



PANKAJ PRITI & ASSOCIATES

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Pay With Indiamart Private Limited

Opinion

We have audited the condensed standalone interim financial statements of **Pay With Indiamart Private Limited** ("the Company"), which comprise the condensed standalone balance sheet as at 30 September 2020, and the condensed standalone statement of profit and loss (including other comprehensive income) for the quarter and year-to-date period then ended, condensed standalone statement of changes in equity and condensed standalone statement of cash flows for the year-to-date period then ended, and notes to the condensed standalone interim financial statements, including a summary of the significant accounting policies and other explanatory information, as required by Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" and other accounting principles generally accepted in India

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid condensed standalone interim financial statements give a true and fair view in conformity with Ind AS 34 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 30 September 2020, and profit/loss and other comprehensive income for the quarter and year-to-date period then ended, changes in equity and its cash flows for the year-to-date period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Condensed Standalone Interim 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 condensed standalone interim 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.

Management's Responsibility for the Condensed Standalone Interim Financial Statements

The Company's management and Board of Directors are responsible for the preparation of these condensed standalone interim financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS 34 prescribed under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the

Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the condensed standalone interim financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Condensed Standalone Interim Financial Statements

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

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

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

For Pankaj Priti and Associates

Chartered Accountants

(Firm's Registration No. 016461N)

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Signature

Pankaj Jain

Partner

(Membership No. 095412)

Place: Delhi

Date: 07/11/2020

Pay With Indiamart Private Limited
Condensed Interim Balance Sheet as at 30 September 2020
(Amounts in INR "Thousands" , unless otherwise stated)

	Notes	As at 30 September 2020	As at 31 March 2020
Assets			
Current assets			
Financial assets			
(i) Investments	4	12,655	16,984
(ii) Cash and cash equivalents	5	20,087	11,622
(iii) Others financial assets	6	9,771	3,827
Other current assets	7	2,525	3,112
Current tax assets	13	25	25
Total current assets		45,063	35,570
Total assets		45,063	35,570
Equity and liabilities			
Equity	8		
Equity share capital		1,000	1,000
Other equity		7,424	5,805
Total equity		8,424	6,805
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	9	31,780	28,353
Total non-current liabilities		31,780	28,353
Current liabilities			
Financial liabilities			
(i) Trade payables	10		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		44	54
(ii) Other financial liabilities	11	4,672	310
Current tax liabilities (net)	13	103	-
Other current liabilities	12	40	48
Total current liabilities		4,859	412
Total liabilities		36,639	28,765
Total equity and liabilities		45,063	35,570
Summary of significant accounting policies	2		

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

As per our report of even date

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

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Per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date: November 7, 2020

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

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Praveen Kumar Goel
(Director)
DIN- 03604600

Place: Delhi
Date: November 7, 2020

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Shrawan Kumar Sharma
(Director)
DIN- 07043379

Pay With Indiamart Private Limited
Condensed Interim Statement of Profit and Loss for the period ended 30 September 2020

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

	Notes	For the quarter ended		For the period ended	
		30 September 2020	30 September 2019	30 September 2020	30 September 2019
<hr/>					
Income:					
Revenue from operations	14	8,024	6,749	13,507	13,108
Other income	15	219	272	671	436
Total income		8,243	7,021	14,178	13,544
<hr/>					
Expenses:					
Finance costs	16	1,043	797	2,037	1,528
Other expenses	17	6,740	6,664	11,520	13,258
Total expenses		7,784	7,461	13,556	14,786
<hr/>					
Profit/(loss) before tax		460	(440)	621	(1,242)
<hr/>					
Income tax expense					
Current tax	21	42	-	111	-
Total tax expense		42	-	111	-
<hr/>					
Profit/(loss) for the period		418	(440)	510	(1,242)
<hr/>					
Other comprehensive income (OCI)					
Items that will not be reclassified to profit or loss in subsequent period					
Re-measurement gains/(losses) on defined benefit plans		-	-	-	-
Income tax effect		-	-	-	-
<hr/>					
Other comprehensive income for the year, net of tax		-	-	-	-
<hr/>					
Total comprehensive loss for the period		418	(440)	510	(1,242)
<hr/>					
Earnings per equity share:					
Basic Profit/(loss) per equity share	19	4.18	(4.40)	5.10	(12.42)
Diluted Profit/(loss) per equity share		0.51	(4.40)	0.91	(12.42)
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Summary of significant accounting policies	2				

