IndiaMART InterMESH Ltd.
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Plot No.22, Sec 135, Noida-201305, U.P.
Call Us: +91 - 9696969696
E: customercare@indiamart.com
Website: www.indiamart.com

August 05, 2021

To,

The Manager-Listing
BSE Limited
(BSE: 542726)

The Manager-Listing
National Stock Exchange of India Limited
(NSE: INDIAMART)

Subject: Notice of the 22nd Annual General Meeting and Annual Report for FY 2020-21

Dear Sir/Madam,

This is with reference to the provisions of Regulation 30, 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and earlier letter dated July 22, 2021 informing about the 22nd Annual General Meeting ("AGM") of the Company scheduled to be held on Tuesday, August 31, 2021 at 11:00 a.m. IST through video conferencing/other audio visual means, in accordance, with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India.

In this regard, we wish to inform the following:

1. Pursuant to the said Circulars, AGM notice and Annual Report for FY 2020-21 are being sent through electronic mode to all the members of the Company whose email addresses are registered with the Company/Depository Participant(s). These documents are also available on the Company's website at https://investor.indiamart.com/.
2. The Company has provided the facility to vote by electronic means (remote e-voting as well as e-voting at the AGM) to the members on all the resolutions set out in the AGM notice, who are holding shares as on the Cut-off date i.e. Tuesday, August 24, 2021. The remote e-voting will commence on Friday, August 27, 2021 (9:00 a.m. IST) and ends on Monday, August 30, 2021 (5:00 p.m. IST). Detailed instructions for registering email address(s) and e-voting/ attendance at the AGM are given in the AGM notice.
3. The AGM notice and Annual Report for FY 2020-21 are enclosed herewith.

Please take above information on record.

Yours faithfully,
For IndiaMART InterMESH Limited

Manoj Bhargava

(Manoj Bhargava)
Sr. Vice President (Legal & Secretarial),
Company Secretary & Compliance Officer
Membership No: F5164

Encl: As above

indiamart

ANNUAL REPORT 2020-21

All India

Transforming businesses

What's inside...

To learn more about the Company, visit:
http://investor.IndiaMART.com/index.htm

To download the IndiaMART app on your phone, scan the QR code:

IOS | ANDROID

Our FY 2020-21 performance at a glance

₹7,561 million
Total income
+7%

₹3,282 million
EBITDA
+94%

₹3,121 million
EBIT
+111%

₹7,261 million
Deferred revenues
+6%

₹2,800 million
Net profit
+90%

₹96.1
Earnings per share
+88%

₹3,225 million
Cash generated from operating activities
+24%

₹6,696 million
Total revenue from operations
+5%

₹23,654 million
Cash & investments
+154%

YoY growth on consolidated basis






Transforming BUSINESSES

Digitalisation has ushered in a new dimension of operations and value creation for businesses. As one of the fastest adopters of digital life, India has been in an advantageous position, to leapfrog into a fundamentally altered new future.

Ongoing COVID-19 Pandemic and strategic stimulus measures by Government of India to build an economically inclusive Atmanirbhar Bharat have further propelled small businesses towards digital transformation. At IndiaMART, we believe this is an opportune moment, especially for small businesses, to power India's journey towards self-reliance and reinforce the nation's economic standing in the new world order.

Our customised solutions seamlessly connect businesses with relevant suppliers, opening up new opportunities and facilitating economic formalisation. In the process, we are enabling businesses to transform the way they operate and deliver value, unlocking their true potential and helping them become the future growth engines.

CORPORATE IDENTITY

Leading transformation in an era of change

In our country's expanding and evolving digital universe, we are driving a continuous and impactful shift by bringing businesses online, and in the process creating value for all our stakeholders. With its gamechanger proposition, IndiaMART today has emerged as the largest B2B digital marketplace in India.

#BadaAasaanHai

We make doing business easier (our credo 'Bada Aasaan Hai' appropriately resonates the philosophy) by connecting buyers and suppliers across product categories and geographies in India through powerful business-enablement solutions. IndiaMART provides ease and convenience to the buyers by offering a wide assortment of products and a responsive supplier base, while offering lead generation, lead management and online payments to our suppliers.

Connecting

125 million+
Buyers

6.5 million+
Supplier storefronts

Through

610 million+
Enquiries

960 million+
Total traffic

To

72 million+
Products & Services

97,000+
Categories

OUR VALUE PROPOSITION

Standing apart, staying ahead

Our business optimism comes from the competitive edge we have built over the years. With more and more businesses, including the small and medium enterprises, embracing digital, we will keep expanding our buyer and supplier network and deliver more value to our investors.

KEY COMPETITIVE STRENGTHS

Brand and Network Effect

- ~100% organic
- 57% repeat buyers
- 37% suppliers are buyers
- 4.7 Play Store rating

Efficiency & Effectiveness through Supplier Behaviour Insights

- RFQ selection
- Call responsiveness
- CRM replies and callbacks
- AI-based matchmaking

Detailed Catalogue with Pricing

- 72 mn listed products
- Products specifications
- Pricing, photos & videos
- Review and ratings

Presence in a Highly Fragmented Market

- 6.5 mn suppliers
- Widespread reach
- Multi-channel sales and service

WIDE-RANGING PORTFOLIO

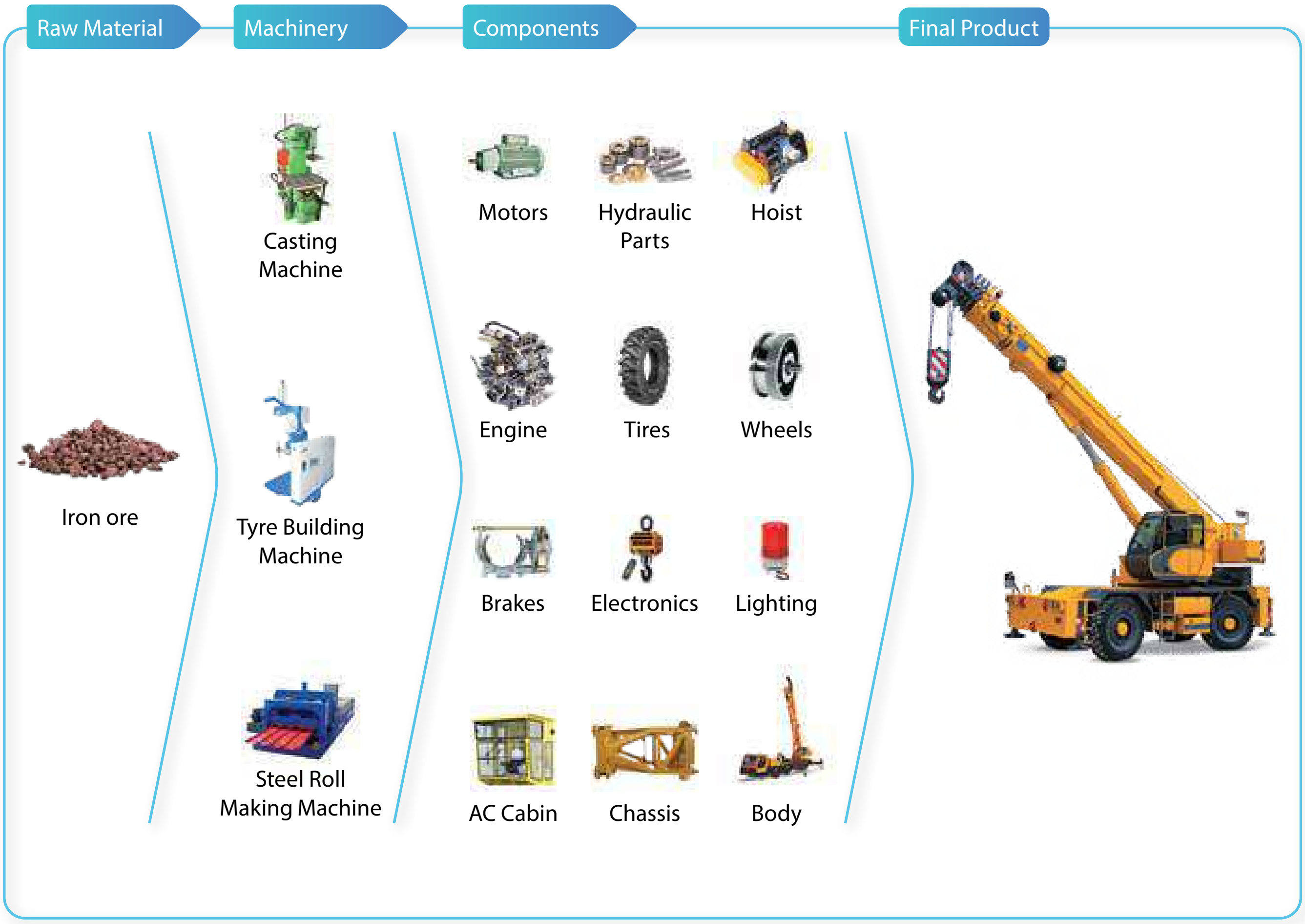
Access to a diversified portfolio with a detailed catalogue using pictures, videos, review and ratings along with pricing and product specifications.

72 million
Products Listing
across

97,000+
Categories
covering

56
Industries
leading to end-to-end value chain discovery

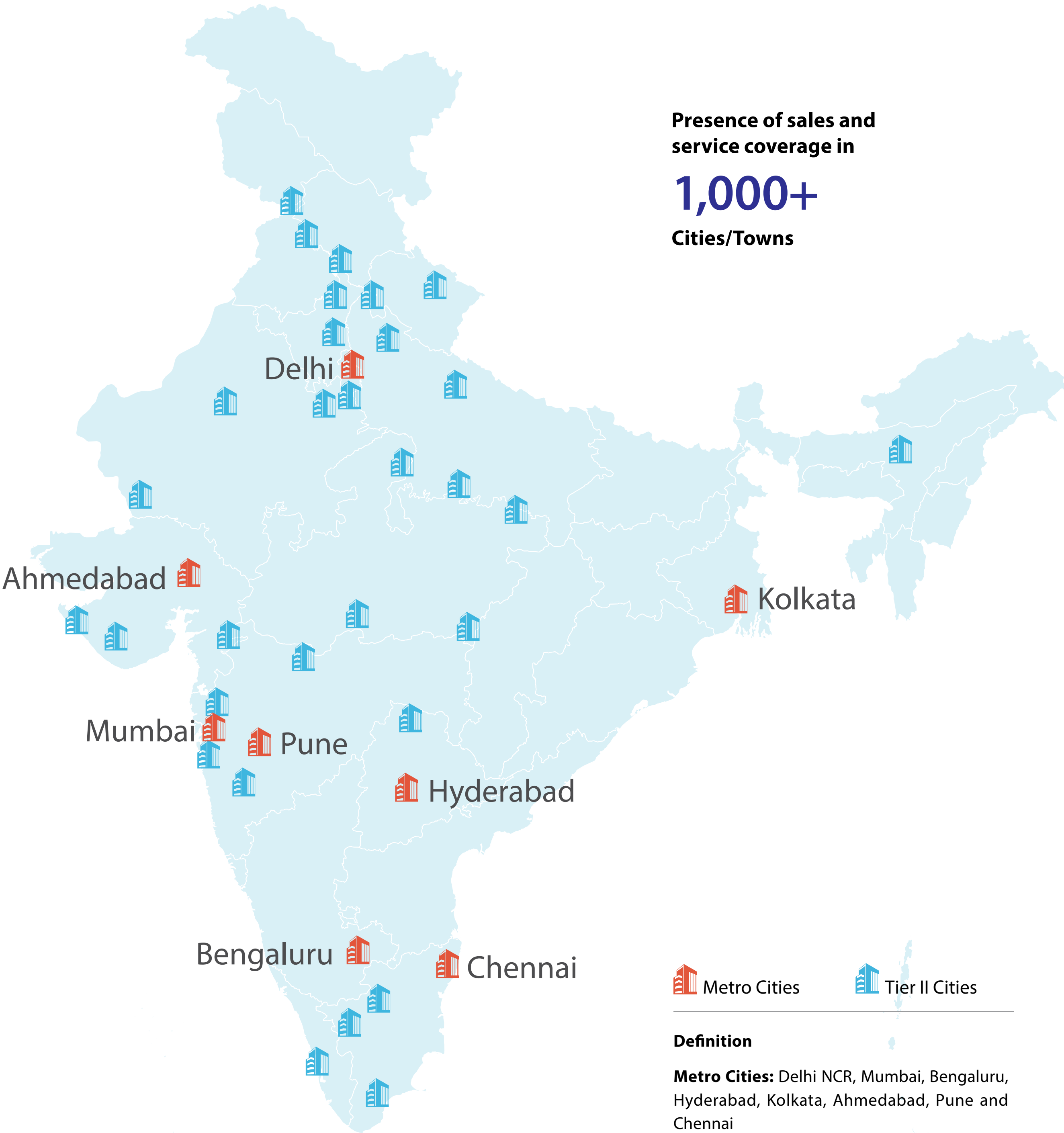
END-TO-END VALUE CHAIN DISCOVERY



Our value proposition (Contd.)

BRIDGING GEOGRAPHIES

Empowering a highly-fragmented market through a wide network of own salesforce, channel partners, FSF, tele and online modes.



Presence of sales and service coverage in

1,000+

Cities/Towns

Metro Cities   Tier II Cities

Definition

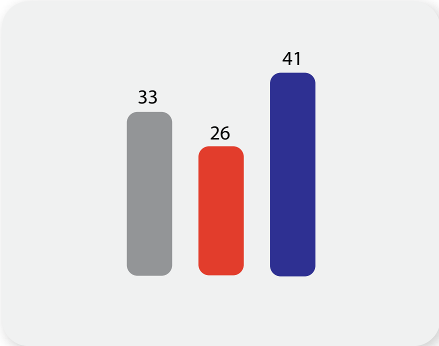
Metro Cities: Delhi NCR, Mumbai, Bengaluru, Hyderabad, Kolkata, Ahmedabad, Pune and Chennai

Tier II Cities: Population > 500,000, excluding the cities covered under metros

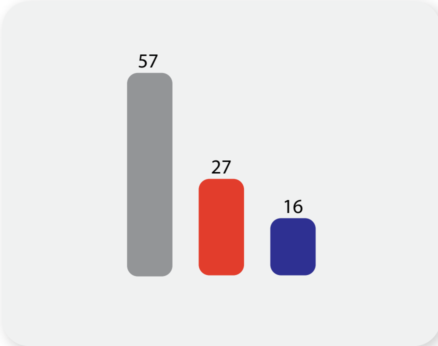
Towns: Population <500,000

As on March 31, 2021

Buyer Distribution (In %)



Paying Subscription Suppliers (In %)



Metro Cities | Tier II Cities | Rest of India

Geographical Presence of Buyers/ Suppliers

8
Metro Cities

69
Tier II Cities

~4,000
Towns across Rest of India

STRONG NETWORK EFFECTS*

Over the years we have built a strong recall value with our customer-centric strategy and strong network, which is reflected in our organic traffic.

72 Mn
Product Listings

97,000+
Categories

More Buyers

125 Mn
Registered Buyers

57%
Repeat Buyers

More Enquiries

610 Mn
Total Business Enquiries Delivered

~100%
Organic Traffic

More Suppliers

6.5 Mn
Supplier Storefronts

37%
Suppliers are Buyers

Product Discovery

Strong network effects keep the growth cycle intact

* For FY 2021

Our value proposition (Contd.)

LEVERAGING TECHNOLOGY

We have built an efficient and effective business model, using technology to our advantage, constantly innovating and focusing on the implementation of disruptive AI-based technology interventions.

- Call responsiveness through Cloud Telephony
- CRM- digital lead managers & conversational commerce
- BuyLead - request for quotation
- Behavioural data-driven algorithmic matchmaking
- Online Payments
- Mobile accounting and tax invoicing (Simply Vyapar Apps Private Limited)
- Voice and multi-language search options Voice
- Order & distribution management system (Shipway Technology Private Limited)
- Digitised freight sourcing and monitoring (Truckhall Private Limited)
- Legal workflow management (Legistify Services Private Limited)

₹200 crores

Online Payment facilitated during FY 2020-21

SUBSCRIPTION BASED MODEL

We have a subscription-based revenue model with negative working capital requirement driving our return on investment (ROI).

95% **Revenue from Subscriptions**

Top **10%** **Subscribers contribute**

41% **Of Revenue**

ATTRACT MEDIUM AND LARGE SUPPLIERS IN ADDITION TO SMES

At the onset, Indian small and medium enterprises (SMEs) initially comprised the core base of the supplier community on IndiaMART. However, larger corporates and leading brands are a growing supplier segment on our platform. We continue to make IndiaMART an engaging and effective marketplace for them while sustaining our efforts to grow our strong SME supplier base. We work on maximising our engagement with our suppliers, by continuing to make IndiaMART an advantageous platform for marketing products and services as well as enabling business processes.

ENHANCE USER EXPERIENCE ON MOBILE

We focus on enhancing the experience of our users on mobile app as well as mobile site. More than 80% of traffic is on mobile. We are working continuously on improving user experience on the mobile site by using PWA technology, which enables the user to get an app like experience on mobile browsers. We have further improved reliability of our mobile site through migrating to cloud. This has also helped in improving the speed of the platform, providing ease of usage even from locations with fluctuating data speed. We are giving a nudge to social commerce by strengthening the chat functionality on the mobile browser and app.

Our IndiaMART mobile app, available for iOS and Android devices, had been installed 19.4 million times and 83% of paid suppliers have been active on the app in the last 30 days as of March 31, 2021. Apart from helping our buyers to search for products and services, the mobile app also serves as an effective CRM and messaging system for suppliers. We continue to make investments in mobile web and app development by recruiting skilled workforce and to further enhance our user experience, provide innovative features to our buyers and suppliers and increase the speed and efficiency of our mobile platforms.

4.7

Play Store Rating

EXPANDING WEB OF OPPORTUNITIES

Online B2B market is a sunrise sector that is poised to grow exponentially, with India's rising adoption of digitalisation and the Government's focus on supporting the growth of small and medium enterprises. The MSMEs contribute around 30% to the national GDP, and the Government of India aims to increase the share to around 40% in the coming years. We, IndiaMART, believe that we have the advantages of scale, brand visibility and of being the first mover in this online marketplace.

Doubled Budget allocation for MSME sector for FY 2021-22

₹15,700 crores

vis-à-vis ₹ 7,572 crores in FY 2020-21

Direct Benefits to MSME worth

₹70,000 crores

Under Atmanirbhar Bharat

MOVING TOWARDS A MORE FORMALISED ECONOMY

The growth in the GST collections over the months reflects formalisation of tax compliance. Larger number of accounts are getting recorded and more workers are enrolling with the Employees Provident Fund. The pace of new user registration is continuously growing. From 1.12 crore registered users under GST in 2018, the user base has grown to 1.28 crore as on May 2021. The increased rate of formalisation will be instrumental in IndiaMART'S growth.

Steelloys witnessed 6X GROWTH WITH INDIAMART

Steelloys started its business in 1947 as a steel broker and entered into the world of manufacturing in 1981. The broker-dependant business did not provide the opportunity to interact directly with the customers. Thus, they had little scope to improve their offerings and provide more value to their customers.

Being associated with IndiaMART helped them reap multi-fold benefits. Direct interaction and mediation with customers helped customise their products and services as per their needs. Understanding their needs helped Steelloy customise their offerings and foster a long-term relationship. IndiaMART bolstered their customer acquisition significantly, from 3% to 20% resulting in 6x business growth within a short span of time.

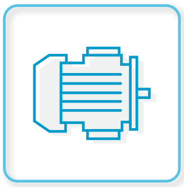
Steelloys is one of millions of Indian MSMEs who discover their customers, connected with them and built lasting relationships on IndiaMART platform.

57%

Share of repeat customers driven by robust business processes

6x

Business growth within a short span of time



BOLSTERING BUSINESS GROWTH

For almost seven decades, Steelloys remained broker dependant

Lack of direct interaction with the customers and left with little scope to understand customer needs and add value to their offerings

IndiaMART strengthened their customer acquisition

With IndiaMART, Steelloy started direct interaction with the customers, understood their needs and started customising products and services

MESSAGE FROM MD & CEO

A powerful catalyst to transform businesses

India's digital citizens are growing exponentially, and this fraternity is spanning generations. We are encouraged to be both a participant and a catalyst to this revolution, touching approximately 10% of this population. This trend is accelerating the growth of our user base substantially, and we are confident that this trend will speed up further.

Dear Shareholders,

The financial year 2020-21 presented extraordinary challenges for the Indian economy and businesses. The Government of India's timely fiscal stimulus measures helped mitigate the impact to a certain extent. Small and medium enterprises, the backbone of the Indian economy, witnessed large-scale digital adoption in the year gone by. We as a country, summoned up extraordinary courage and put together a collective effort to stave off the impact, reoriented ourselves, redefined our priorities and created opportunities for the greater benefit of the community.

Additionally, given the need of the hour, we ensured that IndiaMART plays an active role in bridging the demand-supply gap for COVID-essential category products. I must say our suppliers have demonstrated extraordinary agility in adapting to the situation and ensuring availability of these products by reorienting their product lines.

A RESILIENT PERFORMANCE

After a difficult first half, a sharp recovery followed suit, resulting in a 5% y-o-y growth in our consolidated revenues. Collections from our suppliers reported a marginal drop from ₹738 crores in FY 2019-20 to ₹711 crores in FY 2020-21. However, the deferred revenue increased from ₹685 crores as of March 31, 2020 to ₹726 crores as of March 31, 2021.

FOCUSING ON BUSINESS CONTINUITY

We acted proactively to facilitate work-from-home for our employees and ensured business continuity remotely. We remained connected with our customers to understand their requirements and supported them in their critical hour of need. Our well-designed social responsibility framework helped us serve the larger community. We took a step forward and rolled out an Online Associate Programme (OAP) to provide work opportunities to individuals who are affected by the pandemic, homemakers, differently-abled individuals and unemployed graduates.

EXPANDING HORIZONS

The gradual economic recovery, backed by our robust fundamentals, has positioned us attractively to help SMEs in their growth journey through end-to-end digitisation of their businesses. Our successful ₹1,070 crores capital raise through the Qualified Institutional Placement (QIP) will be utilised for both organic and inorganic growth opportunities by investing in companies, which have synergies with our business model.

We are considering strategic investments in line with our long-term vision of facilitating commerce online as well as enabling businesses by providing a wide range of SaaS-based solutions, thereby, helping us create a robust and resilient business ecosystem for our suppliers.

FAST-TRACKING VALUE CREATION

India's digital citizens are growing exponentially, and this fraternity is spanning generations. We are encouraged to be both a participant and a catalyst to this revolution, touching approximately 10% of the population. At IndiaMART, we are building on our execution capabilities to service the incremental traffic on our platform. We are optimistic that the robust algorithm that we have built will help us grow significantly in the coming years.

I take this opportunity to thank you all for keeping your faith in our vision and capabilities. I would also like to thank our employees whose commitment has helped us remain resilient and create value for all stakeholders.

IndiaMART is fully equipped to help catalyse the transformation of small and medium enterprises, who we believe will shape India's next era of growth. We will continue to make 'doing business easy' and build a more sustainable and scalable business model.

Regards,

Dinesh Agarwal
Managing Director and CEO

MAKING THE BUSINESS FUTURE-READY THROUGH INVESTMENTS

Tolexo Online Private Limited (100%)

Pooraa brings a simple and easy-to-use system that enables managing business better by easing a gamut of business operations like cataloguing, pricing, inventory, order & customer management, invoicing, among others.

Ten Times Online Private Limited (30%)

Floor, by Ten Times, creates a unique virtual experience by streaming services thereby, enabling customers to create, manage and host events as well as communities.

Ten Times is also engaged in the business of operating www.10times.com, a platform for business events discovery and networking.

During FY 2020-21, the Company's Total Revenue was ₹ 57.64 million.

Simply Vyapar Apps Private Limited (26%)

Vyapar is a mobile-based business accounting software rendering services regarding billing, GST invoice, stock inventory, targeted at small & medium businesses spread across various geographies.

During FY 2020-21, the Company's Total Revenue was ₹ 117.35 million.

Shipway Technology Private Limited* (26%)

It offers SaaS based solutions 'Shipway' and 'Ezyslips' automating shipping operations especially for small businesses to improve the shipping experience for their customers by providing branded tracking pages, sending out automatic delivery notifications, and capturing customer feedback.

Truckhall Private Limited* (25%)

'SuperProcure' is a SaaS based solution that digitises the entire freight sourcing by finding the best possible rates and dispatch monitoring system of the logistics department of any business, offering complete and real time visibility of all the events in the entire dispatch cycle, from indenting to delivery, leading to better efficiency in the entire process.

Legistify Services Private Limited* (11%)

'Legistrak' is a SaaS based ERP Tool solution that helps businesses in tracking legal cases by automating the workflow. Some of the key features of the Legistrak tool are - Litigation Tracking, Notices Management, Legal Vendor Management, among others.

Mobisy Technologies Private Limited (9%)

Bizom is an integrated platform for distribution and salesforce management of businesses initiated with a mission to put the power of technology and data in the hands of ordinary field sales and supply chain workers and help them sell smartly and efficiently.

Company (% holding of IndiaMART)

Solutions

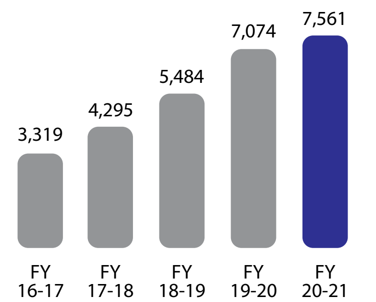
*Investment of IndiaMART through its wholly owned subsidiary Tradezeal Online Private Limited

PERFORMANCE INDICATORS

Progressing with long-term optimism

At IndiaMART, we are consistently growing our business to create sustainable value for our stakeholders.

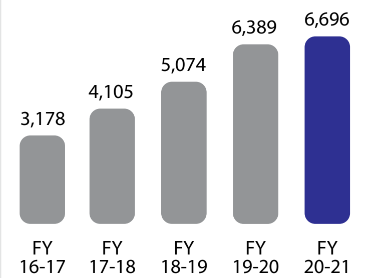
Total income (₹ in million)



7% y-o-y growth

19% (5-year CAGR)

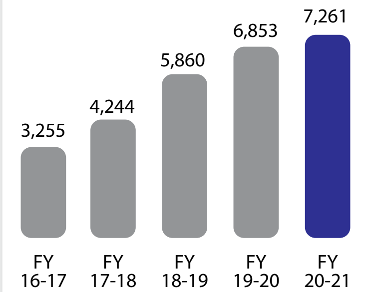
Revenue from operations (₹ in million)



5% y-o-y growth

20% (5-year CAGR)

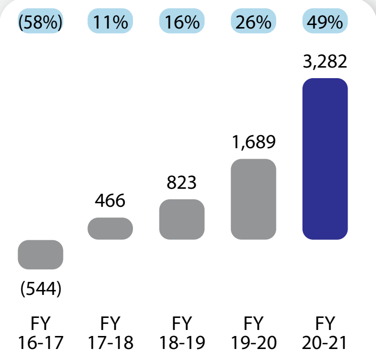
Deferred revenue (₹ in million)



6% y-o-y growth

20% (5-year CAGR)

EBITDA (₹ in million)

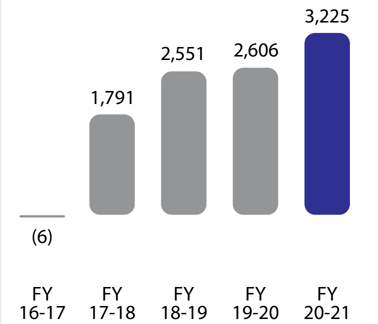


94% y-o-y growth

(348%) (5-year CAGR)

EBITDA Margin

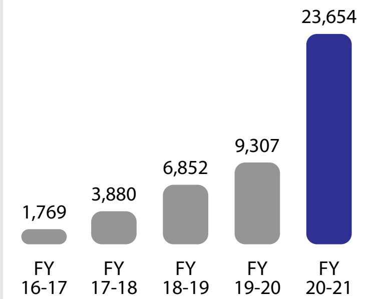
Cash generated operating activities (₹ in million)



24% y-o-y growth

41% (5-year CAGR)

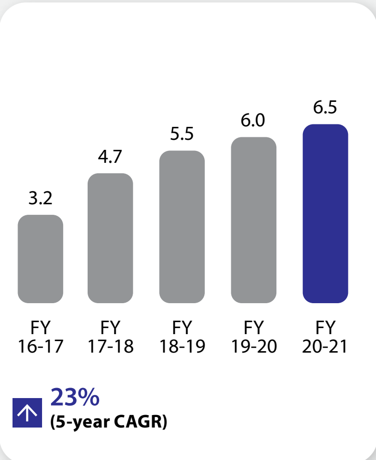
Cash and investments (₹ in million)



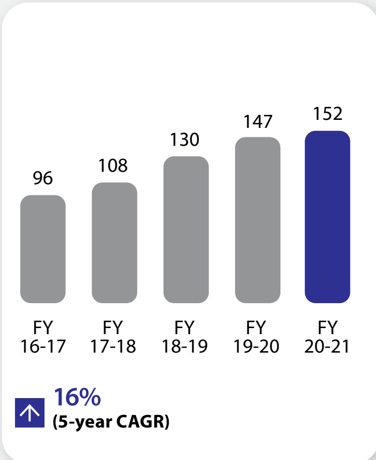
154% y-o-y growth

20% (5-year CAGR)

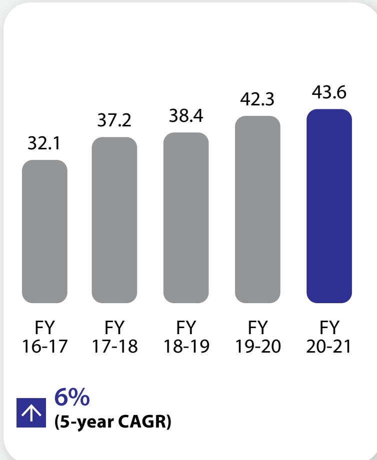
Indian Supplier Storefronts
(₹ in million)



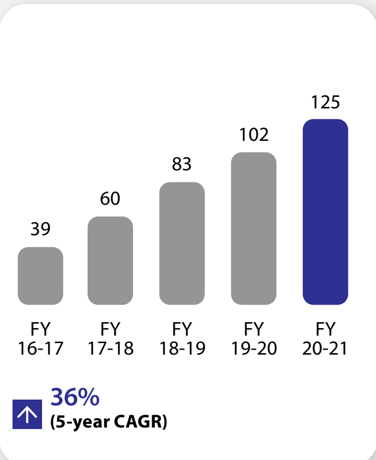
Paying Subscription Suppliers
(₹ in thousands)



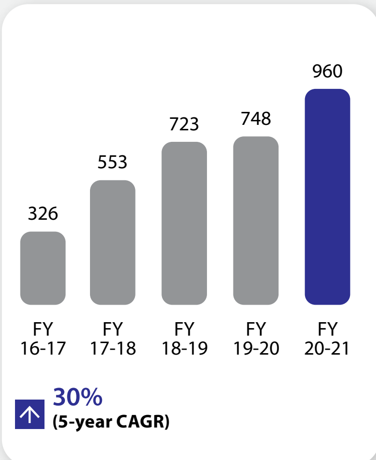
Annualised Revenue Per Paying Subscriber
(₹ in thousands)



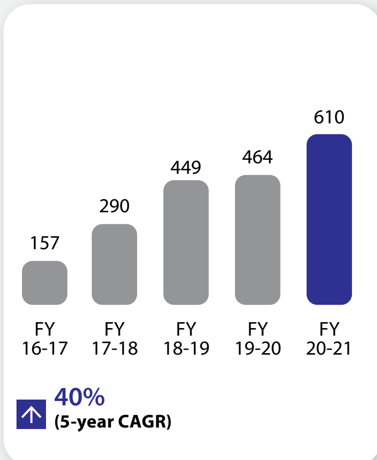
Registered Buyers
(₹ in million)



Traffic
(₹ in million)



Business Enquiries Delivered
(₹ in million)



RESPONDING TO THE PANDEMIC

Supporting stakeholders in a crisis

India's response to the COVID-19 crisis was proactive and resilient. We are proud to stand by our stakeholders and do the needful in the best way we could. We adopted to the need of the hour and sharpened our focus on COVID-19-essential products to support the manufacturers on one hand and meet the growing demand for these products across the country, on the other. We quickly pivoted to COVID-19-relevant essential categories such as masks, sanitisers, hospital supply and medicines on our platform for seamless discovery of supplies during the time of crisis, for the benefit of the community at large. Additionally, we also shifted to work-from-home module, for the safety of the employees and to ensure business continuity.

HELPING INDIA FIGHT PANDEMIC

In order to ensure that the essential items are readily available to the community at large, the IndiaMART team immediately pivoted to strengthen the COVID-19 related categories on the platform. While the country battles the pandemic, IndiaMART facilitated the buyer-supplier matchmaking for essential products including masks, sanitisers, PPE kits, scarce medicines and medicinal equipment. The pandemic led a number of small manufacturers to start manufacturing these products and they were able to access their customers across the country through the IndiaMART platform. Taking a step further, we provided free listing of these products during these challenging times. The effectiveness of the platform was further reinforced as government bodies such as Niti Aayog trusted IndiaMART to map the suppliers of these essentials items throughout India and help publish directory for association members and brand distributors.

Our focused approach towards identification of COVID-19 related categories and supplier aggregation enabled buyer fulfilment during pandemic. This is further vindicated by significant surge in transactions related to these product categories during the first quarter of the financial year.

2 lakh

More verified free suppliers were mapped on the COVID-19-related categories from Aug'20 to June'21

PROTECTING OUR EMPLOYEES

With the onset of the pandemic, we took several proactive initiatives to ensure safety and wellbeing of the employees including facilitation of 'Work from Home' since the mid of March 2020.

We maintained individual connect with each employee to ensure their and their family members' health and safety. We also connected regularly with COVID-19-infected employees to provide assistance and support till their recovery.

Some of our other initiatives included:

Employee health

- Set up COVID-19 helpdesk to assist our employees and their families, who were facing any COVID-19 related crisis like arrangement of a hospital bed, oxygen concentrator, blood plasma, medicines.
- Series of online yoga classes, virtual meditation workshops, and informative health seminars to promote healthy lifestyle for the employees.
- Held informational series to raise employee awareness on the current condition, its diagnosis, prevention, and cure.
- Set up IM Cares, one-stop platform where employees could reach out to the HR team for any assistance with respect to COVID-19, work from home or any other issues.

Employee engagement

- Conducted various fun activities to ease out the pressure and engage employees in team bonding activities.
- Started IndiaMART appreciation week where employees tagged their colleagues and shared their appreciation messages on Facebook and Instagram.
- Employees were encouraged to share their IndiaMART journey in the most poetic, quirky, or creative way.

PROTECTING THE COMMUNITY

With workplaces being shut down due to the nationwide lockdown, millions of households suffered from cash crunch and did not have access to basic healthcare amenities. This led us to feel the urgency to extend support to those in need to combat this difficult situation.

We took initiative to support our NGO partner 'Sahyog' for the distribution of PPE kits and masks to various frontline workers in various Government and Non-Government Hospital in Delhi/NCR with the active participation of senior officials and other stakeholders.

We made donations to support 1,000+ individuals who have lost their employment/livelihoods due to COVID-19.

Sahyog care for you

Through Sahyog we provided monetary support to the migrant labourers for their rehabilitation and meeting day to day expense, along with information on hand washing, sanitation and awareness on COVID-19.

1,000+

Individuals who lost jobs were supported through donations

Handholding

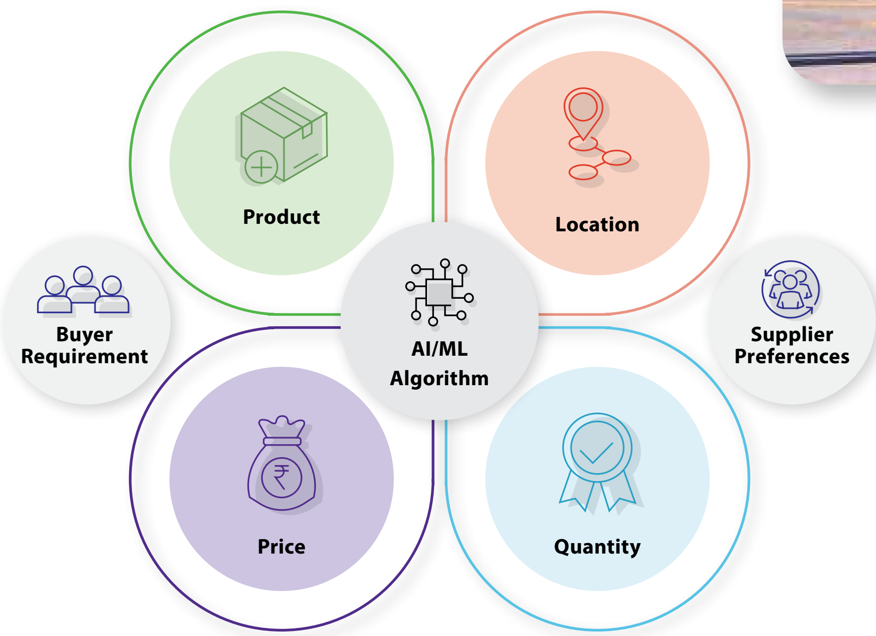
NEW ENTREPRENEURS TO GROW BIG

When Asian Test Equipment started business, getting new buyers was its primary concern. However, the fledgling new business steadily gained confidence with support from IndiaMART. It got new buyers in the domestic markets and was also able to sell offerings to international buyers.

Being associated with IndiaMART allowed the Company to establish a connect with a buyer, who came with a product demand 4x of the usual capacity. This was the key to the Company's scalability.

Small businesses help create 'Atmanirbhar Bharat' and IndiaMART helps them to grow and achieve their dreams.

EFFECTIVE SOLUTIONS LEVERAGING THE POWER OF CUTTING-EDGE TECHNOLOGY



HELPING GO BEYOND THE NATIONAL BOUNDARY

For almost seven decades, Steelloys remained broker dependant

Lack of direct interaction with the customers left little scope to understand customer needs and add value to their offerings

IndiaMART strengthened their customer acquisition

RISK MANAGEMENT

Risk landscape and mitigation measures

We endeavour to thrive in a dynamic business landscape with myriad risks and opportunities, making effective risk management critical to our overall profitability and long-term financial viability

We have put in place a robust enterprise-wide risk management framework that enables identification, assessment, monitoring and reporting of potential risks. The framework enables us to pre-emptively understand the magnitude of impact and possible horizon of occurrence of events that could adversely affect our business operations. Our understanding of our risk enables us to build our mitigation strategies and enhance the resilience of our business against potential internal and external risks.

Principal Risk

External Factors & Force Majeure

Sudden and extensive change in macro-economic factors like internet penetration growth, online industry, including political scenario and natural disasters, epidemics, pandemics, war, and other force majeure events.

- Continuous monitoring of the external environment
- Deferred revenue resulting from collection of subscription in advance and long-term contracts with subscription suppliers
- Course-corrective measures as and when required

Technology Risk

Our business is driven on telecommunications and information technology systems, networks and infrastructure and any interruption or breakdown could impair our ability to effectively operate our marketplace or provide our services. We also need to constantly adapt to the latest technological developments and industry trends, so as to not become outdated and or less attractive to suppliers and buyers.

- Continuous monitoring of the upcoming trends
- Investment in product and research
- Focus on innovations and new product development
- Strategic investments in upcoming opportunities

Mitigation Strategy

Competition Risk

Competition from new and existing companies may reduce demand for our services or cause us to lose visitor traffic, market share or paying subscription suppliers, any of which could adversely affect our business, financial condition and results of operations.

- Benchmarking with the competition and upcoming trends / industry developments
- Built strong network effects along with scale
- Behavioural data based algorithmic matchmaking
- Relationships with suppliers

Cyber Security

As a technology driven company cyber security continues to be our predominated risk to business continuity. Including inability to protect our intellectual property rights from being infringed by others, including competitors.

- Established extensive policy and procedures
- Adhere to the best practices prescribed under the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011
- Undertaken certification under the ISO 27001 standards

Regulatory & Compliance

Despite our continuous efforts to have genuine items listed/content available on our online marketplace, we remain exposed be subject non-compliance lawsuits and negative publicity. Adverse outcomes of future or ongoing legal proceedings may adversely affect our business.

Along with this we are subject to multiple compliance and regulation in India and countries where we operate changes or non-compliance in them can impact our business.

- Focus on onboarding trusted suppliers
- Dedicated team for monitoring compliance
- Create awareness amongst employees with respect to compliance and regulatory changes

Brand value erosion

Our continued success is substantially dependent on the strength of our brand and our reputation. Misconduct or poor performance by our suppliers and buyers, despite our efforts to monitor them, may hurt our brand and reputation as a trusted medium for business transactions and may subject us to liability.

- Built comprehensive customer feedback mechanisms
- Vendor onboarding through a structured process

ENVIRONMENT, SOCIAL AND GOVERNANCE

Enabling growth by transforming society

IndiaMART embraces its role in society as an active contributor to building a thriving society and can do this only by engaging with stakeholders that have aligned values. In every aspect of our business, the company enables businesses, focusing on MSMEs, to have access to buyers and to operate their business more efficiently through digitisation.

Creating sustainable value through ...

Transforming economies and society positively through our platform and business, which are increasingly aligned with the Sustainable Development Goals (SDGs)

Playing a meaningful role in the broader society by helping local suppliers/buyers with a focus on MSMEs in India

Making a difference through our partnerships and CSR activities

INDIAMART'S ESG PRIORITIES

Environment

- **Green Products**
  - Free web presence of green products
  - Assistance in catalogue preparation for green product (VFCP creation)
- **Sustainable Operations**
  - Focus on paperless working in our offices
  - WFH / remote working leading to lesser electricity consumption
  - Use of green products / LED lights in offices for energy efficiency
  - Video conferencing leading to lesser travel

Social

- Sustainable development of MSMEs
- Stakeholder engagement
- Employment generation
- Human capital development
- Transforming lives through community interventions

Governance

- Corporate governance
- Cyber security and data privacy
- Intellectual property rights (IPRs)

Social

SUSTAINABLE DEVELOPMENT OF MSMES

IndiaMART through its learning centres strives to constantly curate ways to handhold MSMEs, educate and empower them on various critical topics around online business growth. As part of the program, the newly onboarded suppliers are provided with personal support through education about the effective use of the IndiaMART platform, to generate leads, expand their business, grow their market reach, and more.

IndiaMART

BOOSTING MSME SECTOR IN INDIA

Simple steps create huge impact

MSME SECTOR IN INDIA

EXPONENTIAL GROWTH POTENTIAL

Despite huge potential, the MSME sector in India lacks access to digital infrastructure, technical training and expertise, and inefficient logistics

ROLE OF INDIAMART

PROVIDING SOLUTIONS - THE NUDGE

- Online MSME marketplace with custom listing
- AI/ML based algortihms to pair buyers and sellers
- Sales and technical expertise to create online storefronts
- Digital Payment 'Pay with IndiaMART' for ease of business

RESULTS

AMPLIFIED ONLINE PRESENCE

- Sellers get pan-India access to customers for their products
- More choices for buyers at competitive prices
- Operational efficiency of MSMEs gets a boost

SOCIO-ECONOMIC IMPACT

MORE BUSINESS, REDUCE COSTS

- MSMEs expand their horizons for growth
- Increase in sales correlates with increased profits
- Employment generated by MSMEs increases
- Online presence provides MSMEs with a more resilient business model

LOOKING AHEAD

GROWTH OPTIONS

- An estimated 60 million MSMEs registered in India create extensive scope for growth for IndiaMART.
- Value-added services with no additional infrastructure costs

SUMMARY

- Financial inclusion
- Indirect job creation
- Low environment impact

Environment, social and governance (Contd.)

STAKEHOLDER ENGAGEMENT

Our strong and enduring relationships with suppliers, buyers, employees and communities are key to success of our business. Nurturing these relationships in an enduring manner is integral to our strategy. The Company looks at co-creation and synergies as a new way of thinking about the economical concept of "sustainable value".

Stakeholder Groups	How We Engage	Outcome
People Our employees are key to the success of our business and are at the centre of all our operations	◦ Regular meetings with the senior management and leadership team ◦ Informal team interactions and engagement activities ◦ Employee feedback survey ◦ Regular training programme ◦ Internal communication ◦ Team engagement initiatives by HR* ◦ Wealth creation through ESOP/SAR for large section of employees	◦ Growth opportunities ◦ Fair & transparent remuneration structure ◦ Learning and Development initiatives ◦ Safe work environment ◦ Health & Wellness ◦ Work-life balance
Suppliers/Buyers Our operations are closely linked with the timely connectivity of our supplier and buyer which has a material impact on the efficiency of platform	◦ Periodic feedback through surveys ◦ Account management ◦ Innovation/new products improvements	◦ Digital inclusion ◦ Customer experience ◦ Brand creation ◦ Supplier engagement and development
Regulators and policymakers Key to ensuring business continuity through an eco-system of co-development and compliance with all necessary legislations and regulations	◦ Panel discussions – with Industry Associations ◦ Complying with laws, rules and regulations laid down by various regulatory authorities	◦ Supporting and creating an eco-system for 'Digital India' initiative of the government through our businesses ◦ Stakeholder security ◦ Compliance monitoring and management
Investors and shareholders Providers of our financial capital, key to our growth and expansion plan	◦ Comprehensive voluntary disclosures including investor presentation and quarterly audited financial statements ◦ Regular quarterly earnings call and investor interactions, whether institutional or individual ◦ General Meetings (AGMs / EGMs) ◦ Annual Report(s) and other publications ◦ Regular updates on company website	◦ Transparent communication ◦ Prudent financial management ◦ Sustainable business model ◦ Good governance
Community As a conscientious entity, our harmonious effort to co-exist with our communities not only provides us social licence to operate but also to focus our efforts on empowering communities, which contribute to our long-term viability	◦ Volunteering activities ◦ Community needs identification ◦ Community engagement initiatives ◦ Impact assessment studies ◦ Project monitoring and reviews	◦ Education & Skill Development ◦ Employment generation & gender equality ◦ Community development

*For detailed initiatives, refer Business Responsibility Report

EMPLOYMENT GENERATION

IndiaMART is the largest B2B Company in India with a focus on catapulting MSMEs into the mainstream. India has an estimated 60 million+ registered MSMEs, and IndiaMART has been able to amplify the digital presence of 6 million+ MSMEs pan-India. As part of its core activities, the Company empowers MSMEs to shift to digital platform and operate more efficiently. This has translated into a resilient infrastructure reaping socio-economic benefits, as an online presence not just boosts revenue growth and market reach, but also contributes towards generation of employment across the country.

HUMAN CAPITAL DEVELOPMENT

We believe that our employees are important business enablers and brand ambassadors. At IndiaMART they are provided with challenging work opportunities and a conducive work environment, enabling them to learn and grow to their full potential. It is imperative for us to enable the career growth of employees and participate in fulfilling their career aspirations. Therefore, multiple growth programs are provided that set individuals towards self and career growth.

Transforming lives through community interventions

At IndiaMART, transforming business and lives go hand-in-hand. Our consistent efforts are directed towards creating long-term impact through socio-economic development for the communities around us. Our objective is to create an enabling environment where our community members can achieve their aspirations and lead a meaningful life.

Education and skill development

At IndiaMART we believe that education and skill development can bring sustainable change in the community by empowering present and future generations.

(a) Solar back-up facility for under-privileged students in girls' hostel of Gopinatham High School at Kollegela, Karnataka.

(b) Under the "Vidyagama" program of the Government of Karnataka, we supported teachers and teacher aids to go to the villages to teach the children, instead of them coming to school during COVID-19.

(c) Enhanced parental involvement through capacity building and strengthening of School Management Committees to improve the quality of education in 32 Marathi medium schools of the Bhiwandi Nizampur City Municipal Corporation (BNCMC).

indiamart

Environment, social and governance (Contd.)

(d) Tech solution, through calls and WhatsApp, to support parents of children in Government Schools and resolve the commonly faced challenges.

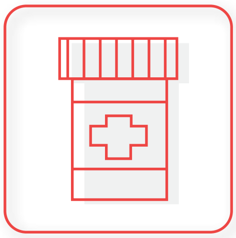
HEALTHCARE

We took several initiatives towards the healthcare needs arising out of the COVID-19 pandemic including distribution of 2,000+ PPE kits and masks, to cater to the needs of our frontline workers in various government and non-government hospitals in Delhi/NCR.

Socio-economic development#

Our interventions around socio-economic developments this year revolved around rehabilitation of migrant workers and other sections of the society who have been impacted during the COVID-19 pandemic.

for more details please refer to page 58 of the Annual Report



Governance

CORPORATE GOVERNANCE

Corporate Governance is about appropriately maintaining a fine balance between socio-economic goals and between individual-collective goals. Corporate governance for us is about accomplishing long-term success and sustainability, while meeting our strategic goals responsibly and transparently and also being accountable to our stakeholders.

The Company has formulated and laid out the policies in accordance with the best of the corporate governance practices. We believe that compliance is an integral part of the Companies governance philosophy and has instituted robust systems / controls to ensure sustained focus towards zero non-compliance with the applicable laws and endeavours to follow the best of the Compliance practices.

The Board of Directors and its Committees provide leadership and guidance to the Company's Management while discharging its fiduciary responsibilities, reviews business objectives, management strategic plans and monitors the performance of the Company.

The thrust on following Corporate Governance in essence is evident from the fact that the composition of Board of Directors comprises 3 Independent Directors and 1 non-executive Director. Despite the Promoters holding nearly 50% of the shares of the Company, the Board comprises only 2 Directors from the Promoter group.

Moreover, the Governance Committee(s) of the Board of Directors comprises majority of non-Promoter Directors.

CYBER SECURITY AND DATA SECURITY

The Company has heavily invested to secure proprietary systems strategically with cutting-edge technology to ensure a safe, protected environment to our users. There exists a comprehensive policy for Data Privacy as well as Information Security Management Systems (ISMS) which is in accordance with ISO 27001:2013. These policies have been implemented after identifying the relevant partners and cover all business functions.

PROTECTION OF INTELLECTUAL PROPERTY RIGHTS (IPRS)

The Company's IPR practices are at par with industry best-practices ensuring only authorised products and services are advertised on IndiaMART platform. The Company's commitment to a strong IPR policy also acts as a deterrent to the sale and offer of illicit, illegal and unbranded products. The same has been acknowledged by 'React.org' which has conferred IndiaMART with an award in recognition of protecting the rights of brand owners and to curb the sale or purchase of counterfeit products.

Environment

GREEN PRODUCTS

IndiaMART offers a robust platform for free web presence of green products and enabling its reach across the country. The Company has made substantial investment in creation of categories and catalogues (VFCP) of sustainable products, manufactured using toxic-free ingredients and environmentally friendly procedures, which are designed to minimise environmental impacts.

The primary impacts arise by virtue of our infrastructure and operations functions. In addition to employing energy efficient technology and methods in our data centres, best business practices are employed when it comes to cloud computing service infrastructure. The Company's data centre operations provider is certified with 'Green Globes', a green building initiative; 'Energy Star' for energy efficiency and the buildings are 'LEED' certified.

We have created a dedicated sub-category for renewable energy products and spares reflecting our commitment towards promoting products which conserve natural resources and protect the environment from harmful emissions.

SUSTAINABLE OPERATIONS

As a tech-enabled online platform company providing B2B services our impact on the environment is significantly lower than traditional businesses. Irrespective of the nature of our business the Company identifies its impacts and strives to be a sustainable business.

In this regard, multiple initiatives are undertaken to educate employees about environmental impacts and drive environmentally sustainable business operations including:

- Focus on paperless working in our offices
- WFH / Remote working leading to lesser electricity consumption
- Use of green products / LED lights in offices for reducing electricity
- Video conferencing leading to lesser travel
- Data centre operations are 'Green Globes', 'Energy Star' and 'LEED' certified

Robust portfolio of eco-friendly products

24,233
Solar panel product count

14,914
Fly ash brick product count

276,006
Other renewable energy products

Vernacular

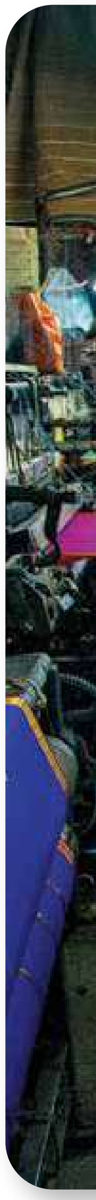
VOICE SEARCH HELPING SERVE MORE CUSTOMERS

42-year-old Shrikant Kumar never had the chance to complete his studies. He has been sourcing all his requirements from IndiaMART since long. He cannot type owing to his limited education and opted for IndiaMART's voice search options in regional languages.

