss) on financial assets measured at FVTPL**

Net gain on disposal of current investments	-	56.00
Fair value gain on financial assets measured at FVTPL	537.91	177.95
	<b>537.91</b>	<b>233.95</b>

**16 Other income**

Provisions no longer required written back	33.97	-
<b>Total</b>	<b>33.97</b>	<b>-</b>

**17 Employee benefits expense**

Salaries, wages and bonus	14,151.66	8,148.00
Gratuity expense	165.45	60.50
Leave encashment expense	218.37	120.37
Contribution to provident and other funds	10.73	5.94
Employee share based payment expense	756.62	2,422.34
Staff welfare expenses	422.64	404.38
<b>Total</b>	<b>15,725.47</b>	<b>11,161.53</b>

**18 Depreciation expense**

Depreciation of property, plant and equipment (refer note 4)	255.88	77.24
<b>Total</b>	<b>255.88</b>	<b>77.24</b>





19 Other expenses

Communication costs
Insurance expenses
Internet and other online expenses
Legal and professional fees
Outsourced support cost
Printing and stationery
Travelling and conveyance
Brokerage & commission
Rates and taxes
Recruitment and training expenses
Rent
Repair and maintenance:
-Plant and machinery
-Others
Auditor's remuneration
General expenses
Foreign exchange fluctuation (net)
Collection charges
Total

For the period ended 30 June 2019	For the period ended 30 June 2018
488.12	253.17
205.33	130.73
703.02	507.61
765.69	93.81
2,765.60	2,823.58
20.85	78.66
575.48	521.98
140.72	-
34.88	-
225.37	66.99
2,216.67	345.00
93.21	29.52
-	16.08
15.00	15.00
3.63	207.00
224.33	-
81.59	56.86
<b>8,559.49</b>	<b>5,145.98</b>

Payment to Auditors

As auditor:  
- Audit fee

For the period ended 30 June 2019	For the period ended 30 June 2018
15.00	15.00
<b>15.00</b>	<b>15.00</b>

20 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 period.  
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:

Basic
Profit for the period
Weighted average number of equity shares in calculating basic EPS
Basic earnings per equity share
Diluted
Profit for the period
Weighted average number of equity shares in calculating basic EPS
Employee stock options scheme
Total Shares

Diluted earnings per equity share

For the period ended 30 June 2019	For the period ended 30 June 2018
295.79	421.14
62,333.00	62,333.00
4.75	6.76
295.79	421.14
62,333.00	62,333.00
77,545.00	75,376.00
<b>1,39,878.00</b>	<b>1,37,709.00</b>
2.11	3.06



## TEN TIMES ONLINE PRIVATE LIMITED

Notes to Financial Statements for the period ended 30 June 2019

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

## 21 Income tax

The major components of income tax expense are:

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

Particulars	For the period ended 30 June 2019	For the Period ended 30 June 2018
<b>Current income tax</b>		
Current income tax for the year	23.36	159.77
	23.36	159.77
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	(116.38)	(7.39)
	(116.38)	(7.39)
<b>Total income tax credit</b>	<b>(93.02)</b>	<b>152.37</b>

## b) Income tax recognised in other comprehensive income (OCI)

Deferred tax related to items recognised in OCI during the year

Particulars	For the period ended 30 June 2019	For the Period ended 30 June 2018
Net loss on remeasurements of defined benefit plans	47.71	31.83

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

Particulars	For the period ended 30 June 2019	For the Period ended 30 June 2018
<b>Income before tax from operations</b>	<b>202.77</b>	<b>573.51</b>
<b>Accounting profit before income tax</b>	<b>202.77</b>	<b>573.51</b>
Tax expense at statutory income tax rate of 26.00% (June 30, 2018: 27.82%)	52.72	159.55
Adjustments in respect of differences taxed at lower tax rates	-	(7.18)
Adjustments in respect of differences in deferred tax for prior years	(145.74)	-
Other non-deductible expenses	-	-
<b>Tax expense at the effective income tax rate of 26.00% (June 30, 2019: 27.82%)</b>	<b>(93.02)</b>	<b>152.37</b>

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

Particulars	As at 30 June 2019	As at 31 March 2019
<b>Deferred tax asset</b>		
Provision for gratuity	501.72	346.71
Provision for compensated absences	258.24	84.95
Accelerated depreciation for tax purposes	42.53	16.71
Allowances for doubtful debts	196.32	205.15
<b>Total deferred tax assets (A)</b>	<b>998.81</b>	<b>653.51</b>
<b>Deferred tax liabilities</b>		
Re-measurement of investment in mutual funds to fair value	(826.23)	(645.02)
<b>Total deferred tax assets (B)</b>	<b>(826.23)</b>	<b>(645.02)</b>
<b>Net deferred tax liabilities</b>	<b>172.58</b>	<b>8.50</b>

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

Particulars	For the period ended 30 June 2019	For the year ended 31 March 2019
<b>Deferred tax income relates to the following:</b>		
Provision for gratuity	155.02	276.01
Provision for compensated absences	173.28	34.62
Property, plant and equipment and other intangible assets	25.82	17.04
Others	-	-
Re-measurement of investment in mutual funds to fair value	(181.21)	(495.43)
Allowances for doubtful debts	(8.83)	205.15
<b>Deferred tax income / (Expenses)</b>	<b>164.09</b>	<b>37.39</b>