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

As per our report of even date

For Pankaj Priti & Associates

Chartered Accountants

ICAI Firm Registration No. 016461N

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Per Pankaj Jain

Partner

Membership No.: 095412

Place: New Delhi

Date: November 7, 2020

For and on behalf of the Board of Directors

Pay With Indiamart Private Limited

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Praveen Kumar Goel

(Director)

DIN- 03604600

Place: Delhi

Date: November 7, 2020

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Shrawan Kumar Sharma

(Director)

DIN- 07043379

Pay With Indiamart Private Limited
Condensed Interim Statement of changes in equity for the period ended 30 September 2020
(Amounts in INR "Thousands" , unless otherwise stated)

(a) Equity share capital (refer note 9)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2019	1,000
Changes in equity share capital during the period	-
As at 30 September 2019	1,000

As at 1 April 2020	1,000
Changes in equity share capital during the period	-
As at 30 September 2020	1,000

(b) Other equity (refer note 9)

Particulars	Equity portion of OCCRPS (refer note 9)	Reserve and Surplus Retained Earning	Total
Balance as at 1 April 2019	23,070	(19,738)	3,332
Loss for the period	-	(1,242)	(1,242)
Equity contribution	2,603	-	2,603
Total comprehensive income	2,603	(1,242)	1,361
Balance as at 30 September 2019	25,673	(20,980)	4,693
Balance as at 1 April 2020	28,100	(22,295)	5,805
Profit for the period	-	510	510
Equity contribution	1,109	-	1,109
Total comprehensive income	1,109	510	1,619
Balance as at 30 September 2020	29,209	(21,785)	7,424

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

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

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Per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date: November 7, 2020

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

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Praveen Kumar Goel
(Director)
DIN- 03604600

Place: Delhi
Date: November 7, 2020

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Shrawan Kumar Sharma
(Director)
DIN- 07043379

Pay With Indiamart Private Limited**Condensed Interim Statement of Cash Flows for the period ended 30 September 2020**

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

Particulars	For the period ended 30 September 2020	For the period ended 30 September 2019
Profit/(Loss) before tax	621	(1,242)
Adjustments for:		
Interest expense	2,037	1,528
Fair value gain on financial assets measured at fair value through profit and loss	(671)	(436)
Operating Profit/(loss) before working capital changes	1,987	(150)
Movement in working capital		
(Increase)/Decrease in other financial assets	(5,944)	(937)
(Increase)/Decrease in other current assets	587	(84)
Increase/(Decrease) in other liabilities	(9)	(23)
Increase/(Decrease) in other financial liabilities	4,362	(2,306)
Increase/(Decrease) in trade and other payables	(11)	487
Cash generated from operations	972	(3,013)
Direct taxes paid/ (refund)	(8)	(13)
Net cash generated/(used) in operating activities	965	(3,026)
Cash flow from investing activities		
Investment in mutual funds	-	(17,500)
Redemption of mutual funds	5,000	6,000
Net cash used in investing activities	5,000	(11,500)
Cash flow from financing activities		
Proceeds from preference share capital	2,500	5,000
Net cash generated from financing activities	2,500	5,000
Net (decrease) / increase in cash and cash equivalents	8,465	(9,526)
Cash and cash equivalents at the beginning of the period	11,622	19,460
Cash and cash equivalents at the end of the period	20,087	9,934
Components of cash and cash equivalents		
Balances with banks:		
- On current/ nodal accounts	20,087	9,934
Total cash and cash equivalents (note 5)	20,087	9,934

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

As per our report of even date

For Pankaj Priti & Associates

Chartered Accountants

ICAI Firm Registration No. 016461N

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Per Pankaj Jain

Partner

Membership No.: 095412

Place: New Delhi

Date: November 7, 2020

For and on behalf of the Board of Directors

Pay With Indiamart Private Limited

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Praveen Kumar Goel

(Director)

DIN- 03604600

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Shrawan Kumar Sharma

(Director)

DIN- 07043379

Place: Delhi

Date: November 7, 2020

PAY WITH INDIAMART PRIVATE LIMITED

Notes to the condensed financial statements for the period ended 30th September 2020

(Amounts in “Thousands”)

1. Corporate Information

Pay With IndiaMart Private Limited (“the Company”) is a public company domiciled in India and was incorporated on February 07, 2017 under the provisions of the Companies Act applicable in India. The company provides services in relation to facilitation of electronics payment through internet-based solution, financial intermediation, including advisory and consultancy services for internet based payment. The registered office of the Company is located at 1st Floor, 29-Daryagang, Netaji Subash Marg New Delhi-110002, India.