Today, 100% of his orders are delivered successfully and he uses the facility at least six times a day.

Like Shrikant, IndiaMART helps a number of business owners overcome language barriers. It provides search options and service offerings in vernacular languages, helping thousands to choose IndiaMART services with confidence and accuracy.

IndiaMART makes ease of doing business possible, empowering entrepreneurship for New India.



10,000+

Daily voice searches handled by the portal

Association with IndiaMART helped him source all his business-related materials using the platform

Despite limited education, Shrikant Kumar has strong knowledge in finance

The use of vernacular voice search helped him use platform with ease

BOARD OF DIRECTORS

Leading with vision

Dinesh Chandra Agarwal,
Managing Director

Education

B.Tech in Computer Science

Experience

- Founder – IndiaMART
- Hindustan Management and Technical Services Private Limited, HCL America, Inc., HCL Limited, HCL Hewlett-Packard Limited, Centre for Development of Telematics (C-Dot) and CMC Limited

Brijesh Kumar Agrawal,
Whole-time Director

Education

- Master's degree in Management Science
- Post graduate diploma in Business Management

Experience

- H N Miebach Logistics India Private Limited
- Charter member of The Indus Entrepreneurs (TiE)

Dhruv Prakash,
Non-Executive Director

Education

- Master's degree in Science (chemistry)
- Post graduate diploma in Business Management from Indian Institute of Management, Ahmedabad

Experience

Korn/Ferry International Private Limited, Helion Ventures Private Limited, Hewitt Associates (India) Private Limited, Amar Dye-Chem Limited, DCM Toyota Limited, Hindustan Reprographics Limited and Escorts Limited

LENGTH OF SERVICE OF DIRECTORS (YEARS)	AGE GROUP OF DIRECTORS (YEARS)
Less than 4 : 1	40 to 50 : 2
4 to 8 : 2	51 to 60 : 3
More than 8 : 3	61 to 70 : 1

Elizabeth Lucy Chapman,
Independent Director

Education

- Bachelor's degree in Science
- Chartered Financial Analyst

Experience

DBS Bank Limited, Goldman Sachs International, The Welcome Trust Limited and Nahar Credits Private Limited

Vivek Narayan Gour,
Independent Director

Education

- Bachelor's degree in Commerce
- Master's degree in Business Administration
- Owner/president Management Programme from Harvard Business School

Experience

- First Leasing Company of India Limited, Infrastructure Leasing & Financial Services Limited, Tata Finance Limited, Genpact India and GE Capital Services India
- He has been the managing director on the board of directors of Air Works MRO Services Private Limited and Air Works India (Engineering) Private Limited

Rajesh Sawhney,
Independent Director

Education

- Bachelor's degree in Engineering (electronics and communication)
- Master's degree in Management Studies from University of Bombay

Experience

Reliance Capital Limited and Reliance Entertainment Limited

AWARDS AND RECOGNITIONS

Recognised for our efforts

Dinesh Agarwal: The EY Entrepreneur of the Year in the Service Category at the EOY Awards 2020

"**Most Promising Company of the Year**" at the CNBC Awaaz CEO Awards

'**Bada Aasaan Hai**' received the 'Best Video Content in a B2B Marketing Campaign Award' at the Video Media Awards & Summit, 2020

"**Certificate of Recognition**" for cooperation with Intellectual Property Right Holders by REACT (The Anti-Counterfeiting Network)

"**Dinesh Agarwal: The Digital Person of the Year**" at the 10th India Digital Awards

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Dinesh Chandra Agarwal
(DIN: 00191800)
Managing Director and Chief Executive Officer

Mr. Brijesh Kumar Agrawal
(DIN: 00191760)
Whole-time Director

Mr. Dhruv Prakash
(DIN: 05124958)
Non-Independent and Non-Executive Director

Ms. Elizabeth Lucy Chapman
(DIN: 06459440)
Independent Director and Non-Executive Director

Mr. Rajesh Sawhney
(DIN: 01519511)
Independent Director and Non-Executive Director

Mr. Vivek Narayan Gour
(DIN: 00254383)
Independent Director and Non-Executive Director

CHIEF FINANCIAL OFFICER

Mr. Prateek Chandra

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Manoj Bhargava

SECRETARIAL AUDITORS

Sanjay Grover & Associates
Company Secretaries

STATUTORY AUDITORS

BSR & Co. LLP
Chartered Accountants

REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited
Noble Heights, 1st Floor,
Plot No. NH-2, C-1 Block, LSC,
Near Savitri Market, Janakpuri,
New Delhi - 110058
Email: delhi@linkintime.co.in
Website: www.linkintime.co.in
Tel: +011-49411000

REGISTERED OFFICE OF THE COMPANY

1st Floor, 29-Daryaganj,
Netaji Subash Marg,
New Delhi-110002
Website: http://investor.indiamart.com
Email: cs@indiamart.com
Tel: +91-11-45608941

CORPORATE OFFICE OF THE COMPANY

6th Floor, Tower 2,
Assotech Business Cresterra,
Plot No. 22, Sec 135,
Noida-201305,
Uttar Pradesh, India
Tel: +91-9696969696

Management Discussions and Analysis

IndiaMART is India's largest online B2B marketplace for business products and services, providing a robust platform for businesses to discover products and services of their choice and connect with relevant suppliers of such product and services.

IndiaMART is India's largest online B2B marketplace for business products and services, providing a robust platform for businesses to discover products and services of their choice and connect with relevant suppliers of such product and services. Suppliers use our platform to list their product and services and generate business enquiries with respect to such products and services. In addition, we offer cloud telephony, CRM, chat messaging and payment gateway to enable suppliers and buyers to have conversations, accept online payments and engage in commerce efficiently.

As on March 31, 2021, we had 125 million+ registered buyers and 6.5 million+ suppliers, listing 72 million+ products organised across 97,000+ categories and 56 industries spread across the country. Our supplier base is diversified across categories such that no specific category accounts for more than 8% of suppliers.

Majority of the suppliers in the IndiaMART marketplace belong to the Micro, Small and Medium-sized Enterprises (MSME) segment.

SCALABLE AND DERISKED BUSINESS

125 MILLION+
Buyers

6.5 MILLION+
Suppliers

8%
Maximum segment share in revenue

97,000+
Categories

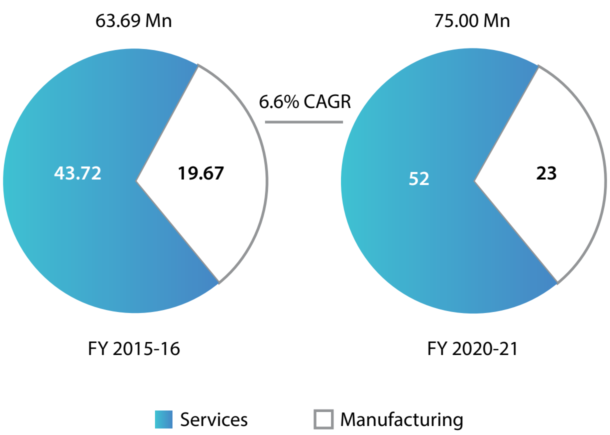
LOWER INTERNET ADOPTION AMONG MSMES

Digitally-enabled SMEs are projected to grow twice as fast as the non-digital SMEs in a world which is increasingly adapting to the digital medium.

Of the 55% SMEs that are digitally connected, only 4% are believed to be using the full potential of digital technologies while the remaining 51% neither actively promote nor sell their products online.

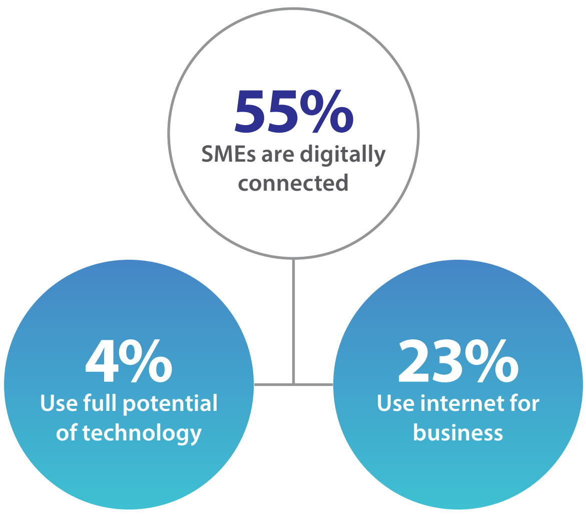
Non-agriculture MSMEs in India

30%
Contribution of MSME to India's GDP
[Source: 73rd National Sample Survey (NSS)]



Lower use of technology by Indian MSMEs provides a strong optimism

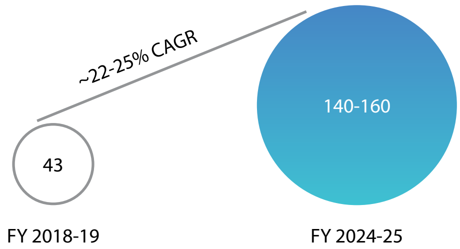
89%
of all Chinese enterprises were internet-connected in 2015



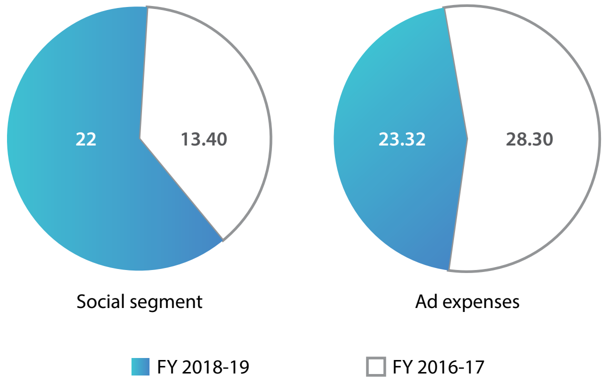
CLASSIFIEDS AND SEARCH MARKETS

There has been a steady growth of digital classifieds market with increasing share of social segment, especially in the post pandemic era.

Digital classifieds market in India (₹ bn)



Spending on advertisement and share of social segment (%)

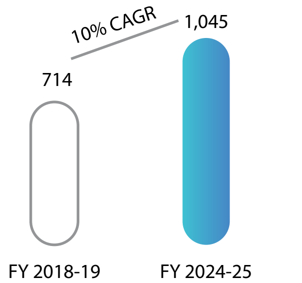


B2B E-COMMERCE MARKET IN INDIA

The B2B-commerce market in the country experienced a surge driven by the following reasons:

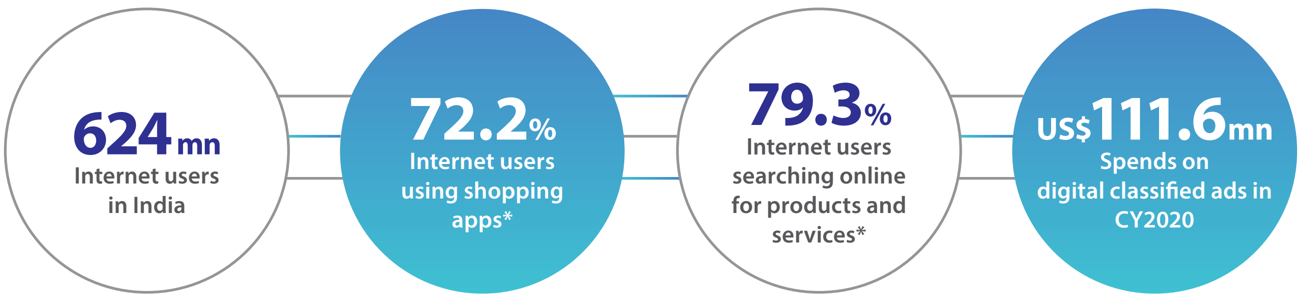
- Lower cost of data and broadband connection
- Increased penetration in the rural and semi-urban regions
- Accelerated adoption of payment apps
- Enhanced level of digital literacy
- Onset of the pandemic driving digital journey

Indian retail B2B market ($ bn)



100% FDI allowed in B2B commerce to enable greater investment.

Growth in online search for products and services



*Aged between 18 and 64 years

Top 10 - Industry Category (Paid Suppliers)

OUR REVENUE MODEL

We earn revenue primarily through the sale of subscription packages, Silver, Gold & Platinum to suppliers, which offer a range of benefits including priority listing of their products, access to RFQs, CRM and messaging systems and online payment gateway services. The subscription packages are available on a monthly, semi-annual, annual and multi-year basis.

95%
Revenues derived through subscription

The Company also earns revenue from advertising space sold on the IndiaMART platform. Revenue from advertising on IndiaMART accounted for less than 5% of the Company's total revenue in fiscals 2019, 2020 and 2021.

We have strong sales and servicing network, comprising our employees, outsource representatives and channel partners operating on telephone, field or digital mediums, that allow us to engage with our current and prospective suppliers with greater effectiveness and develop our customer relationships on the ground. The costs of assembling and maintaining such a team are significant, therefore employee benefit expense has historically been our largest expense.

The outbreak of COVID-19 in the last financial year required us to temporarily close our offices. Most of our employees have been and continue to work remotely from home. We have proactively implemented various measures to manage our operating costs, including our employee-related expenses. We have closed several of our sales branches and have leveraged remote working technology platforms to enable our employees to work from home, allowing us to reduce our variable costs and expenses of operating our offices and sales branches. We have also launched a new Online Associate Program (OAP) initiative to provide work opportunities to individuals who are affected by COVID-19, homemakers, differently-enabled and graduates who are not otherwise employed. Through the OAP, individuals can take on work assignments remotely to support IndiaMART's operations.

OPERATIONAL PERFORMANCE

FY 2020-21 saw the Company reporting a modest performance with the COVID-19 pandemic accelerating digital adoption. Traffic grew to 960 million in FY 2020-21 from 748 million in FY 2019-20, reflecting a growth of 28%. Total business enquiries grew to 610 million in FY 2020-21 from 464 million in FY 2019-20, at a growth of 31%.

As most of the small and medium businesses were hugely impacted during the pandemic, supplier storefronts grew from 6 million in FY 2019-20 to 6.5 million in FY 2020-21, a growth of 9% YoY. Paying subscriber base increased to 152,000 + in FY 2020-21 from 147,000 in March 2020. Accordingly, our consolidated revenue from operations increased 5% from ₹ 6,388 million in FY 2019-20 to ₹ 6,695 million in FY 2020-21 owing to marginal growth in the number of paying subscription suppliers and better revenue realisation per supplier. Consolidated deferred revenue grew 6% from ₹ 6,850 million in FY 2019-20 to ₹ 7,260 million in FY 2020-21, resulting in better future revenue visibility.

Consolidated EBITDA for the year stood at ₹ 3,282 million in FY 2020-21 against ₹ 1,689 million in FY 2019-20. The growth was largely driven by sustained as well as temporary benefits arising from various cost optimisation initiatives undertaken during the pandemic. Profit before tax for the year stood at ₹ 3,893 million against ₹ 2,114 million reported in FY 2019-20.

KEY FINANCIAL RATIOS

Key ratio	FY 2020-21	FY 2019-20	Change%
Current ratio	4.41	1.88	135%*
Operating profit margin	46.61%	23.13%	102%#
Net profit margin	41.78%	23.07%	81%#
Return on net worth	29.67%	67.77%	(56%)*

Note: The numbers are on a consolidated basis.

*Reason for change: On account of fund raising during the year through QIP.

#Reason for change: Due to the cost control measures adopted by the Company during the year.

CASH GENERATION

During the year, the Company generated ₹ 3,225 million as cash and investments generated through operations. Further, the Company raised ₹ 10,702 million through a successful QIP for its future growth and expansion. As on March 31, 2021, the Company has a consolidated cash and bank balance (including current investments) of ₹ 23,654 million.

The Company plans to use the cash in hand for strategic investments to widen its ecosystem and go beyond buyer-seller discovery and price matches. It plans to strengthen additional services including payment gateways, receivable management, GST invoicing, accounting services, and conversational commerce across subscribers.

HUMAN RESOURCE MANAGEMENT

The Company believes in creating an enabling environment for employees to grow and contribute to its overall objective. The employees are provided with adequate learning and development opportunities to sharpen their skillset and drive the performance of the Company. The Company engages with the employees across platforms to strengthen employee stickiness. As on March 31, 2021, the Company has 2,724 permanent employees.

For detailed review of the Company's Human Capital, please refer page 25

RISK MANAGEMENT

With the constantly evolving industry landscape, the edge lies in identifying, analysing and implementing effective mitigation strategies. IndiaMART has set up a strong risk management policy to safeguard the business and create value for its stakeholders.

It is governed at the highest level by the Board of Directors through its Risk Management Committee.

For detailed review of the Company's Risk Management Process, please refer page 20

OUTLOOK

With over 2 decades of experience in online trade and commerce, the Company has gained a deep understanding of the e-commerce landscape and its participants. It has continuously leveraged its experience and insights from its ecosystem of suppliers and buyers along with its own inherent strengths to come up with innovative solutions that help it keep ahead of the curve.

As the economy continues to recover from the impact of COVID-19 and businesses continue to transform themselves through online presence, the domestic economy offers strong opportunities in the long term. IndiaMART has become even more relevant to business in the current pandemic environment and the increasing adoption of digitalisation by MSMEs at an accelerated pace.

In these times, IndiaMART remains committed to strengthening its business model and enhancing its value proposition for its customers. The Company will retain its focus on its liquidity position, and look for synergistic investments or acquisitions to bolster its competitive strengths through partnerships with fintech or SaaS companies to augment its value offerings.

INTERNAL CONTROL

The Company's internal control systems are supplemented by an extensive internal audit programme conducted by an independent professional agency. The internal control system is designed to ensure that all financial and other records are reliable for preparing financial statements and for maintaining accountability of assets. During the year, such controls were tested and no reportable material weaknesses in controls were observed.

Statutory Reports and Financial Statements

Board's Report

Dear Member(s),

The Board of Directors of your Company take pleasure in presenting the 22nd Annual Report on the business and operations of the Company together with audited Standalone & Consolidated Financial Statements and the Auditor's Report thereon for the financial year ended March 31, 2021 (FY 2021).

FINANCIAL PERFORMANCE

The summary of financial performance of the Company for the year under review is detailed below:

('Amount in ₹ million')

Particulars	Standalone		Consolidated	
	FY 2021	FY 2020	FY 2021	FY 2020
Revenue from Operations	6,650.48	6,235.13	6,695.62	6,388.54
Other Income	851.62	684.12	865.84	685.91
Total Income	**7,502.10**	**6,919.25**	**7,561.46**	**7,074.45**
Employee Benefit Expenses	1,987.21	2,548.35	2,052.13	2,666.69
Financial Cost	66.63	32.83	66.63	32.83
Depreciation and amortisation expenses	158.65	209.15	160.65	211.45
Net Loss on financial liability designated at FVTPL	-	-	-	-
Other Expenses	1,329.91	1,960.28	1,361.92	2,032.88
Total Expenses	**3,542.40**	**4,750.61**	**3,641.33**	**4,943.85**
Exceptional items	-	68.79	-	-
Share in Net Profit/(loss) of Associate	-	-	(26.60)	(16.41)
Profit/(Loss) before tax	3,959.70	2,099.85	3,893.53	2,114.19
Total Tax Expenses	1,092.57	637.77	1,095.79	640.37
Profit/(Loss)for the year	2,867.13	1,462.08	2797.74	1,473.82
Other Comprehensive loss for the financial year	(18.29)	(54.17)	(17.78)	(55.47)
Total Comprehensive income/(loss) for the financial year	**2,848.84**	**1,407.91**	**2,779.96**	**1,418.35**
Earnings per Equity Share (INR) - Face value of ₹ 10/- each	98.53	50.73	96.15	51.14

Note: The above figures are extracted from the standalone and consolidated financial statements prepared in compliance with Indian Accounting Standards ('IND AS'). The Financial Statements of the Company complied with all aspects of Indian Accounting Standards ('IND AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act.

REVIEW OF OPERATIONS

Your Company's revenue from operations reached ₹6,650.00 million during the year under review as against ₹6,235.13 million during the previous financial year, a growth of around 6.65% year on year. The total income increased by around 8.42% from ₹6,919.25 million in FY 2020 to ₹7,502.00 million in FY 2021.

Operating EBITDA, for the year, recorded an increase of around 93.07% over previous year and stood at ₹3,333.36 million in comparison with ₹1,726.50 million in FY 2020. Profit before tax ('PBT') from ordinary activities (before exceptional items) is ₹3,959.70 million in FY 2021 as against ₹2,168.64 million in FY 2020.

DIVIDEND

Recommended, a final dividend of ₹15 per equity share of ₹10 each fully paid-up (150% of face value) for FY 2021, by the Board of Directors at its meeting held on April 29, 2021. The payment is subject to the approval of the shareholders at the ensuing Annual General Meeting ('AGM') of the Company to those members whose names appeared on the Register of Members of the Company on the record date.

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the top 500 listed entities based on market capitalisation, calculated as on March 31 of every financial year, are required to formulate a Dividend Distribution Policy which shall be disclosed in their annual reports and on their websites. Accordingly, the Dividend Distribution Policy of the Company is enclosed as **'Annexure – 1'**.

The Dividend Distribution Policy of the Company can also be accessed on the Company's website i.e. https://investor.indiamart.com.

TRANSFER TO RESERVES

The Company did not transfer any amount to reserves during the financial year.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of your Company between the end of the financial year and date of this report.

As required under Section 134(3) of the Companies Act, 2013 ('the Act'), the Board inform the members that during the financial year, there have been no material changes, except as disclosed elsewhere in report:

- In the nature of Company's Business, and
- In the Company's Subsidiaries or in the nature of business carried out by them.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on March 31, 2021, the Company has four (4) Subsidiary Companies and two (2) Associate Companies:

Subsidiaries:

- Tolexo Online Private Limited ('TOPL')
- Pay With Indiamart Private Limited ('PWIPL')
- Tradezeal Online Private Limited ('TOPL')
- Hello Trade Online Private Limited ('HTOPL')

Associates:

- Simply Vyapar Apps Private Limited ('Vyapar')
- Ten Times Online Private Limited ('TTOPL')

Joint Ventures: None

During the financial year, the Board reviewed the affairs of its subsidiaries and associates. In accordance with Section 129(3) of the Act, your Company has prepared the Consolidated Financial Statements of the Company and all its subsidiaries and associates.

Performance and Financial Position of the Subsidiary(s) and Associate Companies:

- **Tolexo Online Private Limited** was incorporated on May 28, 2014. The Company is primarily engaged in the business of building a cloud-based solution for SME businesses to help them manage their business with increased efficiency. During the year under review, its total income was ₹4.96 million. The net loss after taxation was ₹73.46 million.

- **Pay With Indiamart Private Limited** was incorporated on February 07, 2017. The Company is engaged in the business of electronic payment facilitation mechanisms through internet-based solutions & products, financial intermediation and services in connection with electronic payments as well as receipts, products, technologies and markets. During the year under review, its total revenue was ₹28.69 million and net profit after taxation was ₹0.77 million.

- **Tradezeal Online Private Limited**, formerly known as Tradezeal International Private Limited, was incorporated on May 31, 2005. During the year under review, the Company has adopted new main objects which is primarily to carry out business related to Investment and allied activities. Furthermore, the Company has changed its name to Tradezeal Online Private Limited thereby, aligning it with the objects of the Company.

  The Company has invested in the shares (on fully diluted basis) of Legistify Services Private Limited (11.01%), Truckhall Private Limited (25.02%) and Shipway Technology Private Limited (26%) in April, 2021.

- **Hello Trade Online Private Limited** was incorporated on July 03, 2008. The Company being not actively engaged in any business is, however, authorised to indulge in a gamut of businesses, like conducting domestic trade and international business facilitation, including sales, marketing, operational, technological, information processing and other trade and business-related services.

- **Ten Times Online Private Limited** was incorporated on February 26, 2014, as a subsidiary of IndiaMART InterMESH Limited. It is currently engaged in the business of operating www.10times.com, a platform for business events discovery and networking.

  On September 01, 2021, the Company has sold 70% stake in Equity Share Capital of Ten Times Online Private Limited. Accordingly, it has ceased to be a Wholly Owned Subsidiary and has become an Associate Company of IndiaMART InterMESH Limited.

  During the year under review, its total income was ₹57.64 million and the net loss after taxation was ₹16.11 million.

- **Simply Vyapar Apps Private Limited** was incorporated on March 08, 2018. The Company is involved in the business of selling 'Vyapar' a Business Accounting Software made for Indian Small Businessmen to deal with invoicing, inventory, accounting needs, and much more. During the year under review, its total revenue was ₹117.35 million and net loss after taxation was ₹61.84 million.

Pursuant to Section 129 (3) of the Act and Ind - AS 110 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial statements of its subsidiaries and associates.

A statement containing the salient features of the financial statement of Subsidiaries and Associates in the prescribed format AOC-1 is attached as **'Annexure – 2'** to this report. Further, the Company does not have any Joint Ventures, hence no information in this regard is required to be furnished.

The Policy for determining material subsidiaries is available on the Company's website i.e. https://investor.indiamart.com.

In terms of provisions of Section 136 of the Act separate audited accounts of the subsidiary Companies shall be available on the website of the Company at https://investor.indiamart.com.

PUBLIC DEPOSITS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board Diversity

The Company recognises and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity & gender, which will help us retain our competitive edge. Your Board comprises of experts in the field of Finance, Corporate Governance, Technology in Financial Inclusion, Enterprise Management, People Management and Leadership skills. Your Company has also appointed a Woman Director on the Board.

In terms of Regulation 19 of Listing Regulations and under Part D, Schedule II to the said Regulation, a Board Diversity Policy must be framed, and duly approved by Nomination and Remuneration Committee of the Board ('NRC').

The Board Diversity Policy of the Company can be accessed on the Company's website i.e. https://investor.indiamart.com.

Details of Directors & Key Managerial Personnel ('KMP')

S. No.	Name of Director / KMP	Designation	Date of initial Appointment
1.	Mr. Dinesh Chandra Agarwal	Managing Director & Chief Executive Officer	September 13, 1999
2.	Mr. Brijesh Kumar Agrawal	Whole-Time Director	September 13, 1999
3.	Mr. Dhruv Prakash	Non-Executive Director	October 28, 2015
4.	Ms. Elizabeth Lucy Chapman	Independent Director	January 27, 2015
5.	Mr. Rajesh Sawhney	Independent Director	January 27, 2011
6.	Mr. Vivek Narayan Gour	Independent Director	April 30, 2018
7.	Mr. Prateek Chandra	Chief Financial Officer	April 30, 2015
8.	Mr. Manoj Bhargava	Senior Vice President (Legal & Secretarial), Company Secretary & Compliance Officer	June 04, 2018

Pursuant to Section 152 and other applicable provisions of the Act, read with the Articles of Association of the Company, one-third of the Directors, as are liable to retire by rotation, shall retire every year and, if eligible, may offer themselves for re-appointment at every Annual General Meeting. Accordingly, one of the Directors, other than an Independent Director or Managing Director, would be liable to retire by rotation at the ensuing AGM.

Brief details of Directors proposed to be appointed/ re-appointed as required under Regulation 36 of the Listing Regulations and Secretarial Standard – 2 would be provided in the Notice of the Annual General Meeting.

None of the Directors of the Company have resigned from the office of Director of the Company during the year.

Mr. Dinesh Chandra Agarwal, Managing Director & Chief Executive Officer, Mr. Brijesh Kumar Agrawal, Whole-time Director, Mr. Prateek Chandra, Chief Financial Officer and Mr. Manoj Bhargava, Senior Vice President (Legal & Secretarial), Company Secretary & Compliance Officer are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force). During the year, there was no change (appointment or cessation) in the office of KMP.

Declaration by Independent Directors

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 25(8) & 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

Board Evaluation

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, *inter-alia*, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors.

The annual performance evaluation of the Board, its Committees and each Director has been carried out in accordance with the framework. The details of evaluation process of the Board, its Committees and individual Directors, including Independent Directors have been provided in the 'Corporate Governance Report' which forms part of this Report.

Familiarisation Programme for Independent Directors

The Company familiarises the Independent Directors with the Company, their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programme at periodic intervals.

As a part of the ongoing familiarisation process of the Company, Independent Directors were apprised during and/or after quarterly Board Meetings, by the Managing Director and Chief Executive Officer and/or Whole-time Director about the operations of the Company, market scenario, governance, internal control processes and other relevant matters including strategy, important developments and new initiatives undertaken by the Company.

Further, the Senior Management Personnel made presentations on relevant topics including business, markets, controls, changes in the regulatory framework and business environment having an impact on the Company. The Directors generally meet for reviewing the business of the Company prior to the official Board Meetings.

The details pertaining to Familiarisation Programme for Independent Directors has been incorporated in 'Corporate Governance Report' which forms part of this Report.

Independent Directors Meeting

As stipulated under Section 149(8) read with Schedule IV of the Act and Regulation 25 of Listing Regulations, a separate meeting of the Independent Directors was held on May 12, 2020, without the attendance of Non-Independent Directors and members of the management, to review the performance of the Non-Independent Directors, various committees of the Board and the Board as a whole. The Independent Directors also review the quality, content & timeliness of the flow of information from the management to the Board and its committees which is necessary to reasonably discharging their duties. All the Independent Directors of the Company were present in the meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on March 31, 2021 and of the profit and loss of the Company for the period ended on that date;

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

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

e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

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

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During FY 2021, four (4) Board meetings were held. For details of the meetings of the board, kindly refer to the 'Corporate Governance Report', which forms part of this report.

NOMINATION AND REMUNERATION POLICY

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of the Act read with the Rules issued thereunder and the Listing Regulations. The Nomination and Remuneration Policy of the Company is enclosed as **'Annexure - 3'** and the same can also be accessed on the Company's website i.e., https://investor.indiamart.com.

SHARE CAPITAL

During the year under review, the Company has increased its Authorised Share Capital by adding 1,500,000 Equity Shares having face value ₹10/- each and reclassified extensive portion of Preference Shares Capital into Equity Shares. Subsequently, the Authorised Capital of the Company is ₹994,425,584/- divided into 99,442,460 Equity Shares having face value ₹10/- each and three (3) 0.01% Cumulative Preference Shares having face value of ₹328/- each.

The Company has issued & allotted 66,696 Equity Shares of the Company pursuant to exercise of Employee Stock Options on July 20, 2020, September 19, 2020 and November 08, 2020 as well as 135,000 Equity Shares at an issue price of ₹10/- each to IndiaMART Employee Benefit Trust on September 19, 2020.

Further, for augmenting long term cash resources, funding organic or inorganic growth opportunities in the area of Company's operations and adjacencies, making investments in companies including in subsidiaries, joint ventures, associates or otherwise (either through debt or equity or any convertible securities), growing existing businesses or entering into new businesses in line with the strategy of the Company or for any other general purposes as may be permissible under the applicable law and approved by the Board, the Company allotted 1,242,212 Equity Shares having face value ₹10/- each to Qualified Institutional Buyers through Qualified Institutional Placement during the financial year. Pursuant to the above allotment, the issued & paid-up equity share capital of the Company increased to and stood, as on March 31, 2021, at ₹303,637,280/- divided into 30,363,728 Equity Shares of ₹10/- each.

The Company has not issued any sweat equity shares to its Directors or employees, during the year under review.

LISTING OF SHARES

The Equity Shares of the Company are listed on BSE Ltd. ('BSE') and National Stock Exchange of India Ltd. ('NSE'). The due annual listing fees for the financial year 2021-22 has been paid to both the Stock Exchanges i.e., BSE and NSE.

Name and address of the Stock Exchange	Scrip code	Status of fee paid for FY 2022
National Stock Exchange of India Limited Exchange Plaza, C-1 Block G Bandra Kurla Complex, Bandra, Mumbai – 400001	INDIAMART	Paid
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400001	542726	Paid

UTILISATION OF QIP PROCEEDS

The Company allotted 1,242,212 equity shares through Qualified Institutional Placement ('QIP') at an issue price of ₹8,615 per equity share (including a premium of ₹8,605 per equity share) aggregating to ₹10,701.66 million on February 22, 2021. The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as well as Sections 42 and 62 of the Act, as amended, including the rules made thereunder. The proceeds of funds raised under QIP of the Company are utilised as per Objects of the Issue.

(₹ in million)

Particulars	Amount
Gross Proceeds received from QIP	10,701.66
Less: Share issue Expenses	189.67
Net Proceeds received from QIP	10,511.99
Amount utilised for: Future growth and expansion and any other general purposes as may be permissible under the applicable law and approved by the Board.	NIL
Unutilised Amount	10,511.99

Pursuant to SEBI notification dated December 24, 2019, details of the utilisation of funds will also be submitted to the Stock Exchanges in the separate format as "Statement of Deviation / Variation in utilisation of funds raised" on quarterly basis.

COMMITTEES OF THE BOARD

The Company has several committees, which have been established as part of best corporate governance practices and comply with the requirements of the relevant provisions of applicable laws and statutes.

The Committees and their Composition are as follows:

Name of the Committee	Mr. Dinesh Chandra Agarwal	Mr. Brijesh Kumar Agrawal	Mr. Dhruv Parkash	Mr. Vivek Narayan Gour	Ms. Elizabeth Lucy Chapman	Mr. Rajesh Sawhney
Audit	-	-	Member	Chairman	Member	Member
Nomination and Remuneration	-	-	Member	-	Chairperson	Member
Stakeholders' Relationship	-	Member	Member	Chairman	-	-
Corporate Social Responsibility	-	Member	-	Member	Member	-
Risk Management	-	-	Member	Member	Member	Member
Investment and Finance#	Member	Member	Member	-	-	-
Share Allotment	Member	Member	Member	-	-	-
Fund Raise*	-	Member	Member	Member	-	Member

** Fund Raise Committee was formed by the Board of Directors on January 18, 2021, for the specific purpose of looking into the various statutory and procedural formalities in relation to the proposed fund raise. Thereafter, the Fund Raise Committee has been dissolved by the Board on April 29, 2021.*

 # Composition of Investment & Finance Committee was reconstituted by the Board of Directors on April 29, 2021 comprising of Mr. Brijesh Kumar Agrawal, Mr. Vivek Narayan Gour & Mr. Rajesh Sawhney as the Members of Committee for undertaking the requisite decisions in accordance with the terms of the reference of the Committee.

CORPORATE SOCIAL RESPONSIBILITY ('CSR')

The Company has constituted Corporate Social Responsibility Committee ('CSR Committee') in accordance with the provisions of the Act. The CSR Committee was constituted comprising of members of the Board of the Company. The Committee presently consists of three (3) Directors.

In accordance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has formulated and posted CSR Policy on its website which may be viewed at https://investor.indiamart.com.

The Annual Report on CSR activities undertaken by the Company, during the year under consideration, in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **'Annexure – 4'** to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations, is presented in a separate section, forming part of the Annual Report.

CORPORATE GOVERNANCE REPORT

Your Company always places a major emphasis on managing its affairs with diligence, transparency, responsibility and accountability. The Company continues to focus on building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance viz. integrity, equity, transparency, fairness, sound disclosure practices, accountability and commitment to values.

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Practicing Company Secretaries conforming compliance to the conditions of Corporate Governance as stipulated under Regulation 34(3) of the Listing Regulations, is also annexed to the Corporate Governance Report which forms part of this Report as **'Annexure – 5'**.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a robust Vigil Mechanism and adopted a Whistle Blower Policy in accordance with provisions of the Act and Listing Regulations, to provide a formal mechanism to the Directors, Employees or Stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and enables direct access to the Chairman of the Audit Committee. In terms of the Policy of the Company, no employee of the Company has been denied access to the Chairman of the Audit Committee of the Board. During the year under review, no such concern from any whistle-blower has been received by the Company. The Whistle Blower Policy is available on Company's Intranet along with other policies for easy access and information of Employees. It can also be accessed at the Company's website at https://investor.indiamart.com.

INTERNAL FINANCIAL CONTROLS

The Company's internal control systems are supplemented by an extensive internal audit program conducted by an independent professional agency. The internal control system is designed to ensure that all financial and other records are reliable for preparing financial statements and for maintaining accountability of assets. During the year, such controls were tested and no reportable material deficiency in controls were observed.

RISK MANAGEMENT

The Company has in place, an effective risk management framework, which is governed at the highest level by the Board. The Risk Management Policy identifies elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

The Audit Committee and the Board periodically review the risks involved, from time to time, and take appropriate measures to minimise the same.

Further, Regulation 21 of Listing Regulations, requires the Board of top 500 Companies determined based on market capitalisation, as at the end of immediately preceding financial year to constitute a Risk Management Committee.

In compliance with the above provisions, the Board at its meeting held on May 12, 2020, constituted the Risk Management Committee. The Risk Management Committee met on March 30, 2021 wherein it primarily reviewed the Risk Framework of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees or Investments, made during the year and pursuant to Section 186 of the Act, are given in the Note No. 8 to the Standalone Financial Statements forming integral part of the Annual Report. Further, during the financial year, an investment was made by the Company in securities of Mobisy Technologies Private Limited which was duly approved by the Audit Committee and the Board.

Additionally, the Company has invested the surplus funds available in the units of mutual funds, tax-free bonds and debt securities, the details of which are provided in the standalone financial statement.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

With reference to Section 134(3)(h) of the Act, all the contracts and arrangements with related parties as entered by the Company during the financial year under review were on arm's length basis and in the ordinary course of business.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, in Form AOC-2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Act, is appended as **'Annexure – 6'** to this Report.

The statement showing the disclosure of transactions with related parties, such as payment of Directors' remuneration in compliance with applicable IND AS, the details of the same are provided in Note No. 33 of the Standalone Financial Statement forming integral part of the Annual Report. All related party transactions were placed before the Audit Committee and the Board for their approval.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available at https://investor.indiamart.com.

PARTICULARS OF EMPLOYEES

Disclosure pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a) Ratio of the remuneration of each Director to the median remuneration of the employee's (MRE) and other details pursuant to Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The aforesaid disclosure is annexed and forms part of this report as **'Annexure – 7'**.

b) Detail of every employee of the Company as required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The aforesaid disclosure is annexed and forms part of this report as **'Annexure – 8'**.

c) No Director of the Company, including its Managing Director or Whole-Time Director, is in receipt of any commission from the Company or its Subsidiary Company.

AUDITORS

Statutory Auditor

B S R & Co. LLP, Chartered Accountants, (Firm Registration No: 101248W/W-100022) were appointed as Statutory Auditors of the Company at the Annual General Meeting of the Company held on September 25, 2019, for a term of five (5) consecutive years, i.e., to hold office from the conclusion of the 20th Annual General Meeting till the conclusion of the 25th Annual General Meeting of the Company.

The report of the Statutory Auditor forms part of the Annual Report. The said report does not contain any qualification, reservation, adverse remarks or disclaimer.

Internal Auditor

Mazars, who were appointed as the internal auditors of the Company for the financial Year 2020-21, have conducted the internal audits periodically and shared their reports and findings with the Audit Committee including significant observations, if any, and follow-up actions thereon from time to time. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations including those relating to strengthening the Company's risk management policies and systems.

Secretarial Auditor

M/s Sanjay Grover & Associates, Practicing Company Secretaries were appointed to conduct the Secretarial Audit of the Company for the Financial Year 2020-21, as required under Section 204 of the Act and Rules made thereunder. The Secretarial Audit Report for Financial Year 2020-21 is attached as **'Annexure – 9'** to this Report. The report of Secretarial Auditor is self-explanatory and does not contain any qualification, reservation or adverse remark.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Auditors of the Company have not reported to the audit committee, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

EXTRACTS OF ANNUAL RETURN

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

Further, the extract of Annual Return as on March 31, 2021 forms part of this report as **'Annexure – 10'**.

PREVENTION OF SEXUAL HARASSMENT

Your Company is fully committed to uphold and maintain the dignity of women working in the Company and has zero tolerance towards any actions which may fall under the ambit of sexual harassment at workplace. An Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been constituted and it presently comprises of five (5) members out of which four (4) members are women as on the date of this report.

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

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

No. of Complaints received	:	0
No. of complaints disposed-off	:	0
No. of cases pending for more than 90 days	:	Nil
Nature of action taken by the Company	:	NA
No. of Workshops or Awareness Programmes	:	16

BUSINESS RESPONSIBILITY REPORT

Listing Regulations mandates, the top 1000 listed companies by market capitalisation, to make Business Responsibility Report ('BRR') part of their Annual Report describing the initiatives taken by the Company from an Environmental, Social and Governance perspective in the format specified by Securities and Exchange Board of India.

The concept of BRR lays down nine (9) core principles which a Listed Company shall follow while undertaking its business operations. In terms of aforesaid Regulations, a separate section on "Business Responsibility Report" with a detailed compliance report forming integral part of this Annual Report and is given in **'Annexure – 11'**.

EMPLOYEES STOCK OPTIONS & STOCK APPRECIATION RIGHTS

Your Company has always believed in motivating employees and rewarding them for their continuous hard work, dedication and support, which has led the Company on the growth path. In view of the above, the Company currently has the following two (2) schemes:

i. IndiaMART Employee Stock Option Scheme, 2015 ("IndiaMART ESOS, 2015")

Pursuant to a resolution of the Board dated June 08, 2015 and shareholders resolution dated September 23, 2015, the Company adopted IndiaMART ESOS, 2015 which governs all previous stock option schemes of our Company, including Grant 2010, Grant 2012 and Grant 2013. The maximum Equity Shares that may be issued upon exercising of grants under the IndiaMART ESOS, 2015 should not exceed the aggregate of 5% of the expanded share capital of our Company and the existing pool of 1,516,216 options that were approved pursuant to the shareholder resolutions dated November 10, 2008 and October 27, 2012. However, pursuant to a resolution of our Board dated April 30, 2018, the IndiaMART ESOS, 2015 was discontinued with respect to future grants of options.

Further, the shareholders at their meeting held on May 07, 2018 passed a resolution that 372,746 options, comprising the options under IndiaMART ESOS, 2015 that had not been granted to eligible employees, will henceforth be governed by the IndiaMART ESBS, 2018 (defined below). At the same meeting, the shareholders also approved Bonus of (1:1) to all Equity shareholders of the Company with appropriate adjustments on issue of bonus, to the outstanding options granted but not exercised by the option holders as on record date under IndiaMART ESOS, 2015 and their respective exercise price so that such option holder gets the same shareholding to which they would have been entitled to as if, all such options had been exercised before the issue of such bonus shares.

Nomination and Remuneration Committee is authorised to administer the IndiaMART ESOS, 2015 and is entitled to determine the terms of the stock options at the time of their grant.

ii. IndiaMART Employee Stock Benefit Scheme, 2018 ("IndiaMART ESBS, 2018")

Pursuant to a resolution of the Board dated April 30, 2018 and the Shareholders approval dated May 07, 2018, the Company instituted an employee stock benefit scheme. In terms of the IndiaMART ESBS, 2018, eligible employees may be granted options and/or stock appreciation rights ('SARs'). Pursuant to a trust deed dated June 14, 2018, a trust by the name "IndiaMART Employee Benefit Trust" ('EBS Trust') has been set up in connection with the implementation of IndiaMART ESBS, 2018. The current trustees of the ESOP Trust are Mr. Madhup Agrawal, Mr. Abhishek Bhartia and Mr. Vikas Aggarwal. The EBS Trust has been set up to implement equity-based incentive schemes of our Company, including the IndiaMART ESBS, 2018, whereby the Company will initially issue and allot the Equity Shares to the EBS Trust, which will subsequently, transfer the Equity Shares to our employees when they exercise their stock options or SAR units.

In terms of the IndiaMART ESBS, 2018 and resolutions passed by the Board on June 04, 2018 and by Shareholders on June 11, 2018 a maximum of 45,492 stock options resulting into 45,492 Equity Shares and 1,400,000 SAR units resulting into not more than 700,000 Equity Shares in aggregate may be granted to eligible employees, identified in accordance with the IndiaMART ESBS, 2018. The IndiaMART ESBS, 2018 is administered and monitored by Nomination and Remuneration Committee.

The Nomination and Remuneration Committee granted 800,740 SAR units to eligible employees at ₹500/- per unit on October 01, 2018.

During the year under review, 144,356 SARs were vested on October 01, 2020. The Nomination and Remuneration Committee opened exercise window from October 01, 2020 to December 31, 2020 wherein vested 144,356 SARs were exercised into 130,139 Equity Shares of the Company.

The details of the Employee Stock Options / Stock Appreciation Rights as per Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 is attached as **'Annexure – 12'** to this Report.

The Schemes are in line with SEBI (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations"). A Certificate from Statutory Auditors of the Company that the Schemes are implemented in accordance with the SBEB Regulations shall be obtained and the same would be available at the Annual General Meeting for inspection by members. The applicable disclosures as stipulated under SBEB Regulations regarding Employees Stock Option Plan of the Company are available on the website of the Company at https://investor.indiamart.com.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

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

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company does not have any unpaid / unclaimed amount which is required to be transferred, under the provisions of the Act into the Investor Education and Protection Fund ('IEPF') of the Government of India.

DISCLOSURE UNDER SECTION 43(A)(II) & SECTION 54(1)(D) OF THE COMPANIES ACT, 2013

During the financial year under review, the Company has not issued any shares with differential voting rights and sweat equity shares and hence, no information as required under Section 43(a)(ii) & Section 54(1)(d) of the Act read with applicable rules is required to be disclosed.

SECRETARIAL STANDARDS OF ICSI

The Company has complied with the Secretarial Standards on Meeting of the Board ('SS-1') and General Meetings ('SS-2') specified by the Institute of Company Secretaries of India ('ICSI').

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is attached as **'Annexure – 13'** to this Report.

CERTIFICATIONS

In adherence to the best practices prescribed under the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, the Company has undertaken certification under the ISO 27001 standards thereby establishing compliance with reasonable security practices and procedures. Further, various policies and procedures have been instituted, including 'Information Security Policy' and 'Risk Management Procedure', that are commensurate with the information assets being protected with the nature of business.

ACKNOWLEDGEMENT

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

On behalf of the Board
For **IndiaMART InterMESH Limited**

Sd/-
Brijesh Kumar Agrawal
(Whole Time Director)
DIN: 00191760

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN: 00191800

Place: Noida
Date: April 29, 2021

(Figures have been rounded off for the purpose of reporting)

Annexure – 1

DIVIDEND DISTRIBUTION POLICY

This policy applies to the distribution of dividend by IndiaMART InterMESH Limited (the "Company") in accordance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations").

The Policy is approved and adopted by the Board of Directors on July 31, 2019 and shall be applicable in accordance with the provisions of SEBI Regulations.

DEFINITIONS

The terms referred to in the policy will have the same meaning as defined under the Act and the Rules made thereunder, and the SEBI Regulations.

BACKGROUND

SEBI has, through its notification dated July 08, 2016, released the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, incorporating Regulation 43A – Dividend Distribution Policy requiring the top five hundred listed entities based on market capitalisation (calculated as on March 31 of the previous financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

This Policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company while balancing the objectives of rewarding the shareholders through dividends and retaining capital to invest in the growth of the Company. The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this policy.

This policy shall cover all types of dividend including but not limited to interim dividend and final dividend.

a) The shareholders may or may not expect dividend:

The Company shall comply with the relevant statutory requirements that are applicable to the Company in relation to the declaration of dividend or retained earnings. Generally, the Board shall determine the dividend for a particular period after taking into consideration the financial performance of the Company, the advice of executive management, and other parameters described in this policy.

b) The financial / internal parameters that shall be considered while declaring dividend:

The Board of Directors of the Company shall consider the following financial parameters while declaring dividend or recommending dividend to shareholders:

- Capital allocation plans including:
  - Expected cash requirements of the Company towards working capital, capital expenditure in technology and infrastructure, etc.;
  - Investments required towards execution of the Company's strategy;
  - Funds required for any acquisitions that the Board of Directors may approve;
  - Fresh investments in subsidiaries and external businesses; and
  - Any share buy-back plans.
- Minimum cash required for contingencies or unforeseen events;
- Funds required to service any outstanding loans;
- Liquidity and return ratios;
- Any other significant developments that require cash investments.

c) External factors that shall be considered for declaration of dividend:

The Board of Directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:

- Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates or the business of the Company or its clients;
- Any political, tax and regulatory changes in the geographies in which the Company operates;

- Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
- Any changes in the competitive environment requiring significant investment.

d) Circumstances under which a Dividend may not be paid out:

Some conceivable circumstances under which shareholders may not expect a dividend are:

- Adverse market conditions and business uncertainty;
- Inadequacy of profits earned during the fiscal year;
- Inadequacy of cash balance; and
- Large forthcoming capital requirement which are best funded through internal accruals, etc.

e) Policy as to how the retained earnings shall be utilised:

The consolidated profits earned by the Company can either be retained in the business or used for various purposes as outlined in clause (b) above or it can be distributed to the shareholders.

f) Provisions in regard to various classes of shares:

The provisions contained in this policy shall apply to all classes of Shares of the Company. It may be noted that currently the Company has currently issued only one class of shares, namely, Equity Shares.

REVIEW

This policy will be reviewed and amended as and when required by the Board.

LIMITATION AND AMENDMENT

In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments ("Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment / modification in the Regulations, in this regard shall automatically apply to this policy.

Annexure - 2

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures as on March 31, 2021.

PART "A": SUBSIDIARIES

(Amount ₹ in million)

1.	Name of the Subsidiaries	Tolexo Online Private Limited	Tradezeal Online Private Limited	Hello Trade Online Private Limited	Pay With Indiamart Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of Holding Company	Same as of Holding Company	Same as of Holding Company	Same as of Holding Company
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees
4.	Equity Share Capital	70.02	1.10	0.30	1.00
5.	Reserves & Surplus	-	-	-	-
6.	Total Assets (including investments)	26.26	19.52	0.07	47.99
7.	Total Liabilities (other than equity)	265.19	46.34	0.05	39.31
8.	Investments	-	-	-	12.98
9.	Turnover (excluding other income)	4.68	-	-	27.70
10.	Profit/(loss) before taxation	(73.46)	(4.33)	(0.04)	0.88
11.	Provision for taxation	-	-	-	0.11
12.	Profit/(loss) after taxation (before Other Comprehensive Income)	(73.46)	(4.33)	(0.04)	0.77
13.	Proposed Dividend	-	-	-	-
14.	% of Shareholding	100.00%	100.00%	100.00%	100.00%

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Sl. No.	Name of Associates / Joint Ventures	Simply Vyapar Apps Private Limited (Associate Company)	Ten Times Online Private Limited# (Associate Company)
1.	Latest Audited Balance Sheet Date	April 23, 2021	April 28, 2021
2.	Shares of Joint Ventures / Associates held by the company on the year end	March 31, 2021	March 31, 2021
	No.	5,954 0.001% Cumulative Compulsorily Convertible Preference Shares (CCPS) and 10 Equity Shares	18,701 Equity Shares
	Amount of Investment in Joint Venture/ Associates	₹312 million	₹0.93 million
	Extend of Holding %	The Company holds 26% of Equity Share Capital on fully converted and diluted basis	The Company holds 30% of Equity Share Capital
3.	Description of how there is significant influence	Associate Company	Associate Company
4.	Reason why the joint venture / associate is not consolidated	Not Applicable	Not Applicable
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	₹78.57 million	₹0.48 million
6.	Loss for the year*	₹61.84 million	₹16.12 million
	Considered in Consolidation	₹16.08 million	₹13.02 million
	Not Considered in Consolidation	₹45.76 million	₹3.1 million

**The loss of associate appearing in the consolidated statement of profit and loss is `26.60 million which is after the consolidation adjustment and depreciation on identified intangible assets as per Ind AS 28- "Investments in Associates"*

#The Company ceased to be a wholly owned subsidiary of IndiaMART InterMESH Limited and became an Associate Company w.e.f. September 01, 2020.

On behalf of the Board
For **IndiaMART InterMESH Limited**

Place: Noida
Date: April 29, 2021

Sd/-
Brijesh Kumar Agrawal
(Whole Time Director)
DIN: 00191760

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN: 00191800

Annexure – 3

NOMINATION AND REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

INTRODUCTION

The Board of Directors of IndiaMART InterMESH Limited ("the Company") constituted the "Nomination and Remuneration Committee" at the Meeting held on January 27, 2015 with immediate effect, consisting of three (3) Non-Executive Directors and one (1) Executive Director of which one (1) is an Independent Director.

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Clause 49 under the Listing Agreement. The Key Objectives of the Committee would be:

1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

1.6. To devise a policy on Board diversity

1.7. To develop a succession plan for the Board and to regularly review the plan.

2. DEFINITIONS

2.1. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

2.2. **Board** means Board of Directors of the Company.

2.3. **Directors** mean Directors of the Company.

2.4. **Key Managerial Personnel** means:

2.4.1. Chief Executive Officer or the Managing Director or the Manager

2.4.2. Whole-time director

2.4.3. Chief Financial Officer

2.4.4. Company Secretary; and

2.4.5. Such other officer as may be prescribed.

2.5. **Senior Management** means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. ROLE OF COMMITTEE

3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.