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

Particulars	As at 30 June 2019	As at 31 March 2019
Opening balance as of 1 April	8.49	(28.90)
Tax income/(expense) during the period recognised in profit or loss	116.38	(111.96)
Tax income/(expense) during the period recognised OCI	47.71	149.35
<b>Closing balance as of 31 March 2019</b>	<b>172.58</b>	<b>8.49</b>





**22 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.

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**

Present value of defined benefit obligation  
Net liability arising from defined benefit obligation

As at 30 June 2019	As at 31 March 2019
1,929.69	1,580.72
1,929.69	1,580.72

**Leave encashment - Long-term employee benefit**

Present value of defined benefit obligation  
Fair value of plan assets  
Net liability arising from defined benefit obligation

As at 30 June 2019	As at 31 March 2019
993.22	788.48
-	-
993.22	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*

Balance at the beginning of the period  
Benefits paid  
Current service cost  
Interest cost  
Actuarial (gains) losses recognised in other comprehensive income  
- changes in demographic assumptions  
- changes in financial assumptions  
- experience adjustments  
Balance at the end of the period

Gratuity	
For the period ended 30 June 2019	For the period ended 30 June 2018
1,580.72	519.16
-	-
135.18	50.38
30.27	10.12
1.16	-
40.07	(7.28)
142.29	121.69
1,929.69	694.06

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

Balance at the beginning of the period  
Benefits paid  
Current service cost  
Interest cost  
Actuarial (gains) losses recognised in other comprehensive income  
- changes in demographic assumptions  
- changes in financial assumptions  
- experience adjustments  
Balance at the end of the period

Leave encashment	
For the period ended 30 June 2019	For the period ended 30 June 2018
788.48	655.34
(13.63)	(38.03)
105.09	79.01
15.10	12.78
(0.05)	-
22.23	(6.60)
76.00	35.18
993.22	737.69

**b) Expense recognised in profit or loss**

Current service cost  
Net interest expense  
Actuarial (gain) loss on defined benefit obligation  
Components of defined benefit costs recognised in profit or loss

Gratuity	
For the period ended 30 June 2019	For the period ended 30 June 2018
135.18	50.38
30.27	10.12
165.45	60.50

Remeasurement of the net defined benefit liability  
Actuarial (gain) loss on defined benefit obligation  
Components of defined benefit costs recognised in other comprehensive income

183.52	-
183.52	-

Current service cost  
Net interest expense  
Actuarial (gain) loss on long term employee benefit  
Components of defined benefit costs recognised in profit or loss

Leave encashment	
For the period ended 30 June 2019	For the period ended 30 June 2018
105.09	79.01
15.10	12.78
98.18	28.58
218.37	120.37



c) Actuarial assumptions

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

	As at 30 June 2019	As at 30 June 2018
Discount rate	7.08%	8.09%
Future salary growth	12.00%	7.00%
Attrition rate: ( % )		
Ages		
Upto 30 years	30.00%	62.00%
From 31 to 44 years	30.00%	62.00%
Above 44 years	30.00%	62.00%
	India Assured Life Moratality (2012-14)	India Assured Life Moratality (2006-08)

Mortality table

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 period ended 30 June 2019

Impact of change in discount rate by 0.50%

Impact of change in salary by 0.50%

For the period ended 31 Mar 2019

Impact of change in discount rate by 0.50%

Impact of change in salary by 0.50%

Increase	Decrease
(35.04)	36.33
34.32	(33.52)
Increase	Decrease
(28.30)	29.33
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

Within one year  
Within one - three years  
Within three - five years  
Above five years



As at 30 June 2019	As at 31 March 2019
341.92	257.97
656.89	456.92
385.63	293.51
545.25	572.32
1,929.69	1,580.72



## 23 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 30 June 2019	As at 31 March 2019
<b>Financial assets</b>			
a) Measured at fair value through profit or loss (FVTPL)			
Mandatorily measured at FVTPL			
- Investment in mutual funds	Level 1	31,996.74	31,458.83
		<u>31,996.74</u>	<u>31,458.83</u>
b) Measured at Amortised cost			
- Trade receivables	Level 2	2,686.42	3,690.67
- Security deposits	Level 2	2,137.50	2,137.50
- Cash and cash equivalents	Level 1	4,434.80	8,233.34
		<u>9,258.72</u>	<u>14,061.51</u>
<b>Total financial assets</b>		<u><b>41,255.46</b></u>	<u><b>45,520.34</b></u>
<b>Financial liabilities</b>			
a) Measured at Amortised cost			
- Trade payables	Level 2	3,842.84	8,671.05
<b>Total financial liabilities</b>		<u><b>3,842.84</b></u>	<u><b>8,671.05</b></u>

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.