The condensed interim financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on November 7, 2020.

2. Significant accounting policies

Basis of preparation

The condensed interim financial statements of the Company for the period ended 30th September 2020 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”).

These condensed interim financial statements must be read in conjunction with the company’s last annual financial statements as at and for the year ended March 31, 2020. They do include all the information required for complete set of Ind AS financial statements. However, selected explanatory notes are included to explain events and transaction that are significant to an understanding of the changes in the Company’s financial position and performance since the last annual statements.

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

3. Significant accounting estimates and assumptions

The preparation of condensed 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.

Fair value measurement

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

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

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

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

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

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

PAY WITH INDIAMART PRIVATE LIMITED**Notes to the condensed financial statements for the period ended 30th September 2020**

(Amounts in “Thousands”)

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 condensed 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 condensed 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 note.

- Disclosures for valuation methods and quantitative disclosure of fair value measurement hierarchy (Note 20)

Current investments		As at		As at	
Investments in mutual funds- quoted (measured at FVTPL)		30 September 2020		31 March 2020	
		No. of Units	Amount	No. of Units	Amount
	ICICI Prudential Saving Fund-Direct Plan Growth	30,924	12,655	43,508	16,984
	Total	30,924	12,655	43,508	16,984
5	Cash and cash equivalents			As at	As at
				30 September 2020	31 March 2020
	Balance with bank				
	- On current accounts			18,452	8,552
	- On nodal accounts			1,635	3,070
	Total Cash and cash equivalents			20,087	11,622
	Notes:				
	Cash and cash equivalents for the purpose of cash flow statement comprise cash and cash equivalents as shown above.				
6	Other financial assets			As at	As at
				30 September 2020	31 March 2020
	Current (unsecured, considered good unless stated otherwise)				
	Amount recoverable from payment gateway banks (net of provision)			9,619	3,827
	Amount recoverable from Related Party/customers			152	-
	Total			9,771	3,827
	These financial assets are measured at amortised cost.				
7	Other current assets			As at	As at
				30 September 2020	31 March 2020
	Current (Unsecured, considered good unless otherwise stated)				
	Balances with government authorities			2,523	3,112
	Prepaid expenses			2	-
	Total			2,525	3,112
9	Borrowings			As at	As at
				30 September 2020	31 March 2020
	Non-current				
	Liability component of compound financial instrument				
	Optionally convertible cumulative redeemable preference shares (unsecured)			31,780	28,353
	Total			31,780	28,353
Terms of conversion/ redemption of 0.01% Optionally Convertible Cumulative Redeemable Preference Share (OCCRPS)					
The Company has issued only one class of preference shares i.e 0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS). The OCCRPS shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend and repayment in case of a winding up; the OCCRPS shall be participating in the surplus funds; the OCCRPS shall be participating in surplus assets and profits, on winding- up which may remain after the entire capital has been repaid; the OCCRPS will be entitled to dividend, if declared by the Board of Directors, on cumulative basis. With effect from 22 February 2019, the Company has changed its terms of OCCRPS to fix the tenure till 31 January 2028 and amount of redemption of preference shares to Rs. 30 per share including Rs 20 per share for premium on redemption. The OCCRPS holders have voting rights only in respect of certain matters as per the provisions of Section 47(2) of the Companies Act 2013. The OCCRPS will be optionally convertible into equity share of the Company at 1:1 ratio at the option of the holder at the expiry of terms on 31 January 2028 at Rs 30 per share including Rs 20 per shar for premium on redemption. Consequent to the change in redemption terms with effect from 22 February 2019 the nature is changed from fair value through P&L to measurement through amortise cost . During the period the company has issued OCCRPS in the same terms as referred above.					
Authorised preference share capital					
At 31 March 2019		Number of shares		Amount	
Increase during the year		48,50,000		48,500	
At 31 March 2020		-		-	
Increase during the year		48,50,000		48,500	
At 30 September 2020		-		-	
At 30 September 2020		48,50,000		48,500	
Issued preference share capital (subscribed and fully paid up)					
At 31st March 2019		Number of shares		Amount	
Shares issued during the year		21,50,000		21,500	
At 31 March 2020		5,00,000		5,000	
Increase during the year		26,50,000		26,500	
At 30 September 2020		1,25,000		1,250	
At 30 September 2020		27,75,000		27,750	
a)	Shares held by holding company	30 September 2020		31 March 2020	
		Number	percentage	Number	percentage
	Optionally Convertible Cumulative Redeemable Preference shares of Rs. 10 each fully paid				
	Indiamart Intermesh Limited	27.75,000	100%	26.50,000	100%
b)	Details of shareholders holding more than 5% preference shares in the Company	30 September 2020		31 March 2020	
		Number	percentage	Number	percentage
	Optionally Convertible Cumulative Redeemable Preference shares of Rs. 10 each fully paid				
	Indiamart Intermesh Limited	27.75,000	100%	26,50,000	100%
10	Trade payables			As at	As at
				30 September 2020	31 March 2020
	Current				
	Outstanding dues to micro enterprises and small enterprises (refer note 23)			-	-
	Dues to other than MSMEDs				
	- Relaty party (refer note 20)			-	-
	- others			44	54
	Total			44	54
11	Other financial liabilities			As at	As at
				30 September 2020	31 March 2020
	Other advances			4,672	310
	Total			4,672	310
12	Other current liabilities			As at	As at
				30 September 2020	31 March 2020
	Tax deducted at source payable			40	48
	Total			40	48
13	Current tax assets and liabilities			As at	As at
				30 September 2020	31 March 2020
	Current tax assets (net of provisions)				
	Advance income tax			25	25
	Total			25	25
	Current tax liabilities (net)				
	Provision for income tax			103	-
	Total			103	-

