



PANKAJ PRITI & ASSOCIATES
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Tolexo Online Private Limited

Opinion

We have audited the condensed standalone interim financial statements of **Tolexo Online Private Limited** ("the Company"), which comprise the condensed standalone balance sheet as at 30 June 2021, 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 June 2021, 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)

**PANKAJ
KUMAR
JAIN** Digitally signed
by PANKAJ
KUMAR JAIN
Date: 2021.07.21
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Pankaj Jain
Partner

(Membership No. 095412)

Place: Delhi
Date: 21/01/2021

UDIN: 21095412AAAADA5525

Tolexo Online Private Limited
Condensed Interim Balance Sheet as at 30 June 2021
(Amounts in INR "Thousands", unless otherwise stated)

	Notes	As at 30 June 2021	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	4	639	757
Intangible assets	5	79	70
Financial assets			
(i) Loans	6	310	-
(ii) Other financial assets	6	195	195
Non-current tax assets (net)	16	196	169
Other non-current assets	7	16,716	16,723
Total non-current assets		18,135	17,914
Current assets			
Financial assets			
(i) Cash and cash equivalents	8	3,811	5,436
(ii) Loans	6	400	733
Current tax assets (net)	16	1,665	1,650
Other current assets	7	383	526
Total current assets		6,259	8,345
Total assets		24,394	26,259
Equity and liabilities			
Equity			
Equity share capital	9	70,018	70,018
Other equity	10	(332,112)	(308,946)
Total equity		(262,094)	(238,928)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	11	275,655	253,871
Contract Liabilities	15	361	529
Provisions	14	2,358	2,034
Total non-current liabilities		278,374	256,434
Current liabilities			
Financial liabilities			
(i) Trade payables	12	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		371	311
(ii) Other financial liabilities	13	1,185	2,781
Contract Liabilities	15	4,611	4,068
Other current liabilities	15	865	511
Provisions	14	1,082	1,082
Total current liabilities		8,114	8,753
Total liabilities		286,488	265,187
Total equity and liabilities		24,394	26,259

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
ICAI Firm Registration No. 016461N
Chartered Accountants
PANKAJ KUMAR JAIN
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Date: 2021.07.21 16:44:23 +05'30'
KUMAR JAIN
per Pankaj Jain
Partner
Membership No.: 095412

For and on behalf of the Board of Directors of
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665
Brijesh Kumar Agrawal
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Date: 2021.07.21 16:07:48 +05'30'
Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

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

Bharat Sachdev
(Bharat Sachdev)
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Place: Noida
Date : 21 July 2021

Place: Noida
Date : 21 July 2021

Tolexo Online Private Limited
Condensed Interim Statement of profit and loss for the period ended 30 June 2021
(Amounts in INR "Thousands", unless otherwise stated)

	Notes	For the period ended 30 June 2021	For the period ended 30 June 2020
Income:			
Revenue from operations	17	1,086	1,053
Other income	18	43	115
Total income		1,129	1,168
Expenses:			
Employee benefits expense	19	10,970	9,266
Finance costs	20	11,617	7,648
Depreciation, amortization and impairment expenses	21	119	320
Other expense	22	1,423	1,073
Total expenses		24,129	18,307
Loss before tax		(23,000)	(17,139)
Loss for the period		(23,000)	(17,139)
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent period			
Re-measurement gain (losses) on defined benefit plans		-	(75)
Income tax effect		-	-
		-	(75)
Other comprehensive income for the period net of tax		-	(75)
Total comprehensive expense for the period		(23,000)	(17,214)
Earnings per equity share :	23		
Basic earnings per equity share (INR) - face value of Rs. 10 each		(3.28)	(2.45)
Diluted earnings per equity share (INR) - face value of Rs. 10 each		(3.28)	(2.45)
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

ICAI Firm Registration No. 016461N

Chartered Accountants

PANKAJ KUMAR JAIN
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Date: 2021.07.21 16:45:03 +05'30'

per Pankaj Jain

Partner

Membership No.: 095412

Place: Noida

Date : 21 July 2021

For and on behalf of the Board of Directors of

Tolexo Online Private Limited

CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
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Brijesh Kumar Agrawal