3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3.1.3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3.2. Policy for appointment and removal of Director, KMP and Senior Management

3.2.1. Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2. Term / Tenure

a) **Managing Director / Whole-time Director:**
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) **Independent Director:**
An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he / she shall be eligible for appointment for one more term of 5 years only.

At the time of appointment of an Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.2.3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.2.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

3.3.1. General:

a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

a) **Fixed pay:**
The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including,

employer's contribution to provident fund, pension scheme, medical expenses, club fees etc., shall be decided and approved by the Board / the person authorised by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) **Minimum remuneration:**
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and rules made thereunder and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) **Provisions for excess remuneration:**
If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

3.3.3. Remuneration to Non- Executive / Independent Director:

a) **Remuneration / Commission:**
The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

b) **Sitting Fees:**
The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board of Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) **Commission:**
Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) **Stock Options:**
An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

4.1 The Committee shall consist of a minimum three (3) non-executive directors, majority of them being independent.

4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.

4.3 Membership of the Committee shall be disclosed in the Annual Report.

4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

5.1 Chairperson of the Committee shall be an Independent Director.

5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

7.1 A member of the Committee is not entitled to be present when his / her own remuneration is discussed at a meeting or when his / her performance is being evaluated.

7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

10.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management as well as reviewing its effectiveness;

10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.

10.4 Determining the appropriate size, diversity and composition of the Board;

10.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

10.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

10.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

10.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

10.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

10.10 Recommend any necessary changes to the Board; and

10.11 Considering any other matters, as may be requested by the Board.

11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

11.1 to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

11.2 to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company.

11.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.

11.4 to consider any other matters as may be requested by the Board.

11.5 Professional indemnity and liability insurance for Directors and senior management.

12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minutised and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

Annexure - A

PERFORMANCE EVALUATION POLICY

INTRODUCTION

The Company conducts its operations under the directions of Board of Directors within the framework laid down by various statutes, more particularly by the Companies Act, 2013, the Articles of Association, and policies formulated by the Company for its internal execution. The Company's Board of Directors is dedicated to act in good faith; exercise their judgment on an informed basis, in the best interest of the company and its stakeholders. Accordingly the present policy for performance evaluation is being put into place in accordance with the requirements of Section 178 of the Companies Act, 2013 which provides for a policy to be formulated and recommended to the Board, setting the criteria, based on which the performance of each and every director including the performance of the Board as a whole shall be assessed by the Board of Directors of the Company. Such an evaluation procedure will provide a fine system of checks and balances on the performance of the directors and will ensure that they exercise their powers in a rational manner.

The Act, under clause VIII of Schedule IV, casts an obligation on part of the Board of Directors for evaluating the performance of Independent Directors. All the directors on the board of a company, except the Independent Director whose performance is being evaluated, will assess the performance of the Independent Director. Accordingly, a report of performance evaluation of each Independent Director of the company would be prepared, which would determine whether to extend or continue the term of appointment of the concerned Independent Director or not.

With an aim to maintain an energised, proactive and effective Board, the Board is committed to a continuing process of recommending and laying down the criteria to evaluate the performance of the entire Board of the Company.

As one of the most important functions of the Board of Directors is to oversee the functioning of Company's top management, this Board Performance Evaluation process aims to ensure individual directors ("Directors") and the Board of Directors of the Company ("Board") as a whole work efficiently and effectively in achieving their functions. This policy aims at establishing a procedure for conducting periodical evaluation of its own performance and of its committees and individual directors. Hence it is important that every individual Board Member effectively contributes in Board deliberations.

EFFECTIVENESS OF THE BOARD

The overall effectiveness of the Board shall be measured on the basis of the ratings obtained by each Director and accordingly the Board shall decide the appointments, re-appointments and removal of the non-performing Directors of the Company. For this reason, based on the forestated criteria of evaluation the remuneration of the Directors and Key Managerial Personnel shall be determined and reviewed from time to time.

RESPONSIBILITY OF BOARD / INDEPENDENT DIRECTORS

It shall be the duty of the Board, who shall be supported by the Management to organise the evaluation process and accordingly conclude the steps required to be taken. The evaluation process will be used constructively as a system to improve the directors' and committees' effectiveness, to maximise their strength and to tackle their shortcomings.

The Board of Directors shall undertake the following activities on an annual basis:

I. Review the various strategies of the Company and accordingly set the performance objectives for directors, in consistency with varying nature and requirements of Company's business.

II. The Board as a whole shall discuss and analyse its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.

In conformity with the requirement of the Act, the performance evaluation of all the directors shall be done by the entire Board of Directors, excluding the director being evaluated.

Independent Directors are duty bound to evaluate the performance of non - independent directors and board as a whole. The independent directors of the Company shall hold at least one meeting in a year to review the performance of the non- independent directors, performance of chairperson of the Company and board as a whole, taking into account the views of executive directors and non-executive directors.

EVALUATION FACTORS

The Board of Directors shall pay regards to the following parameters for the purpose of evaluating the performance of a particular director.

In respect of each of the evaluation factors, various aspects have been provided to assist with the evaluation process in respect of performance of Board itself, and of its committees and individual directors as, such evaluation factors may vary in accordance with their respective functions and duties.

Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated.

Appraisal of Directors / Committees and Board of the Company shall be based on the criteria as mentioned herein below:

Rating Scale

Performance	Rating
Satisfactory	1
Un-Satisfactory	0

The Company has chosen to adopt the following Board Performance Evaluation Process:

INDEPENDENT DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of Independent Director, in which the concerned director being evaluated shall not be included, are set out below:

Name of Director being assessed: ______________________

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Attendance and participations in the meetings		
2.	Raising of concerns to the Board		
3.	Safeguard of confidential information		
4.	Rendering independent, unbiased opinion and resolution of issues at meetings		
5.	Initiative in terms of new ideas and planning for the Company		
6.	Safeguarding interest of whistle-blowers under vigil mechanism.		
7.	Timely inputs on the minutes of the meetings of the Board and Committee's, if any		
8.	Disclosure of interest & disclosure of independence		
9.	Compliance with Companies Act, Ethical Standards & Code of Conduct of the Company		
10.	Interpersonal relations with other Directors & Management.		
11.	Understanding of the Company and the external environment in which the Company operates and contribution in strategic decisions.		

NON – INDEPENDENT DIRECTORS / EXECUTIVE DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of Chairperson / Non-Independent Director / Executive Director by Independent Directors, in which the concerned director being evaluated shall not be included, are set out below:

Name of Director being assessed:______________________

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Leadership initiative		
2.	Attendance and participations in the meetings		
3.	Initiative in terms of new ideas and planning for the Company		
4.	Teamwork attributes, supervision and training staff members.		
5.	Contribution towards growth of the Company including actual vis-a-vis budgeted performance		
6.	Professional skills, problem solving, and decision-making		
7.	Compliance with policies of the Company, ethics, code of conduct, etc.		
8.	Strategic planning - financial and business and implementation of internal financial controls.		
9.	Reporting of frauds, violation etc.		
10.	Safeguarding of interest of whistle blowers under vigil mechanism		
11.	Timely inputs on the minutes of the meetings of the Board and Committee, if any		
12.	Disclosure of interest		
13.	Compliance with Companies Act, Ethical Standards & Code of Conduct of the Company		

BOARD OF DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by Independent Directors are set out below:

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	The Board of Directors of the company is effective in decision making.		
2.	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.		
3.	The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.		
4.	The Board reviews the organisation's performance in carrying out the stated mission on a regular basis.		
5.	The Board of Directors is effective in providing necessary advice and suggestions to the company's management.		
6.	Is the board as a whole up to date with latest developments in the regulatory environment and the market.		
7.	The information provided to directors prior to Board meetings meets your expectations in terms of length and level of detail.		
8.	Board meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues.		
9.	The Board Chairman effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the board.		
10.	The Board appropriately considers internal audit reports, management's responses, and steps towards improvement.		

S. No.	Assessment Criteria	Rating	Remarks/ Comments
11.	The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance.		

COMMITTEES OF BOARD

The Board has constituted the following committees:

1. Audit Committee; and
2. Nomination, Remuneration and Compensation Committee;

For evaluating the performance of each committee, the Board of Directors shall pay regards to the following aspects as set out below:

S. No.	Audit Committee*	Rating	Remarks/ Comments
1.	The Composition and size of the Committee are appropriate		
2.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues		
3.	Timely inputs on the minutes of the meetings		

**For Audit Committee members only*

S. No.	Nomination, Remuneration and Compensation Committee*	Rating	Remarks/ Comments
1.	The Composition and size of the Committee are appropriate		
2.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues		
3.	Timely inputs on the minutes of the meetings		

**For Nomination, Remuneration and Compensation Committee members only*

REVIEW

The performance evaluation process will be reviewed annually by the "Nomination and Remuneration Committee".

Subject to the approval of Board of Directors, the Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

DISCLOSURE

Company will disclose details of its Board Performance Evaluation processes in its Board's Report. The Board's report containing such statement shall indicate the manner in which formal evaluation has been made by the Board of its own performance and that of the committees of the Board and individual directors of the Company.

Annexure – 4

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS:

Your Company is committed to contribute towards CSR which forms an integral part of IndiaMART's activities. The Company's objective is to pro-actively support meaningful socio-economic development. It works towards developing an enabling environment that will help citizens realise their aspirations towards leading a meaningful life.

Detailed below are the brief focus areas:

1. Hunger, Poverty, Malnutrition, Sanitation and Health;
2. Education and Employment;
3. Women, Children & Senior Citizens;
4. Environment & Sport;
5. National Heritage, Art and Culture;
6. Armed Forces;
7. Slum Development & Rural Development Projects;
8. Disaster Management; and
9. Donations & Contributions in the areas permissible under the Act.

With this idea of shared growth, the Company focused its CSR initiatives primarily in the field of education and in taking measures to provide suitable aid and assistance to tackle COVID-19 emergency during the year. The Company has taken various steps to meet society's expectations by focusing on education and welfare of under privileged children.

The Company has constituted the CSR Committee as per the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. The CSR Policy has been framed by the Committee which can be accessed from the website of the Company. The web link to the CSR Policy is http://investor.indiamart.com.

Details of the Projects under IndiaMART's CSR initiatives are as follows:

1) EDUCATION

a) **Educational Facilities to Underprivileged:** The Company has associated with Help Educate a Child (HEAC), a registered non-profit trust, which is primarily engaged in activities for promoting education including providing educational support and aid to economically underprivileged children in remote areas in and around Male Mahadeshwara Hills (MM Hills), Karnataka.

IndiaMART, through their NGO partner, HEAC had participated and contributed ₹50,000/- in the Vidyagama project wherein they had supported teachers and teacher aids to go to the villages to teach the children there instead of children coming to school.

Further, IndiaMART also contributed ₹46,000/- to HEAC for setting up Solar Back Up Facilities in a hostel for electricity backup in Kollegala, where students who have passed out of Gopinatham High School reside.

The Company had also supported HEAC, for installation of stone benches in school and contributed ₹29,500/- for the same.

The Company made a funding of ₹24,500/- w.r.t purchasing of a laptop, which will be used for education, to an underprivileged student.

b) **Enhancement of Parental Involvement in Government Schools of Bhiwandi Nizampur City Municipal Corporation ('BNCMC'):** In line with the Company's mission to achieve long-term socio-economic development of the communities, IndiaMART recognised the importance of parental involvement in education in the development of students and schools and worked together with Saajha, its NGO partner for this cause.

Given today's reliance over learning at home in the light of COVID-19, parents have assumed a new role as educators and facilitators of education. Though schools and administration have been taking many initiatives of ensuring accessibility of education to every child, the need of parents and schools coming closer to ensure that every child is getting education is being felt more now than ever.

Saajha partnered with BNCMC to undertake interventions in 32 Marathi medium municipal schools of the BNCMC with a clear focus on strengthening School Management Committees ('SMCs') which are mandatory bodies comprising elected parents, teachers and community members. The interventions focus on capacity building of SMCs and on resolving issues raised by them, with a motive to improve the quality of education, infrastructure, governance and learning outcomes in government schools. The strengthening of SMCs leads to better schools for children through increased expenditure in schools by the SMCs, and faster resolution of grievances.

During the year under review, IndiaMART has contributed ₹698,250/- to Saajha for executing the above project.

c) **Tech solution to support parents of children in Government schools:** Saajha, our NGO partner, recognised the importance of parental involvement in education in the development of students and schools. They have built a solution to support parents through calls and WhatsApp provided by members from similar communities by utilising cloud telephony technology. The data collected on calls, to provide support and resolve these queries of parents, will help aggregate the solution(s) provided for the commonly faced challenges by the parents.

During the year under review, IndiaMART has contributed ₹2,967,000/- to Saajha for executing the above project.

2) COVID-19 RELIEF

a) **COVID-19 Emergency Response:** The Company felt the urgency to intervene and support the Government departments to contain the spread of COVID-19, an infectious disease caused by a newly discovered corona virus. We took an initiative and supported our NGO Partner 'Sahyog' for distribution of PPE kits and masks, worth around ₹2,600,000/-, to frontline workers in various Government and Non-Government Hospital(s) in Delhi / NCR with the active participation of Senior Officials and other stakeholders.

b) **COVID-19 Emergency Rehabilitation program:** As a result of COVID-19 pandemic migrant workers have faced multiple hardships. With factories and workplaces shut down due to the lockdown imposed in the country, millions of migrant workers had to deal with the loss of income, food shortages and uncertainty about their future. Due to the lockdown thousands of migrant workers and their families went hungry and were forced to walk to their hometown, with no means of transport.

IndiaMART felt the need to support the migrant and daily wage workers who were stuck at the industrial areas of Delhi, UP and Haryana, especially the areas which were most effected (red zone) by COVID-19. Through our NGO Partner SAHYOG and RISE, we had provided monetary support of ₹6,073,970/-, for their rehabilitation and meeting day to day expense, along with providing proper information on hand washing, sanitation and awareness on COVID-19.

2. THE COMPOSITION OF THE CSR COMMITTEE

The CSR Committee, constituted under Companies Act, 2013, comprised of three (3) directors as on March 31, 2021 as per the details given below:

S.No.	Name of the Member	Category	Designation
1	Mr. Brijesh Kumar Agrawal	Promoter / Executive Director	Member
2	Ms. Elizabeth Lucy Chapman	Non-Executive / Independent Director	Member
3	Mr. Vivek Narayan Gour	Non-Executive / Independent Director	Member

3. Weblink where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website: **https://investor.indiamart.com/index.htm**

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
	TOTAL	-	-

6. Average net profit of the Company for last three financial years : ₹ **1,818.44 million**

7. (a) 2% of average net profit of the company as per section 135(5) : ₹ **36.37 million**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : **NIL**

(c) Amount required to be set off for the financial year, if any : **NIL**

(d) Total CSR obligation for the financial year (7a+7b-7c) : ₹ **36.37 million**

indiamart

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount spent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
12,489,220	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII in the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration number
TOTAL		-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the Project (in ₹)	Mode of implementation on – Direct (Yes / No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
1.	Enhance Parental Involvement in Government Schools	Primary Education	Yes	Maharashtra	Bhiwandi	698,250	No	SAAJHA	CSR00000418
2.	Vidyagama Project	Primary Education	Yes	Karnataka	Chamarajanagar	50,000	No	Help Educate a Child (HEAC)	CSR00003143
3.	RISE Covid 19 Relief Fund for Migrant communities	Disaster Management, relief and rehabilitation	Yes	Delhi / NCR	New Delhi	3,434,470	No	Rural and Urban Innovative Social Entrepreneurship (RISE)	CSR00003357
4.	Installation of Solar Back Up Facilities	Primary Education	Yes	Karnataka	Chamarajanagar	46,000	No	Help Educate a Child (HEAC)	CSR00003143
5.	Infrastructure of High School	Primary Education	Yes	Karnataka	Chamarajanagar	29,500	No	Help Educate a Child (HEAC)	CSR00003143
6.	COVID-19 Emergency Response	Disaster Management, relief and rehabilitation	Yes	Delhi / NCR	New Delhi	2,600,000	No	Sahyog Care for You (SAHYOG)	CSR00000210
7.	Funding for educational facilities	Primary Education	Yes	Karnataka	Chamarajanagar	24,500	No	Help Educate a Child (HEAC)	CSR00003143
8.	COVID-19 Emergency Rehabilitation Program	Disaster Management, relief and rehabilitation	Yes	Delhi / NCR	New Delhi	2,639,500	No	Sahyog Care for You (SAHYOG)	CSR00000210
9.	Tech solution to support parents of children in Government schools	Primary Education	Yes	Delhi / NCR	New Delhi	2,967,000	No	SAAJHA	CSR00000418
TOTAL		-	-	-	-	**12,489,220**	-	-	-

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹12,489,220

(g) Excess amount for set off, if any

Amount (in ₹)

Sl. No.	Particulars	
(i)	Two percent of average net profit of the company as per section 135(5)	10,980,000
(ii)	Total amount spent for the Financial Year	12,489,220
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,509,220
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,509,220

9. (a) Details of Unspent CSR amount for the preceding three financial years : NIL

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding
				Name of the Fund	Amount (in Rs.)	Date of transfer	
-	-	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) : NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the Project in the reporting financial year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the Project – Completed / ongoing
-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) : NIL

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

On behalf of the Board
For **IndiaMART InterMESH Limited**

Place: Noida
Date: April 29, 2021

Sd/-
Brijesh Kumar Agrawal
(Whole Time Director)
DIN: 00191760

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN: 00191800

Annexure - 5

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming part of the Boards' Report for the year ended March 31, 2021]

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate Governance philosophy of IndiaMART InterMESH Limited ('Company') is based on strong foundations of ethical values and professionalism. The Company's philosophy aims at establishing and practicing a system of good Corporate Governance to assist in the management of the Company's business in an efficient and transparent manner in all facets of its operations and its interactions with stakeholders. In keeping view with its commitment to the principles of good Corporate Governance, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings. The Company continuously endeavours to review, strengthen and upgrade its systems and processes to bring in transparency and efficiency in its various business segments. As a part of its Corporate Governance measures, the Company aims to maintain transparency in its financial and statutory reporting and keeps all its stakeholders informed about its policies, performance, and developments. The Company encourages feedback from its stakeholders by way of a structured online feedback mechanism, dedicated feedback helpline 9696969696 for calls & WhatsApp, investor and earning calls, emails, questions box options, etc. The Company endeavours to provide constructive response and solutions on the feedback received and has designated a Grievance Officer to look into the concerns and offer amicable solution. Importance is given to social media monitoring to address any concerns raised therein and for taking adequate steps to resolve the same.

Your Company always strives to adopt best global practices in Corporate Governance and remains abreast with the continuous developments in the industry's Corporate Governance systems. The entire framework is governed by a strong Board of Directors and executed by a committed team of management and employees.

BOARD OF DIRECTORS

The composition of Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and provisions of the Companies Act, 2013 ('Act'), as amended from time to time. The Board has optimum combination of Executive and Non-Executive Directors alongwith a Woman Director, although there is no designated Chairman of the Board. The Board consists of six (6) Directors including two (2) Executive Directors, three (3) Independent Non-Executive Directors and one (1) Non-Executive Director.

Pursuant to the provisions of Section 149, 152, 161 and other applicable provisions, if any, of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the Listing Regulations, as amended or re-enacted from time to time, the Company has appointed Ms. Elizabeth Lucy Chapman (DIN: 06459440) as a Woman Director (Independent) on the Board.

Composition of the Board of Directors as on March 31, 2021

S. No.	Name of the Director	Position & Category	Age	No of Equity Shares (As on March 31, 2021)
1	Mr. Dinesh Chandra Agarwal	Managing Director & CEO-Promoter & Executive Director	52	8,630,747
2	Mr. Brijesh Kumar Agrawal	Whole-time Director-Promoter & Executive Director	44	5,848,544
3	Mr. Dhruv Prakash	Non- Independent Non-Executive Director	69	25,106
4	Ms. Elizabeth Lucy Chapman	Independent Non-Executive Director	40	-
5	Mr. Rajesh Sawhney	Independent Non-Executive Director	55	5,800
6	Mr. Vivek Narayan Gour	Independent Non-Executive Director	58	9,850

The Company has received necessary declaration from each Independent Director that he / she meets the criteria of independence laid down in Section 149(6) & (7) of the Act and Regulation 16 & 25(8) of Listing Regulations.

During FY 2021, four (4) Board meetings were held on May 12, 2020, July 21, 2020, November 09, 2020, and January 18, 2021.

Details of Attendance and Directorship / Committee Memberships / Chairmanships of Board of Directors# of the Company:

S. No.	Name of the Director	Position & Category	Attendance Particulars			Other Directorship		Committee Membership/ Chairmanship**	
			No. of Board Meetings		Last AGM Held on August 31, 2020	Number of other Directorship*	Name of the listed entity and Category of Directorship	Committee Membership	Committee Chairmanship
			Held	Attended					
1	Mr. Dinesh Chandra Agarwal	Managing Director & CEO - Promoter & Executive Director	4	4	Yes	0	-	0	0
2	Mr. Brijesh Kumar Agrawal	Whole-time Director - Promoter & Executive Director	4	4	Yes	1	-	1	0
3	Mr. Dhruv Prakash	Non-Independent Non-Executive Director	4	4	Yes	2	-	3	0
4	Mr. Vivek Narayan Gour	Independent Non-Executive Director	4	4	Yes	4	Cyient Limited - Independent Affle (India) Limited - Independent	5	5
5	Ms. Elizabeth Lucy Chapman	Independent Non-Executive Director	4	4	Yes	0	-	0	0
6	Mr. Rajesh Sawhney	Independent Non-Executive Director	4	4	Yes	0	-	0	0

Note:

 # There is no designated Chairperson of the Board.

** Excluding private limited companies, foreign companies, and companies under Section 8 of the Act.*

*** Chairpersonship / Committee Membership of Audit Committee & Stakeholders' Relationship Committee of other Public Limited Companies only has been considered in accordance with Regulation 26 of the Listing Regulations.*

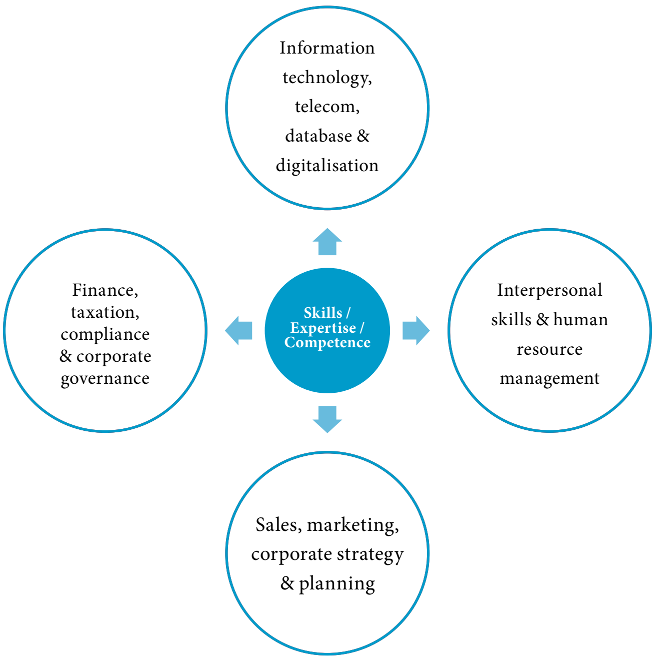
As mandated under Regulation 26 of the Listing Regulations, none of the Directors of the Company are members of more than ten (10) Board level committees nor are they Chairpersons of more than five (5) Board level committees across Public Limited Companies in which they are directors.

Relationships between Directors inter-se

There is no other inter-se relationship between the Directors of the Company except that Mr. Dinesh Chandra Agarwal and Mr. Brijesh Kumar Agrawal are cousins.

Skills / Expertise / Competence of Board of Directors

a) Following chart sets out the core skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:



b) Following are the names of Directors possessing such skills / expertise / competence:

S.No.	Skills / Expertise / Competence	Name of Directors
1	Expertise and knowledge in the field of information technology, telecom, database and digitalisation and business environment	a) Mr. Dinesh Chandra Agarwal
		b) Mr. Brijesh Kumar Agrawal
		c) Mr. Vivek Narayan Gour
		d) Mr. Rajesh Sawhney
		e) Ms. Elizabeth Lucy Chapman
		f) Mr. Dhruv Prakash
2	Expertise and knowledge in the field of finance, taxation, compliance and corporate governance	a) Mr. Dinesh Chandra Agarwal
		b) Mr. Brijesh Kumar Agrawal
		c) Mr. Vivek Narayan Gour
		d) Mr. Rajesh Sawhney
		e) Ms. Elizabeth Lucy Chapman
		f) Mr. Dhruv Prakash
3	Knowledge of interpersonal skills and human resource management	a) Mr. Dinesh Chandra Agarwal
		b) Mr. Brijesh Kumar Agrawal
		c) Mr. Vivek Narayan Gour
		d) Mr. Rajesh Sawhney
		e) Ms. Elizabeth Lucy Chapman
		f) Mr. Dhruv Prakash
4	Knowledge of sales, marketing, corporate strategy and planning	a) Mr. Dinesh Chandra Agarwal
		b) Mr. Brijesh Kumar Agrawal
		c) Mr. Vivek Narayan Gour
		d) Mr. Rajesh Sawhney
		e) Ms. Elizabeth Lucy Chapman
		f) Mr. Dhruv Prakash

Independent Directors Meeting

As stipulated under Section 149(8) read with Schedule IV of the Act and Regulation 25 of Listing Regulations, a separate meeting of the Independent Directors was held on May 12, 2020, without the attendance of Non-Independent Directors and members of the management, to review the performance of the Non-Independent Directors, various committees of the Board and the Board as a whole. The Independent Directors also review the quality, content, and timeliness of the flow of information from the management to the Board and its committees which is necessary to perform reasonably and discharge their duties. All the Independent Directors of the Company were present in the meeting.

Confirmation in respect of Independence

The Board of Directors of the Company hereby confirm that in the opinion of Board, the Independent Directors of the Company fulfil the condition specified in Listing Regulations and are independent of the management.

Detailed reason of resignation of Independent Directors

During the year, none of the Independent Directors of the Company have resigned from the Directorship of the Company.

Familiarisation Programme for Independent Directors

In accordance with Section 149 read with Schedule IV of the Act and Regulation 25 of Listing Regulations, the Company familiarises its Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The Company has put in place a system to familiarise the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

As a part of the ongoing familiarisation process of the Company's Independent Directors were apprised, during and/or after quarterly Board Meetings, by the Managing Director and Chief Executive Officer and/or Whole-time Director about the operations of the Company, market scenario, governance, internal control processes and other relevant matters including strategy, important developments and new initiatives undertaken by the Company.

Further, the Senior Management Personnel made presentations on relevant topics including business, markets, controls, changes in the regulatory framework and business environment having an impact on the Company. The Directors also generally meet for reviewing the business of the Company prior to the official Board Meetings.

The details of familiarisation programme have been posted on the website of the Company and the same may be viewed at https://investor.indiamart.com.

COMMITTEES OF THE BOARD

1. Audit Committee

The Company has a duly constituted Audit Committee, as per the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act. The terms of reference of the Audit Committee includes the matters specified under Regulation 18 and Part C of Schedule II of the Listing Regulations and Section 177 of the Act, as amended from time to time, and other matters referred by Board. The Audit Committee oversees the work carried out in the financial reporting process by the Management, the Internal Auditors and Independent Auditors.

a) Terms of reference:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   i. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   ii. Changes, if any, in accounting policies and practices and reasons for the same;
   iii. Major accounting entries involving estimates based on the exercise of judgment by management;
   iv. Significant adjustments made in the financial statements arising out of audit findings;
   v. Compliance with listing and other legal requirements relating to financial statements;

vi. Disclosure of any related party transactions;

vii. Modified opinion(s) in the draft audit report;

5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the listed entity with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the whistle blower mechanism;

19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

21. Shall review the report on Compliances with Code of Conduct on quarterly basis.

22. Shall review compliance with the Institutional Mechanism for Prevention of Insider Trading as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

23. Reviewing the utilisation of loans and/or advances from / investments by the Company in its subsidiary exceeding ₹100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of the provisions.

The Audit Committee shall also mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

3. Management letters / letters of internal control weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses;

5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

6. Statement of deviations:

   (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

   (b) Annual statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

b) Composition of the Committee:

The Audit Committee of the Company constitutes four (4) members namely:

S. no.	Name of the Member	Designation
1	**Mr. Vivek Narayan Gour (Independent Director)**	**Chairman**
2	Mr. Rajesh Sawhney (Independent Director)	Member
3	Mr. Dhruv Prakash (Non-Executive Director)	Member
4	Ms. Elizabeth Lucy Chapman (Independent Director)	Member

The Company Secretary of the Company acts as Secretary to this Committee.

c) **Meetings and attendance during the year:**

During the period under review, four (4) meetings were held i.e., on May 12, 2020, July 21, 2020, November 09, 2020 and January 18, 2021. The attendance of members was as follows:

S. No.	Name of the Member	Designation	Category	No. of meetings held during the year	Attendance
1	Mr. Vivek Narayan Gour	Chairman	Non-Executive Independent Director	4	4
2	Mr. Rajesh Sawhney	Member	Non-Executive Independent Director	4	4
3	Mr. Dhruv Prakash	Member	Non-Executive Director	4	4
4	Ms. Elizabeth Lucy Chapman	Member	Non-Executive Independent Director	4	4

As per Regulation 18(1) of the Listing Regulations, Section 177 of the Act and the Secretarial Standards, Mr. Vivek Narayan Gour, the Chairman of the Committee was present at the last Annual General Meeting (AGM) of the Company, held on August 31, 2020, to answer shareholder queries.

2. Nomination and Remuneration Committee

The Company has a duly constituted Nomination & Remuneration Committee. The Committee's constitution and terms of reference are in compliance with the provisions of Regulation 19 and Part D of Schedule II of the Listing Regulations and Section 178 of the Act, as amended from time to time and other matters referred by the Board. The primary role of the Nomination & Remuneration Committee includes the formulation of the criteria for determining qualifications, positive attributes and independence of a Director, formulation of criteria for evaluation of performance of Directors, devising a policy on diversity of board and identifying persons who are qualified to become Directors.

a) **Terms of reference :**

The Nomination and Remuneration Committee shall, among other things, be responsible for the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
3. Devising a Policy on diversity of Board of Directors;
4. Directors and persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

b) **Composition of the Committee:**

The members of the Nomination and Remuneration Committee are:

S. no.	Name of the Member	Designation
1	Ms. Elizabeth Lucy Chapman (Independent Director)	Chairman
2	Mr. Rajesh Sawhney (Independent Director)	Member
3	Mr. Dhruv Prakash (Non-Executive Director)	Member

The Company Secretary of the Company acts as Secretary to this Committee.

c) **Meetings and attendance during the year:**

During the year under review, two (2) meetings were held, i.e., on May 12, 2020 and November 09, 2020. The attendance of members was as follows:

S. No.	Name of the Member	Designation	Category	No. of meetings held during the year	Attendance
1	Ms. Elizabeth Lucy Chapman	Chairperson	Non-Executive Independent Director	2	2
2	Mr. Rajesh Sawhney	Member	Non-Executive Independent Director	2	2
3	Mr. Dhruv Prakash	Member	Non-Executive Director	2	2

As per Regulation 19(3) of the Listing Regulations, Section 178(7) of the Act and the Secretarial Standards, Ms. Elizabeth Lucy Chapman, Chairperson of Nomination and Remuneration Committee was present, at the last AGM of the Company, held on August 31, 2020, to answer shareholder queries.

d) Evaluation of the Board's Performance

Pursuant to the provisions of the Act and Listing Regulations the annual performance evaluation of the Board and its Committees was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues, etc. A separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as attendance, leadership initiative, contribution at the meetings and otherwise, independent judgment, strategic planning, professional skills, problem solving, decision-making, etc.

The evaluation of Directors was carried out by the entire Board, excluding the Director being evaluated. Both Nomination and Remuneration Committee and Board were satisfied with the evaluation process, which reflected the overall engagement of the Board and its Committees with the Company.

3. Stakeholders Relationship Committee

The Company's Stakeholders' Relationship Committee's constitution and terms of reference are in compliance with the provisions of Regulation 20 and Part D of Schedule II of Listing Regulations and Section 178 of the Act, as amended from time to time, and other matters referred by Board.

Mr. Vivek Narayan Gour, Non-Executive, Independent Director is heading the Committee as its Chairman.

a) Composition of the Committee:

The members of the Stakeholder's Relationship Committee are:

S. no.	Name of the Member	Designation
1	**Mr. Vivek Narayan Gour (Independent Director)**	**Chairman**
2	Mr. Brijesh Kumar Agrawal (Whole Time Director)	Member
3	Mr. Dhruv Prakash (Non-Executive Director)	Member

The Company Secretary of the Company acts as Secretary to this Committee.

b) Terms of reference:

The Stakeholders' Relationship Committee shall, among other things, be responsible for the following:

1. Considering and resolving grievances of and looking into various aspects of interest of shareholders, debenture holders and other security holders;
2. Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of equity shares of the Company (the "Equity Shares"), transfer of Equity Shares, non-receipt of declared dividends, annual reports, balance sheets of the Company, etc.;
3. Issue of duplicate certificates and new certificates on split / consolidation / renewal, etc.; and
4. Carrying out any other functions required to be undertaken by the Stakeholders' Relationship Committee under applicable law.

c) Meetings and attendance during the year:

During the year under review, four (4) meetings were held, i.e. on May 12, 2020, July 21, 2020, November 09, 2020 and January 11, 2021. The attendance of members was as follows:

S. No.	Name	Designation	Category	No. of meetings held during the year	Attendance
1	Mr. Vivek Narayan Gour	Chairman	Non-Executive Independent Director	4	4
2	Mr. Brijesh Kumar Agrawal	Member	Executive-Whole-time Director	4	4
3	Mr. Dhruv Prakash	Member	Non-Executive Director	4	4

d) Compliance Officer

Mr. Manoj Bhargava, Senior Vice President (Legal & Secretarial) and Company Secretary, has been designated as the Compliance Officer, as defined in the Listing Regulations.

e) Investor Grievance Redressal

The details of investor complaints received and resolved during the year under review and their break-up are as under:

Type of Complaints	Number of Complaints received	Number of Complaints resolved	Number of Complaints not solved to the satisfaction of the shareholders	Number of Complaints Pending as on March 31, 2021
Issue of Duplicate Dividend Draft / Warrant in case of unclaimed Dividend	16	16	NIL	NIL
Request for hard copy of Annual Report	13	13	NIL	NIL
Queries related to Annual General Meeting of the Company	5	5	NIL	NIL
Queries related to Extra-ordinary General Meeting of the Company	2	2	NIL	NIL
IPO (ASBA)	1	1	NIL	NIL
Others	1	2*	NIL	NIL

**As on April 01, 2020, there was 1 (one) Investor Complaint/Grievance pending with the Company which was received on March 25, 2020 and was resolved subsequently within the statutory timelines*

As per Section 178(7) of the Act read with Regulation 20 of the Listing Regulations and the Secretarial Standards, Mr. Vivek Narayan Gour, the Chairman of the Committee was present at the last AGM of the Company, held on August 31, 2020, to answer shareholder queries.

4. Corporate Social Responsibility ('CSR') Committee

The CSR Committee's constitution and terms of reference are in compliance with the provisions of Section 135 of the Act and rules framed thereunder, as amended from time to time, and other matters referred by Board.

a) Terms of reference:

The Corporate Social Responsibility Committee, inter-alia, shall:

1. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken and its implementation by the Company as per Schedule VII of the Companies Act, 2013;
2. Recommend the amount of expenditure to be incurred on the activities referred to in the CSR Policy of the Company;
3. Formulation and recommend to the Board, Annual Action Plan in line with CSR Policy;
4. Ensuring compliance of CSR Policy & Rules;
5. Monitor the CSR Policy of the Company from time to time; and
6. Such other functions as may be delegated and/or assigned to it by the Board or on account of changes in statutory provisions, from time to time.

b) Composition of the Committee:

The members of the Corporate Social Responsibility Committee are:

S. no.	Name of the member	Designation
1	Mr. Vivek Narayan Gour (Independent Director)	Member
2	Mr. Brijesh Kumar Agrawal (Whole Time Director)	Member
3	Ms. Elizabeth Lucy Chapman (Independent Director)	Member

The Company Secretary of the Company acts as Secretary to this Committee.

c) Meetings and attendance during the year:

During the year under review, one (1) meeting of the Corporate Social Responsibility Committee was held on May 12, 2020. The attendance of members was as follows:

S. No.	Name of the Member	Designation	Category	No. of meetings held during the year	Attendance
1	Mr. Vivek Narayan Gour	Member	Non-Executive Independent Director	1	1
2	Mr. Brijesh Kumar Agrawal	Member	Executive- Whole-time Director	1	1
3	Ms. Elizabeth Lucy Chapman	Member	Non-Executive Independent Director	1	1

5. Investment and Finance Committee

Investment and Finance Committee was constituted by Board at its meeting held on October 17, 2017 for the purposes of giving / providing loans / investments / guarantee to its existing wholly owned subsidiaries pursuant to section 179(3) of Act, as may be required from time to time.

a) Terms of reference:

1. To review and approve potential investment in equity shares, preference shares, debentures, warrants or in any other securities whether debt based or otherwise.
2. To review and approve the payment of loans/debts, give any Guarantees including Corporate Guarantees or extension of any other financial assistance to any corporate or non-corporate entity.
3. To review and approve any joint venture, merger, acquisition, demerger or any other similar corporate arrangement or collaboration with any other body corporate.
4. To perform any other duty as directed by the Board from time to time.

b) Composition of the Committee*:

The members of the Investment and Finance Committee are:

S. no.	Name of the member	Designation
1	Mr. Dinesh Chandra Agarwal (Managing Director & CEO)	Member
2	Mr. Brijesh Kumar Agrawal (Whole Time Director)	Member
3	Mr. Dhruv Prakash (Non-Executive Director)	Member

** Composition of Investment & Finance Committee was reconstituted by the Board of Directors on April 29, 2021 comprising of Mr. Brijesh Kumar Agrawal, Mr. Rajesh Sawhney & Mr. Vivek Narayan Gour as the Members of Committee for undertaking the requisite decisions in accordance with the terms of the reference of the Committee.*

The Company Secretary of the Company acts as Secretary to this Committee.

c) Meetings and attendance during the year:

During the year under review, two (2) meeting of the Investment and Finance Committee were held on May 13, 2020 and March 31, 2021. The attendance of members was as follows:

S. No.	Name of the Member	Designation	Category	No. of meetings held during the year	Attendance
1	Mr. Dinesh Chandra Agarwal	Member	Executive- Managing Director & CEO	2	1
2	Mr. Brijesh Kumar Agrawal	Member	Executive- Whole-time Director	2	2
3	Mr. Dhruv Prakash	Member	Non-Executive Director	2	2

6. Share Allotment Committee

The Share Allotment Committee was constituted by Board at its meeting held on February 09, 2018 for doing all compliances related to allotment of shares by the Company.

a) Composition of the Committee:

The members of the Share Allotment Committee are:

S. no.	Name of the member	Designation
1	Mr. Dinesh Chandra Agarwal (Managing Director & CEO)	Member
2	Mr. Brijesh Kumar Agrawal (Whole Time Director)	Member
3	Mr. Dhruv Prakash (Non-Executive Director)	Member

The Company Secretary of the Company acts as Secretary to this Committee.

b) Meetings and attendance during the year:

During the year under review, three (3) meeting of the Share Allotment Committee were held on July 20, 2020, September 19, 2020 and November 08, 2020. The attendance of members was as follows:

S. No.	Name of the Member	Designation	Category	No. of meetings held during the year	Attendance
1	Mr. Dinesh Chandra Agarwal	Member	Executive- Managing Director & CEO	3	3
2	Mr. Brijesh Kumar Agrawal	Member	Executive- Whole-time Director	3	3
3	Mr. Dhruv Prakash	Member	Non-Executive Director	3	3

7. Risk Management Committee

The Board of Directors at its meeting held on May 12, 2020 constituted Risk Management Committee as per the requirements of Regulation 21 of the Listing Regulations.

a) **Composition of the Committee:**

The members of the Risk Management Committee are:

S. no.	Name of the member	Designation
1	Mr. Vivek Narayan Gour (Independent Director)	Member
2	Mr. Dhruv Prakash (Non-Executive Director)	Member
3	Mr. Rajesh Sawhney (Independent Director)	Member
4	Ms. Elizabeth Lucy Chapman (Independent Director)	Member

The Company Secretary of the Company acts as Secretary to this Committee.

b) **Terms of reference:**

The Risk Management Committee, inter-alia, shall:

1. Exercise oversight of management's responsibilities and review the risk profile of the organisation;
2. Ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
3. Assist the Board in setting risk strategies, policies, frameworks, models and procedures in liaison with management and in the discharge of its duties relating to corporate accountability and associated risk in terms of management assurance and reporting;
4. Review and assess the quality, integrity and effectiveness of the risk management systems and ensure that the risk policies and strategies are effectively managed;
5. Review and assess the nature, role, responsibility and authority of the risk management function within the Company and outline the scope of risk management framework;
6. Ensure that the risk awareness culture is pervasive throughout the organisation;
7. Review issues raised by Internal Audit that impact the risk management framework;
8. Review and monitor Company's control mechanism for maintaining Cyber Security;
9. Perform other activities related to risk management as requested by the Board of Directors or to address issues related to any significant subject within its term of reference or as may be prescribed by law / statute from time to time.

c) **Meetings and attendance during the year:**

During the year under review, one (1) meeting of the Risk Management Committee was held on March 30, 2021. The attendance of members was as follows:

S. No.	Name of the Member	Designation	Category	No. of meetings held during the year	Attendance
1	Mr. Vivek Narayan Gour	Member	Non-Executive Independent Director	1	1
2	Mr. Rajesh Sawhney	Member	Non-Executive Independent Director	1	1
3	Mr. Dhruv Prakash	Member	Non-Executive Director	1	1
4	Ms. Elizabeth Lucy Chapman	Member	Non-Executive Independent Director	1	1

8. Fund Raise Committee*

The Board of Directors at its meeting held on January 18, 2021, constituted Fund Raise Committee for the purpose of raising of funds through issuance of equity shares or other securities convertible into or exchangeable into Equity Shares or non-convertible debt instruments along with warrants or any combination thereof by way of Preferential Allotment, issuance of American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs"), Foreign Currency Convertible Bonds ("FCCBs"), Qualified Institutions Placement ("QIP") or through any other permissible mode or any combination thereof, in accordance with the applicable laws (the "Offer"), the Company will be required to complete various legal, statutory and procedural formalities, including but not limited to appointment of various intermediaries, to decide on the timing, pricing, quantum and all the terms and conditions of the issue and allotment of the Securities; to make applications to the Stock Exchanges for in-principle and final approvals for listing and trading of Securities, and to deliver or arrange the delivery of necessary documentation to the Stock Exchanges.

a) **Terms of reference:**

The Fund Raise Committee, inter-alia, shall:

1. Decide on the timing, pricing (including premium / discount), quantum and all the terms and conditions of the issue including allocation and allotment of the Securities, to allot the Securities, and to approve any amendments, modifications, variations or alterations thereto, in accordance with applicable law;
2. Appoint and enter into arrangements with the book running lead managers, escrow banks, registrars, legal advisors, and any other agencies or persons or intermediaries, and to negotiate and finalise the terms of their appointment, including but not limited to execution of the negotiation, finalisation and execution of engagement letters, placement agreement, escrow agreement and other agreements with such entities;
3. Seek by making requisite applications as may be required, any approval, consent or waiver from the Company's lenders and/or any third parties (including industry data providers, customers, suppliers)

with whom the Company has entered into various commercial and other agreements, and/or any/all concerned government, statutory and regulatory authorities, and/or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of the Securities;

4. Make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, in relation to the creation, issuance, allotment and listing of the Securities, from any statutory, regulatory or governmental authority or the stock exchanges, the Securities and Exchange Board of India, the Reserve Bank of India, Registrar of Companies or any other parties (including, without limitation, any experts or persons with whom the Company has entered into commercial or other agreements), as may be required or expedient and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required;

5. Finalise, approve and settle and to execute and deliver or arrange the filing of the preliminary placement document and placement document (along with the application form) (in draft or final form) with the appropriate regulatory authorities, and negotiation and execution of any other documents, deeds, agreements and instruments as may be required or desirable in relation to the issue;

6. Open such accounts, including escrow account(s), as are required for purposes of the issue, in accordance with applicable law, and to give such instructions including closure thereof as may be required and deemed appropriate;

7. Make applications to the Stock Exchanges for in-principle and final approvals for listing and trading of Securities, and to deliver or arrange the delivery of necessary documentation to the Stock Exchanges in relation thereto;

8. Approve/ finalise and execute the letters of allocation/ allotment and any other agreements or documents;

9. Settle all questions, remove any difficulties or doubts that may arise from time to time in regard to the issue, including with respect to the issue, offer or allotment of the Securities, terms of the issue, utilisation of the issue proceeds, appointment of intermediaries for the issue and such other issues as it may, in its absolute discretion deem fit;

10. Finalise the basis of allotment of the Securities on the basis of the subscriptions received (including in the event of over-subscription);

11. Take such action, give such directions, as may be necessary or desirable as regards the issue and to do all such acts, matters, deeds and things, including but not limited to the allotment of the securities against the valid applications received from QIBs in the issue, as are in the best interests of the Company and in accordance with applicable law;

12. Authorise and approve the incurring of expenditure, payment of fees, commission, remuneration, and reimbursement of any authorised expenses in connection with the issue;

13. Prepare and authorise filing of foreign exchange reporting with the RBI, as may be necessary;

14. Authorise any director(s), officer(s) or authorised representatives of the Company, including by the grant of powers of attorney and/or on joint and/or several basis, to do all such acts, deeds, matters and things as the authorised persons in his or their sole and absolute discretion may deem necessary or expedient in connection with the offer, issue and allotment of the Securities; and

15. Do or authorise any director/ officer to do all such acts, deeds, matters and things and negotiate and execute all such documents, agreements, etc., including certificates, undertakings, authorities, consents, communications, declarations and affidavits necessary or desirable for the issue in accordance with applicable law".

b) Composition of the Committee:

The members of Fund Raise Committee are:

S. no.	Name of the Member	Designation
1	Mr. Vivek Narayan Gour (Independent Director)	Member
2	Mr. Brijesh Kumar Agrawal (Whole Time Director)	Member
3	Mr. Dhruv Prakash (Non-Executive Director)	Member
4	Mr. Rajesh Sawhney (Independent Director)	Member

The Company Secretary of the Company acts as Secretary to this Committee.

c) **Meetings and attendance during the year:**

The Fund Raise Committee* met five (5) times during the financial year i.e., on February 11, 2021, February 17, 2021 and three times on February 22, 2021. The attendance of members was as follows:

S. No.	Name	Designation	Category	No. of meetings held during the year	Attendance
1	Mr. Vivek Narayan Gour	Member	Non-Executive Independent Director	5	2
2	Mr. Brijesh Kumar Agrawal	Member	Executive- Whole-time Director	5	5
3	Mr. Dhruv Prakash	Member	Non-Executive Director	5	5
4	Mr. Rajesh Sawhney	Member	Non-Executive Independent Director	5	4

**Fund Raise Committee was dissolved by the Board on April 29, 2021.*

REMUNERATION TO DIRECTORS:

The Company has a well-defined Nomination and Remuneration Policy for Directors, Key Managerial Personnel (KMP) and other Employees of the Company as formulated by Nomination and Remuneration Committee, pursuant to provisions of Section 178 of the Act and Para A of Part D of Schedule II of the Listing Regulations, which lays down the criteria for determining, inter-alia, qualifications, positive attributes and independence of a Director and matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, including Non-Executive Directors, Key Managerial Personnel and other employees.

The detailed policy formulated by Nomination and Remuneration Committee is annexed to the Directors Report of the Company as **Annexure - 3** and can be accessed at: https://investor.indiamart.com.

a) **Pecuniary Relationship of Non-Executive Directors:**

Non-Executive Directors the Company, other than Mr. Dhruv Prakash, has no pecuniary relationship or transaction with the Company, except the payment of sitting fees to them for attending meetings of the Board and its Committees.

Details of Pecuniary Relationship of Mr. Dhruv Prakash, Non-Executive Director:

The Company has entered into a Service Agreement with Mr. Dhruv Prakash, for availing professional services including but not limited to a) Executive Coaching; b) Assessment and Development of Senior Management; c) Advice on Business Strategy and Management.

Subsequent to the listing of the Company, on July 04, 2019, the members of the Company, at the Annual General Meeting held on September 25, 2019, approved the payment of professional fees to Mr. Dhruv Prakash, from the Financial Year 2019-20 onwards, on such terms and conditions as may be determined by the Board (including any Committee thereof), from time to time, in terms of the Regulation 17(6) of the Listing Regulations.

Further, the Audit Committee on January 21, 2020 approved the renewal of the Service Agreement for another tenure of three (3) years.

b) **Criteria of making Payment to Non-Executive Directors:**

As per Nomination and Remuneration Policy of the Company remuneration to Non-Executive Directors and Independent Director is paid as per the following criteria:

1. **Remuneration / Commission:** The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.
2. **Sitting Fees:** The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board of Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
3. **Commission:** Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
4. **Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

The above criteria of making Payment to Non-Executive Directors is also detailed in Nomination and Remuneration Policy of the Company which can be accessed at: https://investor.indiamart.com.

c) **Details with respect to Remuneration:** As on date the Company has not granted any options to the Directors of the Company under Employee Stock Option Schemes.

Details of remuneration disbursed to Executive and Non-Executive Directors, during the period under review:

Name	Fixed Component/ Salary (₹)	Benefits (₹)	Sitting Fees (₹)	Performance Linked Incentive/ Commission (₹)	Total Amount (₹)
Mr. Dinesh Chandra Agarwal	27,223,965	460,012	-	14,671,125	42,355,102
Mr. Brijesh Kumar Agrawal	19,643,880	529,642	-	10,716,300	30,889,822
Mr. Dhruv Prakash	-	-	340,000	-	340,000
Mr. Rajesh Sawhney	-	-	260,000	-	260,000
Ms. Elizabeth Lucy Chapman	-	-	270,000	-	270,000
Mr. Vivek Narayan Gour	-	-	260,000	-	260,000

The tenure of Independent and Executive Directors of the Company is five (5) years. Mr. Brijesh Kumar Agrawal and Mr. Dhruv Prakash, are the Directors who are liable to retire by rotation. Notice period shall be as per the terms of appointment of Director, while there are no service contracts or separate provision for payment of severance fees.

Performance-based incentive is part of the overall compensation structure of Executive Directors which is paid to them on annual basis, based on their performance measured by their Balance Score Card (BSC) for the previous financial year by the Nomination and Remuneration Committee.

The Company has not provided any other benefits such as bonus and pension to its Directors. No, Employee Stock Options / Stock Appreciation Rights were granted to any of the Directors during the financial year 2020-21.

None of the Directors have received any loans and advances from the Company during the year under consideration.

GENERAL BODY MEETINGS

The General Body Meetings of the Company were held in accordance with the requirements of Listing Regulations and the Act.

Details of last three (3) Annual General Meetings (AGMs):

Financial Year	Date	Time	Venue	No. of Special Resolutions passed	Detail of Special Resolutions passed
2019-20	August 31, 2020	4:00 P.M.	Through Video Conferencing / Other Audio-Visual Means for which purpose the Registered Office of the Company situated at 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002	3 (Three)	1. Re-appointment of Mr. Rajesh Sawhney (DIN: 01519511) as an Independent Director for a second Term 2. Re-appointment of Ms. Elizabeth Lucy Chapman (DIN: 06459440) as an Independent Director for a second term 3. Alteration of Articles of Association of the Company
2018-19	September 25, 2019	9:30 A.M.	The Executive Club Resort, 439, Kharak Road, Shahoorpur Extension, Sat Bari, New Delhi -110074	5 (Five)	1. Re-appointment of Managing Director & CEO 2. Re-appointment of Whole-time Director 3. Ratification of the IndiaMART Employee Stock Benefit Scheme – 2018 4. Ratification of the approval for Grants to the Employees of present and future Subsidiary (ies) under IndiaMART Employee Stock Benefit Scheme – 2018 5. Variation in the terms of IndiaMART Employee Stock Benefit Scheme – 2018
2017-18	August 29, 2018	11:00 A.M.	The Hindi Bhawan, 11, Vishnu Digamber Marg, Rouse Avenue, Near Bal Bhavan, Mata Sundari Railway Colony, Mandi House, New Delhi-110002	0	Not Applicable

Extra-ordinary General Meeting

During the year under review, an Extraordinary General Meeting of the members of the Company was convened through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') facility on Wednesday, February 10, 2021 at 11:00 A.M. (IST) to *inter-alia* consider and approve:

1) fund raising activities and issuance of securities by the Company for an aggregate amount not exceeding ₹1,100 Crores;
2) approval for increase in authorised share capital and consequent alteration to the memorandum of association; and
3) approval for reclassification of authorised share capital and consequent alteration to the memorandum of association.