8 Share capital
Equity share capital

Authorised equity share capital

	Number of shares	Amount
At 31st March 2019	2,50,000	2,500
Increase/(Decrease) during the year	-	-
At 31 March 2020	2,50,000	2,500
Increase/(Decrease) during the period	-	-
At 30 September 2020	2,50,000	2,500

Issued equity share capital (subscribed and fully paid up)

	Number of shares	Amount
At 31st March 2019	1,00,000	1,000
Shares issued during the year	-	-
At 31 March 2020	1,00,000	1,000
Shares issued during the period	-	-
At 30 September 2020	1,00,000	1,000

a) Terms/ rights attached to equity shares:

- 1) The Company has only one class of equity shares having a par value of Rs. 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

	30 September 2020		31 March 2020	
	Number	percentage	Number	percentage
Equity shares of Rs. 10 each fully paid				
Indiamart Intermesh Limited (including nominee shares held on behalf of IndiaMART InterMESH Limited)	1,00,000	100%	1,00,000	100%

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

	30 September 2020		31 March 2020	
	Number	percentage	Number	percentage
Equity shares of Rs. 10 each fully paid				
Indiamart Intermesh Limited (including nominee shares held on behalf of IndiaMART InterMESH Limited)	1,00,000	100%	1,00,000	100%

d) Other equity

	30 September 2020	31 March 2020
Equity portion of optionally convertible cumulative redeemable preference shares (refer note 10)	29,209	28,100
Retained earnings	(21,785)	(22,295)
Total other equity	7,425	5,805

	For the quarter ended		For the period ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
14 Revenue from operations				
Sale of services				
Income from Services	8,024	6,749	13,507	13,108
Total	8,024	6,749	13,507	13,108

Since the Company does not have any contract liabilities at the reporting date; therefore, the revenue expected to be recognised in the future related to performance obligation are not disclosed

	For the quarter ended		For the period ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
15 Other income				
Fair value gain on financial assets measured at FVTPL				
-Investment in mutual funds	219	272	671	436
Total	219	272	671	436

	For the quarter ended		For the period ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
16 Finance costs				
Interest expense on financial liability measured at amortised cost	1,043	797	2,037	1,528
Total	1,043	797	2,037	1,528

	For the quarter ended		For the period ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
17 Other expenses				
Customer Support Expenses	-	540	-	1,199
Legal and professional fees	120	203	242	533
Referral fees	1,347	996	2,165	1,917
Rates and taxes	3	9	3	35
Auditor's remuneration	15	2	30	3
Collection charges	5,256	4,914	9,085	9,571
Allowances/(Reversal) for doubtful debts (including bad debts)	-	-	(6)	-
Total	6,740	6,664	11,520	13,258