(Director & Chief Executive Officer)

DIN: 00191760

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Prateek Chandra

(Director & Chief Financial Officer)

DIN: 00356853

Bharat Sachdev
(Company Secretary)

BHARAT SACHDEV
V

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Place: Noida

Date : 21 July 2021

Tolexo Online Private Limited
Condensed Interim Statement of Cash Flows for the period ended 30 June 2020

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

Particulars	For the period ended 30 June 2021	For the period ended 30 June 2020
Loss before tax	(23,000)	(17,139)
<i>Adjustments to reconcile loss before tax to net cash flows:</i>		
Depreciation of property, plant and equipment	111	303
Amortisation of intangible assets	8	17
Finance income	(43)	(115)
Interest expense on financial liability measured at amortised cost	11,617	7,648
Operating loss before working capital changes	(11,307)	(9,286)
Movement in working capital		
(Increase)/ decrease in other assets	175	152
(Increase)/decrease in other non-current financial liabilities	(1,596)	238
(Increase)/decrease in trade payables	59	(199)
Increase/(decrease) in other liabilities	354	(183)
Increase in provisions	324	245
Increase in contract liabilities	376	(509)
Cash generated from operations	(11,615)	(9,542)
Income tax paid/ (refund)	(42)	27
Net cash generated/(used) in operating activities	(11,657)	(9,515)
Cash flow from investing activities		
Purchase of property, plant and equipments	-	(117)
Sale of property, plant and equipments	6	
Interest received	43	115
Purchase of intangible assets	(17)	-
Net cash flows generated used in investing activities	32	(2)
Cash flow from financing activities		
Proceeds from issuance of Optionally convertible cumulative redeemable preference share (OCCRPS) (Note 11)	10,000	-
Net cash generated from financing activities	10,000	-
Net (decrease) / increase in cash and cash equivalents	(1,625)	(9,517)
Cash and cash equivalents at the beginning of the period	5,436	22,911
Cash and cash equivalents at the end of the period (Note 8)	3,811	13,394
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	3,811	13,394
Total cash and cash equivalents (Note 8)	3,811	13,394

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

As per our report of even date

For Pankaj Priti & Associates

ICAI Firm Registration No. 016461N

Chartered Accountants

PANKAJ KUMAR JAIN
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Date: 2021.07.21 16:45:31 +05'30'

per Pankaj Jain

Partner

Membership No.: 095412

For and on behalf of the Board of Directors of

Tolexo Online Private Limited

CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
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Brijesh Kumar Agrawal

(Director & Chief Executive Officer)

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Prateek Chandra

(Director & Chief Financial Officer)

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Bharat Sachdev
V
(Company Secretary)

Place: Noida

Date : 21 July 2021

Place: Noida

Date : 21 July 2021

Tolexo Online Private Limited
Condensed Interim Statement of changes in equity for the period ended 30 June 2021
(Amounts in INR "Thousands", unless otherwise stated)

(a) Equity share capital (refer note 9)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 01 April 2020	70,018
Changes in equity share capital during the period	-
As at 30 June 2020	70,018
Changes in equity share capital during the period	-
As at 30 June 2021	70,018

(b) Other equity (refer note 10)

Particulars	Equity portion of OCCRPS (refer note 10)	Retained earnings	Total other equity
Balance as at 1 April 2020	93,068	(330,882)	(237,814)
Loss for the year	-	(73,462)	(73,462)
Other comprehensive income/ (loss) for the year	-	677	677
Equity contribution	1,653	-	1,653
Total comprehensive loss	1,653	(72,785)	(71,132)
Balance as at 31 March 2021	94,721	(403,667)	(308,946)
Loss for the period	-	(23,000)	(23,000)
Other comprehensive income/ (loss) for the period	-	-	-
Equity contribution	(166)	-	(166)
Total comprehensive loss	(166)	(23,000)	(23,166)
Balance as at 30 June 2021	94,555	(426,667)	(332,112)