Postal Ballot:

No Special Resolution was passed or required to be passed, during the period under review, through postal ballot. Further, no Special Resolution is proposed to be conducted through postal ballot.

MEANS OF COMMUNICATION

A. Quarterly Results:

Quarterly Results are published in 'Mint' (English), newspaper having substantial circulation Pan-India and 'Hindustan' (Hindi), vernacular newspaper and are also posted on the Company's website i.e., https://investor.indiamart.com.

B. News Releases and Presentations to institutional investors / analysts:

Official press releases and presentations are made to institutional investors and financial analysts on the Company's quarterly, half-yearly as well as annual financial results. These press releases, presentations and schedule of analyst or institutional investors meet are also put on the Company's website and can be accessed at https://investor.indiamart.com as well as sent to the Stock Exchanges. No unpublished price sensitive information is discussed in meeting / presentation with institutional investors and financial analysts.

C. Website:

The Company's website contains a separate dedicated section on 'Investor Relations'. It contains comprehensive database of information for the investors including the financial results, Annual Reports of the Company, any price sensitive information disclosed to the regulatory authorities from time to time, official news releases, presentations made to institutional investors or to the analyst, business activities and the services rendered / facilities extended by the Company to our investors, in a user-friendly manner. The basic information about the Company as required in terms of Listing Regulations is also provided on the Company's website and the same is updated regularly.

D. NSE – Corporate Compliance and National Electronic Application Processing System ('NEAPS'):

The NEAPS is a web-based system designed by NSE for corporates. The shareholding pattern, corporate governance report, corporate announcements, financial results, etc. are also filed electronically on NEAPS. Details of which can be accessed at www.nseindia.com.

E. BSE Corporate Compliance and Listing Centre ('Listing Centre'):

The Listing Centre is web-based application designed by BSE for corporate. The shareholding pattern, corporate governance report, corporate announcements, financial results, etc. are filed electronically on the Listing Centre. Details of which can be accessed at www.bseindia.com.

F. Designated e-mail-ID:

The Company has designated e-mail-ID: cs@indiamart.com exclusively for investors servicing.

G. SEBI Complaint Redressal System ('SCORES'):

The investors' complaints are also being processed through the centralised web-based complaint redressal system. The salient features of SCORES are availability of centralised data base of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints.

1. GENERAL SHAREHOLDER INFORMATION

a) Date, Time and Venue of Annual General Meeting (AGM)	In view of the COVID-19 pandemic, the Company has not yet finalised the date, time and venue of 22nd Annual General Meeting (AGM) of the Company.
b) Financial Year	April 01, 2020 to March 31, 2021
c) Dividend Payment Date	Board of Directors of the Company in their meeting held on April 29, 2021 has recommended a final dividend of ₹15 Per Equity Share, i.e., 150% of the face value, subject to the approval of Shareholders at the 22nd Annual General Meeting (AGM) of the Company. The Company is yet to finalise the date of payment and record date for Dividend.
d) Stock Exchanges	**National Stock Exchange of India Limited (NSE)** Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051 **BSE Limited (BSE)** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 *Listing fees for the financial year 2020-21 has been duly paid to NSE & BSE.*

e)	Stock code	NSE		BSE	
		Symbol	INDIAMART	Scrip Code	542726
		ISIN No.	INE933S01016	ISIN No.	INE933S01016

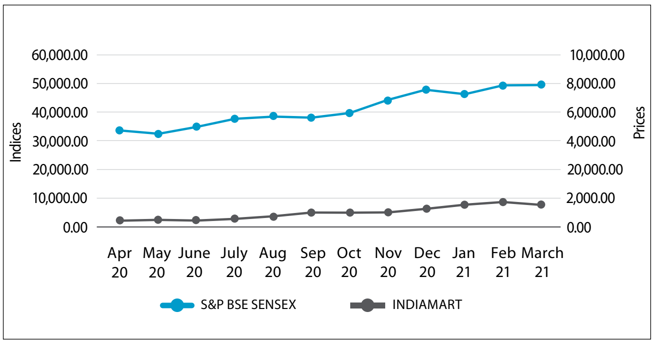
f)	Registrar and Share Transfer Agents (RTA)	**Link Intime India Pvt. Ltd.** Noble Heights, 1st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 Email: delhi@linkintime.co.in Tel.: +91-11-49411000
g)	Share Transfer System	Share Transfer System of the Company is computerised and Link Intime India Private Limited (LIIPL) is the Company's Registrar and Share Transfer Agent (RTA) for equity shares (kept in physical as well as electronic mode). The requests, if any, for share transfer, transmission, sub-division, consolidation, renewal, re-mat, duplicate etc. are processed and share certificates duly endorsed / issued are dispatched within the prescribed time period, subject to documents being valid and complete in all respects. In compliance with the Regulation 7(3) of the Listing Regulations, the Company submits a Compliance Certificate duly signed by the Compliance Officer of the Company and the authorised representative of the Share Transfer Agent, within one month of each half of the financial year, stating that all activities in relation to both physical and electronic share transfer facilities are maintained by the Company's Registrar and Share Transfer Agent (RTA) Link Intime India Private Limited. Further, a half-yearly certificate of compliance, issued by it, with regard to the issuance of share certificates within 30 days of lodgement for transfer, sub-division, consolidation, renewal etc., is submitted to the stock exchanges pursuant to Regulation 40(9) & (10) of the Listing Regulations.
h)	Dematerialisation of Shares and Liquidity	The Equity Shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited and the Central Depository Services (India) Limited. The ISIN Number of Company on both the NSDL and CDSL is INE933S01016. As on March 31, 2021, 30,363,728 Equity Shares of ₹10/- each (100%) are held in electronic / demat form.
i)	Commodity price risk or foreign exchange risk and hedging activities	The Company is not engaged in commodity trading, hedging or exchange risk management activities.
k)	Address for correspondence	**Registered Office:** IndiaMART InterMESH Limited 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi -110002 Tel No.: +91-11-45608941 Email id: cs@indiamart.com; **Corporate Office:** 6th Floor, Tower 2, Assotech Business Cresterra, Plot No.22, Sec 135, Noida-201305, Uttar Pradesh, Tel No.: +91-9696969696 Email id: cs@indiamart.com; **Investor Correspondence (RTA):** **Link Intime India Pvt. Ltd.** Noble Heights, 1st Floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 Email: delhi@linkintime.co.in Tel.: +91-11-49411000
l)	Plant locations	Not Applicable
m)	List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad	Not Applicable
n)	Outstanding GDRS/ ADRS/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity	Not Applicable

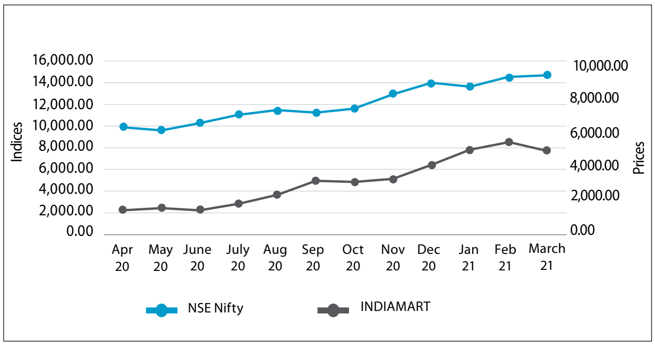
o) Market Price Data:

Month	BSE		NSE	
	High	Low	High	Low
April, 2020	2,377.00	1,920.00	2,319.00	1,910.00
May, 2020	2,563.85	2,120.15	2,563.45	2,101.00
June, 2020	2,587.20	2,132.05	2,590.70	2,125.95
July, 2020	2,872.05	2,036.35	2,870.00	2,035.00
August, 2020	3,883.00	2,793.05	3,870.00	2,788.00
September, 2020	5,485.00	3,691.95	5,487.50	3,681.10
October, 2020	5,349.45	4,600.95	5,350.00	4,605.80
November, 2020	5,199.90	4,546.70	5,238.60	4,515.00
December, 2020	6,463.85	4,877.00	6,464.05	4,911.00
January, 2021	8,370.00	6,381.10	8,374.70	6,382.25
February, 2021	9,951.95	7,433.25	9,950.00	7,411.00
March, 2021	8,799.45	7,609.60	8,807.90	7,605.55

(Source: Official website of BSE & NSE)

p) Performance of IndiaMART Share Price in comparison to broad based indices such as BSE Sensex and NSE-Nifty 50





q) Distribution of Category (Shares) as on March 31, 2021:

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Total Shareholding
1 - 500	96,527	99.11	1,374,614	4.53
501 - 1,000	289	0.30	200,547	0.66
1,001 - 2,000	160	0.16	236,344	0.78
2,001 - 3,000	64	0.06	155,972	0.51
3,001 - 4,000	36	0.04	125,236	0.41
4,001 - 5,000	27	0.03	120,714	0.40
5,001 - 10,000	93	0.10	670,586	2.21
10,001 and above	195	0.20	27,479,715	90.50
Total	**97,391**	**100.00**	**30,363,728**	**100.00**

No. of shareholders have not been clubbed on PAN basis.

r) Categories of shareholders as on March 31, 2021:

Category	No. of shareholders	No. of shares held	Shareholding (%)
A. PROMOTERS HOLDINGS			
Indian Promoters	19	15,137,091	49.85
B. NON- PROMOTERS HOLDINGS			
a) Mutual Fund	13	1,038,008	3.42
b) Alternate Investment Funds	15	185,015	0.61
c) Foreign Companies	1	1,078,511	3.56
d) Foreign Portfolio Investors	252	8,360,460	27.53
e) Non-Resident (Repatriable & Non -repatriable)	1,941	144,642	0.48
f) Foreign Nationals	0	0	0.00
g) Other Bodies Corporates	587	205,557	0.68
h) Financial Institutions / Banks	2	2,530	0.01
i) Others (Individual, Clearing Members, HUF, Insurance Companies, Employee Welfare Trust/ESOP Trust, Foreign Nationals, Trust (Employees) etc.)	91,848	4,211,914	13.87
Total	**94,678**	**30,363,728**	**100.00**

DEPOSITORY SERVICES

Shareholders may write to the Company or to the respective Depositories for any guidance on depository services:

National Securities Depository Ltd. Trade World, 4th Floor, Kamla Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013			**Central Depository Services (India) Ltd.** Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai - 400 023		
Telephone	:	022 - 24972964-70	Telephone	:	022 - 2272 3333-3224
Fax	:	022 - 24972993 022-24976351	Fax	:	022 - 2272 3199

OTHER DISCLOSURES

a) Disclosure on Material Related Party Transactions

During the financial year ended March 31, 2021, there were no material related party transactions that may have potential conflict with the interests of the Company at large. i.e., transactions of the Company of material nature with its Promoters, the Directors or the Management, their subsidiaries or relatives, etc.

The Company has formulated and adopted a Policy on Dealing with Related Party Transactions and the web-link for the policy is https://investor.indiamart.com.

The Company has made requisite disclosure with respect to related party transaction in the significant accounting policies and note to accounts to the financial statements. Transactions with the related parties as per the requirements of Ind AS 24 are disclosed in Note no. 33 to the Financial Statements forming integral part of this Annual Report.

b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company is in full compliance with the matters related to capital market and there are no penalties imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three (3) years.

c) Whistle-Blower Policy & establishment of vigil mechanism and affirmation that no personnel have been denied access to the Chairman of the Audit Committee.

Your Company has in place Whistle-Blower Policy ("the Policy"), which provides formal mechanism to its employees for communicating instances of breach of any statute, actual or suspected fraud on the accounting policies and procedures adopted for any area or item, acts resulting in financial loss or loss of reputation, leakage of information in the nature of Unpublished Price Sensitive Information (UPSI), misuse of office, suspected / actual fraud and criminal offences. The Policy enables the reporting of such concerns to the Ombudspersons and/or to the Chairman of the Audit Committee through specified channels. The framework of the Policy strives to foster responsible and secure whistle blowing. In terms of the Policy of the Company, no employee of the Company has been denied access to the Chairman of the Audit Committee of the Board.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.

Mandatory requirements: The Company is fully compliant with the applicable mandatory requirements of the Listing Regulations.

Adoption of Non-Mandatory requirements: The Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations. The Company has adopted following non-mandatory requirements of Regulation 27 and Regulation 34 of the Listing Regulations

DISCRETIONARY REQUIREMENTS

1. **The Board** – There is no designated Chairperson of the Company. The Non-Executive Directors are entitled to use Office Premises as and when required at the Company's expenses and also allowed reimbursement of expenses incurred in performance of their duties towards the Company.
2. **Shareholders Rights** – The quarterly, half-yearly and yearly audited results are published in the newspapers with adequate disclosures and investor presentation, press release, investor results call transcript and video recording are uploaded on the Company's Website for information and knowledge of the shareholders / public at large.
3. **Modified opinion(s) in Audit Report** – The Company confirms that its financial statements are with unmodified audit opinion.
4. **Reporting of Internal Auditor** – The Internal Auditor reports directly to the Audit Committee of the Board.

e) Web-links

All the requisite policies including policy for:

i. The Policy of determining material subsidiaries is available on the 'Investors Relation' section of the Company's website which can be accessed at https://investor.indiamart.com.

ii. The Policy on dealing with related party transactions is available on the 'Investors Relation' section of the Company's website which can be accessed at https://investor.indiamart.com.

f) Details of Utilisation of funds raised through preferential allotment or qualified institutions placement ("QIP")

UTILISATION OF QIP PROCEEDS

The Company allotted 1,242,212 equity shares through Qualified Institutional Placement (QIP) at an issue price of ₹8,615 per equity share (including a premium of ₹8,605 per equity share) aggregating to ₹10,701.66 million on February 22, 2021. The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and Sections 42 and 62 of the Act as amended, including the rules made thereunder. The proceeds of funds raised under Qualified Institutional Placement of the Company are utilised as per Objects of the Issue.

(₹ in million)

Particulars	Amount
Gross Proceeds received from QIP	10,701.66
Less: Share issue Expenses	189.67
Net Proceeds received from QIP	10,511.99
Amount utilised for: Future growth and expansion and any other general purposes as may be permissible under the applicable law and approved by the Board.	NIL
Unutilised Amount	10,511.99

g) Recommendation of Committee

During the year under review, there are no such cases where the recommendation of any Committee of Board, have not been accepted by the Board, which is mandatorily required to be accepted as per the law.

h) Total fees paid to the Statutory Auditors

The details of fees paid by the Company and its subsidiaries to the Statutory Auditor and all entities in the network firm / network of entity which Statutory Auditor is a part, are as under:

S.No.	Particulars	Amount (₹ in million)
1.	Statutory Audit Fee	4.19
2.	Other Certification Fees	0.10
3.	Out-of-pocket reimbursement	0.34
4.	Qualified Institutional Placement Fees	4.90
TOTAL		**9.53**

i) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013)

S. No.	Particulars	Details
1.	Number of Complaints filed during the financial year	Nil
2.	Number of Complaints disposed off during the financial year	Nil
3.	Number of Complaints pending as on end of the financial year	Nil

j) Non-compliance of Corporate Governance

There is no Non-Compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of the Part C of Schedule V of the Listing Regulations.

CORPORATE GOVERNANCE COMPLIANCE

The Company complies with the Corporate Governance Requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation 2 of Regulation 46 of the Listing Regulations.

Particulars	Regulation Number	Compliance Status
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and Role of Risk Management Committee	21(1),(2),(3),(4)	Yes
Vigil Mechanism	22	Yes
Policy for Related Party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	NA
Composition of Board of Directors of unlisted material subsidiary	24(1)	NA
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarisation of Independent Directors	25(7)	Yes
Memberships in Committees	26(1)	Yes

Particulars	Regulation Number	Compliance Status
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Disclosure on the website of the Company	46(2)	Yes

CODE FOR PREVENTION OF INSIDER-TRADING PRACTICES

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has instituted a comprehensive Code of Conduct to regulate, monitor and report trading by Insiders for Prevention of Insider Trading for its Designated Persons and Insiders. The basic intention of the Code of Conduct is to prohibit employees or any other person from dealing in the Equity Shares of the Company while they are in possession of price sensitive information.

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any Demat Suspense / Unclaimed Suspense Account.

CODE OF CONDUCT

The Board has approved and adopted a Code of Conduct for all Board Members and senior management of the Company, which is available on the Company's website at https://investor.indiamart.com.

On behalf of the Board
For IndiaMART InterMESH Limited

Sd/-
Brijesh Kumar Agrawal
(Whole Time Director)
DIN: 00191760

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN: 00191800

Place: Noida
Date: April 29, 2021

DECLARATION PURSUANT TO PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Declaration of the Managing Director and CEO

To
The members
IndiaMART InterMESH Limited

Sub: Compliance with Code of Conduct

I hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company as adopted by the Board of Directors.

Sd/-
Dinesh Chandra Agarwal
Managing Director & CEO
DIN: 00191800

Place: Noida
Date: April 29, 2021

CEO/CFO CERTIFICATE PURSUANT TO PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors/Audit Committee
IndiaMART InterMESH Limited

We, Dinesh Chandra Agarwal, Managing Director & CEO and Mr. Prateek Chandra, Chief Financial Officer, of IndiaMART InterMESH Limited, hereby certify that:

a) We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2021 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit committee:

   i. significant changes in internal control over financial reporting during the year;

   ii. There are no significant changes in accounting policies during the year except adoption of IND AS 166, 'leases' and that the same has been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Noida
Date: April 29, 2021

Sd/-
Prateek Chandra
(Chief Financial Officer)

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE PURSUANT TO PART E OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members
IndiaMART InterMESH Limited

We have examined the compliance of conditions of Corporate Governance by IndiaMART InterMESH Limited ("the Company"), for the financial year ended March 31, 2021 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No. P2001DE052900

Sd/-
Devesh Kumar Vasisht
Partner
CP No. 13700
FCS No. F 8488
UDIN: F008488C000206158

Place: New Delhi
Date: April 29, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
IndiaMART InterMESH Limited
1st Floor, 29-Daryaganj, Netaji Subash Marg,
New Delhi-110002.

1. That IndiaMART Intermesh Limited (CIN: L74899DL1999PLC101534) is having its registered office at 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002 (hereinafter referred as "the Company"). The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.

2. We have examined the relevant disclosures received from the Directors, registers, records, forms, and returns maintained by the Company and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. In our opinion and to the best of our information and according to the verifications and examination of the disclosures under section 184/189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN status at the portal, www.mca.gov.in, as considered necessary and explanations furnished to us by the Company and its officers, we certify that none of the below named Directors on the Board of the Company as on March 31, 2021 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority:

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment in Company
1.	Mr. Brijesh Kumar Agrawal	00191760	13/09/1999
2.	Mr. Dinesh Chandra Agarwal	00191800	13/09/1999
3.	Mr. Vivek Narayan Gour	00254383	30/04/2018
4.	Mr. Rajesh Sawhney	01519511	27/01/2011
5.	Mr. Dhruv Prakash	05124958	28/10/2015
6.	Ms. Elizabeth Lucy Chapman	06459440	27/01/2015

4. Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

5. This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No. P2001DE052900

Sd/-
Devesh Kumar Vasisht
Partner
CP No. 13700
FCS No. F 8488
UDIN: F008488C000206081

Place: New Delhi
Date: April 29, 2021

Annexure - 6

FORM AOC - 2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis:** NIL

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

   The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2021 are as follows: -

   (a) Name(s) of the related party and nature of relationship:

   i. Mansa Enterprises Private Limited – Common Promoter Shareholder above 10 percent.

   ii. Mr. Dhruv Prakash – A Non-Executive Director on the Board of the Company.

   iii. Pay With Indiamart Private Limited- Wholly owned subsidiary of the Company.

   iv. Ten Times Online Private Limited- Associate Company

   v. Simply Vyapar Apps Private Limited – Associate Company

   (b) Nature of contracts / arrangements / transactions:

   i. Mansa Enterprises Private Limited – Lease Agreement dated September 30, 2016. By virtue of both the Rent Agreement, the Company acquired the right to use and possess the property bearing number E-75, Ground Floor, Sector 63, Noida – 201301.

   ii. Training Fees paid to Mr. Dhruv Prakash, Non-Executive Director - Service Agreement dated January 21, 2020 for period of 3 years.

   iii. Pay With Indiamart Private Limited (PWIM) – The Company has entered into "Memorandum of Understanding (MOU) for Services" dated May 05, 2017. As per MOU, to allow PWIM to put a tag/link on selected products and/or service available on its platform through which the user(s) of the Company will be able to undertake secured online payment transactions, the Company is entitled to receive 0.25% of transaction amount.

   Both the companies entered into fresh agreement on February 01, 2019, with the following major modifications to the existing arrangement:

   - Sharing of surplus earned, if any, by PWIM on each transaction executed by the User(s) of IndiaMART, using the payment facility of PWIM, in the ratio of 50:50. In case the services are being offered by PWIM to the users of IM under any of the promotional scheme(s) of IndiaMART at special rates, below cost or without charges, then IndiaMART shall reimburse the shortfall, if any, in the transaction cost borne by PWIM.
   - Since, IndiaMART would be referring its User(s) to PWIM, it agrees to provide indemnity to PWIM against any losses, liabilities, damages, claims, costs and expenses, etc. which it may suffer in relation to the transaction of the User(s) of IndiaMART except in case of any negligence, omission, commission, misconduct, etc. attributable to PWIM.

   iv. Ten Times Online Private Limited- The Company has entered into an engagement with Ten Times Online Private Limited, for using its Video Conferencing/Webinar facility for quarterly Investor Calls and other conferences at and agreed commercial of Rs.25,000 per meeting.

   v. Simply Vyapar Apps Private Limited- The Company has entered into an engagement for promoting the mobile application of Simply Vyapar Apps Private Limited through various means for which the consideration will be based as per app download basis.

(c) Duration of the contracts / arrangements/transactions –

i. Mansa Enterprises Private Limited – The Company has entered into a fresh agreement dated September 30, 2016 with Mansa Enterprises Private Limited for taking on lease the property bearing number E-75, Ground Floor, Sector 63, Noida – 201301 for a tenure of 9 years.

ii. Service Agreement - The said arrangement is valid for the period of 3 years starting from January 21, 2020.

iii. Pay With Indiamart Private Limited - From the date of execution the agreement unless terminated in accordance with the provisions stated in the agreement.

iv. Ten Times Online Private Limited - From the date of approval unless terminated in accordance with the provisions stated in the agreement.

v. Simply Vyapar Apps Private Limited - From the date of approval unless terminated in accordance with the provisions.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

i. Mansa Enterprises Private Limited – As per the Lease Agreement, a monthly rent of Rs.1,15,000/- was agreed for taking on lease the said premises, subject to an increase in monthly rent by 15% after every three years.

ii. Service Agreement – Mr. Dhruv Prakash to provide specific executive training to senior Management of the Company from time to time. In consideration, he shall be paid Rs.1,25,000 for every day of coaching apart from the reimbursement of the expenses.

iii. Pay With Indiamart Private Limited (PWIPL) – Sharing of surplus earned, if any, by PWIM on each transaction executed by the User(s) of IndiaMART, using the payment facility of PWIM, in the ratio of 50:50. In case the services are being offered by PWIM to the users of IM under any of the promotional scheme(s) of IndiaMART at special rates, below cost or without charges, then IndiaMART shall reimburse the shortfall, if any, in the transaction cost borne by PWIM.

iv. Ten Times Online Private Limited-As per the engagement the Company will use Video Conferencing / Webinar facility provided by Ten Times Online Private Limited for quarterly Investor Calls and other conferences at Rs.25,000/- per meeting.

v. Simply Vyapar Apps Private Limited- As per the engagement the Company will promote the mobile application of Simply Vyapar Apps Private Limited through various means for which the consideration will be based as per app download basis.

(e) Date(s) of approval by the Board / Committee, if any:

i. Mansa Enterprises Private Limited	: July 25, 2015
ii. Service Agreement – Mr. Dhruv Prakash	: January 21, 2020
iii. Pay With Indiamart Private Limited (PWIPL)	: January 31, 2019
iv. Ten Times Online Private Limited	: November 09, 2020
v. Simply Vyapar Apps Private Limited	: January 21, 2020

(f) Amount paid as advances, if any: During the Financial year no, advance payments were made to any of the aforementioned related parties.

On behalf of the Board
For IndiaMART InterMESH Limited

Sd/-
Brijesh Kumar Agrawal
(Whole Time Director)
DIN: 00191760

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN: 00191800

Place: Noida
Date: April 29, 2021

Annexure - 7

DETAILS OF REMUNERATION

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Ratio of the remuneration of each Director to the Median remuneration of the employees of the Company and Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year:

Name of the Director / KMP	Remuneration of Director / KMP (in ₹)	% increase of remuneration in FY 2021#	Ratio of Remuneration of each Director to median Remuneration of employee
Executive Director			
Mr. Dinesh Chandra Agarwal#	42,355,102	(8.30%)	**89**
Mr. Brijesh Kumar Agrawal#	30,889,822	(7.70%)	**65**
Non-Executive Director			
Mr. Dhruv Prakash*	340,000	(50.00%)	**0.72**
Ms. Elizabeth Lucy Chapman*	270,000	8%	**0.57**
Mr. Vivek Narayan Gour*	260,000	(53.57%)	**0.55**
Mr. Rajesh Sawhney*	260,000	(56.66%)	**0.55**
Chief Financial Officer			
Mr. Prateek Chandra	83,627,805	58.50%	**176**
Company Secretary & Compliance Officer			
Mr. Manoj Bhargava	14,815,096	45.10%	**31**

Note:

**The increase / decrease in % of Remuneration of Independent Director and Non- Executive Directors s is due to increase / decrease in sitting fees for attending the meeting of Committees of the Board.*

 # Based on Annualised Remuneration

B. The percentage increase in the median remuneration of employees in the financial year:

The median remuneration of employees of the Company was ₹474,996/- with an increase of 16% during the financial year.

C. The number of permanent employees on the rolls of the Company:

As on March 31, 2021, the Company has 2,724 permanent employees on its rolls.

D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in the salaries of the employees other than the managerial personnel in the financial year 2020-21 was 16% while decrease in Managerial remuneration was 8%.

It is hereby affirmed that the remuneration is as per Remuneration Policy of the Company.

On behalf of the Board
For IndiaMART InterMESH Limited

Sd/-
Brijesh Kumar Agrawal
(Whole Time Director)
DIN: 00191760

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN: 00191800

Place: Noida
Date: April 29, 2021

Annexure – 8

INFORMATION AS PER RULE 5(2) OF CHAPTER XIII, THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS ON MARCH 31, 2021

S. No.	Name of the Employees	Designation	Remuneration Paid (in ₹ million)	Educational Qualification	Date of Joining	Exp. (Yrs.)	Age (Yrs.)	Previous Employment	Nature of Employment	% of Equity share of the Company
1	Dinesh Gulati	Chief Operating Officer (COO)	110.33	Bachelor of Technology (Chemical Engineering), Post Graduate Program in Management	March 12, 2012	30	53	Indian Express Limited	Permanent	1.20
2	Amarinder Singh Dhaliwal	Chief Product Officer (CPO)	104.44	Bachelor of Technology (Textile Technology), Post Graduate Diploma in Management	June 27, 2016	25	49	Micromax Informatics Ltd	Permanent	0.12
3	Prateek Chandra	Chief Financial Officer (CFO)	83.63	Bachelor of Commerce, CA (Chartered Accountant)	February 16, 2015	20	40	Hindustan Times Media Limited	Permanent	0.33
4	Dinesh Chandra Agarwal	Managing Director & Chief Executive Officer	42.36	Bachelor of Technology (Computer Science)	Since Incorporation	28	52	HCL Technologies (USA)	Permanent	28.42
5	Parag Agarawal	Senior Vice President	37.48	Bachelor of Technology, Post Graduate Diploma in Business Management	April 16, 2018	18	43	Aakash Educational Services Private Limited	Permanent	0.02
6	Sudhir Gupta	Senior Vice President	33.56	Bachelor of Commerce, Chartered Accountant	August 6, 2012	25	48	Videocon Tele-communications Ltd.	Permanent	0.06
7	Vikas Aggarwal	National Head	32.91	Bachelor of Engineering (Computer Technology), Post Graduate Diploma in Business Management	Since Incorporation	22	43	-	Permanent	0.56
8	Brijesh Kumar Agrawal	Whole -Time Director	30.89	Bachelor Business Management, Post Graduate Diploma in Business Management	Since Incorporation	23	44	Miebach Logistics Gmbh	Permanent	19.26
9	Vikas Deep Verma	Senior Vice President	29.69	Bachelor of Engineering, Post Graduate Diploma in Business Management	May 2, 2017	16	41	Times Internet Limited	Permanent	0.01
10	Vikram Varshney	Vice President	28.39	Bachelors of Engineering	November 14, 2016	14	34	UrjaKart.com	Permanent	0.03
11	Sunil Parolia	Senior Vice President	25.63	Bachelor of Technology, Master in Engineering	March 15, 2017	23	53	One97 Communications Limited	Permanent	0.03
12	Devendra Singh	Senior Vice President	24.15	Bachelor of Science	October 7, 2009	29	54	Monster India Private Limited	Permanent	0.08
13	Vivek Agrawal	Senior Vice President	20.43	Bachelor of Technology, Master in Business Administration	December 20, 2010	12	37	Creative Lipi	Permanent	0.56
14	Abhishek Bhartia	Senior Vice President	18.04	Bachelor of Commerce, Master of Business Administration	Since Incorporation	22	43	-	Permanent	0.31
15	Puneet Gupta	Vice President	17.84	Bachelor of Commerce, Chartered Accountant	August 10, 2015	17	37	British Telecom	Permanent	0.00
16	Amit Jain	Senior Vice President	17.77	Post Graduate Diploma in Business Administration	March 10, 2000	21	42	-	Permanent	0.09
17	Navendra Pratap Singh	Vice President	15.28	Bachelor of Technology	May 12, 2014	15	38	Impetus Infotech India Private Limited	Permanent	0.02
18	Manoj Bhargava	Senior Vice President	14.81	Bachelor of Law, Bachelor of Commerce (H), Master in Law & Company Secretary	December 28, 2017	20	45	Varun Beverages Limited	Permanent	0.003
19	Samarendra Pratap	Vice President	14.35	Masters of Computer Applications, Master of Arts	July 4, 2011	17	40	Monster India Private Limited	Permanent	0.05
20	Raj Kamal Sharma	Vice President	10.37	Post Graduate Diploma in Business Administration	March 05, 2017	17	39	Tolexo Online Private Limited	Permanent	0.03

Note:

- *As per the provisions of the Act, none of the employees are relatives of Directors and managers, except Mr. Dinesh Chandra Agarwal and Brijesh Kumar Agrawal, Directors of the Company.*
- *All the aforesaid employees are on the payroll of the Company.*

On behalf of the Board
For IndiaMART InterMESH Limited

Sd/-
Brijesh Kumar Agrawal
(Whole Time Director)
DIN: 00191760

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN: 00191800

Place: Noida
Date: April 29, 2021

Annexure - 9

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members

IndiaMART InterMESH Limited

(CIN: L74899DL1999PLC101534)
1st Floor, 29-Daryaganj, Netaji Subash Marg,
New Delhi- 110002.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IndiaMART InterMESH Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that:-

a) Maintenance of secretarial records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

g) The auditor adhered to best professional standards and practices as could be possible while carrying out audit during the lock-down conditions due to Covid-19. The Company made due efforts to make available the relevant records and documents which were verified through online means to conduct and complete the audit in the aforesaid lock-down conditions.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, where applicable;

(v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred as "PIT Regulations");

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations, 2018");

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; &

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015 (herein after referred as "SEBI LODR");

** No event took place under these regulations during the audit period.*

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above.

(vi) The Company is primarily engaged in the business-to-business e-marketplace, which acts as an interactive hub for domestic and international buyers and suppliers. There is no sector specific law applicable on the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the audit period.

Adequate notices were given to all directors of the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with majority consent and, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and to ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the shareholders at their extraordinary general meeting held on 10th February, 2021 have passed a Special Resolution to create, issue, offer and allot in one or more tranches, for an aggregate amount not exceeding ₹1100 Crores, by way of a qualified institutions placement ("QIP") and subsequently, the allotment of 12,42,212 Equity Shares at a price of ₹8,615 per Equity Share, including a premium of ₹8,605 per Equity Share, aggregating ₹1070.17 Crores to the Qualified Institutional Buyers (QIBs) made on 22nd February, 2021.

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No. P2001DE052900

Sd/-
Devesh Kumar Vasisht
Partner
CP No. 13700 / F8488
UDIN: F008488C000206202

Place: New Delhi
Date: April 29, 2021

Annexure - 10

EXTRACT OF ANNUAL RETURN
FORM NO. MGT 9

As on financial year ended on March 31, 2021

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L74899DL1999PLC101534
2	Registration Date	September 13, 1999
3	Name of the Company	IndiaMART InterMESH Limited
4	Category/Sub-Category of the Company	Public Company Limited by Shares
5	Address of the Registered office and contact details	IndiaMART InterMESH Limited, 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi- 110002 Contact No. +91-11-45608941 (Regd. Office) Contact No. +91-9696969696 (Corp. Office) Email- cs@indiamart.com Website- www.indiamart.com
6	Whether listed Company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if, any	Link Intime India Pvt. Ltd Address: Noble Heights, 1st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi – 110058 Contact No. 011 – 4141 0592/93/94 Fax No: 011 – 4141 0591 Email id: delhi@linkintime.co.in Website- www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.I No.	Name of the Company	Address of Company	CIN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1	Tolexo Online Private Limited	1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002	U72200DL2014 PTC267665	Wholly owned Subsidiary	100%	Section 2(87) of the Companies Act, 2013
2	Tradezeal Online Private Limited	1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002	U74110DL2005 PTC136907	Wholly owned Subsidiary	100%	Section 2(87) of the Companies Act, 2013
3	Hello Trade Online Private Limited	1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002	U51909DL2008 PTC180430	Wholly owned Subsidiary	100%	Section 2(87) of the Companies Act, 2013
4	Pay With Indiamart Private Limited	1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002	U74999DL2017 PTC312424	Wholly owned Subsidiary	100%	Section 2(87) of the Companies Act, 2013
5	Ten Times Online Private Limited	1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002	U72300DL2014 PTC265480	Associate Company	30%	Section 2(6) of the Companies Act, 2013
6	Simply Vyapar Apps Private Limited	Flat No 223, Wings 2 DSR Eden Green Aparts, Bangalore, Karnataka, 560035	U72900KA2018 PTC110858	Associate Company	26%	Section 2(6) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

A. Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
1. Indian									
a) Individual/ HUF	15,137,091	-	15,137,091	52.34	15,137,091	-	15,137,091	49.85	(2.49)
b) Central Govt	-	-	-	0	-	-	-	0.00	0.00
c) State Govt(s)	-	-	-	0	-	-	-	0.00	0.00
d) Bodies Corp.	-	-	-	0	-	-	-	0.00	0.00
e) Banks / FI	-	-	-	0	-	-	-	0.00	0.00
f) Any other	-	-	-	0	-	-	-	0.00	0.00
Sub-Total (A)(1)	**15,137,091**	**-**	**15,137,091**	**52.34**	**15,137,091**	**-**	**15,137,091**	**49.85**	**(2.49)**
2. Foreign									
a) NRIs - Individuals	-	-	-	0.00	-	-	-	0.00	0.00
b) Other - Individuals	-	-	-	0.00	-	-	-	0.00	0.00
c) Bodies Corp.	-	-	-	0.00	-	-	-	0.00	0.00
d) Banks / FI	-	-	-	0.00	-	-	-	0.00	0.00
e) Any Other	-	-	-	0.00	-	-	-	0.00	0.00
Sub-Total (A)(2)	**-**	**-**	**-**	**0.00**	**-**	**-**	**-**	**0.00**	**0.00**
Total shareholding of Promoters (A)=(A)(1)+(A)(2)	**15,137,091**	**-**	**15,137,091**	**52.34**	**15,137,091**	**-**	**15,137,091**	**49.85**	**(2.49)**
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	706,314	-	706,314	2.44	1,038,008	-	1,038,008	3.42	0.98
b) Banks / FI	3,650	-	3,650	0.01	2,530	-	2530	0.01	0.00
c) Central Govt	-	-	-	0.00	-	-	-	0.00	0.00
d) State Govt(s)	-	-	-	0.00	-	-	-	0.00	0.00
e) Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
f) Insurance Companies	-	-	-	0.00	151,434	-	151,434	0.50	0.50
g) FIIs	-	-	-	0.00	25,302	-	25,302	0.08	0.08
h) Foreign Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
i) Others									
(i) Alternate Investment Funds	180,447	-	180,447	0.62	185,015	-	185,015	0.61	(0.01)
(ii) Foreign Portfolio Investment (Corporate)	3,539,894	-	3,539,894	12.24	8,332,444	-	8,332,444	27.44	15.20
Sub-total (B)(1)	**4,430,305**	**-**	**4,430,305**	**15.32**	**9,734,733**	**-**	**9,734,733**	**32.06**	**16.74**
2. Non- Institutions									
a) Bodies Corp.									
(i) Indian	307,106	-	307,106	1.06	205,557	-	205,557	0.68	(0.38)
(ii) Overseas	-	-	-	0.00	-	-	-	0.00	0.00
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs1 lakh	1,114,530	-	1,114,530	3.85	1,957,671	-	1,957,671	6.45	2.60
ii) Individual shareholders holding nominal share capital in excess of Rs1 lakh	2,971,451	-	2,971,451	10.27	1,956,149	-	1,956,149	6.44	(3.83)
c) Others									
(i) Foreign Companies	4,719,701	-	4,719,701	16.32	1,078,511	-	1,078,511	3.55	(12.77)
(ii) Hindu Undivided Family	32,643	-	32,643	0.11	45,106	-	45,106	0.15	0.04
(iii) Non-Resident Indians	123,141	-	123,141	0.43	144,642	-	144,642	0.48	0.05
(iv) Trusts	724	-	724	0.00	12,836	-	12,836	0.04	0.04
(v) Foreign National	100	-	100	0.00	0.00	-	0.00	0.00	0.00
(vi) Foreign Portfolio Investors (Individual)	2,639	-	2,639	0.01	2,714	-	2,714	0.01	0.00
(vii) Clearing Members	37,816	-	37,816	0.13	41,284	-	41,284	0.13	0.00
(viii) Employee Benefit Trust	42,573	-	42,573	0.15	47,434	-	47,434	0.16	0.01
Sub-total (B)(2):	**9,352,424**		**9,352,424**	**32.34**	**5,491,904**		**5,491,896**	**18.09**	**(14.25)**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**13,782,729**	**-**	**13,782,729**	**47.66**	**15,226,637**	**-**	**15,226,637**	**50.15**	**2.49**
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	0.00	-	-	-	0.00	0.00
Grand Total (A+B+C)	**28,919,820**	**-**	**28,919,820**	**100**	**30,363,728**	**-**	**30,363,728**	**100**	**0.00**

B. Promoter's Shareholding:

S. No.	Shareholder's	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Dinesh Chandra Agarwal	8,630,747	29.84	Nil	8,630,747	28.42	Nil	(1.42)
2	Brijesh Kumar Agrawal	5,848,544	20.22	Nil	5,848,544	19.26	Nil	(0.96)
3	Chetna Agarwal	155,000	0.53	Nil	155,200	0.51	Nil	(0.02)
4	Pankaj Agarwal	151,000	0.52	Nil	151,000	0.50	Nil	(0.02)
5	Anand Kumar Agrawal	70,000	0.24	Nil	70,000	0.23	Nil	(0.01)
6	Meena Agrawal	69,800	0.24	Nil	69,800	0.23	Nil	(0.01)
7	Dinesh Chandra Agarwal (HUF)	60,000	0.21	Nil	60,000	0.20	Nil	(0.01)
8	Prakash Chandra Agrawal	40,200	0.14	Nil	40,200	0.13	Nil	(0.01)
9	Naresh Chandra Agrawal	40,200	0.14	Nil	40,200	0.13	Nil	(0.01)
10	Gunjan Agarwal	20,000	0.07	Nil	20,000	0.07	Nil	0.00
11	Keshar Devi Agrawal	19,800	0.07	Nil	19,800	0.07	Nil	0.00
12	Naresh Chandra Agrawal HUF	9,000	0.03	Nil	9,000	0.03	Nil	0.00
13	Anand Kumar Agrawal HUF	6,000	0.02	Nil	6,000	0.02	Nil	0.00
14	Prakash Chandra Agrawal HUF	6,000	0.02	Nil	6,000	0.02	Nil	0.00
15	Ishwar Prasad Jalan	5,000	0.02	Nil	0	0.00	Nil	(0.02)
16	Vijay Jalan	5,000	0.02	Nil	10,000	0.03	Nil	0.01
17	Pankaj Agarwal (Hamirwasia Family Trust)	200	0.00	Nil	200	0.00	Nil	0.00
18	Pankaj Agarwal (Hamirwasia Business Trust)	200	0.00	Nil	200	0.00	Nil	0.00
19	Dinesh Chandra Agarwal (Nanpara Family Trust)	100	0.00	Nil	100	0.00	Nil	0.00
20	Dinesh Chandra Agarwal (Nanpara Business Trust)	100	0.00	Nil	100	0.00	Nil	0.00
	Total	**15,136,891**	**52.33**	**Nil**	**15,137,091**	**49.85**	**Nil**	**(2.48)**

C. Change in Promoters' Shareholding

S. No.	Promoters	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in share-holding during the year	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company*
1	Dinesh Chandra Agarwal	8,630,747	29.84		No Change		8,630,747	28.42
2	Brijesh Kumar Agrawal	5,848,544	20.22		No Change		5,848,544	19.26
3	Chetna Agarwal	155,000	0.54		No Change		155,200	0.51
4	Pankaj Agarwal	151,000	0.53		No Change		151,000	0.50
5	Anand Kumar Agrawal	70,000	0.24		No Change		70,000	0.23
6	Meena Agrawal	69,800	0.24		No Change		69,800	0.23
7	Dinesh Chandra Agarwal (HUF)	60,000	0.21		No Change		60,000	0.20
8	Prakash Chandra Agrawal	40,200	0.14		No Change		40,200	0.13
9	Naresh Chandra Agrawal	40,200	0.14		No Change		40,200	0.13
10	Gunjan Agarwal	20,000	0.07		No Change		20,000	0.07
11	Keshar Devi Agrawal	19,800	0.07		No Change		19,800	0.07
12	Naresh Chandra Agrawal HUF	9,000	0.03		No Change		9,000	0.03
13	Anand Kumar Agrawal HUF	6,000	0.02		No Change		6,000	0.02
14	Prakash Chandra Agrawal HUF	6,000	0.02		No Change		6,000	0.02
15	Ishwar Prasad Jalan	5,000	0.02	22-Mar-21	Transmission	5,000	0.00	0.00
16	Vijay Jalan	5,000	0.02	22-Mar-21	Transmission	5,000	10,000	0.03
17	Pankaj Agarwal (Hamirwasia Family Trust)	200	0.00		No Change		200	0.00
18	Pankaj Agarwal (Hamirwasia Business Trust)	200	0.00		No Change		200	0.00
19	Dinesh Chandra Agarwal (Nanpara Family Trust)	100	0.00		No Change		100	0.00
20	Dinesh Chandra Agarwal (Nanpara Business Trust)	100	0.00		No Change		100	0.00

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

S. No.	Name of Shareholders (Top 10 Shareholders)	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of shares	% of total shares of the company
1.	Intel Capital (Mauritius) Limited	1,036,146	3.58	-	1,036,146	-	-
2.	Westbridge Crossover Fund, LLC	1,544,154	5.34	-	465,643	1,078,511	3.55
3.	Amadeus IV DPF Limited	880,817	3.05	-	880,817	-	-
4.	Accion Frontier Inclusion Mauritius	661,570	2.29	-	661,570	-	-
5.	Madhup Agrawal	684,569	2.37	-	137,085	547,484	1.80
6.	Steadview Capital Mauritius Limited	734,806	2.54	79,000	-	813,806	2.68
7.	Saif India VI FII Holdings Limited	622,479	2.15	-	622,479	-	-
8.	Amadeus EIII LP	597,014	2.06	-	597,014	-	-
9.	Dinesh Gulati	491,875	1.70	-	126,486	365,389	1.20
10.	Kuwait Investment Authority Fund 225	342,842	1.19	-	204,348	138,494	0.46
11.	Arisaig Asia Consumer Fund Limited	-	-	919,774	-	919,774	3.03
12.	Artisan International Small-Mid Fund	-	-	509,643	-	509,643	1.68
13.	Arisaig Global Emerging Markets Consumer Fund (Singapore) PTE. LTD.	-	-	503,281	-	503,281	1.66
14.	UTI Flexi Cap Fund	26,116	0.09	379,204	-	405,320	1.33
15.	Mercer QIF Fund PLC- Mercer Investment Fund 1	-	-	183,992	-	183,992	0.61
16.	Vikas Aggarwal	198,765	0.69	-	28,218	170,547	0.56

E. Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in share-holding during the year	Cumulative Shareholding during the year	
		No. of Shares	% of Total Share				No. of Shares	% of Total Share
1	Dinesh Chandra Agarwal, Managing Director & Chief Executive Officer	86,30,747	29.84	-	-	-	8,630,747	28.42
2	Brijesh Kumar Agrawal, Whole-time Director	58,48,544	20.22	-	-	-	5,848,544	19.26
3	Dhruv Prakash, Non-Executive Director	40,056	0.14	20-May-20	Sale	2100	37,956	0.13
				21-May-20	Sale	2100	35,856	0.13
				22-May-20	Sale	1900	33,956	0.12
				6-Aug-20	Sale	500	33,456	0.12
				24-Aug-20	Sale	1350	32,106	0.11
				20-Nov-20	Sale	450	31,656	0.11
				23-Nov-20	Sale	450	31,206	0.11
				2-Dec-20	Gift	5000	26,206	0.09
				2-Mar-21	Sale	400	25,806	0.09
				3-Mar-21	Sale	200	25,606	0.08
				4-Mar-21	Sale	300	25,303	0.08
				8-Mar-21	Sale	200	25,106	0.08
4	Vivek Narayan Gour, Non-Executive Independent Director	9,000	0.03	17-Dec-20	Purchased	850	9,850	0.03
5	Elizabeth Lucy Chapman, Non-Executive Independent Director	-	-	-	-	-	-	-
6	Rajesh Sawhney, Non-Executive Independent Director	10,818	0.04	18-May-20	Sale	1,100	9,718	0.03
				19-May-20	Sale	1,000	8,718	0.03
				20-May-20	Sale	1,000	7,718	0.03
				21-May-20	Sale	1,600	6,118	0.02
				22-May-20	Sale	200	5,918	0.02
				25-Feb-21	Sale	68	5,850	0.02
				26-Feb-21	Sale	50	5,800	0.02

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in share-holding during the year	Cumulative Shareholding during the year	
		No. of Shares	% of Total Share				No. of Shares	% of Total Share
7	Prateek Chandra, Chief Financial Officer	101,020	0.35	30-Jul-20	Sale	1,500	99,520	0.34
				31-Jul-20	Sale	3,000	96,520	0.33
				3-Aug-20	ESOP Exercise	2,568	99,088	0.34
				5-Aug-20	Sale	5,000	94,088	0.33
				30-Sep-20	ESOP Exercise	3,540	97,628	0.34
				12-Oct-20	SAR Exercise	9,008	106,636	0.37
				22-Dec-20	Sale	2,500	104,136	0.36
				29-Dec-20	Sale	463	103,673	0.36
				30-Dec-20	Sale	2,037	101,636	0.35
8	Manoj Bhargava, Company Secretary	681	0.00	16-Oct-20	SAR Exercise	1,454	2,135	0.01
				13-Nov-20	Sale	1,300	835	0.00

V. Indebtedness

(Indebtedness of the Company including interest outstanding/accrued but not due for payment)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**-**	**-**	**-**

Vi. Remuneration Of Directors And Key Managerial Personnel

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

(Amount in Rs. million)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Dinesh Chandra Agarwal, Managing Director & CEO	Mr. Brijesh Kumar Agrawal, Whole-time Director	Manager*	
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	41.9	30.36	-	72.26
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0.46	0.53	-	0.99
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	-as % of profit				
	-others, specify…				
5	Others, please specify	-	-	-	-
	Total (A)	**42.36**	**30.89**	**-**	**73.25**
	Ceiling as per the Act	162.79	162.79		325.57

** The Company does not have Manager.*

B. Remuneration to other directors

(Amount in Rs. million)

S. No.	Particulars of Remuneration	Name of Directors			Total
1	Independent Directors	Mr. Vivek Narayan Gour	Mr. Rajesh Sawhney	Ms. Elizabeth Lucy Chapman	
	Fee for attending Board & Committee meetings	0.26	0.26	0.27	0.79
	Remuneration by way of Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	**0.26**	**0.26**	**0.27**	**0.79**
2	**Other Non-Executive Directors**	**Mr. Dhruv Prakash**			
	Fee for attending board committee meetings	0.34			0.34
	Commission	-			-
	Others,				
	- Training Fee	0.44			0.44
	Total (2)	**0.78**			**0.78**
	Total (B) = (1+2)				**1.57**
	Total Managerial Remuneration Total=(A+B)				74.82
	Overall Ceiling as per the Act (Within the limit)				358.13

C. Remuneration to Key Managerial Personnel other than Managing Director/ Manager WTD

(Amount in Rs. million)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Prateek Chandra (Chief Financial Officer)	Manoj Bhargava (Company Secretary)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20.08	7.56	**27.64**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	**-**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	**-**
2	Stock Option	63.55	7.26	**70.81**
3	Sweat Equity	-	-	**-**
4	Commission	-	-	**-**
	- as % of profit			
	-others, specify…			
5	Others, please specify	-	-	**-**
Total		**83.63**	**14.82**	**98.45**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

On behalf of the Board
For IndiaMART InterMESH Limited

Sd/-
Brijesh Kumar Agrawal
(Whole Time Director)
DIN: 00191760

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN: 00191800

Place: Noida
Date: April 29, 2021

Annexure - 11

BUSINESS RESPONSIBILITY REPORT FY 2021

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L74899DL1999PLC101534
2	Name of the Company	IndiaMART InterMESH Limited
3	Registered address	1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi- 110002
4	Website	www.indiamart.com
5	E-mail id	cs@indiamart.com
6	Financial Year reported	2020-21
7	Sector(s) that the Company is engaged in (industrial activity code wise)	Information Services Activity NIC Code: 6311
8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	a) Listings of businesses, products and services. b) Search Service of businesses, products and services. c) Advertisements on the Company platform.
9	Total number of locations where business activity is undertaken by the Company:	
	(a) No. of National Locations	a) The Company has 33 offices as on March 31, 2021 spread across India.
	(b) No. of International Locations	b) NA
10	Markets served by the Company - Local/State/ National/International	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (₹)	₹303,637,280/-
2	Total Turnover (₹)	₹6,650 million
3	Total profit after taxes (₹)	₹2,867 million
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹12.49 million, being 2.27% of the average net profits of the Company for the last three financial years, has been spent on CSR Activities during the financial year 2020-21.
5	List of activities in which expenditure in 4 above has been incurred:	The Company has focused its CSR initiatives in the field of education and health, during the year. For detailed information relating to list of activities in which expenditure in 4 above has been incurred, please refer the Annual Report on CSR Activities annexed as **Annexure - 4** to the Board's Report

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company / Companies?	Yes, the Company has the following Subsidiary Companies: a. Tolexo Online Private Limited b. Pay With Indiamart Private Limited c. Hello Trade Online Private Limited d. Tradezeal Online Private Limited
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	There is no direct participation by the Subsidiary Companies.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION

1. Details of Director / Directors responsible for BR

a) Details of the Director / Directors responsible for implementation of the BR policy / policies

DIN	Name	Designation
00191800	Mr. Dinesh Chandra Agarwal	Managing Director & Chief Executive Officer
00191760	Mr. Brijesh Kumar Agrawal	Whole-time Director
00254383	Mr. Vivek Narayan Gour	Independent Director
05124958	Mr. Dhruv Prakash	Non-Executive Director
01519511	Mr. Rajesh Sawhney	Independent Director
06459440	Ms. Elizabeth Lucy Chapman	Independent Director

b) Details of the BR head:

Sr. No.	Particulars	Details
1.	DIN (if applicable)	NA
2.	Name	Mr. Prateek Chandra
3.	Designation	Chief Financial Officer
4.	Telephone number	+91-120-6777777
5.	e-mail id	cfo@indiamart.com

2. Principle-wise (as per NVGs) BR Policy / policies

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3	Businesses should promote the well-being of all employees.
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
Principle 5	Businesses should respect and promote human rights.
Principle 6	Businesses should respect, protect, and make efforts to restore the environment.
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8	Businesses should support inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a) Details of Compliance (Reply in Y/N)

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / polices for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Yes, IndiaMART's policies are in line with respective principles of National Voluntary Guidelines on Social, Environmental and Economical Responsibilities of Business as issued by Ministry of Corporate Affairs, Government of India, in July 2011.								
5	Does the company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online?	All Policies which are statutorily required to be placed on the Company's website can be accessed through the following link: https://investor.indiamart.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to employees through the Intranet and to external stakeholders through the Company's website: www.indiamart.com								
8	Does the company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	The Whistle Blower Mechanism provides Employees, Customers, Vendors, Contractors, and other Stakeholders to report any concerns or grievances pertaining to any potential or actual violation of Company's Code of Conduct or any unethical behavior. The Company has dedicated complaints section on its website wherein the concerned stakeholders can raise their concerns.								
10	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	While the Company has not carried out independent audit of the policies, the Statutory / Internal and Secretarial Audit function of the Company periodically looks at the implementation of these policies.								

b) **The Company is not engaged in Business Activity which influences the public and regulatory policies; hence, the Company is not required to prepare any policy pertaining to Principle 7.**

3. Governance related to BR

S.No.	Particulars	Details
a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company (Within 3 months, 3-6 months, Annually, More than 1 year).	The BR initiatives and BR performance as compiled in the BR report, which forms part of Annual Report, is placed before the Board for its approval, every year.
b.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Business Responsibility Report forms part of the Annual Report from FY 2021. The same is available on website of the Company at: https://investor.indiamart.com after approval from the Board of Directors.