18 Earnings per share

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

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

Particulars	For the quarter ended		For the period ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
Loss for the period	418	(440)	510	(1,242)
Interest expense on convertible preference shares	1,043	797	2,037	1,528
Adjusted loss for the period	1,461	357	2,548	286
Weighted average number of equity shares in calculating basic EPS	1,00,000	1,00,000	1,00,000	1,00,000
Potential equity shares in the form of convertible preference shares	27,49,185	23,16,667	27,00,137	23,16,667
Total no. of shares outstanding (including dilution)	28,49,185	24,16,667	28,00,137	24,16,667
Basic Profit/(loss) per equity share	4.18	(4.40)	5.10	(12.42)
Diluted Profit/(loss) per equity share	0.51	(4.40)	0.91	(12.42)

19 Related party transactions

a) Names of related parties and related party relationship

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

b) Related party transactions :

i) The following table provides the total amount of transactions that have been entered into with the related parties during the period :

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 September 2019	For the period ended 30 September 2020	For the period ended 30 September 2019
Holding Company Issue of preference Share (incl. premium)	2,500	-	2,500	5,000
Holding Company Reimbursement towards indemnifying cases	640	-	815	-
Holding Company Income from web services	260	279	476	645
Referral fees paid	1,347	996	2,165	1,917

ii) The following table provides the Balance outstanding with the related parties :

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 September 2019	For the period ended 30 September 2020	For the period ended 30 September 2019
Holding Company Amount Recoverable	143	-	143	-

Terms and conditions of transactions with related parties

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

20 Income tax

The major components of income tax credit are:

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

Particulars	For the year ended 30 September 2020	For the period ended 30 September 2019
Current income tax		
Current income tax for the period	111	-
	<u>111</u>	<u>-</u>
Total income tax expense	<u>111</u>	<u>-</u>

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

Particulars	For the year ended 30 September 2020	For the period ended 30 September 2019
Profit/(Loss) before tax	621	(1,242)
Accounting loss before income tax	621	(1,242)
Tax expense at statutory income tax rate of 25.17% (March 31, 2020: 25.17%)	156	(313)
Fair value gain on financial assets measured at FVTPL (unrealized)	(58)	(106)
<i>Non-deductible expenses for tax purposes:</i>		
Interest expense on OCCRPS	513	385
Brought forward business losses used on which no deferred tax was recognised	(500)	-
Temporary differences for which no deferred tax was recognised	-	(34)
Tax expense at the effective income tax rate of 25.17% (March 31, 2020: 25.17%)	<u>111</u>	<u>-</u>

The Company has current tax liability of INR 500K under the head "Income from Business & Profession" which have not resulted impact in statement of Profit & Loss since the Company has un-absorbed tax business losses on which no Deferred tax asset been recongnized (Refer note (c) below. The same is now used to set-off with this Current tax liability

(c) Detail of temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the balance sheet:

Particulars	As at 30 September 2020	As at 31 March 2020
Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognised are attributable to the following:		
- Tax business losses	17,953	19,988
- Non- deductible Temporary Differences	181	228
- Re-measurement of investments in mutual funds to fair value	(1,199)	(968)
	<u>16,935</u>	<u>19,249</u>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

21 Financial instruments

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

	Level	30 September 2020	31 March 2020
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
- Investment in mutual funds	Level 1	12,655	16,984
Total financial assets		12,655	16,984
Financial liabilities			
Measured at amortised cost			
- Borrowings	Level 3	31,780	28,353
Total financial liabilities		31,780	28,353

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

- i) The carrying value of financial liabilities measured at amortised cost approximate their fair value.
ii) The fair value of non current borrowings are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable input, including own credit risk.

22 Capital management

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

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

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

23 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 period end along with interest paid/payable as required under the said Act have not been given. Based on the information available with the Company there are no principal / Interest amounts due to micro and small enterprises.

24 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 condensed interim financial statements

As per our report of even date

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

Per Pankaj Jain
Partner
Membership No.: 095412

Place: New Delhi
Date: November 7,2020

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

PRAVEEN
KUMAR GOEL

Praveen Kumar Goel
(Director)
DIN- 03604600

Place: Delhi
Date: November 7,2020

SHRAWAN
KUMAR SHARMA

Shrawan Kumar Sharma
(Director)
DIN- 07043379

Place: Delhi
Date: November 7,2020