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

As per our report of even date

For Pankaj Priti & Associates

ICAI Firm Registration No. 016461N
Chartered Accountants

PANKAJ KUMAR JAIN
per Pankaj Jain
Partner
Membership No.: 095412

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For and on behalf of the Board of Directors of

Tolexo Online Private Limited
CIN : U72200DL2014PTC267665

Brijesh Kumar Agrawal
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Brijesh Kumar Agrawal
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DIN: 00191760

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

Bharat Sachdev
(Company Secretary)

BHARAT SACHDEV

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Date: 2021.07.21 16:08:54 +05'30'

Place: Noida
Date : 21 July 2021

Place: Noida
Date : 21 July 2021

Tolexo Online Private Limited**Notes to the condensed financial statements for the period ended 30th June 2021**(Amounts in “Thousands”)

1. Corporate Information

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

The condensed interim financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 21 July 2021.

2. Significant accounting policies**Basis of preparation**

The condensed interim financial statements of the Company for the period ended 30th June 2021 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, 2021. 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 separable embedded derivative financial liability component of optionally convertible cumulative redeemable preference shares (OCCRPS), at fair value at each balance sheet date.

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

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

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

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

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

Tolexo Online Private Limited**Notes to the condensed financial statements for the period ended 30th June 2021**(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 notes.

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

IND AS 116 Leases

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

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

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

Impact of COVID-19

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

4 Property, plant and equipment

	Computers	Office equipments	Total Property, Plant and Equipment
Gross carrying amount			
As at 01 April 2020	3,278	911	4,189
Additions for the year	112	6	118
As at 31 March 2021	3,390	917	4,307
Additions / (deletion) for the period	(24)	-	(24)
As at 30 June 2021	3,366	917	4,283
Accumulated depreciation			
As at 01 April 2020	1,511	733	2,244
Charge/impairment for the year	1,170	136	1,306
As at 31 March 2021	2,681	869	3,550
Charge/impairment for the period	88	6	93
As at 30 June 2021	2,769	875	3,643
Net book value			
As at 01 April 2020	1,767	178	1,945
As at 31 March 2021	709	48	757
As at 30 June 2021	597	42	639

Tolexo Online Private Limited**Condensed Interim Notes to Financial Statements for the period ended 30 June 2021**

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

5 Intangible assets

	Softwares	Total
Gross carrying amount		
As at 01 April 2020	762	762
Additions for the year	5	5
As at 31 March 2021	767	767
Additions for the period	17	17
As at 30 June 2021	784	784
Accumulated amortisation		
As at 01 April 2020	588	588
Amortisation/impairment for the year	109	109
As at 31 March 2021	697	697
Amortisation/impairment for the period	8	8
As at 30 June 2021	705	705
Net book value		
As at 01 April 2020	174	174
As at 31 March 2021	70	70
As at 30 June 2021	79	79

	As at 30 June 2021	As at 31 March 2021
6 Financial assets		
a) Non-current (unsecured, considered good unless stated otherwise)		
Other financial assets		
Security deposits	195	195
Total other financial assets	195	195
Loans		
Loans to employees*		
considered good- Unsecured	310	733
	310	733
b) Current (unsecured, considered good unless stated otherwise)		
Loans		
Loans to employees*		
considered good- Unsecured	400	-
	400	-
*The above loans represents interest free loans to employees, which are recoverable in maximum 24 monthly instalments.		
7 Other assets (Unsecured, considered good unless otherwise stated)	As at 30 June 2021	As at 31 March 2021
Non-current		
Indirect taxes recoverable	16,716	16,723
	16,716	16,723
Current		
Advances recoverable in cash or kind	70	100
Prepaid expenses	313	426
Total	383	526
8 Cash and cash equivalents	As at 30 June 2021	As at 31 March 2021
Balance with bank		
- On current accounts	3,811	5,436
Total Cash and cash equivalents	3,811	5,436

Notes:

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

9 Share Capital

Authorised equity share capital

As at 01 April 2020

Increase/(decrease) during the year

As at 31 March 2021

Increase/(decrease) during the period

As at 30 June 2021

Number of shares	Amount
55,000,000	550,000
-	-
55,000,000	550,000
(45,000,000)	(450,000)
10,000,000	100,000