Section E: Principle-wise Performance

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability		
1.	Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The Company has in place the Policy relating to ethics, bribery titled as Code of Conduct, which guides its employees to conduct business in an ethical, responsible and transparent manner. It includes employees of service provider/vendors. Further, a separate Code of Conduct for Board of Directors and Senior Management is also in place. The Business Ethics and Code of Conduct serves as the guiding philosophy for all employees, suppliers, customers, NGOs, and others who have dealings with the Company. Fair and just business dealings free from any extraneous consideration ought to be followed by all employees in their day-to-day work life. Further all internal & external stakeholders are expected to work within the framework of the Code of the Company. The Company also has in place a Whistle Blower Policy which seeks to empower Employees, Directors and other Stakeholders to raise any genuine concerns within the group. Employees can utilise any mode of communication to which they can communicate their concern to the addressee(s) listed in the Whistle Blower Policy. Further the Audit Committee of the Company oversees Whistle Blower / Vigil Mechanism of the Company pursuant to the provisions of the Companies Act, 2013. The Chairman of the Audit Committee has exclusive access to designated email ID viz. chairmanauditcommittee@indiamart.com
2.	How many Stakeholders Complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.	The Company has in place mechanisms for receiving and dealing with regular grievance / complaints from different stakeholder's viz. investors, customers, employees, vendors, etc. There are dedicated resources to respond to the complaints within a time bound manner. The Company being in service industry does receive customer queries / feedback which are duly attended to and properly addressed to ensure customer satisfaction. For details of investor complaints, please refer Corporate Governance Report in the Annual Report.
Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle		
1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities	The Company aims to have negligible negative impact on the environment by identifying ways to optimise resource consumption in its operations, although the very nature of the businesses of the Company has limited impact on environment. Indiamart is a B2B marketplace Platform wherein it offers the following services to its customers namely a) Listings of businesses, products and services; b) verified buy-leads for the suppliers of products and services; c) Advertisements on the Company platform. Indiamart's business model gives an opportunity to each small, medium and large business sections in different parts of the country, by providing them a powerful online platform to identify and meet the buyer and seller of the desired products and services using the digital offerings in an environment friendly manner. Further, in accordance with the terms of use of the Indiamart website registered User(s) of the website agrees that they will not use the Email Account to publish, distribute, transmit or circulate any unsolicited advertising or promotional information. User(s) further represent, warrant and agree that any content, material or information submitted for display on the website or transmitted or sought to be transmitted through Indiamart's Services shall at no point be unlawful, obscene, defamatory, fraudulent, misleading or discriminatory. The Business model of Indiamart also helps in identifying business opportunities for SME, MSME and other unemployed youth of the Country leading to employability and social growth of the community at large. It also promotes self-dependence and self-reliance as insisted upon by the Government of India these days as a weapon to fight with atrocities caused by certain uncontrollable circumstances like COVID-19. Services of Indiamart contribute positively to the national growth and that its digital services offer great opportunities for Small and Medium Enterprises (SMEs) that form the backbone of the Indian Economy, through use of internet and telecom, to increase their sales and generate higher income.

2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain? b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not Applicable
3.	Does the Company have procedures in place for sustainable sourcing, including transportation? a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.	IndiaMART, being a pure internet Company, is relatively less resource intensive in terms of material inputs. However, as a responsible corporate entity the Company endeavours to reduce the environmental impact of its operations. The Company strives to reduce impact on the environment and promote efficient consumption of resources such as Air Conditioning run time monitoring, Cloud Servers, installation of LEDs, CFL & other low energy consuming office equipment, restricted printer and copier usage, etc. Further, during the year under review the environment impact of the Company was substantially reduced as the offices remained closed for the substantial part of the year, due to Covid 19 pandemic. As part of the Indiamart's operations, negligible e-waste is generated by the Company which is dealt with as per the requisite laws.
4.	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The Business of the Company is service oriented and not material resource intensive. The Company engages with MSME's for availing various services including software solutions, consultancy, advisory and legal services. The human resources and other services required for our operations are generally sourced from within the local area to the extent feasible. The products and services offered by the Company are aimed at encouraging entrepreneurship, innovation, and capacity building among the society as well as to enable them to scale up their business operations.
5.	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%. 5-10%, > 10%). Also, provide details thereof.	The nature of Company's products is service oriented and not material resource intensive, and hence recycling of products is not applicable for the Company's products. There is negligible waste generation at Company's offices. However, the Company has procedures in place to dispose of e-waste through authorised e-waste vendors. Our initiatives also strive to meet sustainability goals of waste reduction and more efficient resource utilisation.
Principle 3: Businesses should promote the well-being of all employees		
1.	Please indicate the Total number of employees.	2,724 employees
2.	Please indicate the Total number of employees hired on temporary / contractual / causal basis.	836 employees
3.	Please indicate the number of permanent women employees.	607 employees
4.	Please indicate the Number of permanent employees with disabilities	Indiamart is an equal opportunity employer and treats all its employees at par and does not track specifically number of disabled employees. However, basis on voluntary disclosures by any such employee, the Company has two (2) employees with disabilities.
5.	Do you have an employee association that is recognised by management	No
6.	What percentage of your permanent employees is member of this recognised employee association?	Not Applicable
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	The Company does not engage in any form of child labour / forced labour / involuntary labour and does not adopt any discriminatory employment practices. The Company has a policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination.

S.No.	Category	No. of Complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	0	0
2	Sexual Harassment	0	0
3	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

The company has institutionalised learning and development processes to create right proficiencies across levels and help employees progress in their career. The learning and development needs are recognised through various processes which include Company's vision and mission, competency frameworks and training needs identified through performance management system on regular basis. All the new employees also undergo mandatory induction training programme **'Shubhaarambh'** where they understand about the Company and its Core Values i.e., Teamwork, Responsible, Integrity and Passion (TRIPS) amongst other things.

The Company has in place On-Demand Tech Learning and various other Tech skill set building programs are organised for existing employees have been done using both internal & external experts on a regular basis. Training have been organised on GoLang, React & Node JS, Kibana, Cassandara NoSQL administration & Development, PostgreSQL Administration, GCM, AI & ML course, Excel Tips & Tricks, SPOC & SMC, CISSP, OWASP & Web Security etc.

The Company has a beautifully designed process of connecting with new joiners, in their initial journey, through periodic connect with employees. This **employee connects** helps the employee to share their journey and feedback so far, which is in turn shared with their managers and relevant teams to be worked upon.

For all new joiners the Company have a **buddy up programs** to guide them and help them get acquainted with their job, role, team, and company during the initial settling period.

For aiming at providing exposure to employees for learning new skills as part of our well-planned **job rotation** that gives hands on experience to employees while working on the job.

The Company aims to equip the new joiners with practical knowledge & skills required by them to excel in their roles and responsibilities through it's **'On the Job Training (IM SAKSHAM)'.** Employees go through this program for 3-8 weeks depending upon their business vertical. The objective of this program is to:

a) Gain in depth knowledge of products & processes;

b) Understand and implement their day-to-day responsibilities;

c) Learn best practices from the appointed buddies who act as their role models.

The Company focusses on developing sales & service skills for the teams through its program **'Skill Builder.** The sessions are delivered distantly for an hour on every alternate Week.

IndiaMART Learning and Education Assist Program (iLEAP) is an initiative from IndiaMART that offers a unique opportunity to employees to enhance their skills by enrolling in educational programs of their choice and getting the reimbursement of the same from the company on successful completion. The education programs can be of their current field of specialisation or otherwise that adds value to their existing skills and knowledge, thereby enhancing their ability to perform in the current or future roles.

Safety of employees is of utmost importance to the Company and in this regard mock drills are conducted in addition to periodic communication and alerts that are sent to employees on safety related aspects.

On account of COVID-19 pandemic, putting the safety of teams ahead of our business priorities, the Company announced closure of all branches, grounded all field based sales teams and ensured that BPO and Call center partners also do not call the employees engaged on Company process to work. At the same time, the Company also announced that we will not lay-off even a single employee. The lock-down also meant that the Company must re-train and re-deploy 2400+ employees on a different tasks/processes.

The Company was confident that its **cloud-based ERP application,** its mobile extension and digital L&D initiatives will help to quickly transform all the processes and enable the teams to work from the safety of their homes. To ensure enablement of the teams, the Company gave away 2000 PCs and laptops to employees who needed them and launched a special scheme to provide financial aid to employees if they wished to purchase a new laptop. This action gave a tremendous boost to the productivity of employees while they worked from their homes.

The hardships of lock-down, loss of sales incentives and the new role, together it started building up anxiety and uncertainty in the minds of the employees. To tackle this the Company's HR team started reaching out to each individual one on one over hangout and video chats, organised yoga sessions and other stress management sessions for the overall well-being of employees, interactive sessions and games were organised periodically, and took such other steps to connect with and encourage the employees.

The Company made significant social impact through its Platform and Policies by creating a large number of Direct and Indirect employment opportunities. The Company started its **Freelance Associate program,** which is a unique program of its kind, especially designed for Mothers, PWD (Persons with Disabilities) Candidates and those who lost their jobs as a result of the Covid – 19 pandemic. The Company received an overwhelming response and within 6 weeks of its launch, the program has already received an over 7000+ response from interested applicants and the Company has hired and trained over 600 associates.

	a) Permanent Employees	71% (1928 out to 2724 employees)
	b) Permanent Women Employees	74% (447 out of 607 permanent women employees)
	c) Casual / Temporary / Contractual Employees	2% (16 out of 836 employees)
	d) Employees with Disabilities	100%
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised		
1.	Has the company mapped its internal and external stakeholders? Yes/ No	Yes
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders.	It is difficult for the Company to identify the disadvantaged, vulnerable & marginalised stakeholders, which has been done to the extent practically possible.
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof.	IndiaMART carries out continuous interaction and engagement with all Internal & External stakeholders including the disadvantaged, vulnerable and marginalised stakeholders by way of user feedback mechanism, customer support mechanisms, HR policies, CSR initiatives, shareholder's grievance mechanisms, etc. The Company received an overwhelming response its Freelance Associate Program, which is a program especially designed for Mothers, PWD (Persons with Disabilities) Candidates and those who lost their jobs as a result of the Covid – 19 pandemic, and within 6 weeks of its launch, the Company has hired and trained over 600 associates.
Principle 5: Businesses should respect and promote human rights		
1.	Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?	The Company is committed to upholding the dignity of every individual engaged or associated with the Company. The Employee Code of Conduct lays down the acceptable employee behaviour on various aspects including human rights. All employees, with direct interface to customers, are trained to be polite and courteous to customers under all circumstances. This focus on human rights extends towards all its interactions with stakeholders with utmost importance placed on fairness and transparency. The Company also inculcates its Core Values i.e., Team Work, Responsible, Integrity and Passion (TRIPS) in its employees as part of their induction training 'Shubhaarambh'. Policies on Human Rights, including the Code of Conduct of Employee, Prevention of Sexual Harassment, and the Whistle blower policies along with Company's other Policies cover all aspects on Human Rights for the Company and extend to all stakeholders of IndiaMART.
2.	How many stakeholders' complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	The Company has not received any complaint in respect of human rights.
Principle 6: Businesses should respect, protect, and make efforts to restore the environment		
1.	Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others	The nature of the businesses of the Company has limited impact on environment; however, the Company complies with applicable environmental regulation in respect of premises and its operation.
2.	Does the Company have strategies / Initiatives to address global warming issues such as climate change, global warming, etc.? Yes/No. If yes, please give hyperlink for webpage etc.	The Company does not have any specific program or initiatives to address such issues. The Company has taken steps to reduce our energy consumption and therefore has taken various initiatives in this regard such as replacement of convention lights to LED lights in the offices across all the locations, efficient uses of Air conditioners, automatic servers and desktop shut down to reduce the energy consumption, e-wastage disposal mechanism, efficient use of printing papers, etc.
3.	Does the Company identify and assess potential environment risks? Yes/No	The nature of the business of the Company has limited impact on environment; however, the Company continuously aims to reduce even the limited impact on the environment by identifying ways to optimise resource consumption in its operations. Further we comply with applicable environmental regulations, wherever applicable, in respect of its premises and operations.
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if yes, whether any environmental compliance report is filed?	Not Applicable

5.	Has the Company undertaken any initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Please refer paragraph 2 above
6.	Are the Emissions / Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Not Applicable
7.	Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year.	There were no legal notices received during the year that remain outstanding as on March 31, 2021
Principle 7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner		
1.	Is your company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with.	Internet and Mobile Association of India (IAMAI), The IndUS Entrepreneurs (TIE) and The Federation of Indian Chambers of Commerce and Industry (FICCI)
2.	Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	Not Applicable
Principle 8: Businesses should support inclusive growth and equitable development		
1.	Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.	The Company has HR policy for inclusive growth of its employees also has a Policy on Corporate Social Responsibility that contributes to inclusive growth and equitable development of the society. The Company believes in inclusive growth and equitable developments through its various CSR initiatives. The Information of CSR activities and expenditure incurred for CSR has been provided in the Annual Report on CSR Activities which is annexed as an **Annexure - 4** to the Board's Report.
2.	Are the programmes / projects undertaken through in-house team / own foundation / external NGO/ government structures / any other organisation?	The Company engages with NGOs / other Organisations Trusts and agencies to ensure that the Company achieves its vision of promoting inclusive growth.
3.	Have you done any impact assessment of your initiative?	The Company periodically reviews the progress of its initiatives undertaken through is NGO partners and implementing agencies.
4.	What is your company's direct contribution to community development projects- Amount in and the details of the projects undertaken?	The Company contributes to growth and equitable development by providing opportunities to small entrepreneurs, SME and MSME's in rural areas by taking various focused initiatives and promoting online way of doing business. As part of its initiatives, the Company identifies certain areas and provides training to small entrepreneurs primarily for the purpose of increasing employability and potential revenue growth for small entrepreneurs and youth in such rural area. These training programs exposes them to possible opportunities to grow by using internet and technology. In a short span of 6 weeks, the Company has hired and trained over 600 associates under its 'Freelance Associate Program', which has been especially designed for Mothers, PWD (Persons with Disabilities) Candidates and those who lost their jobs as a result of the Covid – 19 pandemic. Apart from spending regular expenses on training programs for small entrepreneurs, SME and MSME's, the Company has spent ₹12.48 million towards various CSR initiatives during the year 2020-21. For detailed information relating to list of activities in which expenditure above has been incurred, please refer the Annual Report on CSR Activities annexed as **Annexure - 4** to the Board's Report.
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain.	IndiaMART CSR initiatives are rolled in partnership with non-profit organisations. This helps in increasing reach as well as ensuring the adoption of initiative by communities. Company's Representatives track the reach, impact and take necessary steps to make its various initiatives and programs successful and beneficial for the targeted community/people. Further, the CSR projects are evaluated by the CSR Committee to ensure maximum impact of their initiatives.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner		
1.	What percentage of customer complaints / consumer cases are pending as on the end of financial year?	There are 44 (Forty Four) consumer cases going in consumer courts in different parts of the country.
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks	Not Applicable
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof.	There is no case against the Company, during last five years and pending as on end of financial year, relating to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.
4.	Did your company carry out any consumer survey / consumer satisfaction trends?	The Company on a continuous basis measures satisfaction levels of customers. The Company has a feedback form on their respective portals, where a customer can freely give its feedback on the services being offered by the Company.

On behalf of the Board
For IndiaMART InterMESH Limited

Sd/-
Brijesh Kumar Agrawal
(Whole Time Director)
DIN: 00191760

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN: 00191800

Place: Noida
Date: April 29, 2021

Annexure - 12

INFORMATION REGARDING THE EMPLOYEES STOCK OPTION SCHEMES

PARTICULARS	ESOP (Governed as per IndiaMart Employee Stock Option Scheme, 2015)	SAR (Governed as per IndiaMart Employee Stock Benefit Scheme, 2018)
Employee Stock Options (ESOP)/Stock Appreciation Rights (SAR Units) outstanding at beginning of year (April 01, 2020)	47,271	584,592
ESOP/ SAR Units Granted during the year	-	-
Sub-Total 1	**47,271**	**584,592**
ESOP/ SAR Units Vested & Exercised	33,348	144,356
ESOP/ SAR Units Lapsed/Forfeited	-	12,448
ESOP/ SAR Units Expired	-	-
Sub-Total 2	**33,348**	**156,804**
ESOP/ SAR Units outstanding at the end of year (Sub-total 1-2)	**13,923**	**427,788**
ESOP/ SAR Units exercisable at the end of year (March 31, 2021)	-	-
Total number of shares arising as a result of exercise of ESOP/ SAR Units	66,696	130,139
Money realised by exercise of ESOP/ SAR Units (Amount in Rupees)	6,669,600	1,301,390

OPTIONS/SAR VESTED:

During FY 2021, an aggregate of 33,348 stock options vested and 1,44,356 SAR units vested in the respective grantees.

VARIATION OF TERMS OF OPTIONS/SAR:

During FY 2021, there were no variation in the in any of the Schemes.

Exercise Price:

During FY 2021, ESOPs and SAR units were exercised under the ESOS, 2015 & ESBS, 2018 respectively at the following prices:

Particulars	ESOPs	SARs
Exercise Price (Rs.)	200	500
No. of Options/Units	33,348	1,44,356

EMPLOYEE WISE DETAILS OF THE OPTIONS/SAR UNITS GRANTED DURING THE YEAR:

(i) Key Managerial Personnel:

KEY MANAGERIAL PERSONNEL	ESOP	SAR
Managing Director & CEO*	Nil	Nil
Whole-time Director*	Nil	Nil
Chief Financial Officer	Nil	Nil
Company Secretary & Compliance Officer	Nil	Nil

* Managing Director & CEO and Whole-time Director, also being Promoters of the Company are not entitled to participate in the ESOP Scheme of the Company.

(ii) Any other employee who received a grant of options in any one year of option amounting to five percent or more of options granted during that year - Nil

(iii) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (including outstanding warrants and conversions) of the Company at the time of grant - Nil

Other Details of ESOP:

S. No.	Particulars	ESOP 2010	ESOP 2012	ESOP 2013	ESOP 2015	ESOP 2016	ESOP 2017
1	Earnings Per share (EPS)	98.53					
2	Method of calculation of employee compensation cost	Black Scholes method					
3	Difference, if any, between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options)	Not Applicable					
4	The impact of this difference on profits and on EPS of the Company	Not Applicable					
5(a)	Weighted-average exercise prices of options whose exercise price	Refer Note 28 of Standalone Financials Statements					
	i) either equals market price; or						
	i) exceeds market price; or						
	ii) is less than the market price of the stock; or						
5(b)	Weighted fair values of options whose exercise price	Refer Note of 28 Standalone Financials Statements					
	i) either equals market price; or						
	ii) exceeds market price; or						
	iii) is less than the market price of the stock						
6	Description of method & significant assumptions used during the year to estimate value of options including the following weighted-average information:	Refer Note 28 of Standalone Financials Statements					
	i) risk-free interest rate;						
	ii) expected life (in years);						
	iii) expected volatility						
	iv) expected dividend yield						
	v) the price of the underlying share in the market at the time of option grant (In Rs.)						
7	Impact on the profits and EPS if the Company had followed the accounting policies specified in Clause 13 of the SEBI ESOP Guidelines	Not Applicable					

Other Details of SAR:

S. No.	Particulars	SAR 2018
1	Earnings Per share (EPS)	98.53
2	Method of calculation of employee compensation cost	Black Scholes method
3	Difference, if any, between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options)	Not Applicable
4	The impact of this difference on profits and on EPS of the Company	Not Applicable
5(a)	Weighted-average exercise prices of options whose exercise price i) either equals market price; or ii) exceeds market price; or iii) is less than the market price of the stock; or	Refer Note 28 of Standalone Financials Statements
5 (b)	Weighted fair values of options whose exercise price i) either equals market price; or ii) exceeds market price; or iii) is less than the market price of the stock	Refer Note 28 of Standalone Financials Statements
6	Description of method & significant assumptions used during the year to estimate value of options including the following weighted-average information: i) risk-free interest rate; ii) expected life (in years); iii) expected volatility iv) expected dividend yield v) the price of the underlying share in the market at the time of units grant	Refer Note 28 of Standalone Financials Statements
7	Impact on the profits and EPS if the Company had followed the accounting policies specified in Clause 13 of the SEBI ESOP Guidelines	Not Applicable

On behalf of the Board
For IndiaMART InterMESH Limited

Sd/-
Brijesh Kumar Agrawal
(Whole Time Director)
DIN: 00191760

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN: 00191800

Place: Noida
Date: April 29, 2021

Annexure – 13

THE DISCLOSURES TO BE MADE UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS)RULES, 2014 BY THE COMPANY ARE AS UNDER:

A. CONSERVATION OF ENERGY

Though business operation of the Company is not energy-intensive, the Company, being a responsible corporate citizen, makes conscious efforts to reduce its energy consumption. Some of the measures undertaken by the Company on a continuous basis, including during the year, are listed below:

1. **Steps taken or impact on conservation of energy:**
   - i. Rationalisation of usage of electrical equipment's-air conditioning system, office illumination, beverage dispensers, desktops.
   - ii. Regular monitoring of temperature inside the building and controlling the air-conditioning system.
   - iii. Planned Preventive Maintenance (PPM) schedule put in place for electro-mechanical equipment's.
   - iv. Usage of energy efficient illumination fixtures.
   - v. Signage timings rationalisation.
   - vi. Power factor rationalisation.

2. **Steps taken by the Company for utilising alternate source of energy:**

   The business operation of the Company are not energy-intensive, hence apart from steps mentioned above to conserve energy, the management would also explore feasible alternate sources of energy.

3. **The capital investment on energy conservation equipment:**

   There is no capital investment on energy conservation equipment during the year under review.

B. TECHNOLOGY OF ABSORPTION

i. **Efforts made towards technology absorption:** NIL

ii. **Benefits derived like product improvement, cost reduction, product development or import substitution:** NIL

iii. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-**

   (a) the details of technology imported: NIL
   (b) the year of import: NIL
   (c) whether the technology been fully absorbed: NIL
   (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

iv. **Expenditure incurred on Research and Development:** NIL

   Specific areas in which R&D carried out by the Company: The Company has not carried out R&D in any specific area.

   1. Benefits derived as a result of above R&D: Not Applicable
   2. Future plan of action: The management of the company has not yet decided to carry out any R&D.
   3. Expenditure on R&D: Not applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo in terms of actual outflows, during financial year 2020-21 are as follow:

('Amount in Rs. million')

Particulars	FY 2021	FY 2020
Earnings	78.32	40.19
Outgo	83.08	101.77
Net Foreign Earning (NFE)	(4.76)	(61.58)

On behalf of the Board
For IndiaMART InterMESH Limited

Sd/-
Brijesh Kumar Agrawal
(Whole Time Director)
DIN: 00191760

Sd/-
Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN: 00191800

Place: Noida
Date: April 29, 2021

Independent Auditors' Report

To the Members of IndiaMART InterMESH Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of IndiaMART InterMESH Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income (loss)), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income (loss), changes in equity and its cash flows for the year 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 Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone 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 financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

DESCRIPTION OF KEY AUDIT MATTER

Revenue Recognition (See note 2.3(c) and 19 to the standalone financial statements)	
The key audit matter	**How the matter was addressed in our audit**
The Company generates revenue primarily from web services and follows a prepaid model for its business. Revenue from web services is recognised over the period of the contract as and when the Company satisfies performance obligations by actually rendering the promised services to its customers. These services are delivered using IT systems which manage very high volume on daily basis and generate reports from which the Company recognises revenue, and hence there is inherent risk around the existence and accuracy of revenue recognition. We have identified revenue recognition from web services as a key audit matter because of the significance of web service revenue to the financial statements and its recognition based on high volume of data generated by internal IT systems.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: » We assessed the appropriateness of the revenue recognition accounting policy and its compliance with applicable accounting standards. » We evaluated the design and implementation of key internal financial controls and operating effectiveness of the relevant key controls with respect to existence and accuracy of revenue recognition on selected transactions. » We, with the involvement of IT specialists, evaluated the design, implementation and operating effectiveness of management's general IT controls and key application controls over the Company's IT systems which govern revenue recognition, including access controls, controls over program changes and interfaces between different systems. » We selected a sample of transactions using statistical sampling and performed tests of details including reading the contract, identifying performance obligation and its link with actual rendition to assess whether the criteria for revenue recognition are met. » We tested completeness and accuracy of web services revenue and collection from underlying relevant source documents generated by IT systems with accounting system. » We assessed the adequacy of disclosures in the standalone financial statements.

OTHER INFORMATION

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income (loss), changes in equity and cash flows 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. 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

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

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

   (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income (loss)), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

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

   (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

   i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

   iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.

   (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration No: 101248W/W-100022

Kanika Kohli
Partner
Membership No: 511565
ICAI UDIN: 21511565AAAAAW5377

Place: Gurugram
Date: 29 April 2021

Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of IndiaMart InterMesh Limited for the year ended 31 March 2021

Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the standalone financial statements of the Company for the year ended 31₹March₹2021, we report that:

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

(b) The Company has a regular programme of physical verification of its fixed assets, whereby all the fixed assets are physically verified once in three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. As per the programme, all the fixed assets were physically verified during the previous year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, in respect of immovable properties taken on lease and disclosed as right-of-use-assets in the standalone financial statements, the lease agreements are in the name of the Company.

(ii) According to the information and explanations given to us, the Company's business does not involve holding of any inventory. Accordingly, paragraph 3(ii) of the Order is not applicable.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3(iii) of the Order are not applicable.

(iv) According to the information and explanations given to us, the Company has not entered into any transactions related to loans, investments, guarantees and securities to which the provisions of Section 185 of the Act are applicable. Further, according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the provisions of section 186 of the Companies Act, 2013, with respect to investment made by the Company.

(v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, para 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, para 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, goods and service tax, cess and any other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. The provisions of sales tax, duty of customs, value added tax and duty of excise are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, goods and service tax, cess and any other statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of any dispute, except for the following:

Name of the Statute	Nature of the Dues	Amount (INR in million)	Period (Financial Year)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.96*	2009-10	High Court-Delhi
Income Tax Act, 1961	Income Tax	0.26*	2012-13	Commissioner of Income Tax Appeals
Income Tax Act, 1961	Income Tax	0.70*	2013-14	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	3.03*	2016-17	Commissioner of Income Tax Appeals
Finance Act, 1994	Service Tax	6.78	2006-07 to 2011-12	CESTAT
Finance Act, 1994	Service Tax	1.30	2013-14 to 2015-16	Commissioner of GST & Central Excise
Finance Act, 1994	Service Tax	15.38	2013-14 to 2017-18	Commissioner of GST & Central Excise

* Represents amount adjusted with brought forward losses/unabsorbed depreciation in the demand orders calculated basis the applicable tax rate of respective years.

(viii) According to the information and explanations given to us, the Company did not have any outstanding loans or borrowings from financial institutions or banks or government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.

(ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) and term loans. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company. However, the Company has raised money by way of Qualified Institutional Placement, please refer to paragraph 3(xiv) details below.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013, where applicable and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanation given to us and on the basis of our examination of records of the Company, the Company has made private placement of shares during the year, the Company raised money by way of Qualified Institutional Placement (QIP). The proceeds raised from QIP were INR 10,701.66 Million. The proceeds of the issue (net of related expense of INR 189.67 Million) are to augment for future growth and expansion. The net proceeds of INR 10,511.99 Million pending utilisation for the objects of QIP, have temporarily been invested in liquid instruments. Further, the Company has not made any preferential allotment or fully or partly convertible debentures during the year.

(xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration No: 101248W/W-100022

Kanika Kohli
Partner
Membership No: 511565
ICAI UDIN: 21511565AAAAAW5377

Place: Gurugram
Date: 29 April 2021

Annexure B to the Independent Auditors' Report on the Standalone Financial Statements of IndiaMART InterMESH Limited for the year ended 31 March 2021

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

We have audited the internal financial controls with reference to standalone financial statements of IndiaMART InterMESH Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2021, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 standalone 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 with reference to standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 (3) 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 standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration No: 101248W/W-100022

Kanika Kohli
Partner
Membership No: 511565
ICAI UDIN: 21511565AAAAAW5377

Place: Gurugram
Date: 29 April 2021

indiamart

Standalone Balance Sheet
as at March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	5A	21.53	47.94
Capital work in progress	5A	1.77	1.77
Right-of-use assets	5B	625.65	799.71
Intangible assets	6	2.74	4.58
Investment in subsidiaries and associates	7	313.95	316.12
Financial assets			
(i) Investments	8	190.49	89.60
(ii) Loans	8	2.37	0.73
(iii) Others financial assets	8	38.52	398.01
Deferred tax assets (net)	26	-	243.97
Non-current tax assets (net)	18	186.54	211.43
Other non-current assets	11	0.74	0.44
Total Non-current assets		**1,384.30**	**2,114.30**
Current assets			
Financial assets			
(i) Investments	8	22,161.38	8,655.45
(ii) Trade receivables	9	12.46	11.00
(iii) Cash and cash equivalents	10	350.07	129.04
(iv) Bank balances other than (iii) above	10	376.02	68.64
(v) Loans	8	708.52	11.53
(vi) Others financial assets	8	70.12	76.02
Current tax assets (net)	18	54.85	75.45
Other current assets	11	37.72	46.39
Total Current assets		**23,771.14**	**9,073.52**
Total Assets		**25,155.44**	**11,187.82**
EQUITY AND LIABILITIES			
Equity			
Share capital	12	303.16	288.77
Other equity	13	15,863.28	2,456.17
Total Equity		**16,166.44**	**2,744.94**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	15	525.67	612.49
Provisions	16	273.33	258.28
Deferred tax liabilities (net)	26	207.20	-
Contract liabilities	17	2,584.22	2,697.13
Total Non-current liabilities		**3,590.42**	**3,567.90**
Current liabilities			
Financial liabilities			
(i) Trade payables	14		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		153.84	177.07
(ii) Lease liabilities	15	108.57	152.61
(iii) Other financial liabilities	15	193.36	254.12
Provisions	16	47.35	39.82
Contract liabilities	17	4,672.19	4,138.07
Other current liabilities	17	223.27	113.29
Total Current liabilities		**5,398.58**	**4,874.98**
Total Liabilities		**8,989.00**	**8,442.88**
Total Equity and Liabilities		**25,155.44**	**11,187.82**
Summary of significant accounting policies	2		

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

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Kanika Kohli
Partner
Membership No.: 511565

Place: Gurugram
Date: 29 April 2021

For and on behalf of the Board of Directors of **IndiaMART InterMESH Limited**

Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN:00191800

Brijesh Kumar Agrawal
(Whole-time Director)
DIN:00191760

Prateek Chandra
(Chief Financial Officer)

Manoj Bhargava
(Company Secretary)

Place: Noida
Date: 29 April 2021

Standalone Statement of Profit and Loss

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME:			
Revenue from operations	19	6,650.48	6,235.13
Other income	20	851.62	684.12
Total income		**7,502.10**	**6,919.25**
EXPENSES:			
Employee benefits expense	21	1,987.21	2,548.35
Finance costs	22	66.63	32.83
Depreciation and amortisation expense	23	158.65	209.15
Other expenses	24	1,329.91	1,960.28
Total expenses		**3,542.40**	**4,750.61**
Proft before exceptional items and tax		**3,959.70**	**2,168.64**
Exceptional items	36(b)	-	68.79
Proft before tax		**3,959.70**	**2,099.85**
Income tax expense			
Current tax	26	635.25	(3.31)
Deferred tax	26	348.10	327.00
Tax expense related to change in tax rate and law	26	109.22	314.08
Total tax expense		1,092.57	637.77
Net profit for the year		**2,867.13**	**1,462.08**
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss and its related income tax effects			
Re-measurement losses on defined benefit plans		(24.44)	(72.39)
Income tax effect		6.15	18.22
		(18.29)	(54.17)
Other comprehensive loss for the year, net of tax		**(18.29)**	**(54.17)**
Total comprehensive income for the year		**2,848.84**	**1,407.91**
Earnings per equity share:	25(a)		
Basic earnings per equity share (INR) - face value of INR 10 eachBasic earnings per equity share (Rs.)		98.53	50.73
Diluted earnings per equity share (INR) - face value of INR 10 each		96.92	49.84
Summary of significant accounting policies	2		

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

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Kanika Kohli
Partner
Membership No.: 511565

Place: Gurugram
Date: 29 April 2021

For and on behalf of the Board of Directors of **IndiaMART InterMESH Limited**

Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN:00191800

Brijesh Kumar Agrawal
(Whole-time Director)
DIN:00191760

Prateek Chandra
(Chief Financial Officer)

Manoj Bhargava
(Company Secretary)

Place: Noida
Date: 29 April 2021

Standalone Statement of changes in equity

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

(A) EQUITY SHARE CAPITAL (REFER NOTE 12)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2019	**285.92**
Equity share capital issued on exercise of ESOP during the year	1.83
Equity share capital issued during the year to Indiamart Employee Benefit Trust (refer note 12(d))	1.45
Equity share capital issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note 12(d))	(0.43)
As at March 31, 2020	**288.77**
Equity share capital issued on exercise of ESOP during the year	0.67
Equity share capital issued on Qualified Institutions Placement during the year (refer note 12(1))	12.42
Equity share capital issued during the year to Indiamart Employee Benefit Trust (refer note 12(d))	1.35
Equity share capital issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note 12(d))	(0.05)
As at March 31, 2021	**303.16**

(B) OTHER EQUITY (REFER NOTE 13)

	Reserves and surplus				
Particulars	Securities premium	General reserve	Employee share based payment reserve	Retained earnings	Total other equity
Balance as at 1 April 2019	**4,686.54**	**8.45**	**71.42**	**(3,445.51)**	**1,320.90**
Impact of adoption of Ind AS 116 (net of taxes) (Refer Note 5B)	-	-	-	(16.33)	(16.33)
Profit for the year	-	-	-	1,462.08	1,462.08
Other comprehensive loss for the year	-	-	-	(54.17)	(54.17)
Total comprehensive income	**-**	**-**	**-**	**1,391.58**	**1,391.58**
Issue of equity shares on exercise of share based awards during the year	67.36	-	(50.91)	-	16.45
Employee share based payment expense (Refer Note 21)	-	-	75.46	-	75.46
Dividend paid F.Y 2019-20 (includes Dividend Distribution Tax of INR 59.45 millions)	-	-	-	(348.22)	(348.22)
Balance as at March 31, 2020	**4,753.90**	**8.45**	**95.97**	**(2,402.15)**	**2,456.17**
Profit for the year	-	-	-	2,867.13	2,867.13
Other comprehensive loss for the year	-	-	-	(18.29)	(18.29)
Total comprehensive income	**-**	**-**	**-**	**2,848.84**	**2,848.84**
Issue of equity shares on exercise of share based awards during the year	57.30	-	(51.30)	-	6.00
Issue of equity shares on Qualified Institutions Placement during the year (refer note 12(1))	10,499.57	-	-	-	10,499.57
Employee share based payment expense (Refer Note 21)	-	-	52.70	-	52.70
Balance as at March 31, 2021	**15,310.77**	**8.45**	**97.37**	**446.69**	**15,863.28**

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

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Kanika Kohli
Partner
Membership No.: 511565

Place: Gurugram
Date: 29 April 2021

For and on behalf of the Board of Directors of **IndiaMART InterMESH Limited**

Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN:00191800

Brijesh Kumar Agrawal
(Whole-time Director)
DIN:00191760

Prateek Chandra
(Chief Financial Officer)

Manoj Bhargava
(Company Secretary)

Place: Noida
Date: 29 April 2021

Standalone Statement of Cash Flows

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
PROFIT BEFORE TAX		3,959.70	2,099.85
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense	23	158.65	209.15
Interest, dividend and other income	20	(69.81)	(43.90)
Gain on de-recognition of Right-of-use assets	20	(10.02)	(1.34)
Exceptional items	36(b)	-	68.79
(Gain)/loss on investments carried at fair value through profit and loss -Fair value gain on measurement and income from sale of mutual funds	20	(788.80)	(638.45)
-Fair value loss on Investment in debt instruments of subsidiaries		41.60	-
Gain on disposal of property, plant and equipment	20	(1.66)	(0.43)
Share-based payment expense	21	52.70	75.46
Finance costs	22	66.63	32.83
Loss on change of control of a subsidiary converted into an associate	24	0.05	-
Provisions and liabilities no longer required written back	20	(22.93)	-
		3,386.11	**1,801.96**
Changes in:			
Trade receivables		(1.46)	(7.46)
Other financial assets		(0.32)	12.59
Other assets		8.36	3.94
Other financial liabilities		(45.86)	(58.81)
Trade payables		(23.20)	52.38
Contract and other liabilities		531.18	955.74
Provisions		(1.87)	64.97
Cash generated from operations		**3,852.94**	**2,825.31**
Income tax paid (net)		(589.75)	(183.59)
Net cash generated from operating activities		**3,263.19**	**2,641.72**
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		3.44	1.27
Purchase of property, plant and equipment and other intangible assets		(0.22)	(42.24)
Purchase of current investments		(15,526.11)	(4,520.00)
Inter-corporate deposits placed with financials institutions		(701.91)	-
Investment in subsidiaries, associates and other entities		(142.49)	(380.02)
Proceeds from sale of investments in subsidiaries		2.12	-
Proceeds from sale of current investments		2,811.03	2,545.99
Interest and dividend received		62.87	33.68
Advances received from /(paid for) selling shareholders (net)		-	69.20
Refund/(payment) of refundable security deposits for listing on stock exchange.		23.78	(23.78)
Investment in bank deposits (includes earmarked balances with bank) (having original maturity of more than three months)		(12.26)	(392.60)
Redemption of bank deposits		54.59	349.73
Net cash used in investing activities		**(13,425.16)**	**(2,358.77)**

Standalone Statement of Cash Flows

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(55.42)	(166.27)
Interest paid on lease liabilities		(66.63)	(32.83)
Dividend paid (including Dividend Distribution Tax)		(14.91)	(333.25)
Proceeds from issue of equity shares on exercise of share based awards		7.97	19.31
Proceeds from issue of equity shares on Qualified Institutional Placement (refer note 12(1))		10,511.99	-
Net cash generated from (used in) financing activities		**10,383.00**	**(513.04)**
Net increase/ (decrease) in cash and cash equivalents		**221.03**	**(230.09)**
Cash and cash equivalents at the beginning of the year	10	129.04	359.13
Cash and cash equivalents at the end of the year	10	**350.07**	**129.04**
Summary of significant accounting policies	2		

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

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Kanika Kohli
Partner
Membership No.: 511565

Place: Gurugram
Date: 29 April 2021

For and on behalf of the Board of Directors of **IndiaMART InterMESH Limited**

Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN:00191800

Brijesh Kumar Agrawal
(Whole-time Director)
DIN:00191760

Prateek Chandra
(Chief Financial Officer)

Manoj Bhargava
(Company Secretary)

Place: Noida
Date: 29 April 2021

Notes to the Financial Statements

for the year ended March 31, 2021

1. CORPORATE INFORMATION

IndiaMART Intermesh Limited ("the Company") is a public company domiciled in India and was incorporated on 13 September 1999 under the provisions of the Companies Act applicable in India. The Company is an e-marketplace for business needs, which acts as an interactive hub for domestic and international buyers and suppliers. The registered office of the Company is located at 1st Floor, 29-Daryagang, Netaji Subash Marg New Delhi-110002, India.

The standalone financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 29 April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

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

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

2.2 Basis of preparation

The standalone financial statements have been prepared on the historical cost basis as explained in the accounting policies below, except for the following:

- certain financial assets and liabilities measured at fair value where Ind AS requires a different accounting treatment (refer accounting policy regarding financial instruments);
- share-based payments.
- net defined benefit (asset)/liability - Fair value of plan assets less present value of defined benefit obligations.

The preparation of these standalone 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 standalone financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

2.3 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 standalone financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

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

All other assets are classified as non-current.

A liability is classified as current when:

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

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

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

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing/servicing 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 optionally convertible preference shares (OCRPS), Investment in equity/preference instrument of other entities, investment in mutual funds and bonds 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 standalone 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 standalone 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.

The Company's management determines the policies and procedures for recurring fair value measurement, such as investment in Optionally Convertible Cumulative Redeemable Preference Instruments (OCRPS) and investment in equity/preference instruments of other entities measured at fair value.

External valuers are involved for valuation of significant assets, such as unquoted investments inOCRPS, and investment in equity/preference instruments of other entities. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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 the 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 29)

c) Revenue from contracts with customers and other income

Revenue from contracts with customers

The Company is primarily engaged in providing web services. Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services and excluding taxes or duties collected on behalf of the government.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

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

Rendering of services

Revenue from web services is 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. Revenues from lead based services is recognised based on output method i.e. as and when leads are consumed by the customer or on the expiry of contract whichever is earlier. Activation revenue is amortised over the estimated customer relationship period.

Advertising revenue is derived from displaying web based banner ads and sale of online advertisements. Revenue from banner advertisement is recognised pro rata over the period of display of advertisement as per contract. Revenue from sale of online advertisements is recognised based on output method and the Company applies the practical expedient to recognise advertising revenue in the amount to which the Company has a right to invoice.

Notes to the Financial Statements

for the year ended March 31, 2021

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section m) Financial instruments.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised. The company recognises contract liability for consideration received in respect of unsatisfied performance obligations and reports these amounts as deferred revenue and advances from customers in the balance sheet. The unaccrued amounts are not recognised as revenue till all related performance obligations are fulfilled. The company generally receives transaction price in advance for contracts with customers that run up for more than one yea. The transaction price received in advance does not have any significant financing component as the difference between the promised consideration and the cash selling price of the service arises for reasons other than the provision of finance.

Other income

Interest income

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

Dividends

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

d) Property, plant and equipment

Capital work in progress and 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 parts 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 them separately based on their specific useful lives.

Capital work in progress includes cost of property, plant and equipment under development as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date, are disclosed under capital work- in- progress.

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

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

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

Asset	Annual rates
Computers	63.16%
Furniture and fittings	26.89%
Office equipment	45.07%
Vehicles	31.23%

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.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

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

e) Intangible assets

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

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

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

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

Unique telephone numbers are amortised on a written down value basis at 40% annually.

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

Advances paid towards the acquisition of intangible assets outstanding at each balance sheet date are classified as capital advances and cost of assets not ready for use at the balance sheet date, are disclosed under capital work- in-progress.

f) Leases (as lessee)

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contact involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Finance leases were capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of

Notes to the Financial Statements

for the year ended March 31, 2021

the minimum lease payments. Lease payments were apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges were recognised in finance costs in the statement of profit or loss.

A ROU asset was depreciated over the useful life of the asset. However, if there was no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset was depreciated over the shorter of the estimated useful life of the asset and the lease term.

g) Investment in subsidiaries and associates

The Company records the investment in equity instruments of subsidiaries and associate at cost less impairment loss, if any.

On disposal of investment in subsidiaries and associate, the difference between net disposal proceeds and the carrying amount is recognised in the Statement of profit and loss.

h) Impairment of non-financial assets

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

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

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

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

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

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

Deferred Tax

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

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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 (loss) 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.

j) Provisions and contingent liabilities

Provisions

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

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

Contingent liabilities

A contingent liability is a 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 standalone financial statements.

k) 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

Notes to the Financial Statements

for the year ended March 31, 2021

provident fund. The Company recognises 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 recognised 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 recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to profit or loss in subsequent periods.

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

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

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

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

Other long-term employee benefit obligations

Accumulated leave, which is expected to be utilised 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 reporting 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.

l) Share-based payments

Employees of the Company also receive remuneration in the form of stock options (ESOP) and stock appreciation rights (SAR) as share based payment transactions under the Company's Employee Stock Option Plan and Employee Stock Benefit Scheme. Both of these are equity settled share based payment transactions.

The cost of equity settled transactions is determined based on 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 transaction 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.

m) Financial Instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans to employees, trade and other receivables. For more information on receivables, refer to Note 29.

Debt instruments at FVTOCI

A 'debt instrument' is classified as at 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 recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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.

Notes to the Financial Statements

for the year ended March 31, 2021

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:

- Financial assets that are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
- 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 115

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

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

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

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

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognised during the period is recognised 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 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 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 recognised in OCI. These gains/ loss 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.

Loans and borrowings

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

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

De-recognition

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

Offsetting of financial instruments

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

n) Foreign currency transactions

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

Transactions and balances

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

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

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

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

o) Earnings per share

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

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

Notes to the Financial Statements

for the year ended March 31, 2021

p) Cash and cash equivalents

Cash and cash equivalents 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 change in value.

q) 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's activities of providing e-marketplace services for businesses is considered to be a single business segment. The analysis of geographical segments is based on the areas in which customers are based.

Segment policies

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

r) Share capital

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.

s) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

t) Recently issued accounting pronouncements

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

Balance sheet:

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

Statement of profit and loss:

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

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

3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of standalone 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 has based its assumptions and estimates on parameters available when the standalone 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.

The Company has recognised deferred tax assets on the deductible temporary differences since the management is of the view that it is probable the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.

b) Share based payment

The Company initially measures the cost of equity-settled transactions with employees using a Black–Scholes–Merton option pricing model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share options and SAR units, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 28.

c) Revenue from contracts with customers

The Company recognise the activation fee received in advance over the estimated customer churn period of twenty seven months. The estimate is based on the historical trend analysis of the time period over which the customer is expected to be associated with the Company. The company reviews its estimate at each reporting date.

d) Impairment of Non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model or other fair value valuation models. In DCF model, the cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

e) 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. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Further details about gratuity obligations are given in Note 27.

f) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 29 and 31 for further disclosures.

Notes to the Financial Statements

for the year ended March 31, 2021

g) **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 year end.

h) **Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

4. IMPACT OF COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone 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 standalone financial statements and believes that the impact of COVID-19 is not material to these standalone financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

Notes to the Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

5A PROPERTY, PLANT AND EQUIPMENT

	Leasehold land (Refer Note 5B)	Computers	Office equipment	Furniture and fixtures	Motor vehicles	Total Property, plant and equipment	Capital work in progress (refer note 1 below)
Gross carrying amount							
As at 1 April 2019	**37.12**	**95.27**	**36.41**	**5.99**	**3.81**	**178.60**	**1.77**
Transition impact of Ind AS 116	(37.12)	-	-	-	-	(37.12)	-
Additions for the year	-	24.03	15.82	0.75	-	40.60	-
Disposals for the year	-	(2.38)	(1.71)	(1.03)	-	(5.12)	-
As at March 31, 2020	**-**	**116.92**	**50.52**	**5.71**	**3.81**	**176.96**	**1.77**
Additions for the year	-	-	0.22	-	-	0.22	-
Disposals for the year	-	(11.15)	(3.53)	(1.69)	-	(16.37)	-
As at March 31, 2021	**-**	**105.77**	**47.21**	**4.02**	**3.81**	**160.81**	**1.77**
Accumulated depreciation							
As at 1 April 2019	**1.38**	**67.55**	**22.78**	**3.14**	**1.01**	**95.86**	**-**
Transition impact of Ind AS 116	(1.38)	-	-	-	-	(1.38)	-
Charge for the year	-	28.32	8.64	0.85	1.01	38.82	-
Disposals during the year	-	(2.23)	(1.50)	(0.55)	-	(4.28)	-
As at March 31, 2020	**-**	**93.64**	**29.92**	**3.44**	**2.02**	**129.02**	**-**
Charge for the year	-	14.63	9.14	0.52	0.56	24.85	-
Disposals during the year	-	(11.00)	(2.59)	(1.00)	-	(14.59)	-
As at March 31, 2021	**-**	**97.27**	**36.47**	**2.96**	**2.58**	**139.28**	**-**
Net book value							
As at 1 April 2019	**35.74**	**27.72**	**13.63**	**2.85**	**2.80**	**82.74**	**1.77**
As at March 31, 2020	**-**	**23.28**	**20.60**	**2.27**	**1.79**	**47.94**	**1.77**
As at March 31, 2021	**-**	**8.50**	**10.74**	**1.06**	**1.23**	**21.53**	**1.77**

Notes:

1. Capital work in progress represents the amount incurred on construction of boundary wall for leasehold land (refer note 5B for details related to leasehold land).

5B RIGHT-OF-USE ASSETS

	Leasehold land (Refer Note 1 below)	Buildings (Refer Note 2 below)	Total
Gross carrying amount			
As at 1 April 2019	-	-	-
Transition impact of Ind AS 116	37.12	204.39	241.51
Additions for the year	-	736.52	736.52
Disposals for the year	-	(11.08)	(11.08)
As at March 31, 2020	**37.12**	**929.83**	**966.95**
Additions for the year	-	26.82	26.82
Disposals for the year	-	(122.10)	(122.10)
As at March 31, 2021	**37.12**	**834.55**	**871.67**
Accumulated amortisation			
As at 1 April 2019	-	-	-
Transition impact of Ind AS 116	1.38	-	1.38
Depreciation for the year	0.46	167.09	167.55
Disposals for the year	-	(1.69)	(1.69)
As at March 31, 2020	**1.84**	**165.40**	**167.24**
Depreciation for the year	0.46	131.50	131.96
Disposals for the year	-	(53.18)	(53.18)
As at March 31, 2021	**2.30**	**243.72**	**246.02**
Net book value			
As at March 31, 2020	**35.28**	**764.43**	**799.71**
As at March 31, 2021	**34.82**	**590.83**	**625.65**

Notes to the Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

5B RIGHT-OF-USE ASSETS (Contd.)

Notes:

1. As per the terms of the lease arrangement, the Company was required to complete the construction of building within 5 years from the date of handing over the possession. The Company obtained extension for construction of building on the leasehold land till 5 July 2021 during the year ended March 31, 2021.
2. The Company had adopted Ind AS 116 - Leases, effective annual reporting period beginning 1 April 2019 and applied the standard to its leases using modified retrospective approach with the cumulative effect of initially applying the Standard resulting in recognition of right-of-use asset of INR 204.39 million and a corresponding lease liability of INR 224.00 million by adjusting retained earnings net of taxes by INR 16.33 million [the impact of deferred tax created INR 8.77 million] as at 1 April 2019. The Company has also reclassified its leasehold land amounting to INR 36 million as right-of-use asset during the year ended March 31, 2020.
3. The Company incurred INR 10.42 million for the year ended March 31, 2021 (March 31, 2020: INR 10.86 million) respectively, towards expenses relating to short-term leases and leases of low-value assets.