## 24 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.

## 25 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 maintains 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 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

	Within 1 year	Between 1 and 5 years	More than 5 years	Total
31 March 2019				
Trade payables	8,671.05	-	-	8,671.05
30 June 2019				
Trade payables	3,842.84	-	-	3,842.84



### iii) Market risk

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

#### 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 30 June 2019 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 30 June 2019	As at 31 March 2019
Trade receivable	USD 6.75 (INR 466.99)	USD 1.43 (INR 98.57)

#### Sensitivity

	Impact on profit/(loss) before tax As at 30 June 2019	As at 31 March 2019
<b>USD sensitivity</b>		
INR/USD - increase by 2%	9.34	1.97
INR/USD - decrease by 2%	(9.34)	(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 As at 30 June 2019	As at 31 March 2019
+ 5% change in NAV of mutual funds	1,600	1,573
- 5% change in NAV of mutual funds	(1,600)	(1,573)





## 26 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 period ended 30 June 2019	For the period ended 30 June 2018
India	5,201.93	5,667.17
Singapore	5,846.52	3,209.28
China	3,502.48	2,553.84
United States	4,431.49	294.02
Others	5,189.31	5,000.00
	<b>24,171.73</b>	<b>16,724.31</b>
	Non-current assets*	
	As at 30 June 2019	As at 31 March 2019
India	3,676.32	3,717.29
	<b>3,676.32</b>	<b>3,717.29</b>

\* Non-current assets exclude financial instruments, deferred tax assets, post-employment 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 (joined w.e.f. 29 October 2018)

#### 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

Short-term employee benefits  
Post-employment benefits  
Other long-term employee benefits  
Employee share based payment expense

	For the period ended 30 June 2019	For the period ended 30 June 2018
Short-term employee benefits	1,622.42	1,300.80
Post-employment benefits	153.12	63.00
Other long-term employee benefits	94.97	47.16
Employee share based payment expense	737.43	2,422.34
	<b>2,607.94</b>	<b>3,833.29</b>

### 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 period

Particulars	For the period ended 30 June 2019	For the period ended 30 June 2018
Enterprises over which Key Management Personnel & Relatives have significant influence		
Expenses for rent	-	345.00
Holding Company		
Services Obtained from	-	30.00

### 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 period 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 period ended 30 June 2019, 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

	30 June 2019		31 March 2019	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the period	75,380	10	75,380	10
Granted during the period	Nil	Nil	Nil	Nil
Forfeited/ expired during the period	Nil	Nil	Nil	Nil
Exercised during the period	Nil	Nil	Nil	Nil
Outstanding at the end of the period	75,380	10	75,380	10
Exercisable at the end of the period	34,790	10	34,790	10

### Ten Times ESOP 2018 - I

	30 June 2019		31 March 2019	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the period	826	25	Nil	Nil
Granted during the period	Nil	Nil	826	25
Forfeited/ expired during the period	171	25	Nil	Nil
Exercised during the period	Nil	Nil	Nil	Nil
Outstanding at the end of the period	655	25	826	25
Exercisable at the end of the period	Nil	Nil	Nil	Nil

### Ten Times ESOP 2018 - II

	30 June 2019		31 March 2019	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the period	1,798	100	Nil	Nil
Granted during the period	Nil	Nil	1,798	100
Forfeited/ expired during the period	288	100	Nil	Nil
Exercised during the period	Nil	Nil	Nil	Nil
Outstanding at the end of the period	1,510	100	1,798	100
Exercisable at the end of the period	Nil	Nil	Nil	Nil

Figures for current period ended 30 June 2019 and previous year are as follows:

	As at 30 June 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	655	1,510
Weighted average remaining contractual life of options (in years)	6.25	2.08	3.08
Weighted average exercise price	10	25	100
Weighted average share price for the options exercised during the period	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 period	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 30 June 2019		
	Ten Times ESOP - 2017	Ten Times ESOP 2018 - I	Ten Times ESOP 2018 - II
Weighted average share price	342.64	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	6.25	2.08	3.08
Expected dividends	Nil	Nil	Nil
Average risk-free interest rate	6.87%	5.08%	6.81%





Weighted average share price  
Exercise Price  
Expected Volatility  
Historical Volatility  
Life of the options granted (Vesting and exercise year) in years  
Expected dividends  
Average risk-free interest rate

As at 31 March 2019			
Ten Times ESOP - 2017	Ten Times ESOP 2018 - I	Ten Times ESOP 2018 - II	
342.62	352.88	353.58	
10	25	100	
0	0	0	
52.63%	53.72%	53.72%	
6.5	2.33	3.33	
Nil	Nil	Nil	
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:

	30 June 2019	30 June 2018
Total Employee Compensation Cost pertaining to share-based payment plans	756.62	2,422.34
Compensation Cost pertaining to equity-settled employee share-based payment plan included above	756.62	2,422.34
Total Liability for employee stock options outstanding as at period end	17,806.69	9,381.92

**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 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 enterprises.

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

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: Noida  
Date: 30th July 2019



*Mayank Chowdhary*  
Mayank Chowdhary  
(Whole-time Director)  
DIN: 07967272

*Prateek Chandra*  
Prateek Chandra  
(Director)  
DIN: 00356853

*Ant*