Issued equity share capital (subscribed and fully paid up)

As at 01 April 2020

Shares issued during the year

As at 31 March 2021

Shares issued during the period

As at 30 June 2021

Number of shares	Amount
7,001,800	70,018
-	-
7,001,800	70,018
-	-
7,001,800	70,018

a) Terms/ rights attached to equity shares:

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

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

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

	As at 30 June 2021		As at 31 March 2021	
	Number	Percentage	Number	Percentage
Equity shares of INR 10 each fully paid				
Indiamart Intermesh Limited (one-one shares held by Brijesh Kumar Agarwal & Dinesh Chandra Agarwal as Nominee of IndiaMART InterMESH Limited)	7,001,800	100%	7,001,800	100%

10 Other equity

Equity portion of OCCRPS (refer note 11)

Retained earnings

Total other equity

	As at 30 June 2021	As at 31 March 2021
Equity portion of OCCRPS (refer note 11)	94,555	94,721
Retained earnings	(426,667)	(403,667)
Total other equity	(332,112)	(308,946)

11 Borrowings

	As at 30 June 2021		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Measured at amortised cost				
Non-current				
Optionally convertible cumulative redeemable preference shares (unsecured)	18,276,325	275,655	17,276,325	253,871
Total	18,276,325	275,655	17,276,325	253,871

Notes:

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

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

Authorised preference share capital

	Number of shares	Amount
As at 01 April 2020	25,000,000	250,000
Increase/(decrease) during the year	-	-
As at 31 March 2021	25,000,000	250,000
Increase/(decrease) during the period	45,000,000	450,000
As at 30 June 2021	70,000,000	700,000

Issued preference share capital (subscribed and fully paid up)

	Number of shares	Amount
As at 01 April 2020	15,276,325	152,763
Increase/(decrease) during the year	2,000,000	20,000
As at 31 March 2021	17,276,325	172,763
Increase/(decrease) during the period	1,000,000	10,000
As at 30 June 2021	18,276,325	182,763

a) Shares held by holding company

	As at 30 June 2021		As at 31 March 2021	
	Number	Percentage	Number	Percentage
0.01% Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
Indiamart Intermesh Limited	18,276,325	100%	17,276,325	100%

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

0.01% Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each fully paid				
Indiamart Intermesh Limited	18,276,325	100%	17,276,325	100%

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

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

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

12 Trade payables

	As at 30 June 2021	As at 31 March 2021
Payable to micro, small and medium enterprises	-	-
Other trade payables	371	311
Total	371	311

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

	As at 30 June 2021	As at 31 March 2021
13 Other financial liabilities		
Current		
Payable to employees	1,185	2,781
	1,185	2,781
14 Provisions		
	As at 30 June 2021	As at 31 March 2021
Non-current		
Provision for employees benefits*		
Provision for gratuity	1,597	1,385
Provision for leave encashment	761	649
	2,358	2,034
Current		
Provision for employees benefits*		
Provision for gratuity	404	404
Provision for leave encashment	678	678
Total	1,082	1,082
*Refer note 24.		
15 Contract and other liabilities		
	As at 30 June 2021	As at 31 March 2021
(a) Contract Liabilities*		
Non-current		
Deferred revenue	361	529
	361	529
Current		
Deferred revenue	4,151	3,576
Advances from customers	460	492
	4,611	4,068
Total	4,972	4,597
(b) Other liabilities		
Professional Tax payable	2	2
GST payable	1	-
Tax deducted at source payable	858	458
Contribution to provident fund payable	-	48
Contribution to ESI payable	4	3
Total	865	511
* Contract liabilities includes consideration received in advance to render services in future periods.		
16 Tax assets and liabilities		
	As at 30 June 2021	As at 31 March 2021
Current tax assets (net of provisions)		
Current	1,665	1,650
Non current	196	169
	1,861	1,819

Tolexo Online Private Limited
Condensed Interim Notes to Financial Statements for the period ended 30 June 2021
(Amounts in INR "Thousands", unless otherwise stated)