The following table presents a maturity analysis of expected undiscounted cash flows for lease liabilities as on year end

	As at March 31, 2021	As at March 31, 2020
Within one year	132.22	160.47
Within one - two years	130.34	160.33
Within two - three years	130.63	140.11
Within three - five years	229.82	256.70
Above five years	238.29	347.10
Total lease payments	**861.30**	**1,064.71**

The reconciliation of lease liabilities is as follows:

	As at March 31, 2021	As at March 31, 2020
Opening balance	765.10	-
Transition impact of Ind AS 116	-	224.00
Additions	26.44	718.10
Amounts recognised in statement of profit and loss as interest expense	66.63	32.83
Payment of lease liabilities	(122.05)	(199.10)
Derecognition	(78.95)	(10.73)
Liabilities no longer required written back	(22.93)	-
Balance as at year end (Refer Note 15)	**634.24**	**765.10**

6 INTANGIBLE ASSETS

	Software	Unique telephone numbers	Total
Gross carrying amount			
As at 1 April 2019	**12.07**	**4.70**	**16.77**
Additions for the year	1.66	-	1.66
As at March 31, 2020	**13.73**	**4.70**	**18.43**
As at March 31, 2021	**13.73**	**4.70**	**18.43**
Accumulated amortisation			
As at 1 April 2019	**7.38**	**3.69**	**11.07**
Amortisation for the year	2.37	0.41	2.78
As at March 31, 2020	**9.75**	**4.10**	**13.85**
Amortisation for the year	1.60	0.24	1.84
As at March 31, 2021	**11.35**	**4.34**	**15.69**
Net book value			
As at 1 April 2019	**4.69**	**1.01**	**5.70**
As at March 31, 2020	**3.98**	**0.60**	**4.58**
As at March 31, 2021	**2.38**	**0.36**	**2.74**

(Amount in ₹ million, unlesss otherwise stated)

7 INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Investment in subsidiaries - Unquoted				
Fully paid up - at cost				
Equity shares of INR 10 each in Tradezeal Online Private Limited	1,10,000	1.10	1,10,000	1.10
Equity shares of INR 10 each in Ten Times Online Private Limited (Refer Note 1)	-	-	62,333	3.10
Equity shares of INR 10 each in Tolexo Online Private Limited	70,01,800	70.02	70,01,800	70.02
Equity shares of INR 10 each in Pay With Indiamart Private Limited	1,00,000	1.00	1,00,000	1.00
Equity shares of INR 10 each in Hello Trade Online Private Limited	30,000	0.30	30,000	0.30
		72.42		**75.52**
Less: Impairment allowance in value of investments		(71.42)		(71.42)
		1.00		**4.10**
Investment in associates - Unquoted				
Fully paid up - at cost				
Compulsory convertible preference shares of INR 100 each (at premium of INR 52,217.90 each) in Simply Vyapar Apps Private Limited	5,954	311.50	5,954	311.50
Equity shares of INR 10 each (at premium of INR 52,307.90 each) in Simply Vyapar Apps Private Limited	10	0.52	10	0.52
Equity shares of INR 10 each in Ten Times Online Private Limited (Refer Note 1)	18,701	0.93	-	-
		312.95		**312.02**
Total Investment in subsidiaries and associates		**313.95**		**316.12**
Aggregate carrying value of unquoted investments		**313.95**		**316.12**
Aggregate impairment in value of investments		**71.42**		**71.42**

Notes:

1. The Company has diluted its stake in Tentimes Online Private Limited which was a wholly owned subsidiary, by selling its Investment in equity shares to the tune of 70% for consideration of INR 2.12 million during the year ended March 31, 2021. Post this transaction, the Company now owns 30% in Ten Times Online Private Limited and therefore it is considered an Associate from 1 September 2020.

8 FINANCIAL ASSETS

i) Investments

	As at March 31, 2021	As at March 31, 2020
Non-current		
a) Investment in subsidiaries at FVTPL	90.50	89.60
b) Investment in other entities at FVTPL	99.99	-
	190.49	**89.60**
Current		
Investment in mutual funds at FVTPL	21,690.82	8,655.45
Investment in bonds at FVTPL	470.56	-
	22,161.38	**8,655.45**

Notes to the Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

8 FINANCIAL ASSETS (Contd.)

Non-current investments

	As at March 31, 2021			As at March 31, 2020		
	No. of shares	Amount		No. of shares	Amount	
a) Investment in debt instruments of subsidiaries (fully paid-up)						
Unquoted (measured at FVTPL)						
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each in Tolexo Online Private Limited	1,57,89,275			1,37,89,275		
Opening balance		33.04			39.95	
Add: Investment made during the year		20.00			58.00	
Less: Fair value loss recognised through profit and loss during the year		(39.33)	13.71		(64.91)	33.04
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each (at premium of INR 90 each) in Tolexo Online Private Limited	12,98,050			12,98,050		
Opening balance		3.11			6.49	
Add: Investment made during the year		-			-	
Less: Fair value loss recognised through profit and loss during the year		(1.98)	1.13		(3.38)	3.11
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each (at premium of INR 40 each) in Tolexo Online Private Limited	1,89,000			1,89,000		
Opening balance		0.45			0.95	
Less: Fair value loss recognised through profit and loss during the year		(0.29)	0.16		(0.50)	0.45
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each in Tradezeal Online Private Limited	38,70,000		-	18,70,000		
Opening balance		-			-	
Add: Investment made during the year		20.00	20.00		-	-
						-
Optionally Convertible Cumulative Redeemable Preference Shares of INR 10 each (at premium of INR 10 each) in Pay With Indiamart Private Limited	27,75,000			26,50,000		
Opening balance		53.00			43.00	
Add: Investment made during the year		2.50	55.50		10.00	53.00
			90.50			89.60
b) Investment in other entities (fully paid up) (Refer Note 2 below)						
Unquoted (measured at FVTPL)						
Compulsory convertible preference shares of INR 1 each (at premium of INR 776 each) in Mobisy Technologies Private Limited	1,28,593		99.92	-		-
Equity shares of INR 1 each (at premium of INR 776 each) in Mobisy Technologies Private Limited	100		0.07	-		-
			99.99			**-**
Total non-current investments (a+b)			**190.49**			**89.60**

Notes:

1. The company has invested in optionally convertible cumulative redeemable preference shares ('OCCRPS') of its subsidiaries. Based on the terms of OCCRPS, these have been classified as financial instruments in the nature of financial assets to be measured at fair value. Fair value of these instruments has been determined based on market multiple / replacement cost method / discounted cash flow valuation technique using cash flow projections and discount rate. Gain/loss on subsequent re-measurement is recognised through Statement of Profit and Loss.
2. During the year ended March 31, 2021, the Company has acquired 8.98% interest on fully converted and diluted basis in Mobisy Technologies Private Limited at the aggregate consideration of INR 99.99 million. This investment has been classified as "Investment at FVTPL" as per Ind AS 109.

(Amount in ₹ million, unlesss otherwise stated)

8 FINANCIAL ASSETS (Contd.)

	As at March 31, 2021		As at March 31, 2020	
	No. of units	Amount	No. of units	Amount
Current investments				
Investment in mutual funds - Quoted (measured at FVTPL)				
Aditya Birla Sun Life Short Term Fund-Growth-Regular Plan	25,99,874	95.06	25,99,874	86.25
Aditya Birla Sunlife short term fund-Growth-Direct Plan	2,11,81,794	814.54	2,11,81,794	733.87
Aditya Birla Sunlife Corporate Bond Fund -Growth- Regular Plan	65,08,526	559.11	65,08,526	509.32
Aditya Birla Sun Life Corporate Bond Fund-Growth-Direct plan	45,70,414	396.40	20,13,531	158.84
Aditya Birla Sun Life Money Manager Fund - Direct	34,98,589	1,004.69	-	-
Aditya Birla Sun Life Savings Fund - Direct Growth	27,64,954	1,180.18	-	-
Axis Ultra Short Term Fund - Direct Growth	4,19,66,039	502.05	-	-
Bharat Bond ETF April-2023	4,00,000	446.50	4,00,000	408.08
Bharat Bond ETF April-2025	1,49,992	153.71	-	-
HDFC Short Term Debt Fund-Direct Growth Plan	1,77,12,429	441.87	1,97,20,994	451.38
HDFC Short Term Debt Fund - Regular Plan	83,80,984	205.90	83,80,984	189.74
HDFC Low Duration Fund - Regular Plan-Growth	37,97,410	170.92	37,97,410	159.78
HDFC Low Duration Fund-Direct Plan-Growth	1,20,35,204	572.57	1,73,80,457	768.36
HDFC Credit Risk Debt Fund - Regular Plan - Growth	-	-	70,19,394	116.85
HDFC Money Market Fund - Direct Growth	2,26,818	1,014.77	-	-
HDFC Ultra Short Term Fund - Direct Growth	10,09,61,709	1,205.42	-	-
ICICI Prudential Savings Fund -Regular	-	-	81,581	31.60
ICICI Prudential Savings Fund- Direct Plan-Growth	25,52,260	1,071.15	30,17,480	1,177.93
ICICI Prudential Short Term Fund - Direct	2,08,02,151	1,011.38	2,08,02,151	922.91
ICICI Prudential Short Term Fund - Regular	36,06,276	165.40	36,06,276	152.07
ICICI Prudential Money Market Fund - Direct Growth	31,29,563	924.09	-	-
IDFC Low Duration Fund-Growth- Direct Plan	3,64,39,105	1,117.14	-	-
IDFC Bond Fund - Short Term Plan- DGP	81,67,105	382.73	12,59,265	54.61
IDFC Low Duration Fund-Growth (Regular Plan)	-	-	1,64,51,049	469.96
IDFC Bond Fund-STP-Regular Fund	-	-	4,08,840	16.98
IDFC Banking & PSU Debt Fund - Direct - Growth	3,40,10,628	664.58	-	-
IDFC Corporate Bond Fund - Direct - Growth Plan	79,22,353	120.96	-	-
IDFC Ultra Short Term Fund - Direct-Growth Plan	3,65,91,465	438.04	-	-
Kotak Corporate Bond Fund - DGP	3,28,929	981.73	3,28,929	907.95
Kotak Liquid Fund - Direct Growth	-	-	24,984	100.31
Kotak Liquid Fund - Regular Growth	-	-	25,068	100.28
Kotak Money Market Fund - Direct Growth	3,84,544	1,339.67	-	-
Kotak Savings Fund - Direct Growth	2,89,48,565	1,004.02	-	-
L&T Short Term Bond Fund-DGP	3,71,22,589	803.71	3,71,22,589	747.51
L&T Short Term Bond Fund - Regular Growth	2,00,66,239	418.18	2,00,66,239	390.87
SBI Corporate Bond Fund - Direct - Growth Plan	70,21,759	85.77	-	-
SBI Magnum Ultra Short Duration Fund - Direct Growth	2,12,720	1,003.82	-	-
SBI Savings Fund - Direct Growth	3,49,43,576	1,194.92	-	-
SBI Liquid Fund- Direct - Growth Plan	62,030	199.84	-	-
Total		**21,690.82**		**8,655.45**
Investment in bonds - Quoted (measured at FVTPL)				
ICICI Bank Perpetual Bond	80	88.69	-	-
HDFC Bank Perpetual Bond	350	381.87	-	-
Total		**470.56**		**-**
Aggregate book value of quoted investments		**22,161.38**		**8,655.45**
Aggregate market value of quoted investments		**22,161.38**		**8,655.45**
Aggregate carrying value of unquoted investments		**190.50**		**89.60**

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

(Amount in ₹ million, unlesss otherwise stated)

8 FINANCIAL ASSETS (Contd.)

ii) Loans (measured at amortised cost)

	As at March 31, 2021		As at March 31, 2020
Non current			
Considered good- Unsecured			
Loans to employees**		2.37	0.73
		2.37	**0.73**
Current			
Considered good- Unsecured			
Inter-corporate deposits*			
-HDFC Limited	501.28		
-LIC Housing Finance Limited	200.63	701.91	-
Loans to employees**		6.61	11.53
		708.52	**11.53**

Notes:

*Inter-corporate deposits placed with financial institutions yield fixed interest rate.

**Represent interest free loans to employees, which are recoverable in maximum 24 monthly instalments.

iii) Others (measured at amortised cost)

	As at March 31, 2021	As at March 31, 2020
Non-current (unsecured, considered good unless stated otherwise)		
Security deposits	38.52	48.30
Deposits with remaining maturity for more than twelve months (refer note 10)	-	349.71
	38.52	**398.01**
Current (unsecured, considered good unless stated otherwise)		
Security deposits	3.18	52.86
Amount recoverable from payment gateway banks	66.94	23.16
	70.12	**76.02**

Notes:

Security deposits are non-interest bearing and are generally on term of 3 to 9 years.

9 TRADE RECEIVABLES

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless stated otherwise		
Trade receivables	12.46	11.00
Total	**12.46**	**11.00**

Notes:

a) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

b) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

10 CASH AND BANK BALANCES

a) Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Cash on hand	-	0.15
Cheques on hand	142.52	39.42
Balance with bank		
- On current accounts	207.55	89.47
Total Cash and cash equivalents	**350.07**	**129.04**

Note:

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

Notes to the Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

10 CASH AND BANK BALANCES (Contd.)

b) Bank balances other than cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
(i) Deposits with banks		
- remaining maturity upto twelve months*	374.62	52.30
- remaining maturity for more than twelve months*	-	349.71
	374.62	**402.01**
Less: Amount disclosed under Others financial assets- non current	-	(349.71)
	374.62	52.30
ii) Earmarked balances with banks**	1.40	16.34
Amount disclosed under current bank deposits	**376.02**	**68.64**

*Includes Nil (March 31, 2020: INR 23.78) pledged with bank against guarantee given to stock exchange.

** Earmarked balances include unclaimed/unpaid dividends of INR 0.06 (March 31, 2020: INR 14.97) and bank balance with Indiamart Employee Benefit Trust of INR 1.34 (March 31, 2020: INR 1.37).

11 OTHER ASSETS

	As at March 31, 2021	As at March 31, 2020
Non-current (unsecured, considered good unless stated otherwise)		
Prepaid expenses	0.74	0.44
Total	**0.74**	**0.44**

	As at March 31, 2021	As at March 31, 2020
Current (unsecured, considered good unless stated otherwise)		
Advances recoverable	14.71	16.01
Indirect taxes recoverable	5.25	6.09
Prepaid expenses	16.25	24.29
Others	1.51	-
Total	**37.72**	**46.39**

12 SHARE CAPITAL

Authorised equity share capital (INR 10 per share)	Number of shares	Amount
As at 1 April 2019	**3,00,00,000**	**300.00**
As at March 31, 2020	**3,00,00,000**	**300.00**
Increase during the year	**6,94,42,460**	**694.42**
As at March 31, 2021	**9,94,42,460**	**994.42**

Authorised 0.01% cumulative preference share capital (INR 328 per share)	Number of shares	Amount
As at 1 April 2019	**14,93,903**	**490.00**
As at March 31, 2020	**14,93,903**	**490.00**
Decrease during the year	**(14,93,900)**	**(490.00)**
As at March 31, 2021	**3**	**0.00**

Authorised 0.01% compulsorily convertible cumulative preference share capital (INR 100 per share)	Number of shares	Amount
As at 1 April 2019	**18,94,254**	**189.43**
As at March 31, 2020	**18,94,254**	**189.43**
Decrease during the year	**(18,94,254)**	**(189.43)**
As at March 31, 2021	**-**	**-**

Notes to the Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

12 SHARE CAPITAL (Contd.)

Issued equity share capital (subscribed and fully paid up) (INR 10 per share)	Number of shares	Amount
As at 1 April 2019	**2,85,92,006**	**285.92**
Equity share capital issued on exercise of ESOP during the year (Refer Note 28)	1,82,814	1.83
Equity share capital issued to Indiamart Employee Benefit Trust during the year (refer note (d) below)	1,45,000	1.45
Equity share capital issued during the period and held by Indiamart Employee Benefit Trust as at year end (refer note (d) below)	(42,573)	(0.43)
As at March 31, 2020	**2,88,77,247**	**288.77**
Equity share capital issued on exercise of ESOP during the year (Refer Note 28)	66,696	0.67
Equity share capital issued on qualified institutions placement during the year (refer note 1 below)	12,42,212	12.42
Equity share capital issued to Indiamart Employee Benefit Trust during the year (refer note (d) below)	1,35,000	1.35
Equity share capital issued during the period and held by Indiamart Employee Benefit Trust as at year end (refer note (d) below)	(4,861)	(0.05)
As at March 31, 2021	**3,03,16,294**	**303.16**

Notes:

1 The Company has raised money by the way of Qualified Institutions Placement ('QIP') and alloted 1,242,212 equity shares of face value INR 10 each to the eligible qualified institutional buyers (QIB) at a price of INR 8,615 per equity share (including a premium of INR 8,605 per equity share) aggregating to INR 10,701.66 millions on 22 February 2021. The issue was made in accordance SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. Expenses incurred in relation to QIP amounting to INR 189.67 millions has been adjusted from Securities Premium Account. As per the placement document, QIP proceeds are to augment for future growth and expansion. As on March 31, 2021, 100% of QIP's net proceeds of INR 10,511.99 millions are unutilised and have been temporarily invested in liquid instruments.

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

	As at March 31, 2021		As at March 31, 2020	
	Number	% Holding	Number	% Holding
Equity shares of INR 10 each fully paid				
Dinesh Chandra Agarwal	86,30,747	28.42%	86,30,747	29.84%
Brijesh Kumar Agrawal	58,48,544	19.26%	58,48,544	20.22%
Westbridge Crossover Fund, LLC*	-	-	15,44,154	5.34%

* Westbridge Crossover Fund, LLC ceased to be a shareholder of more than 5% during the year ended March 31, 2021

c) Shares reserved for issue under options

Information relating to the Company's share based payment plans, including details of options and SAR units issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 28.

d) Shares held by Indiamart employee benefit trust against employees share based payment plans (face value: INR 10 each)

	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Opening balance	42,573	0.43	-	-
Purchased during the year	1,35,000	1.35	1,45,000	1.45
Transfer to employees pursuant to SAR exercised	(1,30,139)	(1.30)	(1,02,427)	(1.02)
Closing Balance	**47,434**	**0.48**	**42,573**	**0.43**

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

(Amount in ₹ million, unlesss otherwise stated)

13 OTHER EQUITY

	As at March 31, 2021	As at March 31, 2020
Securities premium	15,310.77	4,753.90
General reserve	8.45	8.45
Employee share based payment reserve	97.37	95.97
Retained earnings	446.69	(2,402.15)
Total other equity	**15,863.28**	**2,456.17**

Nature and purpose of reserves and surplus:

a) **Securities premium:** The Securities premium account is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

b) **General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes, as the same is created by transfer from one component of equity to another.

c) **Employee share based payment reserve:** The Employee share based payment reserve is used to recognise the compensation related to share based awards issued to employees under Company's Share based payment scheme.

d) **Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Company, and re-measurement gains/losses on defined benefit plans.

14 TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
Payable to micro, small and medium enterprises (Refer Note 37)	-	-
Other trade payables		
- outstanding dues to related parties (Refer Note 33)	0.15	0.13
- outstanding dues to others	153.69	176.94
	153.84	**177.07**
Total	**153.84**	**177.07**

15 LEASE AND OTHER FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Lease liabilities (Refer Note 5B)		
Current	108.57	152.61
Non current	525.67	612.49
Total	**634.24**	**765.10**
Other financial liabilities		
Current		
Payable to employees	193.16	239.01
Security deposits	0.14	0.14
Other payables*	0.06	14.97
Total	**193.36**	**254.12**

*Unclaimed/Unpaid dividend represents the interim dividend amount declared during the year ended March 31, 2020 and remaining to be paid to shareholders.

Notes to the Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

16 PROVISIONS

	As at March 31, 2021	As at March 31, 2020
Non-current		
Provision for employee benefits*		
Provision for gratuity	210.81	194.82
Provision for Leave encashment	62.52	63.46
Total	**273.33**	**258.28**
Current		
Provision for employee benefits*		
Provision for gratuity	19.73	10.52
Provision for leave encashment	12.24	13.92
Provision-others**	15.38	15.38
Total	**47.35**	**39.82**

*Refer Note 27.

** Contingency provision towards indirect taxes. There is no change in this provision during the year ended March 31, 2021.

17 CONTRACT AND OTHER LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Contract liabilities*		
Non-current		
Deferred revenue	2,584.22	2,697.13
	2,584.22	**2,697.13**
Current		
Deferred revenue	4,194.60	3,996.30
Advances from customers	477.59	141.77
	4,672.19	**4,138.07**
Total	**7,256.41**	**6,835.20**
Other liabilities-Current		
Statutory dues		
Tax deducted at source payable	37.17	25.69
GST payable	181.19	82.69
Others	4.91	4.91
Total	**223.27**	**113.29**

* Contract liabilities include consideration received in advance to render web services in future periods. Refer Note 33 for outstanding balances pertaining to related parties.

18 INCOME TAX ASSETS (NET)

	As at March 31, 2021	As at March 31, 2020
Income tax assets (net of provisions)		
Non current		
Income tax assets	821.79	211.43
Less: Provision for income tax	(635.25)	-
	186.54	**211.43**
Current		
Income tax assets	54.85	75.45
	54.85	**75.45**
Total	**241.39**	**286.88**

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

(Amount in ₹ million, unlesss otherwise stated)

19 REVENUE FROM OPERATIONS

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of services		
Income from web services	6,550.69	6,167.81
Advertisement and marketing services	99.79	67.32
Total	**6,650.48**	**6,235.13**

Transaction price allocated to the remaining performance obligations

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

	As at March 31, 2021		As at March 31, 2020	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Web services	4,671.39	2,583.35	4,132.78	2,697.13
Advertisement and marketing services	0.80	0.87	5.29	-
	4,672.19	**2,584.22**	**4,138.07**	**2,697.13**

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2021 and March 31, 2020.

	As at March 31, 2021	As at March 31, 2020
Contract liabilities		
Web services	7,254.74	6,829.91
Advertisement and marketing services	1.67	5.29
	7,256.41	**6,835.20**
Non-current	2,584.22	2,697.13
Current	4,672.19	4,138.07
	7,256.41	**6,835.20**

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

	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance at the beginning of the year	6,835.20	5,851.40
Less: Revenue recognised from contract liability balance at the begining of the year	(3,897.92)	(3,062.90)
Add: Amount received from customers during the year	7,071.69	7,218.93
Less: Revenue recognised from amounts received during the year	(2,752.56)	(3,172.23)
Closing balance at the end of the year	**7,256.41**	**6,835.20**

20 OTHER INCOME

	For the year ended March 31, 2021		For the year ended March 31, 2020	
Gain/(loss) on investments carried at fair value through profit and loss				
-Fair value gain on measurement and income from sale of mutual funds	788.80		638.45	
-Fair value loss on Investment in debt instruments of subsidiaries	(41.60)	747.20	-	638.45
Interest income from financial assets measured at amortised cost				
- on bank deposits		29.41		29.71
- on corporate deposits		2.07		-
- on security deposits		4.87		10.22
Other interest income		0.98		3.97
Dividend Income		32.48		-
Gain on de-recognition of Right-of-use assets		10.02		1.34
Liabilities no longer required written back		22.93		-
Net gain on disposal of property, plant and equipment		1.66		0.43
Total		**851.62**		**684.12**

Notes to the Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

21 EMPLOYEE BENEFITS EXPENSE

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, allowance and bonus	1,857.85	2,299.68
Gratuity expense (Refer Note 27)	50.76	30.51
Leave encashment expense (Refer Note 27)	4.75	46.21
Contribution to provident and other funds	16.84	15.05
Employee share based payment expense (Refer Note 28)	52.70	75.46
Staff welfare expenses	4.31	81.44
Total	**1,987.21**	**2,548.35**

22 FINANCE COSTS

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest cost of lease liabilities	66.63	32.83
Total	**66.63**	**32.83**

23 DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of property, plant and equipment (Refer Note 5A)	24.85	38.82
Depreciation of Right-of-use assets (Refer Note 5B)	131.96	167.55
Amortisation of intangible assets (Refer Note 6)	1.84	2.78
Total	**158.65**	**209.15**

24 OTHER EXPENSES

	For the year ended March 31, 2021	For the year ended March 31, 2020
Content development expenses	106.94	227.94
Buyer Engagement Expenses	171.95	163.16
Customer Support Expenses	161.65	230.36
Outsourced sales cost	522.30	724.48
Internet and other online expenses	191.46	227.05
Rent	10.42	10.86
Rates and taxes	4.76	30.96
Communication costs	1.21	7.01
Outsourced support cost	11.72	22.97
Advertisement expenses	6.32	21.34
Power and fuel	6.86	28.78
Printing and stationery	0.46	8.26
Repair and maintenance:		
- Plant and machinery	2.19	12.97
- Others	19.64	74.89
Travelling and conveyance	3.08	50.72
Recruitment and training expenses	6.34	29.15
Legal and professional fees	31.09	29.60
Directors' sitting fees	1.14	2.09
Auditor's remuneration	4.44	5.96
Insurance expenses	28.91	28.64
Collection charges	24.59	21.50
Exchange fluctuation losses	1.16	-

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

(Amount in ₹ million, unlesss otherwise stated)

24 OTHER EXPENSES (Contd.)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Loss on change of control of a subsidiary converted into an associate	0.05	-
Corporate social responsibility activities expenses (Refer Note 36(a))	10.98	1.05
Miscellaneous expenses	0.25	0.54
Total	**1,329.91**	**1,960.28**

Payment to Auditors*	For the year ended March 31, 2021	For the year ended March 31, 2020
As auditor:		
- Audit fee	4.00	5.50
- Other services	0.10	0.03
- Reimbursement of expenses	0.34	0.43
	4.44	**5.96**

*Excludes fees paid to statutory auditor of INR 4.9 millions (March 31, 2020: Nil) for QIP related services.

25(a) EARNINGS PER SHARE (EPS)

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

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

Payment to Auditors*	For the year ended March 31, 2021	For the year ended March 31, 2020
Basic		
Net profit as per the statement of profit and loss for computation of EPS	2,867.13	1,462.08
Weighted average number of equity shares used in calculating basic EPS	2,90,98,875	2,88,19,744
Basic earnings per equity share	98.53	50.73
Diluted		
Weighted average number of equity shares used in calculating basic EPS	2,90,98,875	2,88,19,744
Potential equity shares	4,82,591	5,16,744
Total no. of shares outstanding (including dilution)	**2,95,81,466**	**2,93,36,488**
Diluted earnings per equity share	96.92	49.84

There are potential equity shares for the year ended March 31, 2021 and March 31, 2020 in the form of share based awards granted to employees which have been considered in the calculation of diluted earning per share.

25 (b) DIVIDENDS

Payment to Auditors*	For the year ended March 31, 2021	For the year ended March 31, 2020
Interim dividend for the previous year ended March 31, 2020 of INR 10 per fully paid equity share (excluding the Dividend distribution tax of INR 59.45 millions)	-	289.19
Dividend not recognised at the end of reporting period		
-In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of INR 15 per fully paid equity share (March 31, 2020 – INR Nil). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	455.46	-

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for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

26 INCOME TAX

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax expense/(income)		
Current tax for the year	635.25	-
Adjustments in respect of previous year	-	(3.31)
	635.25	**(3.31)**
Deferred tax expense/(income)		
Relating to origination and reversal of temporary differences	348.10	552.30
Relating to minimum alternate tax	-	3.31
Relating to earlier years	-	(228.61)
	348.10	**327.00**
Tax expense related to change in tax rate and law *		
- Deferred tax	109.22	314.08
	109.22	**314.08**
Total income tax expense	**1,092.57**	**637.77**

* Tax impact for the year ended March 31, 2020 includes the impact of adoption of Taxation Laws Amendment Ordinance 2019 as applicable to the Company. The deferred tax charge due to change in applicable tax rate is INR 277.90 millions and due to reversal of MAT credit entitlement is INR 36.18 millions.

* Pursuant to a recent tax law amendment (enacted on 28 March 2021), the tax amortisable goodwill has become non tax amortisable from financial year ending March 31, 2021. The amended law states that goodwill of a business or profession will not be considered as a depreciable asset and no depreciation on goodwill will be allowed from 1 April 2020. Accordingly, the deferred tax asset on Goodwill was derecognised by the Company as Goodwill ceased to be tax amortisable pursuant to amendments in the Finance Act, 2021

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

Deferred tax related to items recognised in OCI during the year

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net loss on remeasurements of defined benefit plans	(6.15)	(18.22)

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	3,959.70	2,099.85
Accounting profit before income tax	3,959.70	2,099.85
Tax expense at the statutory income tax rate @25.17%	996.66	528.53
Adjustments in respect of unrecognised deferred tax assets of previous years	-	(228.61)
Adjustments in respect of differences taxed at lower tax rates	(17.62)	-
Adjustment in respect of change in carrying amount of investment in subsidiaries	10.47	37.02
Utilisation of previously unrecognised tax losses	-	(10.90)
Tax expense related to change in tax rate/laws	109.22	314.08
Non-deductible expenses and Non taxable income for tax purposes:		
Dividend income received	(8.17)	-
Other non-deductible expenses and non-taxable income	2.01	(2.35)
Tax expense at the effective income tax rate of 27.59% (March 31, 2020: 30.37%)	**1,092.57**	**637.77**

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for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

26 INCOME TAX (Contd.)

d) Breakup of deferred tax recognised in the Balance sheet

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax asset		
Property, plant and equipment and intangible assets	7.61	7.46
Provision for gratuity	58.02	51.68
Provision for compensated absences	18.82	19.47
Investment in subsidiaries measured at fair value	39.30	40.01
Deferred revenue	-	0.56
Tax losses	-	164.19
Unabsorbed depreciation	-	27.20
Goodwill Impairment	-	109.21
Provision for expenses, allowable in subsequent year	28.84	45.13
Ind AS 116 - Leases impact	10.93	0.17
Others	0.09	0.26
Total deferred tax assets (A)	**163.61**	**465.34**
Deferred tax liabilities		
Investment in mutual funds and bonds measured at fair value	(364.51)	(214.63)
Accelerated deduction for tax purposes	(1.76)	(1.78)
Others	(4.54)	(4.96)
Total deferred tax liabilities (B)	**(370.81)**	**(221.37)**
Net deferred tax assets / (liabilities) (C) = (A) - (B)	**(207.20)**	**243.97**

e) Breakup of deferred tax expense/(income) recognised in Statement of profit and loss and OCI

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Deferred tax expense/(income) relates to the following:		
Property, plant and equipment and intangible assets	(0.14)	0.67
Provision for gratuity	(6.34)	(15.89)
Provision for compensated absences	0.66	(4.48)
Provision for diminution of investments in subsidiaries	-	31.49
Investment in subsidiaries measured at fair value	0.71	(5.66)
Investment in mutual funds and bonds measured at fair value	149.88	147.94
Deferred revenue	0.56	10.74
Tax losses	164.19	545.88
Unabsorbed depreciation	27.20	10.06
Goodwill Impairment	109.21	(109.21)
Provision for expenses, allowable in subsequent year	16.29	(39.75)
Accelerated deduction for tax purposes	(0.02)	(0.72)
Minimum alternate tax	-	36.18
Ind AS 116 - Leases impact	(10.76)	8.60
Others	(0.27)	7.01
Deferred tax expense	**451.17**	**622.86**

f) Reconciliation of Deferred tax asset/(liabilities) (Net):

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance as of 1 April	243.97	858.06
Tax expense during the period recognised in Statement of profit and loss	(348.10)	(327.00)
Tax impact related to change in tax rate/law	(109.22)	(314.08)
Tax impact during the period recognised in OCI	6.15	18.22
Deferred tax on Ind AS 116 impact on retained earning	-	8.77
Closing balance at the end of the year	**(207.20)**	**243.97**

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 deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

27 DEFINED BENEFIT PLAN AND OTHER LONG-TERM EMPLOYEE BENEFIT PLAN

The Company has a defined benefit gratuity plan. Every employee who has completed statutory defined period of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with insurance company in form of qualifying insurance policy. This defined benefit plan exposes 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 March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	287.84	218.28
Fair value of plan assets	(57.30)	(12.94)
Net liability arising from defined benefit obligation	230.54	205.34

Leave encashment - other long-term employee benefit plan

	As at March 31, 2021	As at March 31, 2020
Present value of other long-term empoyee benefit	74.76	77.38
Net liability arising from other long-term employee benefit	74.76	77.38

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

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

Reconciliation of present value of defined benefit obligation for Gratuity and Leave encashment

	Gratuity	
	March 31, 2021	March 31, 2020
Balance at the beginning of the year	218.28	123.90
Benefits paid	(7.32)	(9.39)
Current service cost	37.94	22.65
Interest cost	13.63	9.51
Actuarial (gains)/losses		
- changes in demographic assumptions	(2.18)	26.26
- changes in financial assumptions	11.84	29.14
- experience adjustments	15.65	16.21
Balance at the end of the year	**287.84**	**218.28**

	Leave encashment	
	March 31, 2021	March 31, 2020
Balance at the beginning of the year	77.38	42.92
Benefits paid	(7.37)	(11.75)
Current service cost	1.66	24.08
Interest cost	4.83	3.29
Actuarial (gains)/losses		
- changes in demographic assumptions	(4.84)	7.22
- changes in financial assumptions	0.66	4.87
- experience adjustments	2.44	6.75
Balance at the end of the year	**74.76**	**77.38**

(Amount in ₹ million, unlesss otherwise stated)

27 DEFINED BENEFIT PLAN AND OTHER LONG-TERM EMPLOYEE BENEFIT PLAN (Contd.)

Movement in fair value of plan assets

	Gratuity	
	March 31, 2021	March 31, 2020
Opening fair value of plan assets	12.94	21.46
Interest income	0.81	1.65
Acturial gains/(losses)	0.87	(0.78)
Contributions from the employer	50.00	-
Benefits paid	(7.32)	(9.39)
Closing fair value of plan assets	**57.30**	**12.94**

Each year the management of the Company reviews the level of funding requried as per its risk management strategy. The Company expects to contribute to gratuity INR 42.55 millions in FY 2021-22(March 31, 2020: INR 37.22 million).

The major categories of plan assets as a percentage of the fair value of the total plan assets are as follows:

	As at March 31, 2021	As at March 31, 2020
Funds managed by insurer	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

b) Expense recognised in profit or loss

	Gratuity	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	37.94	22.65
Net interest expense	12.82	7.86
Components of defined benefit costs recognised in profit or loss	50.76	30.51
Remeasurement of the net defined benefit liability		
Actuarial (gain)/loss on plan assets	(0.87)	0.78
Actuarial loss on defined benefit obligation	25.31	71.61
Components of defined benefit costs recognised in other comprehensive loss	24.44	72.39

	Leave encashment	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	1.66	24.08
Net interest expense	4.83	3.29
Actuarial/(gain) loss on other long term employee benefit plan	(1.74)	18.84
Components of other long term employee benefit costs recognised in profit or loss	4.75	46.21

c) Actuarial assumptions

Principal actuarial assumptions as at reporting date (expressed as weighted averages):

	As at March 31, 2021	As at March 31, 2020
Discount rate	6.45%	6.25%
Expected rate of return on assets	6.45%	6.25%

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27 DEFINED BENEFIT PLAN AND OTHER LONG-TERM EMPLOYEE BENEFIT PLAN (Contd.)

	As at March 31, 2021		As at March 31, 2020	
Attrition rate:	**Upto 4 years of service**	**Above 4 years of service**	**Upto 4 years of service**	**Above 4 years of service**
Ages	30.00%	30.00%	18.46%	11.54%
Upto 30 years	10.00%	10.00%	12.99%	7.94%
Above 30 years				
Future salary growth	12.00%	12.00%	4.00%	6.00%
Year 1	12.00%	12.00%	12.00%	18.00%
Year 2	12.00%	12.00%	8.00%	12.00%
Year 3 and onwards				
Mortality table	India Assured Life Moratility (2012-14)		India Assured Life Moratility (2012-14)	

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

d) Sensitivity analysis

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

Gratuity

As at March 31, 2021	Increase	Decrease
Impact of change in discount rate by 0.50%	(19.37)	21.62
Impact of change in salary by 0.50%	10.10	(10.51)

As at March 31, 2020	Increase	Decrease
Impact of change in discount rate by 0.50%	(13.95)	15.46
Impact of change in salary by 0.50%	8.02	(8.28)

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

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

Particulars	As at March 31, 2021	As at March 31, 2020
Within one year	19.73	10.52
Within one - three years	30.42	21.21
Within three - five years	26.79	21.55
Above five years	210.90	165.00
Total	**287.84**	**218.28**

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(Amount in ₹ million, unlesss otherwise stated)

28 SHARE BASED PAYMENT PLANS

a) Employee Stock Option Plan (ESOP)

The Company has provided various share-based payment schemes to its employees in the preceding financial years. During the year ended March 31, 2021, the following schemes were in operation:

	ESOP 2015	ESOP 2016	ESOP 2017
Date of grant	June 08, 2015	July 28, 2016	June 02, 2017
Date of Board Approval	June 08, 2015	July 28, 2016	May 04, 2017
Date of Shareholder's approval	September 23, 2015	September 23, 2015	September 23, 2015
Number of options approved	5,39,000	2,76,980	2,00,730
Method of Settlement	Equity	Equity	Equity
Vesting period (in months)	0 to 48 Months	0 to 48 Months	0 to 48 Months

The details of activity have been summarised below:

ESOP 2015

	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	Nil	200	62,100	200
Granted during the year	Nil	200	Nil	200
Forfeited/ expired during the year	Nil	200	Nil	200
Exercised during the year	Nil	200	62,100	200
Outstanding at the end of the year	Nil	200	Nil	200
Exercisable at the end of the year	Nil	200	Nil	200

ESOP 2016

	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	19,425	200	41,850	200
Granted during the year	Nil	200	Nil	200
Forfeited/ expired during the year	-	200	2,400	200
Exercised during the year	19,425	200	20,025	200
Outstanding at the end of the year	-	200	19,425	200
Exercisable at the end of the year	Nil	200	Nil	200

ESOP 2017

	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	27,846	200	37,888	200
Granted during the year	Nil	200	Nil	200
Forfeited/ expired during the year	-	200	760	200
Exercised during the year	13,923	200	9,282	200
Outstanding at the end of the year	13,923	200	27,846	200
Exercisable at the end of the year	Nil	200	Nil	200

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(Amount in ₹ million, unlesss otherwise stated)

28 SHARE BASED PAYMENT PLANS (Contd.)

Figures for current year ended March 31, 2021 and previous year are as follows:

	As at March 31, 2021		
	ESOP 2015	ESOP 2016	ESOP 2017
Range of exercise prices	NA	200	200
Number of options outstanding	NA	-	13,923
Weighted average remaining contractual life of options (in years)	NA	-	-
Weighted average exercise price	NA	200	200
Weighted average share price for the options exercised during the year	NA	300	300

	As at March 31, 2020		
	ESOP 2015	ESOP 2016	ESOP 2017
Range of exercise prices	200	200	200
Number of options outstanding	Nil	19,425	27,846
Weighted average remaining contractual life of options (in years)	-	0.25	0.80
Weighted average exercise price	NA	200	200
Weighted average share price for the options exercised during the year	NA	300	300

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 March 31, 2021		
	ESOP 2015	ESOP 2016	ESOP 2017
Weighted average share price	NA	275.93	280.50
Exercise price	NA	200	200
Expected volatility	NA	0.00%	0.00%
Historical volatility	NA	0.10%	0.10%
Life of the options granted (Vesting and exercise period) in years	NA	7.70	7.70
Expected dividends	NA	Nil	Nil
Average risk-free interest rate	NA	7.20%	7.20%

	As at March 31, 2020		
	ESOP 2015	ESOP 2016	ESOP 2017
Weighted average share price	200	275.93	280.50
Exercise price	200	200	200
Expected volatility	0.00%	0.00%	0.00%
Historical volatility	0.10%	0.10%	0.10%
Life of the options granted (Vesting and exercise period) in years	7.70	7.70	7.70
Expected dividends	Nil	Nil	Nil
Average risk-free interest rate	7.77%	7.20%	7.20%

The Company has provided various share-based payment schemes to its employees in the preceding financial years.

Stock appreciation rights (SAR)

The Company had granted stock appreciation rights to its employees during the previous years. Details are as follows

	SAR 2018
Date of grant	October 01, 2018
Date of Board Approval	September 22, 2018
Date Of Shareholder's approval	May 07, 2018
Number of units approved	8,00,740
Method of Settlement	Equity
Vesting year (in months)	0 to 48 Months

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(Amount in ₹ million, unlesss otherwise stated)

28 SHARE BASED PAYMENT PLANS (Contd.)

The details of activity have been summarised below:

	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Number of SAR units	Weighted Average Exercise Price (INR)	Number of SAR units	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	5,84,592	500	7,79,740	500
Granted during the year	Nil	Nil	Nil	Nil
Lapsed during the year	12,448	500	45,332	500
Exercised during the year	1,44,356	Nil	1,49,816	Nil
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	4,27,788	500	5,84,592	500
Exercisable at the end of the year	Nil	Nil	Nil	Nil

Figures for SAR 2018 are as follows:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Range of exercise prices	500	500
Number of units outstanding	4,27,788	5,84,592
Weighted average remaining contractual life of units (in years)	1.50	2.50
Weighted average exercise price	500	500

SAR units granted

The fair value of SAR units 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:

	SAR 2018
Weighted average share price	597
Exercise Price	500
Expected Volatility	41%
Historical Volatility	41%
Life of the units granted (Vesting and exercise year) in years	4.00
Expected dividends	Nil
Average risk-free interest rate	7.80%

Effect of the employee share-based payment plans on the profit and loss:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Total Employee Compensation Cost pertaining to share-based payment plans	52.70	75.46
Compensation Cost pertaining to equity-settled employee share-based payment plan included above	52.70	75.46

Effect of the employee share-based payment plans on its financial position:

	As at March 31, 2021	As at March 31, 2020
Total reserve for employee stock options outstanding as at year end	97.37	95.97

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29 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:

	Level	As at March 31, 2021	As at March 31, 2020
Financial assets			
a) Measured at fair value through profit or loss (FVTPL)			
- Investment in mutual funds and bonds (Refer Note b(iii) below)	Level 1	22,161.38	8,655.45
- Investment in debt instruments of subsidiaries and equity/preference instruments of other entities (Refer Note b(iv) below)	Level 3	190.49	89.60
		22,351.87	**8,745.05**
b) Measured at amortised cost (Refer Note b(i) and (ii) below)			
- Trade receivables		12.46	11.00
- Cash and cash equivalents		350.07	129.04
- Loans to employees		8.98	12.26
- Inter-corporate deposits		701.91	-
- Security deposits		41.70	101.16
- Deposits with Banks		376.02	418.35
- Other financial assets		66.94	23.17
		1,558.08	**694.98**
Total (a+b)		**23,909.95**	**9,440.03**
Financial liabilities			
a) Measured at amortised cost (Refer Note b(i) and (ii) below)			
- Trade payables		153.84	177.07
- Security deposits		0.14	0.14
- Other financial liabilities		193.22	253.99
- Lease liabilities		634.24	765.09
Total		**981.44**	**1,196.29**

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

i) The carrying value of Deposits with Banks, Inter-corporate deposits with Financial institutions, trade receivables, cash and cash equivalents, loans to employees, trade payables, security deposits, lease liabilities and other financial assets and other financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments. These have been assessed basis counterparty credit risk.

ii) The fair value of non-current financial assets and financial liabilities are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used do not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.

iii) Fair value of quoted mutual funds and bonds is based on quoted market prices at the reporting date. We do not expect material volatility in these financial assets.

iv) Fair value of debt instruments of subsidiaries and equity/preference instruments of other entities is estimated based on market multiple / replacement cost method / discounted cash flows valuation technique using cash flow projections, discount rate and credit risk.

(Amount in ₹ million, unlesss otherwise stated)

29 FAIR VALUE MEASUREMENTS (Contd.)

c) Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets as of March 31, 2021 and March 31, 2020:

Financial assets	Valuation technique(s)	Key input(s)	Sensitivity
Investment in debt instruments of subsidiaries and equity/preference instruments of other entities			
- Pay With Indiamart Private Limited, Mobisy Technologies Private Limited	Refer Note below*	i) Discount rate ii) Growth rate for long term cash flow projections iii) Future cash flow projections based on budgets approved by the management.	Refer note below**
- Tolexo Online Private Limited	Replacement cost method / Market multiple	Replacement cost / Market multiple	NA

* The fair values of financial assets included in level 3 have been determined in accordance with generally accepted valuation models based on a discounted cashflow analysis, with one of the most significant inputs being the discount rate that reflects the credit risk of counter parties.

** Sensitivity to changes in unobservable inputs: The fair value of the financial assets is directly proportional to the estimated future cash flow projections based on the budgets approved by the management. Change in significant unobservable input of discount rate by 100 bps and growth rate by 100 bps in the valuation does not have a significant impact on the carrying value of the assets in the financial statements.

d) Reconciliation of level 3 fair value measurements

	Investment in Optionally Convertible Cumulative Redeemable Preference instruments of subsidiaries	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance	89.60	90.39
Loss recognised in profit or loss	(41.60)	(68.79)
Additions	42.50	68.00
Closing balance	**90.50**	**89.60**

	Investment in equity/preference instruments of other entities	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance	-	-
Additions	99.99	-
Closing balance	**99.99**	**-**

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

30 CAPITAL MANAGEMENT

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

The capital structure of the company consists of no debts and only equity of the company.

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.

31 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

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31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

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, investments in mutual funds, bonds, loans 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 primarily collects consideration in advance for the services to be provided to the customer. As a result, the Company is not exposed to significant credit risk on trade receivables.

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

The Company maintaines its cash and cash equivalents, bank deposits, inter-corporate deposits, investment in mutual funds and bonds 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 and Loans

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 and 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 payments:

Contractual maturities of financial liabilities

March 31, 2021	Within 1 year	Between 1 and 5 years and thereafter	Total
Trade payables	153.84	-	153.84
Lease liabilities	108.57	525.67	634.24
Other financial liabilities	193.36	-	193.36
	455.77	**525.67**	**981.44**

March 31, 2020	Within 1 year	Between 1 and 5 years and thereafter	Total
Trade payables	177.07	-	177.07
Lease liabilities	152.61	612.49	765.10
Other financial liabilities	254.12	-	254.12
	583.80	**612.49**	**1,196.29**

(Amount in ₹ million, unlesss otherwise stated)

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

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 and bonds.

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 March 31, 2021 and March 31, 2020 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 March 31, 2021	As at March 31, 2020
Trade receivable	USD 0.09 (INR 6.72)	USD 0.05 (INR 3.77)

Sensitivity	Impact on profit before tax	
	For the year ended March 31, 2021	For the year ended March 31, 2020
USD sensitivity		
INR/USD - increase by 2%	0.13	0.08
INR/USD - decrease by 2%	(0.13)	(0.08)

Interest rate risk

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

Sensitivity	Impact on profit before tax	
	For the year ended March 31, 2021	For the year ended March 31, 2020
+ 5% change in NAV of mutual funds and bonds	1,108.07	432.77
- 5% change in NAV of mutual funds and bonds	(1,108.07)	(432.77)

32 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has only one business segment which is business-to-business e-marketplace, which acts as an interactive hub for domestic and international buyers and suppliers and operates in a single business segment based on the nature of the products, the risks and returns, the organisation structure and the internal financial reporting systems. Hence the company falls within a single operating segment "Business to business e-marketplace".

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		Non-current assets*	
	For the year ended March 31, 2021	For the year ended March 31, 2020	As at March 31, 2021	As at March 31, 2020
India	6,572.16	6,194.94	652.43	854.44
Others	78.32	40.19	-	-
	6,650.48	**6,235.13**	**652.43**	**854.44**

* Non-current assets exclude financial assets, investment in subsidiaries and associates, deferred tax assets, tax assets and post-employement benefit assets.

Notes to the Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

33 RELATED PARTY TRANSACTIONS

i) Names of related parties and related party relationship:

a) Entity's subsidiaries & associates

Subsidiaries	Hello Trade Online Private Limited
	Tradezeal Online Private Limited
	Tolexo Online Private Ltd
	Pay With Indiamart Private Limited
	Ten Times Online Private Limited (ceased to be a subsidiary on 1 September 2020)
Associates	Simply Vyapar Apps Private Limited
	Ten Times Online Private Limited (with effect from 1 September 2020)

b) Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them Significant Influence over the Company and Key Management Personnel (KMP)

Name	Designation
Dinesh Chandra Agarwal	Managing Director & CEO
Brijesh Kumar Agrawal	Whole time director
Prateek Chandra	Chief financial officer
Manoj Bhargava	Company Secretary
Dhruv Prakash	Non-executive director
Rajesh Sawhney	Independent director
Elizabeth Lucy Chapman	Independent director
Vivek Narayan Gour	Independent director

c) Entities where Individuals and Key Management Personnel (KMP) as defined above exercise significant influence

Mansa Enterprises Private Limited

d) Other related parties

Indiamart Employee Benefit Trust (seperately administered Trust to manage employees share based payment plans of the company)

Indiamart Intermesh Employees Group Gratuity Assurance Scheme (seperately administered Trust to manage post employment defined benefits of employees of the company)

ii) Key management personnel compensation

	For the year ended March 31, 2021	For the year ended March 31, 2020
Short-term employee benefits	111.39	119.15
Post- employment benefits	0.13	1.11
Other long-term employee benefits	-	3.67
Employee share based payment	4.37	32.39
	115.89	**156.32**

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Entities where KMP and Individuals exercise Significant influence		
Expenses for rent		
Mansa Enterprises Private Limited	1.59	3.07
Key management personnel		
Recruitment and training expenses		
Dhruv Prakash	0.44	3.09
Director's sitting fees	1.14	2.09
Dividend paid		
Dinesh Chandra Agarwal	-	86.31
Brijesh Kumar Agrawal	-	58.49
Prateek Chandra	-	1.01
Manoj Bhargava	-	0.01

Notes to the Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

33 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rajesh Sawhney	-	0.25
Dhruv Prakash	-	0.40
Vivek Narayan Gour	-	0.09
Associates		
Investment in associates		
Simply Vyapar Apps Private Limited	-	312.02
Internet and online services availed		
Ten Times Online Pvt. Ltd (from 1 September 2020)	0.05	-
Subsidiary companies		
Investment in subsidiaries		
Tolexo Online Pvt. Ltd	20.00	58.00
Tradezeal Online Pvt. Ltd	20.00	-
Pay With Indiamart Pvt. Ltd	2.50	10.00
Web services provided to		
Pay With Indiamart Pvt. Ltd	4.53	3.94
Simply Vyapar Apps Private Limited	0.04	0.01
Indemnification against gateway transactions paid		
Pay With Indiamart Pvt. Ltd	1.98	0.12
Customer support services availed from		
Pay With Indiamart Pvt. Ltd	1.27	1.48
Dividend received		
Ten Times Online Pvt. Ltd (till 1 September 2020)	32.48	-
Indiamart Employee Benefit Trust		
Interest free loan given	1.20	1.50
Repayment of loan given	1.20	-
Share capital issued	1.35	1.45
Dividend paid	-	0.43

Terms and conditions of transactions with related parties

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

The above transactions do not include IPO related expenses, incurred, in trust on behalf of related parties (Managing Director and Whole time Director) as selling shareholders in Offer for Sale during the year ended March 31, 2020.

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

Balance Outstanding at the year end	As at March 31, 2021	As at March 31, 2020
Subsidiary companies		
Investment in debt instruments of subsidiaries (Measured at FVTPL)		
Tolexo Online Pvt. Ltd	15.00	36.60
Tradezeal Online Pvt. Ltd	20.00	-
Pay With Indiamart Pvt. Ltd	55.50	53.00
Investment in equity instruments of subsidiaries (At cost)*		
Tolexo Online Pvt. Ltd	70.02	70.02
Tradezeal Online Pvt. Ltd	1.10	1.10
Hello Trade Online Pvt. Ltd	0.30	0.30
Pay With Indiamart Pvt. Ltd	1.00	1.00
Ten Times Online Pvt. Ltd (Refer Note 7(1))	-	3.10
Trade payable		
Pay With Indiamart Pvt. Ltd	0.10	-

Notes to the Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

33 RELATED PARTY TRANSACTIONS (Contd.)

Balance Outstanding at the year end	As at March 31, 2021	As at March 31, 2020
Key management personnel		
Recruitment and training expenses payable		
Dhruv Prakash	-	0.13
Director's sitting fees	0.05	-
Associates		
Investment in associates		
Simply Vyapar Apps Private Limited	312.02	312.02
Ten Times Online Pvt. Ltd (Refer Note 7(1))	0.93	-
Deferred Revenue		
Simply Vyapar Apps Private Limited	0.47	0.02
Loan given		
Indiamart Employee Benefit Trust	1.50	1.50

*Does not include provision for diminution of investment in equity shares.

34 THE COMPANY HAS PROVIDED FOLLOWING FUNCTION WISE RESULTS OF OPERATIONS ON A VOLUNTARY BASIS

The management has presented the below function wise results because it also monitors its performance in the manner explained below and it believes that this information is relevant to understanding the Company's financial performance. The basis of calculation is also mentioned for reference.