17 Revenue from operations

Sale of services

Income from services

Total

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

Opening balance at the beginning of the period

Less: Revenue recognised from contract liability balance at the beginning of the period

Add: Amount received from customers during the period (net of Refund)

Less: Revenue recognised from amount received during the period

Closing balance at the end of the period

For the period ended 30 June 2021	For the period ended 30 June 2020
1,086	1,053
1,086	1,053
As at 30 June 2021	As at 30 June 2020
4,597	3,781
(970)	(923)
1,461	543
(116)	(130)
4,972	3,271

18 Other income

Interest income on fixed deposit with banks

Total

For the period ended 30 June 2021	For the period ended 30 June 2020
43	115
43	115

19 Employee benefits expense

Salaries, wages and bonus

Gratuity expense

Leave encashment expense

Contribution to provident and other funds

Staff welfare expenses

Total

For the period ended 30 June 2021	For the period ended 30 June 2020
10,482	8,889
212	114
153	152
128	120
(5)	(8)
10,970	9,266

20 Finance costs

Interest expense on financial liability measured at amortised cost

For the period ended 30 June 2021	For the period ended 30 June 2020
11,617	7,648
11,617	7,648

21 Depreciation, amortization and impairment expenses

Depreciation/ Impairment of property, plant and equipment (refer note 4)

Amortisation/ Impairment of intangible assets (refer note 5)

Total

For the period ended 30 June 2021	For the period ended 30 June 2020
111	303
8	17
119	320

22 Other expenses

Internet and other online expenses

Rent

Rates and taxes

Communication costs

Advertisement expenses

Printing and stationery

Repair and maintenance:

-Plant and machinery

Travelling and conveyance

Legal and professional fees

Auditor's remuneration

Insurance expenses

Collection charges

Miscellaneous expenses

Total

For the period ended 30 June 2021	For the period ended 30 June 2020
481	442
22	97
30	21
56	11
331	-
3	21
11	12
13	44
319	211
18	15
127	199
11	0
0	-
1,422	1,073

Payment to Auditors

As auditor:

- Audit fee

For the period ended 30 June 2021	For the period ended 30 June 2020
18	15
18	15

23 Earnings per share

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

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

	For the period ended 30 June 2021	For the period ended 30 June 2020
Basic earning per share		
Loss for the month	(23,000)	(17,139)
Weighted average number of equity shares in calculating basic EPS	7,001,800	7,001,800
Basic earning per share	(3.28)	(2.45)
Diluted earning per share		
Loss for the month for basic earnings per share	(23,000)	(17,139)
Interest expense on convertible preference shares	11,617	7,648
Adjusted Loss for the period	(11,383)	(9,491)
Weighted average number of equity shares in calculating basic EPS	7,001,800	7,001,800
Potential equity shares in the form of convertible preference shares	17,545,556	15,276,325
Total no. of shares outstanding (including dilution)	24,547,356	22,278,125
Diluted earning per share	(3.28)	(2.45)

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

24 Defined benefit plan and other long term employee benefit plan

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

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

Gratuity - defined benefit plan

	As at 30 June 2021	As at 31 March 2021
Present value of unfunded defined benefit obligation	2,001	1,789
	2,001	1,789

Leave encashment - other long term employee benefit plan

	As at 30 June 2021	As at 31 March 2021
Present value of other long term employee benefit plan	1,439	1,326
	1,439	1,326

25 Fair value measurements

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

	As at 30 June 2021	As at 31 March 2021
Financial assets		
- Cash and cash equivalents	3,811	5,436
- Loan to employees	710	733
- Security deposits	195	195
Total financial assets	4,716	6,364
Financial liabilities		
Measured at Amortised cost		
- Borrowings	275,655	253,871
- Trade payables & Other Financial liabilities	1,556	3,092
	277,211	256,963
Total financial liabilities	277,211	256,963

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

- i) The carrying value of cash and cash equivalents, loan to employees, trade payables, security deposits and other financial assets and financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments.
- ii) The fair value of non current borrowings are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable input, including own credit risk

c) During the period ended 30 June 2021 and 31 March 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

26 Capital management

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

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

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

27 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 engaged in the business of building cloud-based solutions for SME businesses to help and manage their business with increased efficiency. 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 2021	For the period ended 30 June 2020
India	1,005	-
Others	81	-
Total	1,086	-

	Non-current assets*	
	As at 30 June 2021	As at 31 March 2021
India	17,435	17,550
Others	-	-
Total	17,435	17,550

* Non-current assets exclude financial assets and tax assets.

28 Related party transactions

i) Names of related parties and related party relationship

a) Holding Company

Indiamart InterMesh Limited

b) Key Management Personnel (KMP)

Director & CEO
Director & CFO
Director
Company Secretary
Company Secretary

Brijesh Kumar Agrawal
Prateek Chandra
Manoj Bhargava
Bharat Sachdev (Appointed w.e.f May 01, 2021)
Rahul Luthra (Resigned w.e.f March 17, 2021)

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

Particulars	For the period ended 30 June 2021	For the period ended 31 March 2021
Issue of 0.01% Optionally convertible cumulative redeemable preference share (OCCRPS) IndiaMart InterMesh Ltd	10,000	20,000
Balance of Optionally convertible cumulative redeemable preference share (OCCRPS) IndiaMart InterMesh Limited	275,655	253,871

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-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

29 Contingent Liabilities in respect of income-tax demand

Particulars	As at 30 June 2021	As at 31 March 2021
(In respect of Assessment year 2016-17, demand was raised for addition of income relating to receipts of securities premium against share allotment made to IndiaMART InterMESH Limited and accordingly the losses to be carried forward by the Company are demanded to be reduced from INR 719,220 to INR 482,070. The matter is pending with CIT(Appeals). The Company is contesting the demand and the management believe that its position is possible to be upheld in the appellate process. No tax expense has been accrued in the financial statements for tax demand raised)	59,691	59,691
(In respect of Assessment year 2017-18, demand of INR 2,42,994 was raised on Tolexo Online Private limited due to addition of income relating to receipts of securities premium against share allotment made to IndiaMART InterMESH Limited. The Company is contesting the demand and the management believe that its position is possible to be upheld in the appellate process. No tax expense has been accrued in the financial statements for tax demand raised.)	242,994	242,994

30 Going concern

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

31 Figures for the previous periods have been regrouped/reclassified to conform to the classification of the current 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
ICAI Firm Registration No. 016461N
Chartered Accountants
PANKAJ KUMAR JAIN
Date: 2021.07.21
16:46:41 +05'30'
per Pankaj Jain
Partner
Membership No.: 095412

For and on behalf of the Board of Directors of
Tolexo Online Private Limited
CIN : U72200DL2014PTC267665
Brijesh Kumar Agrawal
Digitally signed by Brijesh Kumar Agrawal
Date: 2021.07.21 16:09:27 +05'30'
Brijesh Kumar Agrawal
(Director & Chief Executive Officer)
DIN: 00191760

Bharat Sachdev
(Company Secretary)

BHARAT SACHDEV
Digitally signed by BHARAT SACHDEV
DN: cn=BHARAT SACHDEV, o=TOLEXO ONLINE PRIVATE LIMITED, ou=INDIA, email=bh.sachdev@tolexo.com, postalCode=110001, st=Delhi, serialNumber=8089e5d5f9916a545272cd6588599a43f541a230c57c3349f1834d9df36a, cn=Prateek Chandra
Date: 2021.07.21 16:36:50 +05'30'

Place: Noida
Date: 21 July 2021

Prateek Chandra
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DN: cn=Prateek Chandra, o=TOLEXO ONLINE PRIVATE LIMITED, ou=INDIA, email=prateek@tolexo.com, postalCode=110001, st=Delhi, serialNumber=8089e5d5f9916a545272cd6588599a43f541a230c57c3349f1834d9df36a, cn=Prateek Chandra
Date: 2021.07.21 16:19:09 +05'30'
Prateek Chandra
(Director & Chief Financial Officer)
DIN: 00356853

Place: Noida
Date: 21 July 2021