		For the year ended March 31, 2021	For the year ended March 31, 2020
A	Revenue from operations	6,650.48	6,235.13
B	Customer service cost	(1,216.58)	(1,738.86)
C	**Surplus over customer service cost (A-B)**	**5,433.90**	**4,496.27**
	Selling & Distribution Expenses	801.38	1,129.62
	Technology & Content Expenses	847.35	1,036.40
	Marketing Expenses	21.66	51.42
	Depreciation and amortisation	158.65	209.15
	Other Operating Expenses	430.15	552.33
D	**Total**	**2,259.19**	**2,978.92**
E	**Operating profit (C-D)**	**3,174.71**	**1,517.35**
	Finance costs	(66.63)	(32.83)
	Other income	851.62	684.12
F	**Total**	**784.99**	**651.29**
	Profit before exceptional items and tax	3,959.70	2,168.64
	Exceptional item	-	68.79
G	**Profit before tax**	3,959.70	2,099.85
	Tax expense	983.35	323.69
	Tax expense related to change in tax rate/law	109.22	314.08
	Profit for the year	**2,867.13**	**1,462.08**

Below is the basis of classification of various function wise expenses mentioned above:

Customer service cost

Customer service cost primarily consists of employee benefits expense for employees involved in servicing of our clients; website content charges (included in "Content development expenses" in Note 24); PNS charges i.e. rental for premium number service provided to our paying suppliers (included in "Buyer Engagement Expenses" in Note 24); SMS & Email charges i.e. cost of notifications sent to paying suppliers through SMS or email (included in "Buyer Engagement Expenses" in Note 24); Buy Lead Verification & Enrichment i.e. costs incurred in connection with the verification of RFQs posted by registered buyers on Indiamart and provided to our paying suppliers as a part of our subscription packages (included in "Customer Support Expenses" in Note 24); other expenses such as rent, power and fuel, repair & maintenance, travelling & conveyance allocated based on employee count; collection charges; domain registration & renewal charges (included in "Internet and other online expenses" in Note 24) for serving our clients.

(Amount in ₹ million, unlesss otherwise stated)

34 THE COMPANY HAS PROVIDED FOLLOWING FUNCTION WISE RESULTS OF OPERATIONS ON A VOLUNTARY BASIS (Contd.)

Selling & Distribution Expenses

Selling & Distribution Expenses primarily consists of employee benefits expense for employees involved in acquisition of new paying suppliers; Outsourced sales cost i.e. costs incurred in connection with our outsourced telephone sales team and field sales team, other expenses such as rent, power and fuel, repair & maintenance, travelling & conveyance allocated based on employee count.

Technology & Content Expenses

Technology and content expenses include employee benefits expense for employees involved in the research and development of new and existing products and services, development, design, and maintenance of our website and mobile application, curation and display of products and services made available on our websites, and digital infrastructure costs; Data Verification & Enrichment i.e. amount paid to third parties to maintain and enhance our database (included in "Content development expenses" in Note 24); PNS charges i.e. rental for premium number service provided to our free suppliers (included in "Buyer Engagement Expenses" in Note 24); SMS & Email charges i.e. cost of notifications sent to buyers and free suppliers through SMS or email (included in "Buyer Engagement Expenses" in Note 24); Buy Lead Verification & Enrichment i.e. costs incurred in connection with the verification of RFQs posted by registered buyers on Indiamart and provided to our free suppliers (included in "Customer Support Expenses" in Note 24); other expenses such as rent, power and fuel, repair & maintenance, travelling & conveyance allocated based on employee count; Complaint Handling (1-800) Exp. (included in "Customer Support Expenses" in Note 24); Server Exp. (Web Space for Hosting), Software Expenses, Server Exp. (Google Emails-Employees) & Website Support & Maintenance (included in "Internet and other online expenses" in Note 24).

Marketing Expenses

While most of our branding and marketing is done by our field sales representatives through face to face meetings with potential customers (included in Selling & Distribution Expenses), our branding is aided by our spending on marketing, such as targeted digital marketing, search engine advertisements and offline advertising, and we also engage in advertising campaigns from time to time through television and print media. Employee benefits expense for employees involved in marketing activities are also included in marketing expenses.

Other Operating Expenses

Other operating expenses primarily include employee benefits expense for our support function employees; expenses such as rent, power and fuel, repair & maintenance, travelling & conveyance allocated basis employee count; browsing & connectivity-branch & employees (included in "Internet and other online expenses" in Note 24); telephone expenses-branch & employees (included in "Communication Costs" in Note 24); recruitment and training expenses; legal and professional fees and other miscellaneous operating expenses.

35 CONTINGENT LIABILITIES AND COMMITMENTS

a) Contingent liabilities

1. On February 28, 2019, a judgment of the Supreme Court of India interpreting certain statutory defined contribution obligations of employees and employers altered historical understandings of such obligations, extending them to cover additional portions of the employee's income. However, the judgment isn't explicit if such interpretation may have retrospective application resulting in increased contribution for past and future years for certain employees of the Company. The Company, based on an internal assesssment, evaluated that there are numerous interpretative challenges on the retrospective application of the judgment which results in impracticability in estimation of and timing of payment and amount involved. As a result of lack of implementation guidance and interpretative challenges involved, the Company is unable to reliably estimate the amount involved. Accordingly, the Company shall evaluate the amount of provision, if any, on there being further clarity on the matter.

2. The Company is involved in various lawsuits, claims and proceedings that arise in the ordinary course of business, the outcome of which is inherently uncertain. Some of these matters include speculative and frivolous claims for substantial or indeterminate amounts of damages. The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Company reviews these provisions and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Company believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, financial position, results or cash flows of the Company, with respect to loss contingencies for legal and other contingencies as at March 31, 2021.

3. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.

Notes to the Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

35 CONTINGENT LIABILITIES AND COMMITMENTS (Contd.)

b) Capital and other commitments

- As at March 31, 2021, the Company has capital commitment of INR 13 millions (March 31, 2020: Nil).
- The Company will provide financial support to its wholly owned subsidiaries, so as to meet their liabilities as and when the same is required.

36 a) As per section 135 of the Companies Act, 2013, amount required to be spent by the Company on Corporate Social Responsibility (CSR) during the year ended 31 march 2021 is INR 10.98 (March 31, 2020: INR 1.05), computed at 2% of its average net profit for the immediately preceding three financial years. The Company incurred an amount INR 12.49 during the year ended March 31, 2021 (March 31, 2020: INR 1.05), towards CSR expenditure. The Company decided in the meeting of its board of directors to carry forward the excess spent of INR 1.51 for succeeding years.

b) Exceptional item, during the year ended March 31, 2020, amounting to INR 68.79 represents fair value change in the carrying value of investment in Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS), held in Tolexo Online Private limited, a wholly owned subsidiary company, due to the current economic conditions.

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

	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period		
- Principal amount due to micro and small enterprises	-	-
- Interest due on above	-	-
	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-
	-	-

38 EVENTS AFTER THE REPORTING PERIOD

The Company has evaluated all the subsequent events through 29 April 2021, which is the date on which these standalone financial statements were issued, and no events have occurred from the balance sheet date through that date except for matters that have already been considered in the standalone financial statements.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Kanika Kohli
Partner
Membership No.: 511565

Place: Gurugram
Date: 29 April 2021

For and on behalf of the Board of Directors of **IndiaMART InterMESH Limited**

Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN:00191800

Brijesh Kumar Agrawal
(Whole-time Director)
DIN:00191760

Prateek Chandra
(Chief Financial Officer)

Manoj Bhargava
(Company Secretary)

Place: Noida
Date: 29 April 2021

Independent Auditors' Report

To the Members of IndiaMART InterMESH Limited

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of IndiaMART InterMESH Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income (loss)), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and associates as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2021, of its consolidated profit and other comprehensive income (loss), consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated 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 financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

DESCRIPTION OF KEY AUDIT MATTER

Revenue Recognition (See note 2.3(d) and 19 to the consolidated financial statements)

The key audit matter	How the matter was addressed in our audit
The Group generates revenue primarily from web services and follows a prepaid model for its business. Revenue from web services is recognised over the period of the contract as and when the Group satisfies performance obligations by actually rendering the promised services to its customers. These services are delivered using IT systems which manage very high volume on daily basis and generate reports from which the Group recognises revenue, and hence there is inherent risk around the existence and accuracy of revenue recognition. We have identified revenue recognition from web services as a key audit matter because of the significance of web service revenue to the financial statements and its recognition based on high volume of data generated by internal IT systems.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: » We assessed the appropriateness of the revenue recognition accounting policy and its compliance with applicable accounting standards. » We evaluated the design and implementation of key internal financial controls and operating effectiveness of the relevant key controls with respect to existence and accuracy of revenue recognition on selected transactions. » We, with the involvement of IT specialists, evaluated the design, implementation and operating effectiveness of management's general IT controls and key application controls over the Group's IT systems which govern revenue recognition, including access controls, controls over program changes and interfaces between different systems. » We selected a sample of transactions using statistical sampling and performed tests of details including reading the contract, identifying performance obligation and its link with actual rendition to assess whether the criteria for revenue recognition are met. » We tested completeness and accuracy of web services revenue and collection from underlying relevant source documents generated by IT systems with accounting system. » We assessed the adequacy of disclosures in the consolidated financial statements.

OTHER INFORMATION

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income (loss), consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each 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 controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates is responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent

the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matter' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

OTHER MATTER

We did not audit the financial statements of four subsidiaries, whose financial statements, net of consolidation adjustments, reflect total assets of INR 93.74 Million as at 31 March 2021, total revenues of INR 29.18 Million and net cash outflows amounting to INR 19.53 Million for the year ended on that date, as considered in the consolidated financial statements. We did not audit the financial information of one subsidiary (till 01 September 2020), whose financial information, net of consolidation adjustments, reflect total assets of INR NIL as at 1 September 2020, total revenues of INR 20.49 Million for the period 1 April 2020 to 1 September 2020 and net cashflows amounting to INR 27.97 Million for the period 1 April 2020 to 1 September 2020, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income (loss)) of INR 26.60 million for the year ended 31 March 2021, in respect of two associates, whose financial statements have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the audit reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and associates as were audited by other auditors, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associates companies incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Further, the associate companies incorporated in India have been exempted from the requirement of its auditor reporting on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, as noted in the 'Other Matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group and its associates. Refer Note 36 to the consolidated financial statements.

ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and associate companies incorporated in India during the year ended 31 March 2021.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2021.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The associate companies are private limited companies and accordingly the requirements as stipulated by the provisions of section 197 (16) are not applicable to the associate companies. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration No: 101248W/W-100022

Kanika Kohli
Partner
Membership No: 511565
ICAI UDIN: 21511565AAAAAX2709

Place: Gurugram
Date: 29 April 2021

Annexure A to the Independent Auditors' Report on the Consolidated Financial Statements of IndiaMART InterMESH Limited for the year ended 31 March 2021

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In conjunction with our audit of the consolidated financial statements of IndiaMART InterMESH Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to the consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 the respective 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 Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 (3) 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 consolidated financial statements.

(Amount in ₹ million, unlesss otherwise stated)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to four subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration No: 101248W/W-100022

Kanika Kohli
Partner
Membership No: 511565
ICAI UDIN: 21511565AAAAAX2709

Place: Gurugram
Date: 29 April 2021

Consolidated Balance Sheet

as at March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	5A	22.31	51.76
Capital work in progress	5A	1.77	1.77
Right-of-use asset	5B	625.65	799.71
Intangible assets	6	2.71	4.83
Investment in associates	7	269.94	295.61
Financial assets			
(i) Investments	8	99.99	-
(ii) Loans	8	2.37	0.73
(iii) Others financial assets	8	38.72	400.83
Deferred tax assets (net)	26	-	245.70
Non-current tax assets (net)	18	186.60	211.60
Other non-current assets	9	17.46	17.22
Total Non-current assets		**1,267.52**	**2,029.76**
Current assets			
Financial assets			
(i) Investments	8	22,174.36	8,718.78
(ii) Trade receivables	10	12.46	16.82
(iii) Cash and cash equivalents	11	401.19	169.38
(iv) Bank balances other than (iii) above	11	376.08	69.26
(v) Loans	8	709.25	12.99
(vi) Others financial assets	8	76.75	79.83
Current tax assets (net)	18	56.62	79.34
Other current assets	9	40.35	53.13
Total Current assets		**23,847.06**	**9,199.53**
Total Assets		**25,114.58**	**11,229.29**
EQUITY AND LIABILITIES			
Equity			
Share capital	12	303.16	288.77
Other equity	13	15,805.68	2,461.80
Total Equity		**16,108.84**	**2,750.57**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	15 (a)	525.67	612.49
Provisions	16	275.36	265.40
Deferred tax liabilities (net)	26	207.20	-
Contract liabilities	17	2,584.75	2,697.21
Total Non-current liabilities		**3,592.98**	**3,575.10**
Current liabilities			
Financial liabilities			
(i) Trade payables	14		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		154.28	179.42
(ii) Lease liabilities	15 (a)	108.57	152.61
(iii) Other financial liabilities	15 (b)	201.40	259.97
Provisions	16	48.43	40.47
Contract liabilities	17	4,676.26	4,155.58
Other current liabilities	17	223.82	115.57
Total Current liabilities		**5,412.76**	**4,903.62**
Total Liabilities		**9,005.74**	**8,478.72**
Total Equity and Liabilities		**25,114.58**	**11,229.29**
Summary of significant accounting policies	2		

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

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Kanika Kohli
Partner
Membership No.: 511565

Place: Gurugram
Date: 29 April 2021

For and on behalf of the Board of Directors of **IndiaMART InterMESH Limited**

Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN:00191800

Brijesh Kumar Agrawal
(Whole-time Director)
DIN:00191760

Prateek Chandra
(Chief Financial Officer)

Manoj Bhargava
(Company Secretary)

Place: Noida
Date: 29 April 2021

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME:			
Revenue from operations	19	6,695.62	6,388.54
Other income	20	865.84	685.91
Total income		**7,561.46**	**7,074.45**
EXPENSES:			
Employee benefits expense	21	2,052.13	2,666.69
Finance costs	22	66.63	32.83
Depreciation and amortisation expense	23	160.65	211.45
Other expenses	24	1,361.92	2,032.88
Total expenses		**3,641.33**	**4,943.85**
Net profit before share of profit in associates and tax		**3,920.13**	**2,130.60**
Share in net loss of associates		(26.60)	(16.41)
Profit before tax		**3,893.53**	**2,114.19**
Income tax expense			
Current tax	26	639.25	0.67
Deferred tax	26	347.32	325.62
Tax expense related to change in tax rate and law	26	109.22	314.08
Total tax expense		**1,095.79**	**640.37**
Net profit for the year		**2,797.74**	**1,473.82**
Other comprehensive loss			
Items that will not be reclassified to profit or loss and its related income tax effects			
Re-measurement losses on defined benefit plans		(23.99)	(74.03)
Income tax effect		6.21	18.56
		(17.78)	**(55.47)**
Other comprehensive loss for the year, net of tax		**(17.78)**	**(55.47)**
Total comprehensive income for the year		**2,779.96**	**1,418.35**
Earnings per equity share:	25(a)		
Basic earnings per equity share (INR) - face value of INR 10 each		96.15	51.14
Diluted earnings per equity share (INR) - face value of INR 10 each		94.58	50.24
Summary of significant accounting policies	2		

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

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Kanika Kohli
Partner
Membership No.: 511565

Place: Gurugram
Date: 29 April 2021

For and on behalf of the Board of Directors of **IndiaMART InterMESH Limited**

Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN:00191800

Brijesh Kumar Agrawal
(Whole-time Director)
DIN:00191760

Prateek Chandra
(Chief Financial Officer)

Manoj Bhargava
(Company Secretary)

Place: Noida
Date: 29 April 2021

Consolidated Statement of changes in equity
for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

(A) EQUITY SHARE CAPITAL (REFER NOTE 12)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2019	**285.92**
Equity share capital issued on exercise of ESOP during the year	1.83
Equity share capital issued during the year to Indiamart Employee Benefit Trust (refer note 12(d))	1.45
Equity share capital issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note 12(d))	(0.43)
As at March 31, 2020	**288.77**
As at 1 April 2020	**288.77**
Equity share capital issued on exercise of ESOP during the year	0.67
Equity share capital issued on Qualified Institutions Placement during the year (refer note 12(1))	12.42
Equity share capital issued during the year to Indiamart Employee Benefit Trust (refer note 12(d))	1.35
Equity share capital issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note 12(d))	(0.05)
As at March 31, 2021	**303.16**

(B) OTHER EQUITY (REFER NOTE 13)

	Reserves and surplus					
Particulars	Securities premium	General reserve	Employee share based payment reserve	Capital reserve	Retained earnings	Total other equity
Balance as at 1 April 2019	**4,686.54**	**8.45**	**88.48**	**(2.04)**	**(3,468.47)**	**1,312.96**
Impact of adoption of Ind AS 116 (net of taxes) (Refer Note 5B)	-	-	-	-	(16.33)	(16.33)
Profit for the year	-	-	-	-	1,473.82	1,473.82
Other comprehensive loss for the year	-	-	-	-	(55.47)	(55.47)
Total comprehensive income	**-**	**-**	**-**	**-**	**1,402.02**	**1,402.02**
Issue of equity shares on exercise of ESOP during the year	67.36	-	(50.91)	-	-	16.45
Employee share based payment expense (Refer Note 21)	-	-	78.59	-	-	78.59
Dividend paid F.Y 2019-20 (includes Dividend Distribution Tax of INR 59.45 millions)					(348.22)	(348.22)
Balance as at 1 April 2020	**4,753.90**	**8.45**	**116.16**	**(2.04)**	**(2,414.67)**	**2,461.80**
Profit for the year	-	-	-	-	2,797.74	2,797.74
Other comprehensive loss for the year	-	-	-	-	(17.78)	(17.78)
Total comprehensive income	**-**	**-**	**-**	**-**	**2,779.96**	**2,779.96**
Issue of equity shares on exercise of share based awards during the year	57.30	-	(51.30)	-	-	6.00
Issue of equity shares on Qualified Institutions Placement during the year (refer note 12(1))	10,499.57	-	-	-	-	10,499.57
Employee share based payment expense (Refer Note 21)	-	-	58.83	-	-	58.83
ESOP surrendered of subsidiary company	-	-	(25.83)	-	25.83	-
Adjustment for loss of control in Subsidiary (Refer Note 37)			(0.48)	2.04	(2.04)	(0.48)
Balance as at March 31, 2021	**15,310.77**	**8.45**	**97.38**	**-**	**389.08**	**15,805.68**

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

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Kanika Kohli
Partner
Membership No.: 511565

Place: Gurugram
Date: 29 April 2021

For and on behalf of the Board of Directors of **IndiaMART InterMESH Limited**

Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN:00191800

Brijesh Kumar Agrawal
(Whole-time Director)
DIN:00191760

Prateek Chandra
(Chief Financial Officer)

Manoj Bhargava
(Company Secretary)

Place: Noida
Date: 29 April 2021

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
PROFIT BEFORE TAX		3,893.53	2,114.19
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense	23	160.65	211.45
Interest and other income	20	(37.71)	(44.35)
Gain on de-recognition of Right-of-use assets	20	(10.02)	(1.34)
Provisions and liabilities no longer required written back		(22.93)	-
Gain on investments carried at fair value through profit and loss -Fair value gain on measurement and income from sale of mutual funds	20	(793.52)	(639.77)
Gain on disposal of property, plant and equipment	20	(1.66)	(0.46)
Finance costs	22	66.63	32.83
Share-based payment expense	21	58.83	78.59
Share of net loss of associates		26.60	16.41
Loss on change of control of a subsidiary converted into an associate	37	2.04	-
		3,342.44	**1,767.55**
Changes in:			
Trade receivables		2.64	(11.12)
Other financial assets		(2.34)	13.10
Other assets		9.89	1.86
Other financial liabilities		(42.16)	(61.86)
Trade payables		(21.00)	50.10
Contract and other liabilities		524.70	965.35
Provisions		(0.73)	67.18
Cash generated from operations		**3,813.44**	**2,792.16**
Income tax paid (net)		(588.41)	(186.05)
Net cash generated from operating activities		**3,225.03**	**2,606.11**
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		3.44	1.26
Purchase of property, plant and equipment and other intangible assets		(0.34)	(46.39)
Purchase of current investments		(15,528.19)	(4,578.18)
Inter-corporate deposits placed with financials institutions		(701.91)	-
Proceeds from sale of current investments		2,850.76	2,573.63
Interest received		32.84	34.13
Advances received from/(paid for) selling shareholders (net)		-	69.20
Refund/(payment) of refundable security deposits for listing on stock exchange.		23.78	(23.78)
Investment in bank deposits (includes earmarked balances with bank) (having original maturity of more than three months)		(12.11)	(393.23)
Redemption of bank deposits		54.59	349.73
Investment in associates and other entities		(99.98)	(312.02)
Proceeds from sale of dilution of Stake, net of cash paid (refer note 37)		0.90	-
Net cash used in investing activities		**(13,376.22)**	**(2,325.65)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(55.42)	(166.27)
Interest paid on lease liabilities		(66.63)	(32.83)
Dividend paid (including Dividend Distribution Tax)		(14.91)	(333.25)
Proceeds from issue of equity shares on exercise of share based awards		7.97	19.31
Proceeds from issue of equity shares on Qualified Institutional Placement (refer note 12(1))		10,511.99	-
Net cash generated from (used in) financing activities		**10,383.00**	**(513.04)**
Net increase/ (decrease) in cash and cash equivalents		**231.81**	**(232.58)**
Cash and cash equivalents at the beginning of the year	11	169.38	401.96
Cash and cash equivalents at the end of the year	11	**401.19**	**169.38**
Summary of significant accounting policies	2		

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

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Kanika Kohli
Partner
Membership No.: 511565

Place: Gurugram
Date: 29 April 2021

For and on behalf of the Board of Directors of **IndiaMART InterMESH Limited**

Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN:00191800

Brijesh Kumar Agrawal
(Whole-time Director)
DIN:00191760

Prateek Chandra
(Chief Financial Officer)

Manoj Bhargava
(Company Secretary)

Place: Noida
Date: 29 April 2021

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

1. CORPORATE INFORMATION

IndiaMART Intermesh Limited ("the Company" or "the Parent Company") is a public company domiciled in India and was incorporated on September 13, 1999 under the provisions of the Companies Act applicable in India. The company and its consolidated subsidiaries (hereinafter collectively referred to as "the Group") is engaged in e-marketplace for business needs, which acts as an interactive hub for domestic and international buyers and suppliers. The registered office of the Company is located at 1st Floor, 29-Daryagang, Netaji Subash Marg New Delhi-110002, India.

The consolidated financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 29 April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

The consolidated financial statements have been prepared on the historical cost basis as explained in the accounting policies below, except for the following:

- certain financial assets and liabilities measured at fair value where Ind AS requires a different accounting treatment (refer accounting policy regarding financial instruments);
- share-based payments
- net defined benefit (asset)/liability - Fair value of plan assets less present value of defined benefit obligations.

The preparation of these consolidated 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 Group's accounting policies. The areas where estimates are significant to the consolidated financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

2.2 Basis of preparation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and associates as at 31 March 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

Group subsidiaries and associates are as follows:

S. No.	Name of subsidiaries and Associates and date of shareholding	Proportion of ownership interest as at 31 March, 2021	Proportion of ownership interest as at 31 March 2020
1	Tradezeal Online Private Limited (from May 31,2005) (formerly Known as Tradezeal International Limited)	100.00%	100.00%
2	Hello Trade Online Private Limited (from July 03,2008)	100.00%	100.00%
3	Ten Times Online Private Limited (associate with effect from 1 September 2020)	30.00%	100.00%
4	Tolexo Online Private Limited (from May 28, 2014)	100.00%	100.00%
5	Pay With IndiaMART Private Limited (from February 7, 2017)	100.00%	100.00%
6	Simply Vyapar Apps Private Limited (from September 3, 2019)	26.00% (on Fully diluted basis)	26.00% (on Fully diluted basis)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year/quarter are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March 2021 since the Group's subsidiaries and associate have the same reporting period end.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill, if any) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

2.3 Summary of significant accounting policies

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by all the group entities, to all the periods presented in these consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

a) Statement of Compliance

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

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

b) Current versus non-current classification

The Group 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) A 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.

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The Group classifies all other liabilities as non-current.

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

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

c) Fair value measurement

The Group measures financial instruments, such as Investment in equity/preference instrument of other entities, Investment in mutual funds and bonds 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 Group.

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 Group 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 consolidated 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 Group's assumptions about pricing by market participants

For assets and liabilities that are recognised in the consolidated financial statements on fair value on a recurring basis, the Group 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.

The Group's management determines the policies and procedures for recurring fair value measurement, such as investment in equity/preference instrument of other entities measured at fair value.

External valuers are involved for valuation of significant assets, such as unquoted investments in equity/preference instruments of other entities. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group 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 29)

d) Revenue from contracts with customers and other income

Revenue from contracts with customers

The Group is primarily engaged in providing web services. Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services and excluding taxes or duties collected on behalf of the government.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

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

Rendering of services

Revenue from web services is recognised based on output method i.e. pro-rata over the period of the contract as and when the Group satisfies performance obligations by transferring the promised services to its customers. Revenues from lead based services is recognised based on output method i.e. as and when leads are consumed by the customer or on the expiry of contract whichever is earlier. Activation revenue is amortised over the estimated customer relationship period.

Advertising revenue is derived from displaying web based banner ads and sale of online advertisements

Revenue from banner advertisement is recognised pro rata over the period of display of advertisement as per contract. Revenue from sale of online advertisements is recognised based on output method and the Group applies the practical expedient to recognise advertising revenue in the amount to which the Group has a right to invoice.

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section m) Financial instruments.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised. The Group recognises contract liability for consideration received in respect of unsatisfied performance obligations and reports these amounts as deferred revenue and advances from customers in the balance sheet. The unaccrued amounts are not recognised as revenue till all related performance obligation are fulfilled. The Group generally receives transaction price in advance for contracts with customers that run up for more than one year. The transaction price received in advance does not have any significant financing component as the difference between the promised consideration and the cash selling price of the service arises for reasons other than the provision of finance.

Other income

Interest income

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

Dividends

Dividend is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend

e) Property, plant and equipment

Capital work in progress and 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 parts 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 Group depreciates them separately based on their specific useful lives.

Capital work in progress includes cost of property, plant and equipment under development as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

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

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

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

Asset	Annual rates
Computers	63.16%
Furniture and fittings	26.89%
Office equipment	45.07%
Vehicles	31.23%

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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.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

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

f) Intangible assets

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

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

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

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis

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

Unique telephone numbers are amortised on a written down value basis at 40% annually.

Intangibles being Software acquired by the Group are amortised on a written down value basis at 40% annually.

Advances paid towards the acquisition of intangible assets outstanding at each balance sheet date are classified as capital advances and cost of assets not ready for use at the balance sheet date, are disclosed under capital work- in-progress.

g) Leases (as lessee)

The Group's lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contact involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset. At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Leases for which the group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Finance leases were capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges were recognised in finance costs in the statement of profit or loss.

A ROU asset was depreciated over the useful life of the asset. However, if there was no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset was depreciated over the shorter of the estimated useful life of the asset and the lease term.

h) Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or, a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

i) Impairment of non-financial assets

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

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

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are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

Impairment losses are recognised in the statement of profit and loss.

For properties previously revalued the impairment is recognised in OCI up to the amount of any previous revaluation surplus recognised through OCI.. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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

j) 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 (loss) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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.
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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 year 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 (loss) 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.

k) Provisions and contingent liabilities

Provisions

Provisions are recognised when the Group 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 Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingent liabilities

A contingent liability is a 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 Group 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 Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

l) 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 Group has no obligation, other than the contribution payable to the provident fund. The Group recognises 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 recognised 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 recognised 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 Group 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

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- The date that the Group recognises related restructuring costs

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

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

Other long-term employee benefit obligations

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Group 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 Group 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 reporting period-end. Actuarial gain/loss are immediately taken to the statement of profit and loss and are not deferred. The Group 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.

m) Share-based payments

Employees of the Group also receive remuneration in the form of stock options (ESOP) and stock appreciation rights (SAR) as a share based payment transactions under the Group's Employee stock option plan and Employee stock benefit scheme. Both of these are equity settled share based payment transactions.

The cost of equity settled transactions is determined based on 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 transaction at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group'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 Group'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.

n) Financial Instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)

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

Debt instruments at amortised cost

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

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans to employees, trade and other receivables. For more information on receivables, refer to Note 29.

Debt instruments at FVTOCI

A 'debt instrument' is classified as at 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 recognised in other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

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

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised 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 Group has not designated any debt instrument as at FVTPL.

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

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

Impairment of financial assets

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

- Financial assets that are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
- 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 115

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

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for the year ended March 31, 2021

The application of simplified approach does not require the Group 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 Group 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 Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognised during the period is recognised 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 Group 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 OCI

For assessing increase in credit risk and impairment loss, the Group 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 Group's financial liabilities include 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 recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group 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.

Loans and borrowings

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

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

De-recognition

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

Offsetting of financial instruments

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

o) Foreign currency transactions

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

Transactions and balances

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

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

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

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

p) Earnings per share

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

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

q) Cash and cash equivalents

Cash and cash equivalents 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.

r) 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 Group's activities of providing e-marketplace services for businesses is 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 Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

s) 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.

t) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

u) Recently issued accounting pronouncements

On 24 March 2021, the Ministry of Corporate Affairs (MCA), notified amendments in Schedule III to the Companies Act, 2013 effective from 1 April 2021.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

Following are key amended provisions which may have impact on the presentation of consolidated financial statement of the Group:

Balance sheet:

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

Statement of profit and loss:

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

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

3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of consolidated 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 Group has based its assumptions and estimates on parameters available when the consolidated 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 Group. 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 Group considers whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group has recognised deferred tax assets on the deductible temporary differences since the management is of the view that it is probable the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.

b) Share based payment

The Group initially measures the cost of equity-settled transactions with employees using a Black–Scholes–Merton option pricing model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option and SAR units, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 28.

c) Revenue from contracts with customers

The Group recognise the activation fee received in advance over the estimated customer churn period of twenty seven months. The estimate is based on the historical trend analysis of the time period over which the customer is expected to be associated with the Group. The Group reviews its estimate at each reporting date.

d) Impairment of Non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model or other fair value valuation models. In DCF model, the cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

e) 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. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Further details about gratuity obligations are given in Note 27.

f) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 29 and 31 for further disclosures.

g) 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 Group's assets are determined by management at the time the asset is acquired and reviewed at each financial year end.

h) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

4. IMPACT OF COVID-19

The Group has taken into account all the possible impacts of COVID-19 in preparation of these consolidated 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 associates and investment in other entities. The Group has carried out this assessment based on available internal and external sources of information upto the date of approval of these consolidated financial statements and believes that the impact of COVID-19 is not material to these consolidated financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements owing to the nature and duration of COVID-19.

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

(Amount in ₹ million, unlesss otherwise stated)

5A PROPERTY, PLANT AND EQUIPMENT

	Leasehold land (Refer Note 5B)	Computers	Office equipment	Furniture and fixtures	Motor vehicles	Total Property, plant and equipment	Capital work in progress (refer note 1 below)
Gross carrying amount							
As at 1 April 2019	**37.12**	**102.59**	**38.39**	**6.01**	**3.80**	**187.91**	**1.77**
Transition impact of Ind AS 116	(37.12)	-	-	-	-	(37.12)	-
Additions for the year	-	27.82	15.95	0.77	-	44.54	-
Disposals for the year	-	(2.54)	(1.71)	(1.03)	-	(5.28)	-
As at March 31, 2020	**-**	**127.87**	**52.63**	**5.75**	**3.80**	**190.05**	**1.77**
Additions for the year	-	0.11	0.23	-	-	0.34	-
Adjustment for loss of control in Subsidiary (Refer Note 37)	-	(3.81)	(0.24)	(0.03)	-	(4.08)	-
Disposals for the year	-	(11.15)	(3.53)	(1.69)	-	(16.37)	-
As at March 31, 2021	**-**	**113.02**	**49.09**	**4.03**	**3.80**	**169.94**	**1.77**
Accumulated depreciation							
As at 1 April 2019	**1.38**	**73.11**	**24.46**	**3.14**	**1.02**	**103.11**	**-**
Transition impact of Ind AS 116	(1.38)	-	-	-	-	(1.38)	-
Charge for the year	-	30.38	8.79	0.86	1.01	41.04	-
Disposals during the year	-	(2.42)	(1.51)	(0.55)	-	(4.48)	-
As at March 31, 2020	**-**	**101.07**	**31.74**	**3.45**	**2.03**	**138.29**	**-**
Charge for the year	-	16.25	9.30	0.52	0.56	26.63	-
Adjustment for loss of control in Subsidiary (Refer Note 37)	-	(2.53)	(0.16)	(0.01)	-	(2.70)	-
Disposals during the year	-	(11.00)	(2.59)	(1.00)	-	(14.59)	-
As at March 31, 2021	**-**	**103.79**	**38.29**	**2.96**	**2.59**	**147.63**	**-**
Net book value							
As at 1 April 2019	**35.74**	**29.48**	**13.93**	**2.87**	**2.78**	**84.80**	**1.77**
As at March 31, 2020	**-**	**26.80**	**20.89**	**2.30**	**1.77**	**51.76**	**1.77**
As at March 31, 2021	**-**	**9.23**	**10.80**	**1.07**	**1.21**	**22.31**	**1.77**

Notes:

1. Capital work in progress represents the amount incurred on construction of boundary wall for leasehold land (refer note 5B for details related to leasehold land).

5B RIGHT-OF-USE ASSETS

	Leasehold land (Refer Note 1 below)	Buildings (Refer Note 2 below)	Total
Gross carrying amount			
As at 1 April 2019	-	-	-
Transition impact of Ind AS 116	37.12	204.39	241.51
Additions for the year	-	736.52	736.52
Disposals for the year	-	(11.08)	(11.08)
As at March 31, 2020	**37.12**	**929.83**	**966.95**
Additions for the year	-	26.82	26.82
Disposals for the year	-	(122.10)	(122.10)
As at March 31, 2021	**37.12**	**834.55**	**871.67**
Accumulated amortisation			
As at 1 April 2019	-	-	-
Transition impact of Ind AS 116	1.38	-	1.38
Depreciation for the year	0.46	167.09	167.55
Disposals for the year	-	(1.69)	(1.69)
As at March 31, 2020	**1.84**	**165.40**	**167.24**
Depreciation for the year	0.46	131.50	131.96
Disposals for the year	-	(53.18)	(53.18)
As at March 31, 2021	**2.30**	**243.72**	**246.02**
Net book value			
As at March 31, 2020	**35.28**	**764.43**	**799.71**
As at March 31, 2021	**34.82**	**590.83**	**625.65**

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

(Amount in ₹ million, unlesss otherwise stated)

5B RIGHT-OF-USE ASSETS (Contd.)

Notes:

1. As per the terms of the lease arrangement, the Company was required to complete the construction of building within 5 years from the date of handing over the possession. The Company obtained extension for construction of building on the leasehold land till 5 July 2021 during the year ended March 31, 2021.
2. The Group had adopted Ind AS 116, effective annual reporting period beginning 1 April 2019 and applied the standard to its leases using modified retrospective approach with the cumulative effect of initially applying the Standard (1 April 2019) resulting in recognition of right-of-use asset of INR 204.39 million and a corresponding lease liability of INR 224.00 million by adjusting retained earnings net of taxes by INR 16.33 million [the impact of deferred tax created INR 8.77 million] as at 1 April 2019.The Company has also reclassified its leasehold land amounting to INR 36 million as right-of-use asset during the year ended March 31, 2020.
3. The Company incurred INR 13.70 million for the year ended March 31, 2021 (March 31, 2020: INR 22.90 million) respectively, towards expenses relating to short-term leases and leases of low-value assets.

The following table presents a maturity analysis of expected undiscounted cash flows for lease liabilities as on year end:

	As at March 31, 2021	As at March 31, 2020
Within one year	132.22	160.47
Within one - two years	130.34	160.33
Within two - three years	130.63	140.11
Within three - five years	229.82	256.70
Above five years	238.29	347.10
Total lease payments	**861.30**	**1,064.71**

The reconciliation of lease liabilities is as follows:

	As at March 31, 2021	As at March 31, 2020
Opening balance	765.10	-
Transition impact of Ind AS 116	-	224.00
Additions	26.44	718.10
Amounts recognised in statement of profit and loss as interest expense	66.63	32.83
Payment of lease liabilities	(122.05)	(199.10)
Derecognition	(78.95)	(10.73)
Liabilities no longer required written back	(22.93)	-
Balance as at year end (Refer Note 15)	**634.24**	**765.10**

6 INTANGIBLE ASSETS

	Software	Unique telephone numbers	Total
Gross carrying amount			
As at 1 April 2019	**13.26**	**4.70**	**17.96**
Additions for the year	1.88	-	1.88
As at March 31, 2020	**15.14**	**4.70**	**19.84**
Additions	-	-	-
Adjustment for loss of control in Subsidiary (Refer Note 37)	(0.09)	-	(0.09)
As at March 31, 2021	**15.05**	**4.70**	**19.75**
Accumulated depreciation			
As at 1 April 2019	**8.46**	**3.69**	**12.15**
Amortisation for the year	2.45	0.41	2.86
As at March 31, 2020	**10.91**	**4.10**	**15.01**
Amortisation for the year	1.82	0.24	2.06
Adjustment for loss of control in Subsidiary (Refer Note 37)	(0.03)	-	(0.03)
As at March 31, 2021	**12.70**	**4.34**	**17.04**
As at 1 April 2019	**4.80**	**1.01**	**5.81**
As at March 31, 2020	**4.23**	**0.60**	**4.53**
As at March 31, 2021	**2.35**	**0.36**	**2.71**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

7 INVESTMENT IN ASSOCIATES- UNQUOTED

	As at March 31, 2021		As at March 31, 2020	
	No. of units	Amount	No. of units	Amount
(Accounted under equity method)				
Fully paid up - at cost (Refer note 32)				
Compulsory convertible preference shares of INR 100 each (at premium of INR 52,217.90 each) in Simply Vyapar Apps Private Limited	5,954	311.50	5,954	311.50
Equity shares of INR 10 each (at premium of INR 52,307.90 each) in Simply Vyapar Apps Private Limited	10	0.52	10	0.52
Add: Share of loss of associate		(42.08)		(16.41)
Equity shares of INR 10 each in Ten Times Online Private Limited (Refer note 37)		0.93		-
Add: Share of loss of associate		(0.93)		-
		269.94		**295.61**

8 FINANCIAL ASSETS

a) Non-current investments

Unquoted (measured at FVTPL)

	As at March 31, 2021		As at March 31, 2020	
	No. of units	Amount	No. of units	Amount
Instant Procurement Services Private Limited				
Equity shares held in of INR 10 each in Instant Procurement Services Private Limited *	5,500	-	-	-
0.001% Optionally convertible redeemable preference share of INR 10 each	12,446	-	12,446	-
0.001% Compulsorily convertible preference share of INR 10 each	3,764	-	3,764	-
Mobisy Technologies Private Limited (refer note 2 below)				
Compulsory convertible preference shares of INR 1 each (at premium of INR 776 each)	1,28,593	99.92	-	-
Equity shares of INR 1 each (at premium of INR 776 each)	100	0.07	-	-
Total		**99.99**		**-**
Total non-current investments		99.99		-

Notes:

1. The Group has invested in convertible preference shares of companies. Based on the terms, these have been classified as financial instrument in the nature of financial assets to be measured at fair value through profit-and-loss.
2. During the year ended March 31, 2021, the Group has acquired 8.98% interest on fully converted and diluted basis in Mobisy Technologies Private Limited at the aggregate consideration of INR 99.99 million. This investment has been classified as "Investment at FVTPL" as per Ind-AS 109.

*During the year ended March 31, 2021, the loan given to Instant Procurement Services Private Limited was converted into its equity shares.

b) Current investments

	As at March 31, 2021		As at March 31, 2020	
	No. of units	Amount	No. of units	Amount
Investment in mutual funds - Quoted (measured at FVTPL)				
Aditya Birla Sunlife Short-Term Fund-Growth Regular Plan	25,99,874	95.06	25,99,874	86.25
Aditya Birla Sunlife Short-Term Fund-Growth-Direct Plan	2,11,81,794	814.54	2,11,81,794	733.87
Aditya Birla Sunlife Corporate Bond Fund - Growth-Regular Plan	65,08,526	559.11	66,82,469	522.93
Aditya Birla Sun Life Corporate Bond Fund-Growth-Direct Plan	45,70,414	396.40	20,13,531	158.84
Aditya Birla Sun Life Money Manager Fund - Direct	34,98,589	1,004.69	-	-
Aditya Birla Sun Life Savings Fund - Direct Growth	27,64,954	1,180.18	-	-
Axis Ultra Short Term Fund - Direct Growth	4,19,66,039	502.05	-	-
Bharat Bond ETF April-2023	4,00,000	446.50	4,00,000	408.08
Bharat Bond ETF April-2025	1,49,992	153.71	-	-
HDFC Short Term Debt Fund-Direct Growth Plan	1,77,12,429	441.87	1,97,20,994	451.38
HDFC Short Term Debt Fund - Regular Plan	83,80,984	205.90	83,80,984	189.74
HDFC Low Duration Fund -Regular Plan-Growth	37,97,410	170.92	37,97,410	159.78
HDFC Low Duration Fund - Direct Plan-Growth	1,20,35,204	572.57	1,73,80,457	768.36
HDFC Credit Risk Debt Fund - Regular Plan - Growth	-	-	70,19,394	116.85
HDFC Equity saving fund-regular-growth	-	-	1,67,302	5.52

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for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

8 FINANCIAL ASSETS (Contd.)

	As at March 31, 2021		As at March 31, 2020	
	No. of units	Amount	No. of units	Amount
HDFC Short-Term Debt Fund	-	-	5,14,032	11.64
HDFC Hybrid Equity Fund-Regular-Growth	-	-	1,14,426	4.86
HDFC Money Market Fund - Direct Growth	2,26,818	1,014.77	-	-
HDFC Ultra Short Term Fund - Direct Growth	10,09,61,709	1,205.42	-	-
ICICI Prudential Savings Fund -Regular	-	-	1,09,221	42.31
ICICI Prudential Savings Fund- Direct Plan-Growth	25,83,184	1,084.13	30,49,171	1,194.92
ICICI Prudential Short-Term Fund - Direct	2,08,02,151	1,011.38	2,08,02,151	922.91
ICICI Prudential Short-Term Fund - Regular	36,06,276	165.40	36,06,276	152.07
ICICI Prudential Money Market Fund - Direct Growth	31,29,563	924.09	-	-
IDFC Low Duration Fund-Growth- Direct Plan	3,64,39,105	1,117.14	-	-
IDFC Bond Fund - Short-Term Plan- DGP	81,67,105	382.73	12,59,265	54.61
IDFC Low Duration Fund-Growth (Regular Plan)	-	-	1,64,51,049	469.96
IDFC Bond Fund-STP-Regular Fund	-	-	4,08,840	16.98
IDFC Banking & PSU Debt Fund - Direct - Growth	3,40,10,628	664.58	-	-
IDFC Corporate Bond Fund - Direct - Growth Plan	79,22,353	120.96	-	-
IDFC Ultra Short Term Fund - Direct-Growth Plan	3,65,91,465	438.04	-	-
Kotak Corporate Bond Fund - DGP	3,28,929	981.73	3,28,929	907.95
Kotak Liquid Fund - Direct Growth	-	-	24,984	100.31
Kotak Liquid Fund - Regular Growth	-	-	25,068	100.28
Kotak Money Market Fund - Direct Growth	3,84,544	1,339.67	-	-
Kotak Savings Fund - Direct Growth	2,89,48,565	1,004.02	-	-
L&T Short term bond fund-DGP	3,71,22,589	803.71	3,71,22,589	747.51
L&T Short-Term Bond Fund - Regular Growth	2,00,66,239	418.18	2,00,66,239	390.87
SBI Corporate Bond Fund - Direct - Growth Plan	70,21,759	85.77	-	-
SBI Magnum Ultra Short Duration Fund - Direct Growth	2,12,720	1,003.82	-	-
SBI Savings Fund - Direct Growth	3,49,43,576	1,194.92	-	-
SBI Liquid Fund- Direct - Growth Plan	62,030	199.84	-	-
Total		**21,703.80**		**8,718.78**
Investment in bonds - Quoted (measured at FVTPL)				
ICICI Bank Perpetual Bond	**80**	**88.69**		**-**
HDFC bank Perpetual Bond	350	381.87		-
Total		**470.56**		**-**
Total current investments		**22,174.36**		**8,718.78**
Aggregate book value of quoted investments		**22,174.36**		**8,718.78**
Aggregate market value of quoted investments		**22,174.36**		**8,718.78**
Aggregate carrying value of unquoted investments		**99.99**		**-**

c) Loans (measured at amortised cost)

	As at March 31, 2021		As at March 31, 2020	
(i) Loans				
Non-current (unsecured, considered good unless stated otherwise)				
Loans to employees**		2.37		0.73
		2.37		**0.73**
Current (unsecured, considered good unless stated otherwise)				
Inter-corporate deposits*				
-HDFC Limited	501.28			
-LIC Housing Finance Limited	200.63	701.91		-
Loans to employees **		7.34		12.99
		709.25		**12.99**

Notes:

*Inter-corporate deposits placed with financial institutions yield fixed interest rate.

**Represent interest free loans to employees, which are recoverable in maximum 24 monthly instalments.

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for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

8 FINANCIAL ASSETS (Contd.)

	As at March 31, 2021	As at March 31, 2020
(ii) Inter corporate loan		
Non-current (unsecured)		
Loans credit-impaired*	-	5.00
Less: Loss allowance	-	(5.00)
	-	-
Total loans	**711.62**	**13.72**

*During the year ended March 31, 2021, The loan given to Instant Procurement Services Private Limited was converted into equity shares of the Company.

d) Others (measured at amortised cost)

	As at March 31, 2021	As at March 31, 2020
Non-current (unsecured, considered good unless stated otherwise)		
Security deposits	38.72	51.11
deposits with remaining maturity for more than twelve months (Refer Note 11)	-	349.72
Total	**38.72**	**400.83**
Current (unsecured, considered good unless stated otherwise)		
Security deposits	3.18	52.86
Amount recoverable from payment gateway	73.57	26.97
Total	76.75	79.83
Total other financial assets	**115.47**	**480.66**

Notes:

Security deposits are non-interest bearing and are generally on term of 3 to 9 years.

9 OTHER ASSETS

	As at March 31, 2021	As at March 31, 2020
Non-current (unsecured, considered good unless stated otherwise)		
Prepaid expenses	0.74	0.44
Indirect taxes recoverable	16.72	16.78
Total	**17.46**	**17.22**
Current (Unsecured, considered good unless stated otherwise)		
Advances recoverable	14.78	16.66
Indirect taxes recoverable	7.38	10.57
Prepaid expenses	16.68	25.90
Others	1.51	-
Total	**40.35**	**53.13**

10 TRADE RECEIVABLES

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless stated otherwise		
Considered good		
Trade receivables	12.46	16.82
Considered doubtful		
Trade Receivables credit- impaired	0.03	1.68
Less: Loss allowance	(0.03)	(1.68)
Total	**12.46**	**16.82**

Notes:

a) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

b) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

11 CASH AND BANK BALANCES

a) Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Cash on hand	-	0.17
Cheques on hand	142.52	39.42
Balance with bank		
- On current accounts	258.67	129.79
Total Cash and cash equivalents	**401.19**	**169.38**

Note:

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

b) Bank balances other than cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
(i) Deposits with banks		
- remaining maturity upto twelve months*	374.68	52.91
- remaining maturity for more than twelve months*	-	349.72
	374.68	**402.63**
Less: Amount disclosed under Others financial assets non-current	-	349.72
	374.68	**52.91**
(ii) Earmarked balances with banks**	1.40	16.35
Amount disclosed under current bank deposits	**376.08**	**69.26**

*Includes Nil (March 31, 2020: INR 23.78) pledged with bank against guarantee given to stock exchange.

** Earmarked balances includes unclaimed/unpaid dividends of INR 0.06 (March 31, 2020: INR 14.97) and bank balance with Indiamart Employee Benefit Trust of INR 1.34 (March 31, 2020: INR 1.37).

12 SHARE CAPITAL

Authorised equity share capital (INR 10 per share)	Number of shares	Amount
As at 1 April 2019	**3,00,00,000**	**300.00**
As at March 31, 2020	**3,00,00,000**	**300.00**
Increase during the year	6,94,42,460	**694.42**
As at March 31, 2021	**9,94,42,460**	**994.42**

Authorised 0.01% cumulative preference share capital (INR 328 per share)	Number of shares	Amount
As at 1 April 2019	**14,93,903**	**490.00**
As at March 31, 2020	**14,93,903**	**490.00**
Decrease during the year	(14,93,900)	(490.00)
As at March 31, 2021	**3**	**0.00**

Authorised 0.01% compulsorily convertible cumulative preference share capital (INR 100 per share)	Number of shares	Amount
As at 1 April 2019	**18,94,254**	**189.43**
As at March 31, 2020	**18,94,254**	**189.43**
Decrease during the year	(18,94,254)	(189.43)
As at March 31, 2021	**-**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

12 SHARE CAPITAL (Contd.)

Issued equity share capital (subscribed and fully paid up) (INR 10 per share)	Number of shares	Amount
As at 1 April 2019	**2,85,92,006**	**285.92**
Equity share capital issued on exercise of ESOP during the year	1,82,814	1.83
Equity share capital issued to Indiamart Employee Benefit Trust during the year (refer note (a) below)	1,45,000	1.45
Equity share capital issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note (d) below)	(42,573)	(0.43)
As at March 31, 2020	**2,88,77,247**	**288.77**
Equity share capital issued on exercise of ESOP during the year	66,696	0.67
Equity share capital issued on qualified institutions placement during the year (refer note 1 below)	12,42,212	12.42
Equity share capital issued to Indiamart Employee Benefit Trust during the year (refer note (d) below)	1,35,000	1.35
Equity share capital issued during the year and held by Indiamart Employee Benefit Trust as at year end (refer note (d) below)	(4,861)	(0.05)
As at March 31, 2021	**3,03,16,294**	**303.16**

Notes:

1 The Company has raised money by the way of Qualified Institutions Placement ('QIP') and alloted 1,242,212 equity shares of face value INR 10 each to the eligible qualified institutional buyers (QIB) at a price of INR 8,615 per equity share (including a premium of INR 8,605 per equity share) aggregating to INR 10,701.66 millions on 22 February 2021. The issue was made in accordance SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Expenses incurred in relation to QIP amounting to INR 189.67 millions has been adjusted from Securities Premium Account. As per the placement document, QIP proceeds are to augment for future growth and expansion. As on March 31, 2021, 100% of QIP's net proceeds of INR 10,511.99 millions are unutilised and have been temporarily invested in liquid instruments.

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

	As at March 31, 2021		As at March 31, 2020	
	Number	% Holding	Number	% Holding
Equity shares of Rs. 10 each fully paid				
Dinesh Agarwal	86,30,747	28.42%	86,30,747	29.84%
Brijesh Agrawal	58,48,544	19.26%	58,48,544	20.22%
Westbridge Crossover Fund, LLC*	-	-	15,44,154	5.34%

'* Westbridge Crossover Fund, LLC ceased to be a shareholder of more than 5% during the year ended March 31, 2021

c) Shares reserved for issue under options

Information relating to the Company's share based payment plans, including details of options and SAR units issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 28.

d) Shares held by Indiamart Employee Benefit Trust against employees share based payment plans (face value: INR 10 each)

	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Opening balance	42,573	0.43	-	-
Purchased during the year	1,35,000	1.35	1,45,000	1.45
Transfer to employees pursuant to SAR exercised	(1,30,139)	(1.30)	(1,02,427)	(1.02)
Closing balance	**47,434**	**0.48**	**42,573**	**0.43**

(Amount in ₹ million, unlesss otherwise stated)

13 OTHER EQUITY

	As at March 31, 2021	As at March 31, 2020
Securities premium	15,310.77	4,753.90
General reserve	8.45	8.45
Employee share based payment reserve	97.38	116.16
Capital reserve	-	(2.04)
Retained earnings	389.08	(2,414.67)
Total other equity	**15,805.68**	**2,461.80**

Nature and purpose of reserves and surplus:

a) **Securities premium:** The Securities premium account is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

b) **General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes, as the same is created by transfer from one component of equity to another.

c) **Employee share based payment reserve:** The Employee share based payment reserve is used to recognise the compensation related to share based awards issued to employees under Company's Share based payment scheme.

d) **Capital reserve:** The Group recognises profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve. The capital reserve pertains to acquisition of non-controlling interest by the parent company.

e) **Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Group, and re-measurement gains/ losses on defined benefit plans.

14 TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
Payable to micro, small and medium enterprises	-	-
Other trade payables		
- outstanding dues to related parties (Refer Note 33)	0.05	0.13
- outstanding dues to others	154.23	179.29
Total	**154.28**	**179.42**

15 LEASE AND OTHER FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
(a) Lease liabilities (Refer Note 5B)		
Current	108.57	152.61
Non-current	525.67	612.49
Total	**634.24**	**765.10**
(b) Other financial liabilities		
Current		
Payable to employees	195.94	244.55
Security deposits	0.14	0.14
Unpaid / Unclaimed dividend*	0.06	14.97
Other advances	5.26	0.31
Total	**201.40**	**259.97**

* Unclaimed/Unpaid dividend represents the interim dividend amount declared during the previous year ended March 31, 2020 and remaining to be paid to shareholders.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

16 PROVISIONS

	As at March 31, 2021	As at March 31, 2020
Non-current		
Provision for employee benefits*		
Provision for gratuity	212.19	199.61
Provision for leave encashment	63.17	65.79
Total	**275.36**	**265.40**
Current		
Provision for employee benefits*		
Provision for gratuity	20.14	10.76
Provision for leave encashment	12.91	14.33
Provision-others**	15.38	15.38
Total	**48.43**	**40.47**

* Refer Note 27

** Contingency provision towards indirect taxes. There is no change in this provision during the year ended March 31, 2021.

17 CONTRACT AND OTHER LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Contract liabilities*		
Non-current		
Deferred revenue	2,584.75	2,697.21
	2,584.75	**2,697.21**
Current		
Deferred revenue	4,198.18	4,013.44
Advances from customers	478.08	142.14
	4,676.26	**4,155.58**
Total	**7,261.01**	**6,852.79**
Other liabilities-Current		
Statutory dues		
Tax deducted at source payable	37.66	27.79
Indirect tax payable	181.19	82.78
Others	4.97	5.00
Total	**223.82**	**115.57**

'* Contract liabilities include consideration received in advance to render web services in future periods. Refer Note 33 for outstanding balances pertaining to related parties.

18 INCOME TAX ASSETS AND LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Income tax assets (net of provisions)		
Non current		
Income tax assets	821.96	211.60
Less: Provision for income tax	(635.36)	-
	186.60	**211.60**
Current		
Income tax assets	56.62	79.34
	56.62	**79.34**
Total	**243.22**	**290.94**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

19 REVENUE FROM OPERATIONS

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of services		
Income from web services	6,595.83	6,321.22
Advertisement and marketing services	99.79	67.32
Total	**6,695.62**	**6,388.54**

Transaction price allocated to the remaining performance obligations

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

	As at March 31, 2021		As at March 31, 2020	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Web services	4,675.46	2,583.88	4,150.29	2,697.21
Advertisement and marketing services	0.80	0.87	5.29	-
	4,676.26	**2,584.75**	**4,155.58**	**2,697.21**

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2021 and March 31, 2020.

	As at March 31, 2021	As at March 31, 2020
Contract liabilities		
Web services	7,259.34	6,847.49
Advertisement and marketing services	1.67	5.29
	7,261.01	**6,852.79**
Non-current	2,584.75	2,697.21
Current	4,676.26	4,155.58
	7,261.01	**6,852.79**

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

	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance at the beginning of the year	6,852.79	5,859.82
Less: Revenue recognised from contract liability balance at the beginning of the year	(3,908.12)	(3,071.15)
Add: Amount received from customers during the year	7,111.89	7,381.51
Less: Revenue recognised from amounts received during the year	(2,787.50)	(3,317.39)
Adjustment for dilution of stake in subsidiary (Refer note 37)	(8.05)	-
Closing balance at the end of the year	**7,261.01**	**6,852.79**

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for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

20 OTHER INCOME

	For the year ended March 31, 2021	For the year ended March 31, 2020
Gain on investments carried at fair value through profit and loss		
-Fair value gain on measurement and income from sale of mutual funds	793.52	639.77
Interest income from financial assets measured at amortised cost		
- on bank deposits	29.69	29.98
- on corporate deposits	2.07	-
- on security deposits	4.87	10.22
Other interest income	1.08	4.14
Gain on de-recognition of Right-of-use assets	10.02	1.34
Provisions and liabilities no longer required written back	22.93	-
Net gain on disposal of property, plant and equipment	1.66	0.46
Total	**865.84**	**685.91**

21 EMPLOYEE BENEFITS EXPENSE

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, allowance and bonus	1,914.45	2,409.20
Gratuity expense (Refer Note 27)	51.72	31.78
Leave encashment expense (Refer Note 27)	5.37	47.93
Contribution to provident and other funds	17.28	15.38
Employee share based payment expense (Refer Note 28)	58.83	78.59
Staff welfare expenses	4.48	83.81
Total	**2,052.13**	**2,666.69**

22 FINANCE COSTS

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest cost of lease liabilities	66.63	32.83
Total	**66.63**	**32.83**

23 DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of property, plant and equipment (Refer Note 5A)	26.63	41.04
Depreciation of Right-of-use assets (Refer Note 5B)	131.96	167.55
Amortisation of intangible assets (Refer Note 6)	2.06	2.86
Total	**160.65**	**211.45**

24 OTHER EXPENSES

	For the year ended March 31, 2021	For the year ended March 31, 2020
Content development expenses	108.23	235.23
Buyer engagement expenses	172.95	171.78
Customer support expenses	158.46	230.99
Outsourced sales cost	522.32	724.48
Internet and other online expenses	194.57	232.29
Rent	13.70	22.90
Rates and taxes	4.90	31.19
Communication costs	1.76	9.03
Outsourced support cost	11.72	22.97
Advertisement expenses	7.98	21.64
Power and fuel	6.86	28.78
Printing and stationery	0.50	8.45

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

24 OTHER EXPENSES (Contd.)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Repair and maintenance:		
- Plant and machinery	2.32	13.28
- Others	19.64	74.92
Travelling and conveyance	3.20	52.82
Recruitment and training expenses	6.39	29.86
Legal and professional fees (Including Audit Fee)*	38.56	42.03
Directors' sitting fees	1.14	2.09
Insurance expenses	30.19	30.19
Loss on change of control of a subsidiary converted into an associate (Refer Note 37)	2.04	-
Collection charges	43.47	43.46
Corporate social responsibility activities expenses	10.98	1.05
Miscellaneous expenses	0.04	3.45
Total	**1,361.92**	**2,032.88**

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(a) Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the earnings for the year attributable to equity holders of the parent company by the weighted average number of equity shares outstanding during the year.

Diluted EPS are calculated by dividing the earnings for the year attributable to the equity holders of the parent 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:

Payment to Auditors*	For the year ended March 31, 2021	For the year ended March 31, 2020
Basic		
Net profit as per the statement of profit and loss for computation of EPS	2,797.74	1,473.82
Weighted average number of equity shares used in calculating basic EPS	2,90,98,875	2,88,19,744
Basic earnings per equity share	96.15	51.14
Diluted		
Weighted average number of equity shares used in calculating basic EPS	2,90,98,875	2,88,19,744
Potential equity shares	4,82,591	5,16,744
Total no. of shares outstanding (including dilution)	**2,95,81,466**	**2,93,36,488**
Diluted earnings per equity share	94.58	50.24

There are potential equity shares for the year ended March 31, 2021 and March 31, 2020 in the form of share based awards granted to employees which have been considered in the calculation of diluted earnings per share.

(b) Dividends

Payment to Auditors*	For the year ended March 31, 2021	For the year ended March 31, 2020
Interim dividend for the previous year ended March 31, 2020 of INR 10 per fully paid equity share (excluding the Dividend distribution tax of INR 59.45 millions)	-	289.19
Dividend not recognised at the end of reporting period		
-In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of INR 15 per fully paid equity share (March 31, 2020 – INR Nil). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	455.46	-

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26 INCOME TAX

The major components of income tax expense are:

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax expense/ (income)		
Current tax for the year	639.25	4.06
Adjustments in respect of previous year	-	(3.39)
	639.25	**0.67**
Deferred tax expense/(income)		
Relating to origination and reversal of temporary differences	347.32	550.92
Relating to minimum alternate tax	-	3.31
Relating to earlier years	-	(228.61)
	347.32	**325.62**
Tax expense related to change in tax rate/laws *		
- Deferred tax	109.22	314.08
	109.22	**314.08**
	1,095.79	**640.37**

* Tax impact for the year ended March 31, 2020 includes the impact of adoption of Taxation Laws Amendment Ordinance 2019 as applicable to the Company. The deferred tax charge due to change in applicable tax rate is INR 277.90 millions and due to reversal of MAT credit entitlement is INR 36.18 millions.

* Pursuant to a recent tax law amendment (enacted on 28 March 2021), the tax amortisable goodwill has become non tax amortisable from financial year ending March 31, 2021. The amended law states that goodwill of a business or profession will not be considered as a depreciable asset and no depreciation on goodwill will be allowed from 1 April 2020. Accordingly, the deferred tax asset on Goodwill was derecognised by the Company as Goodwill ceased to be tax amortisable pursuant to amendments in the Finance Act, 2021

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Deferred tax related to items recognised in OCI during the year		
Net loss on remeasurements of defined benefit plans	(6.21)	(18.56)

c) Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	3,893.53	2,114.19
Accounting profit before income tax	3,893.53	2,114.19
Tax expense at the statutory income tax rate @25.17%	980.00	532.14
Adjustments in respect of unrecognised deferred tax assets of previous years	-	(228.61)
Adjustments in respect of differences taxed at lower tax rates	(17.62)	-
Adjustment in respect of change in carrying amount of investment in subsidiaries	10.47	37.02
Utilisation of previously unrecognised tax losses	-	(10.90)
Tax expense related to change in tax rate/laws	109.22	314.08
Non-deductible expenses and Non taxable income for tax purposes:		
-Employee stock option expenses of subsidiary	6.50	-
- Dividend income received	(8.17)	-
- Income non-taxable for tax purposes	(4.66)	(19.51)
-Other non-deductible expenses and non-taxable income	0.94	(2.63)
Temporary differences for which no deferred tax was recognised	19.10	18.78
Tax expense at the effective income tax rate of 28.15% (March 31, 2020: 30.29%)	**1,095.79**	**640.37**

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26 INCOME TAX (Contd.)

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Deferred tax asset		
Property, plant and equipment and intangible assets	7.61	7.46
Provision for gratuity	58.02	52.54
Provision for compensated absences	18.82	19.92
Investment in subsidiaries measured at fair value	39.30	40.01
Deferred revenue	-	0.56
Tax losses	-	164.19
Unabsorbed depreciation	-	27.20
Goodwill Imapairment	-	109.21
Provision of expenses, allowable in subsequent year	28.84	45.13
Ind AS 116 - Leases impact	10.93	0.17
Allowances for doubtful debts	-	0.42
Others	0.09	0.27
Total deferred tax assets recognised (A)	**163.61**	**467.08**
Deferred tax liabilities		
Investment in mutual funds and bonds measured at fair value	(364.51)	(214.75)
Accelerated deduction for tax purposes	(1.76)	(1.78)
Others	(4.54)	(4.85)
Total deferred tax liabilities (B)	**(370.81)**	**(221.38)**
Net deferred tax assets / (liabilities) (C) = (A) + (B)	**(207.20)**	**245.70**

(e) Breakup of deferred tax expense recognised in Statement of profit and loss and OCI

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Deferred tax expense/(income) relates to the following:		
Provision for gratuity	(6.74)	(16.18)
Provision for compensated absences	0.09	(4.68)
Provision for dimmunition of investments in subsidiaries	-	31.49
Investment in subsidiaries measured at fair value	0.71	(5.66)
Deferred revenue	0.56	10.74
Tax losses	164.19	543.41
Unabsorbed depreciation	27.20	11.88
Goodwill Imapairment	109.21	(109.21)
Provision for expenses, allowable in subsequent year	16.29	(45.13)
Investment in mutual funds measured at fair value	149.88	147.43
Accelerated deduction for tax purposes	(0.02)	(0.72)
Property, plant and equipment and intangible assets	(0.14)	0.96
Minimum Alternative Tax	-	36.18
Ind AS 116 - Leases impact	(10.76)	8.60
Others	(0.14)	12.03
Deferred tax expense	**450.33**	**621.14**

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(Amount in ₹ million, unlesss otherwise stated)

26 INCOME TAX (Contd.)

(f) Reconciliation of Deferred tax asset/(liabilities) (Net)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance as of 1 April	245.70	858.08
Tax expense during the year recognised in Statement of profit and loss	(347.32)	(325.62)
Tax expense related to change in tax rate/law	(109.22)	(314.08)
Tax impact during the year recognised in OCI	6.21	18.55
Deferred tax on Ind AS 116 impact on retained earning	-	8.77
Adjustment for loss of control in Subsidiary (Refer Note 37)	(2.57)	-
Closing balance at the end of the year	**(207.20)**	**245.70**

The Group 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 deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 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	380.82	325.05
- unabsorbed depreciation	8.97	8.03
- other deductible temporary differences	3.27	2.23
	393.06	**335.31**

The Group 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.

27 DEFINED BENEFIT PLAN AND OTHER LONG TERM EMPLOYEE BENEFIT PLAN

The Group has a defined benefit gratuity plan. Every employee who has completed statutory defined period of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with insurance company in form of qualifying insurance policy. This defined benefit plans exposes the Group to actuarial risks, such as longevity risk, interest rate risk and salary risk.

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

Gratuity - Defined benefit

	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	289.63	223.31
Fair value of plan assets	(57.30)	(12.94)
Net liability arising from defined benefit obligation	**232.33**	**210.37**

Leave encashment - other long term employee benefit plan

	As at March 31, 2021	As at March 31, 2020
Present value of other long term empoyee benefit	76.08	80.12
Net liability arising from other long term employee benefit	**76.08**	**80.12**

(Amount in ₹ million, unlesss otherwise stated)

27 DEFINED BENEFIT PLAN AND OTHER LONG TERM EMPLOYEE BENEFIT PLAN (Contd.)

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

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

Reconciliation of present value of defined benefit obligation for Gratuity and Leave encashment

	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	223.31	126.34
Benefits paid	(7.32)	(9.72)
Adjustment for loss of control in subsidiary	(3.75)	-
Current service cost	38.80	23.74
Interest cost	13.73	9.70
Actuarial (gains)/losses		
- changes in demographic assumptions	(4.59)	27.77
- changes in financial assumptions	13.76	29.00
- experience adjustments	15.69	16.48
Balance at the end of the year	**289.63**	**223.31**

	Leave encashment	
	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	80.12	44.40
Benefits paid	(7.63)	(12.21)
Adjustment for loss of control in subsidiary	(1.78)	-
Current service cost	2.60	25.00
Interest cost	4.90	3.40
Actuarial (gains)/losses		
- changes in demographic assumptions	(6.33)	8.13
- changes in financial assumptions	1.55	4.74
- experience adjustments	2.65	6.66
Balance at the end of the year	**76.08**	**80.12**

Movement in fair value of plan assets

	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Opening fair value of plan assets	12.94	21.46
Interest income	0.81	1.65
Actuarial (gains)/losses	0.87	(0.78)
Contributions from the employer	50.00	-
Benefits paid	(7.32)	(9.39)
Closing fair value of plan assets	**57.30**	**12.94**

Each year the management of the Company reviews the level of funding requried as per its risk management strategy. The Company expects to contribute to gratuity INR 42.55 millions in FY 2021-22 (March 31, 2020: INR 37.22 million).

The major categories of plan assets as a percentage of the fair value of the total plan assets are as follows:

	As at March 31, 2021	As at March 31, 2020
Funds managed by insurer	100.00%	100.00%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Notes to the Consolidated Financial Statements

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27 DEFINED BENEFIT PLAN AND OTHER LONG TERM EMPLOYEE BENEFIT PLAN (Contd.)

b) Expense recognised in profit or loss

	Gratuity	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	38.80	23.74
Net interest expense	12.92	8.05
Components of defined benefit costs recognised in profit or loss	**51.72**	**31.79**
Remeasurement of the net defined benefit liability:		
Actuarial (gain)/loss on plan assets	(0.87)	0.78
Actuarial loss on defined benefit obligation	24.86	73.25
Components of defined benefit costs recognised in other comprehensive income	**23.99**	**74.03**

	Leave encashment	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	2.60	25.00
Net interest expense	4.90	3.40
Actuarial (gain)/loss on other long term employee benefit plan	(2.13)	19.53
Components of other long term employee benefit costs recognised in profit or loss	**5.37**	**47.93**

c) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at March 31, 2021	As at March 31, 2020
Discount rate	6.45%	6.26%
Expected rate of return on assets	6.45%	6.25%

Attrition rate:

	As at March 31, 2021		As at March 31, 2020	
	Upto 4 years of service	Above 4 years of service	Upto 4 years of service	Above 4 years of service
Ages				
Upto 30 years	30.00%	30.00%	18.05%	11.45%
Above 30 years	10.00%	10.00%	0.00%	8.00%
Future salary growth				
Year 1	12.00%	12.00%	4.10%	5.99%
Year 2	12.00%	12.00%	11.74%	17.90%
Year 3 and onwards	12.00%	12.00%	8.00%	12.00%
Mortality table	India Assured Life Moratility (2012-14)		India Assured Life Moratility (2012-14)	

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

d) Sensitivity analysis

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

Gratuity

For the year ended March 31, 2021	Increase	Decrease
Impact of change in discount rate by 0.50%	(19.40)	21.82
Impact of change in salary by 0.50%	10.13	(10.37)
For the year ended March 31, 2020	Increase	Decrease
Impact of change in discount rate by 0.50%	(12.62)	17.39
Impact of change in salary by 0.50%	9.84	(6.85)

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.

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27 DEFINED BENEFIT PLAN AND OTHER LONG TERM EMPLOYEE BENEFIT PLAN (Contd.)

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

Particulars	As at March 31, 2021	As at March 31, 2020
Within one year	20.14	10.76
Within one - three years	30.98	21.75
Within three - five years	27.22	22.20
Above five years	211.29	168.60
Total	**289.63**	**223.31**

28 SHARE BASED PAYMENT PLANS

a) Employee Stock Option Plan (ESOP)

The Company has provided various share-based payment schemes to its employees in the preceding financial years. During the year ended March 31, 2021, the following schemes were in operation:

	ESOP 2015	ESOP 2016	ESOP 2017
Date of grant	June 08, 2015	July 28, 2016	June 02, 2017
Date of Board Approval	June 08, 2015	July 28, 2016	May 04, 2017
Date Of Shareholder's approval	September 23, 2015	September 23, 2015	September 23, 2015
Number of options approved	5,39,000	2,76,980	2,00,730
Method of Settlement	Equity	Equity	Equity
Vesting period (in months)	0 to 48 Months	0 to 48 Months	0 to 48 Months

The details of activity have been summarised below:

ESOP 2015

	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	Nil	200	62,100	200
Granted during the year	Nil	200	Nil	200
Forfeited/ expired during the year	Nil	200	Nil	200
Exercised during the year	Nil	200	62,100	200
Outstanding at the end of the year	Nil	200	Nil	200
Exercisable at the end of the year	Nil	200	Nil	200

ESOP 2016

	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	19,425	200	41,850	200
Granted during the year	Nil	200	Nil	200
Forfeited/ expired during the year	Nil	200	2,400	200
Exercised during the year	19,425	200	20,025	200
Outstanding at the end of the year	Nil	200	19,425	200
Exercisable at the end of the year	Nil	200	Nil	200

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28 SHARE BASED PAYMENT PLANS (Contd.)

ESOP 2017

	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Number of options	Weighted Average Exercise Price (INR)	Number of options	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	27,846	200	37,888	200
Granted during the year	Nil	200	Nil	200
Forfeited/ expired during the year	Nil	200	760	200
Exercised during the year	13,923	200	9,282	200
Outstanding at the end of the year	13,923	200	27,846	200
Exercisable at the end of the year	Nil	200	Nil	200

Figures for current year ended March 31, 2021 and previous year are as follows:

	As at March 31, 2021		
	ESOP 2015	ESOP 2016	ESOP 2017
Range of exercise prices	NA	200	200
Number of options outstanding	NA	Nil	13,923
Weighted average remaining contractual life of options (in years)	NA	-	-
Weighted average exercise price	NA	200	200
Weighted average share price for the options exercised during the year	NA	300	300

	As at March 31, 2020		
	ESOP 2015	ESOP 2016	ESOP 2017
Range of exercise prices	200	200	200
Number of options outstanding	Nil	19,425	27,846
Weighted average remaining contractual life of options (in years)	Nil	0.25	0.80
Weighted average exercise price	NA	200	200
Weighted average share price for the options exercised during the year	NA	300	300

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 March 31, 2021		
	ESOP 2015	ESOP 2016	ESOP 2017
Weighted average share price	NA	275.93	280.50
Exercise Price	NA	200	200
Expected Volatility	NA	0.00%	0.00%
Historical Volatility	NA	0.10%	0.10%
Life of the options granted (Vesting and exercise year) in years	NA	7.70	7.70
Expected dividends	NA	Nil	Nil
Average risk-free interest rate	NA	7.20%	7.20%

	As at March 31, 2020		
	ESOP 2015	ESOP 2016	ESOP 2017
Weighted average share price	200	275.93	280.50
Exercise Price	200	200	200
Expected Volatility	0.00%	0.00%	0.00%
Historical Volatility	0.10%	0.10%	0.10%
Life of the options granted (Vesting and exercise year) in years	7.70	7.70	7.70
Expected dividends	Nil	Nil	Nil
Average risk-free interest rate	7.77%	7.20%	7.20%

The Company has provided various share-based payment schemes to its employees in the preceding financial years.

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28 SHARE BASED PAYMENT PLANS (Contd.)

Stock appreciation rights (SAR)

The Company had granted stock appreciation rights to its employees during the previous years. Details are as follows

	SAR 2018
Date of grant	October 01, 2018
Date of Board Approval	September 22, 2018
Date Of Shareholder's approval	May 07, 2018
Number of units approved	8,00,740
Method of Settlement	Equity
Vesting period (in months)	0 to 48 Months

The details of activity have been summarised below:

	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Number of SAR units	Weighted Average Exercise Price (INR)	Number of SAR units	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	5,84,592	500	7,79,740	500
Granted during the year	Nil	Nil	Nil	Nil
Lapsed during the year	12,448	500	45,332	500
Exercised during the year	1,44,356	Nil	1,49,816	Nil
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	4,27,788	500	5,84,592	500
Exercisable at the end of the year	Nil	Nil	Nil	Nil

Figures for SAR 2018 are as follows:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Range of exercise prices	500	500
Number of units outstanding	4,27,788	5,84,592
Weighted average remaining contractual life of units (in years)	1.50	2.50
Weighted average exercise price	500	500

SAR units 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:

	SAR 2018
Weighted average share price	597
Exercise Price	500
Expected Volatility	41.00%
Historical Volatility	41.00%
Life of the options granted (Vesting and exercise year) in years	4.00
Expected dividends	Nil
Average risk-free interest rate	7.80%

Effect of the employee share-based payment plans on the statement of profit & loss:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Total Employee Compensation Cost pertaining to share-based payment plans	58.83	78.59
Compensation Cost pertaining to equity-settled employee share-based payment plan included above	58.83	78.59

Effect of the employee share-based payment plans on its financial position:

	As at March 31, 2021	As at March 31, 2020
Total Liability for employee stock options outstanding as at year end	97.38	116.16

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29 FAIR VALUE MEASUREMENTS

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

	Level	As at March 31, 2021	As at March 31, 2020
Financial assets			
a) Measured at fair value through profit or loss (FVTPL)			
- Investment in mutual funds and bonds (Refer Note b(iii) below)	Level 1	22,174.36	8,718.78
- Investment in equity/preference instruments of other entities (Refer Note b(iv) below)	Level 3	99.99	-
		22,274.35	**8,718.78**
b) Measured at amortised cost (refer note (b)(i) and (ii) below)			
- Trade receivables		12.46	16.82
- Cash and cash equivalents		401.19	169.38
- Loans to employees		9.71	13.72
- Inter-corporate deposits		701.91	-
- Security deposits		41.90	103.97
- Deposits with Banks		376.08	418.97
- Other financial assets		73.57	26.98
		1,616.82	749.84
Total financial assets (a+b)		**23,891.16**	**9,468.62**
Financial liabilities			
a) Measured at amortised cost (refer note (b)(i) and (ii))			
- Trade payables		154.28	179.42
- Security deposits		0.14	0.14
- Other financial liabilities		201.26	259.83
- Lease liabilities		634.24	765.10
Total financial liabilities		**989.92**	**1,204.49**

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

i) The carrying value of deposits with Banks, Inter-corporate deposits with Financial institutions, trade receivables, loans to employees, cash and cash equivalents, trade payables, security deposits, lease liabilities and other financial assets and other financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments. These have been assessed basis counterparty credit risk.

ii) The fair value of non-current financial assets and financial liabilities measured are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used does not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.

iii) Fair value of quoted mutual funds and bonds is based on quoted market prices at the reporting date. We do not expect material volatility in these financial assets.

iv) Fair value of equity/preference instruments of other entities is estimated based on discounted cash flows valuation technique using the cash flow projections, discount rate and credit risk.

c) Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets as of March 31, 2021 and March 31, 2020:

Financial assets	Valuation technique(s)	Key input(s)	Sensitivity
Investment in equity/preference instruments of other entities			
Mobisy Technologies Private Limited	Refer Note below*	i) Discount rate ii) Growth rate for long term cash flow projections. iii) Future cash flow projections based on budgets approved by the management.	Refer Note below**

* The fair values of financial assets included in level 3 have been determined in accordance with generally accepted valuation models based on a discounted cashflow analysis, with one of the most significant inputs being the discount rate that reflects the credit risk of counter parties.

** Sensitivity to changes in unobservable inputs: The fair value of the financial assets is directly proportional to the estimated future cash flow projections based on the budgets approved by the management. Change in significant unobservable input of discount rate by 100 bps and growth rate by 100 bps in the valuation does not have a significant impact on the carrying value of the assets in the consolidated financial statements.

(Amount in ₹ million, unlesss otherwise stated)

29 FAIR VALUE MEASUREMENTS (Contd.)

d) Reconciliation of level 3 fair value measurements

	Investment in equity/preference instruments of other entities	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance	-	-
Additions	99.99	-
Closing balance	**99.99**	**-**

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

30 CAPITAL MANAGEMENT

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

The capital structure of the company consists of no debts and only equity of the company.

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

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

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to market risk, credit risk and liquidity risk. The Group's board of directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, 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 Group's activities.

The Group's board oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. 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 Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's cash and bank balances, trade receivables, investments in mutual fund, loans 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 Group majorly collects consideration in advance for the services to be provided to the customer. As a result, the Group is not exposed to any significant credit risk on trade receivables.

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

The Group maintains its cash and cash equivalents, bank deposits, inter-corporate deposits 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 and loans

The Group 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 Group's historical experience of dealing with the parties.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

ii) Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Groups's reputation.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, and 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 Group's financial liabilities based on contractual undiscounted payments:

Contractual maturities of financial liabilities

	Within 1 year	Between 1 and 5 years and thereafter	Total
As at March 31, 2021	154.28	-	154.28
Trade payables	309.97	525.67	835.64
Lease and other financial liabilities	464.25	525.67	989.92

	Within 1 year	Between 1 and 5 years and thereafter	Total
As at March 31, 2020	179.42	-	179.42
Trade payables	412.58	612.49	1,025.07
Lease and other financial liabilities	592.00	612.49	1,204.49

iii) Market risk

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

a) 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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). The Group's exposure to unhedged foreign currency risk as at March 31, 2021 and March 31, 2020 has been disclosed in note below. Currency risks related to the principal amounts of the Group's US dollar trade receivables.

Unhedged foreign currency exposure

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivable	USD 0.09 (INR 6.72)	USD 0.07 (INR 5.14)

Sensitivity

Particulars	As at March 31, 2021	As at March 31, 2020
USD sensitivity		
INR/USD - increase by 2%	0.13	0.10
INR/USD - decrease by 2%	(0.13)	(0.10)

(Amount in ₹ million, unlesss otherwise stated)

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

b) Interest rate risk

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

	Impact on profit before tax	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Sensitivity		
+ 5% change in NAV of mutual funds and bonds	1,108.72	435.94
- 5% change in NAV of mutual funds and bonds	(1,108.72)	(435.94)

32 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group has only one business segment which is business-to-business e-marketplace, which acts as an interactive hub for domestic and international buyers and suppliers and operates in a single business segment based on the nature of the products, the risks and returns, the organisation structure and the internal financial reporting systems. Hence the Group falls within a single operating segment "Business to business e-marketplace".

Information about geographical areas:

The Group'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		Non-current assets*	
	For the year ended March 31, 2021	For the year ended March 31, 2020	As at March 31, 2021	As at March 31, 2020
India	6,599.61	6,251.58	669.90	875.29
Others	96.01	136.96	-	-
	6,695.62	**6,388.54**	**669.90**	**875.29**

33 RELATED PARTY TRANSACTIONS

i) Names of related parties and related party relationship:

a) Individuals owning directly or indirectly, an interest in the voting power of the Group that gives them Significant Influence over the Group and Key Management Personnel (KMP)

Name	Designation
Dinesh Chandra Agarwal	Managing director and CEO
Brijesh Kumar Agrawal	Whole time director
Prateek Chandra	Chief financial officer
Manoj Bhargava	Company Secretary
Dhruv Prakash	Non-executive director
Rajesh Sawhney	Independent director
Elizabeth Lucy Chapman	Independent director
Vivek Narayan Gour	Independent director

b) Entities where Individuals and Key Management Personnel (KMP) as defined above exercise significant influence.

Mansa Enterprises Private Limited

c) Other related parties

Indiamart Employee Benefit Trust (separately administered Trust to manage employees share based payment plans of the company)

Indiamart Intermesh Employees Group Gratuity Assurance Scheme (separately administered Trust to manage post-employment defined benefits of employees of the company)

Simply Vyapar Apps Private Limited (Associate)

Ten Times Online Private Limited (Associate) (with effect from 1 September 2020, Also refer to Note 37)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

33 RELATED PARTY TRANSACTIONS (Contd.)

ii) Key management personnel compensation

	For the year ended March 31, 2021	For the year ended March 31, 2020
Short-term employee benefits	111.39	119.15
Post-employment benefits	0.13	1.11
Other long-term employee benefits	-	3.67
Employee share based payment	4.37	32.39
	115.89	**156.32**

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Entities where KMP and Individuals exercise Significant influence		
Expenses for rent		
Mansa Enterprises Private Limited	1.59	3.07
Key management personnel		
Recruitment and training expenses		
Dhruv Prakash	0.44	3.09
Director's sitting fees	1.14	2.09
Dividend paid		
Dinesh Chandra Agarwal	-	86.31
Brijesh Kumar Agrawal	-	58.49
Prateek Chandra	-	1.01
Manoj Bhargava	-	0.01
Rajesh Sawhney	-	0.25
Dhruv Prakash	-	0.40
Vivek Narayan Gour	-	0.09
Associates		
Investment in associates		
Simply Vyapar Apps Private Limited	-	312.02
Web services provided to		
Simply Vyapar Apps Private Limited	0.04	0.01
Internet and online services availed		
Ten Times Online Pvt. Ltd (from 1 September 2020)	0.05	-
Indiamart Employee Benefit Trust		
Interest free Loan given	1.20	1.50
Repayment of loan given	1.20	-
Share capital issued	1.35	1.45
Dividend paid	-	0.43

Terms and conditions of transactions with related parties

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

The above transactions do not include IPO related expenses, incurred, in trust on behalf of related parties (Managing Director and Whole time Director) as selling shareholders in Offer for Sale during the year ended March 31, 2020.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

33 RELATED PARTY TRANSACTIONS (Contd.)

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

Balance Outstanding at the year end	As at March 31, 2021	As at March 31, 2020
Key management personnel		
Recruitment and training expenses payable		
Dhruv Prakash	-	0.13
Director's sitting fees	0.05	-
Investment in associates		
Simply Vyapar Apps Private Limited	312.02	312.02
Ten Times Online Pvt. Ltd	0.93	-
Deferred Revenue		
Simply Vyapar Apps Private Limited	0.47	0.02
Loan given		
Indiamart Employee Benefit Trust	1.50	1.50

34 GROUP INFORMATION

Information about subsidiaries and assoicates

The consolidated financial statements of the Group includes subsidiaries and associate listed in the table below:

Name	Principal activities	Country of incorporation	% interest	
			As at March 31, 2021	As at March 31, 2020
Hello Trade Online Private Limited	Business facilitation services	India	100	100
Tradezeal Online Private Limited	Business facilitation services	India	100	100
Ten Times Online Private Limited *	Business facilitation services	India	-	100
Tolexo Online Private Ltd	Cloud based solution for SMEs	India	100	100
Pay With Indiamart Private Limited	Payment facilitation	India	100	100
Information about associate				
Ten Times Online Private Limited *	Business facilitation services	India	30	-
Simply Vyapar Apps Private Limited	Software and apps service providing company	India	26	26

* The Parent Company diluted its stake in Ten Times Online Private Limited which was a wholly owned subsidiary on September 1, 2020, by selling its equity stake to the tune of 70%. Post this transaction, Ten Times Online Private Limited becomes an Associate of the parent company.

35 ADDITIONAL INFORMATION

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	INR million	As % of consolidated profit and loss	INR million	As % of consolidated other comprehensive income	INR million	As % of total comprehensive income	INR million
Parent								
Indiamart Intermesh Limited								
Balance as at March 31, 2021	99.92%	16,166.44						
Balance as at March 31, 2020	94.63%	2,744.94						
For the year ended March 31, 2021			104.20%	2,867.13	102.88%	(18.29)	104.21%	2,848.84
For the year ended March 31, 2020			105.96%	1,462.08	97.67%	(54.17)	106.31%	1,407.91
Subsidiaries								
Tolexo Online Private Limited								
Balance as at March 31, 2021	-1.48%	(238.93)					`	
Balance as at March 31, 2020	-5.78%	(167.80)					`	
For the year ended March 31, 2021			-2.67%	(73.46)	-3.81%	0.68	-2.66%	(72.79)
For the year ended March 31, 2020			-4.98%	(68.76)	0.54%	(0.30)	-5.21%	(69.06)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

35 ADDITIONAL INFORMATION (Contd.)

Ten Times Online Private Limited (till September 1, 2020)								
Balance as at March 31, 2021	0.00%	-						
Balance as at March 31, 2020	1.52%	44.01						
For the year ended March 31, 2021			-0.43%	(11.92)	0.93%	(0.17)	-0.44%	(12.09)
For the year ended March 31, 2020			0.64%	8.81	1.80%	(1.00)	0.59%	7.81
Hello Trade Online Pvt Ltd								
Balance as at March 31, 2021	0.00%	0.03						
Balance as at March 31, 2020	0.00%	0.06						
For the year ended March 31, 2021			0.00%	(0.04)	0.00%	-	0.00%	(0.04)
For the year ended March 31, 2020			0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Tradezeal Online Pvt Ltd								
Balance as at March 31, 2021	-0.16%	(26.22)						
Balance as at March 31, 2020	-0.79%	(22.89)						
For the year ended March 31, 2021			-0.16%	(4.32)	0.00%	-	-0.16%	(4.32)
For the year ended March 31, 2020			-0.24%	(3.25)	0.00%	-	-0.25%	(3.25)
Pay with Indiamart Private Limited								
Balance as at March 31, 2021	0.05%	8.69						
Balance as at March 31, 2020	0.23%	6.81						
For the year ended March 31, 2021			0.03%	0.77	0.00%	-	0.03%	0.77
For the year ended March 31, 2020			-0.19%	(2.56)	0.00%	-	-0.19%	(2.56)
Associate (accounting as per equity method)								
Simply Vyapar Apps Private Limited								
Balance as at March 31, 2021	1.67%	269.94						
Balance as at March 31, 2020	10.19%	295.61						
For the year ended March 31, 2021			-0.93%	(25.67)	0.00%	-	-0.94%	(25.67)
For the year ended March 31, 2020			-1.19%	(16.41)	0.00%	-	-1.24%	(16.41)
Ten Times Online Private Limited (Post September 1, 2020)								
Simply Vyapar Apps Private Limited								
Balance as at March 31, 2021	0.00%	-						
Balance as at March 31, 2020	0.00%	-	0.00%	-	0.00%	-	0.00%	-
For the year ended March 31, 2021		-	-0.03%	(0.93)	0.00%	-	-0.03%	(0.93)
For the year ended March 31, 2020	0.00%	-						
Balance as at March 31, 2021	100.00%	16,179.95						
Balance as at March 31, 2020	100.00%	2,900.74						
For the year ended March 31, 2021			100.00%	2,751.56	100.00%	(17.78)	100.00%	2,733.78
For the year ended March 31, 2020			100.00%	1,379.86	100.00%	(55.47)	100.00%	1,324.40
Adjustment arising out of consolidation								
Balance as at March 31, 2021		(71.10)						
Balance as at March 31, 2020		(150.17)						
For the year ended March 31, 2021				46.18		-		46.17
For the year ended March 31, 2020				93.96		-		93.96
Total								
Balance as at March 31, 2021		16,108.84						
Balance as at March 31, 2020		2,750.57						
For the year ended March 31, 2021				2,797.74		(17.78)		2,779.96
For the year ended March 31, 2020				1,473.82		(55.47)		1,418.35

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

36 CONTINGENT LIABILITIES AND COMMITMENTS

a) Contingent liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Income-tax demand (refer notes (a) and (b) below)	302.68	302.68

(a) In respect of Assessment year 2016-17, a demand 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 and accordingly the losses to be carried forward by the Company have been reduced from INR 719.22 million to INR 482.07 million (Tax impact @25.17%- INR 59.69 million) . 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 consolidated financial statements for tax demand raised.

(b) In respect of Assessment year 2017-18, a demand of INR 242.99 million 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 consolidated financial statements for tax demand raised.

(ii) On February 28, 2019, a judgment of the Supreme Court of India interpreting certain statutory defined contribution obligations of employees and employers altered historical understandings of such obligations, extending them to cover additional portions of the employee's income. However, the judgment is not explicit if such interpretation may have retrospective application resulting in increased contribution for past and future years for certain employees of the Group. The Group, based on an internal assessment, evaluated that there are numerous interpretative challenges on the retrospective application of the judgment which results in impracticability in estimation of and timing of payment and amount involved. As a result of lack of implementation guidance and interpretative challenges involved, the Group is unable to reliably estimate the amount involved. Accordingly, the Group shall evaluate the amount of provision, if any, on there being further clarity on the matter.

(iii) The Group is involved in various lawsuits, claims and proceedings that arise in the ordinary course of business, the outcome of which is inherently uncertain. Some of these matters include speculative and frivolous claims for substantial or indeterminate amounts of damages. The Group records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Management reviews these provisions and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Management believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, financial position, results or cash flows of the Group, with respect to loss contingencies for legal and other contingencies as at March 31, 2021.

(iv) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.

b) Capital and other commitments

- As at March 31, 2021, the Group has capital commitment of INR 13 millions (March 31, 2020: Nil).

37 The Company diluted its stake in Ten Times Online Private Limited which was a wholly owned subsidiary on September 1, 2020, by selling its equity stake to the tune of 70% for a consideration of INR 2.12 millions. Post this transaction, the Company still holds 30% stake in Ten Times Online Private Limited and the fair value the remaining stake amounted to INR 0.93 millions and the same was classified as 'Investment in Associate' in these consolidated financial statements. The book value of assets and liabilities sold is as follows:

Particulars	Amount
Net Working Capital (including cash of INR 1.63 millions)	7.14
Deferred and current tax	(0.57)
Property, plant and equipment	1.38
Intangible assets	0.06
Other non-current liabilities	(2.92)
Total Net Assets (A)	**5.09**
Consideration received for 70% Stake (B)	2.12
Fair Value of remaining 30% Stake (C)	0.93
Loss on change of control of a subsidiary converted into an associate (A-B-C)	(2.04)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(Amount in ₹ million, unlesss otherwise stated)

38 INVESTMENT IN ASSOCIATES

The Group has no material associate as on March 31, 2021, The aggregate summarised financial information in respect of the Group's immaterial associates accounted for using the equity method is as below:

Particulars	As at March 31, 2021	As at March 31, 2020
Carrying value of the Group's interest in associates	269.94	295.61
The Group's share in profit/(loss) for the year in associates	(26.60)	(16.41)

39 EVENTS AFTER THE REPORTING PERIOD

The Group has evaluated all the subsequent events through 29 April 2021, which is the date on which these consolidated financial statements were issued, and no events have occurred from the balance sheet date through that date except for matters that have already been considered in the consolidated financial statements.

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

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Kanika Kohli
Partner
Membership No.: 511565

Place: Gurugram
Date: 29 April 2021

For and on behalf of the Board of Directors of **IndiaMART InterMESH Limited**

Dinesh Chandra Agarwal
(Managing Director & CEO)
DIN:00191800

Brijesh Kumar Agrawal
(Whole-time Director)
DIN:00191760

Prateek Chandra
(Chief Financial Officer)

Manoj Bhargava
(Company Secretary)

Place: Noida
Date: 29 April 2021

Note

INDIAMART INTERMESH LIMITED
CIN No.: L74899DL1999PLC101534

REGISTERED OFFICE OF THE COMPANY
1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002, India
Tel: +91-11-45608941

CORPORATE OFFICE OF THE COMPANY
IndiaMART InterMESH Limited
6th Floor, Tower 2, Assotech Business Cresterra, Plot No. 22, Sec 135,
Noida-201305, Uttar Pradesh, India
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www.indiamart.com

FOLLOW US:

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Corp. Office: 6th Floor, Tower 2, Assotech Business Cresterra, Plot No. 22, Sector-135, Noida- 201305, U.P.
CIN: L74899DL1999PLC101534, **Website:** www.indiamart.com; **Ph. No:** +91-11-45608941/+91-9696969696

NOTICE OF THE 22ND ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Second (22nd) Annual General Meeting ('AGM') of the member(s) of **IndiaMART InterMESH Limited** ('the Company') will be held on **Tuesday, August 31, 2021 at 11:00 a.m.** IST through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM'), for which purpose the Registered Office of the Company situated at 1st Floor, 29-Daryaganj, Netaji Subash Marg, New Delhi-110002 shall be deemed as the venue for the Meeting wherein the proceedings of the AGM shall be deemed to have been conducted, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone & Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend of ₹ 15/- per equity share for the year ended March 31, 2021.
3. To appoint a Director in place of Mr. Dhruv Prakash (DIN: 05124958), who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board of
IndiaMART InterMESH Limited

Sd/-
Manoj Bhargava
Senior Vice President (Legal & Secretarial)
Company Secretary & Compliance Officer
Membership No.- F 5164

Date: August 3, 2021
Place: Noida

NOTES:

1. In view of the COVID-19 pandemic and the social distancing norms to be followed in the Country, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020,Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated January 13, 2021 ('MCA Circulars') and SEBI has via circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 ('SEBI Circulars') (MCA Circulars and SEBI Circulars are collectively referred as 'Circulars') has permitted the holding of the AGMs through VC/OAVM facility and dispensed physical presence of the members at the meeting. In compliance with the provisions of the Companies Act, 2013 ('Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Circulars, the 22nd AGM of the Company is being held through VC/OAVM facility. The detailed procedure for participating through VC/OAVM facility is mentioned in Note No. 20 of the notice. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
2. A member entitled to attend and vote at the AGM has a right to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company.

   However, in terms of aforesaid Circulars, since the physical attendance of Members has been dispensed with, there is no requirement for appointment of proxies. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

   Institutional/Corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) intending to authorise their representatives to attend the AGM through VC/OAVM facility and/or vote through remote e-voting or e-voting at the AGM on its behalf are requested to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, etc., with attested specimen signature of the duly authorised signatory(ies) to the Scrutiniser by email to shreyanshpjain@gmail.com with a copy marked to the Company at cs@indiamart.com.
3. The attendance of the Members attending the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
4. The relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India ('Secretarial Standard-2'), in respect of Director seeking re-appointment at the AGM are also annexed to this Notice.
5. The recording of the AGM shall also be made available on the Company's website at http://investor.indiamart.com in the Investors Relation Section, as soon as possible after the conclusion of the AGM.
6. The relevant documents or its extracts as referred to in the Notice can be obtained for inspection by members by writing to the Company at its email ID cs@indiamart.com from the date of circulation of this Notice upto the date of the AGM.
7. Members desiring any information/clarification on the financial statements of the Company or any matter to be placed at the AGM are requested to write to the Company at it's email id cs@indiamart.com mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at least seven (7) days in advance to enable the management to keep information ready at the AGM. Members desiring to seek information/clarification during the AGM may use the

chat box facility provided by National Securities Depository Limited ('NSDL') for the same.

8. During the AGM, members may access the Auditor's Report, Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and Certificate from Statutory Auditor's of the Company certifying that Indiamart Employee Stock Benefit Scheme, 2018 of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014. Members seeking to inspect such documents can send an email to the Company at cs@indiamart.com.

9. Pursuant to Sections 101 and 136 of the Act read with relevant Rules made thereunder, companies can send Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participants ('DP'). Members who have not registered their email id's in their demat accounts are requested to register their e-mail address with their respective DP for receiving Annual Reports and other communications through electronic mode.

10. In compliance with the aforesaid Circulars, the Notice of the AGM and Annual Report for FY 2021 along with login details for participating in the AGM through VC/OAVM facility including e-voting are being sent only through electronic mode to those members whose e-mail IDs are registered with the Company or Link Intime India Pvt. Ltd ('RTA') or DP. Members may note that this Notice of the AGM and Annual Report for FY 2021 will also be available on the Company's website at http://investor.indiamart.com, Stock Exchange's website i.e. BSE Limited at www.bseindia.com, National Stock Exchange of India Limited at www.nseindia.com and National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com.

11. The Notice of AGM and Annual Report for FY 2021 will be sent to those Members/beneficial owners whose name will appear in the Register of Members/list of beneficiaries received from the Depositories as on Friday, July 30, 2021.

12. The Securities and Exchange Board of India ('SEBI') has mandated the submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their DPs with whom they are maintaining their demat accounts.

13. Pursuant to Reg. 40 of Listing Regulations, as amended, securities of Listed Companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of transmission or transposition of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the last date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Members can contact the Company or Company's RTA for any assistance in this regard.

14. Members holding shares in dematerialised form are advised to make nomination in respect of their shareholding in the Company by submitting Form No. SH-13 to their respective DP in terms of Section 72 of the Act to the RTA. The nomination form can be downloaded from the Company's website http://investor.indiamart.com. Members who require communication in physical form in addition to e-communication or have any other queries, may write to the RTA or Company at its Registered Office address.

15. Non-Resident Indian members are requested to inform RTA, immediately of:

    a) Change in their residential status on return to India for permanent settlement;

    b) Particulars of their bank account maintained in India with complete name, branch, account number, account type and address of the Bank with pin code number.

16. The dividend, as recommended by the Board of Directors of the Company in its meeting held on April 29, 2021 (₹ 15/- per equity share of face value ₹ 10/- each for FY 2021), if declared subject to the approval of the members at the meeting, will be paid on or before Wednesday, September 29, 2021 to those member(s) or their mandates:

    a) whose names appear as Beneficial Owners at the end of business hours on Tuesday, August 24, 2021 in the lists of Beneficial Owners furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form;

    b) whose names appear as member(s) in the Register of Members of the Company on Tuesday, August 24, 2021.

    Pursuant to amendment in Income Tax Act and Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source ('TDS') from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. To enable compliance with TDS requirements, members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to cs@indiamart.com. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. For further details and formats of declaration, please refer to FAQs on Taxation of Dividend Distribution available at Company's website http://investor.indiamart.com.

    The dividend approved by the members will be paid as per the mandate registered with the Company or with their respective DPs. The Company or its RTA cannot act on any request received directly from the member(s) holding shares in electronic form for any change of address/bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members. For members, who have not updated their bank account details, dividend warrants/demand drafts/cheques will be sent out to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories where shares are held in dematerialised mode to receive dividend directly into their bank account on the payout date.

17. Members are requested to note that dividend which remains unclaimed for a period of seven (7) years from the date of transfer to the Company's unpaid dividend account and shares on which the dividend remains unclaimed for seven (7) consecutive years will be transferred to the Investor Education and Protection Fund ('IEPF') as per Section 124 of the Act and the applicable rules. In view of the same, members who wish to claim their unclaimed dividend are requested to raise a request with the RTA or to the Company at its registered office and/or email at cs@indiamart.com. Please refer Company's website http://investor.indiamart.com/ for details related to unclaimed dividend amount.

18. All correspondence should be addressed to the RTA of the Company viz. Link Intime India Private Limited, Noble Heights, 1st Floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058, Tel: 011 - 49411000, e-mail: delhi@linkintime.co.in.

19. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, Regulation 44 of Listing Regulations, Secretarial Standard - 2 issued by the Institute of Company Secretaries of India, as amended from time to time, and MCA Circulars, the Company is pleased to provide remote e-Voting facility before the AGM and e-Voting facility at the AGM to its members to exercise their right to vote on all the resolutions proposed to be transacted at the AGM by electronic means. The facility of casting votes by a member using remote e-Voting and e-Voting at the AGM will be provided by National Securities Depository Limited ('NSDL').

    The Members can opt for only one mode of voting i.e. remote e-Voting or e-Voting at the AGM. In case of voting by both the modes, vote cast through remote e-Voting will be considered final and e-Voting at the AGM will not be considered.

    The instructions for joining the AGM through VC/OAVM, remote e-voting and e-voting during the AGM are provided in the Notice of AGM under Note No. 20.

20. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:

A. INSTRUCTIONS FOR REMOTE E-VOTING PRIOR TO THE AGM

i. The remote e-voting period will commence on Friday, August 27, 2021 (9:00 a.m. IST) and ends on Monday, August 30, 2021 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialised form as on the cut-off date i.e. Tuesday, August 24, 2021, may cast their vote electronically. A person, whose name appears in the Register of Members maintained by the Depositories as on the cut-off date, shall be entitled to avail the facility of remote e-voting.

   The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

ii. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

iii. Any person, who acquires equity shares and becomes a member of the Company after the date of electronic dispatch of the Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password to cast the vote.

iv. The details of the process and manner for remote e-voting are explained herein below:

   Step 1: Log-in to NSDL e-voting system at https://www.evoting.nsdl.com/

   Step 2: Cast your vote electronically on NSDL e-voting system and join virtual meeting on NSDL e-voting system.

Details on Step 1 are mentioned below:

A) How to Log-in to NSDL e-voting website?

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**A. NSDL IDeAS facility** If you are already registered, follow the below steps: 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. 2. Once the home page of e-Services is launched, click on the "**Beneficial Owner**" icon under "**Login**" which is available under "**IDeAS**" section. 3. A new screen will open. You will have to enter your **User ID** and **Password**. After successful authentication, you will be able to see e-Voting services. 4. Click on "**Access to e-Voting**" appearing on the left hand side under e-Voting services and you will be able to see e-Voting page. 5. Click on options available against company name or e-Voting service provider - **NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting.

Type of shareholders	Login Method
	If you are not registered, follow the below steps: 1. Option to register is available at https://eservices.nsdl.com. 2. Select "**Register Online for IDeAS**" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Please follow steps given in points 1-5. **B. E-voting website of NSDL** 1. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile phone. 2. Once the home page of e-Voting system is launched, click on the icon "**Login**" which is available under 'Shareholder/Member' section. 3. A new screen will open. You will have to enter your **User ID** (i.e. your sixteen digit demat account number held with NSDL), **Password/ OTP** and a **Verification Code** as shown on the screen. 4. After successful authentication, you will be redirected to NSDL website wherein you can see e-voting page. Click on options available against company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/ Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the e-voting menu. The Menu will have links of **e-voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. Alternatively, the user can directly access e-voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-voting facility. 2. Once logged-in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. 3. Click on options available against company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.

Important note: *Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.*

B) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

C) Your Password details are given below:

i. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

ii. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

iii. How to retrieve your 'initial password'?

a. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

b. In case you have not registered your email ID, please follow instructions mentioned below in this notice.

D) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   i. Click on "**Forgot User Details/Password**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   ii. If you are still unable to get the password by aforesaid option, you can send a request at evoting@nsdl.co.in mentioning your demat account number, PAN, name and registered address etc.

   iii. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

E) After entering your password, tick on Agree to "**Terms and Conditions**" by selecting on the check box.

F) Now, you will have to click on "**Login**" button.

G) After you click on the "**Login**" button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "**EVEN**" in which you are holding shares and whose voting cycle is in active status.
3. Select "**EVEN**" of the Company.
4. Now you are ready for e-voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "**Submit**" and also "**Confirm**" when prompted.
6. Upon confirmation, the message "**Vote cast successfully**" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
9. For joining virtual meeting, you need to click on "**VC/OAVM**" link placed under "**Join General Meeting**".

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

General Guidelines for Shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on https://www.evoting.nsdl.com to reset the password.
2. In case of any query relating to remote e-voting you may refer the Frequently Asked Questions ('FAQs') for Shareholders and e-voting user manual for Shareholders available at the download section of https://www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in.

   In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members who need assistance before or during the AGM and e-voting user manual for Members available on the website www.evoting.nsdl.com under the 'Downloads Section'. You can also contact NSDL on toll free number 1800-1020-990 and 1800 22 44 30 or Ms. Soni Singh, Assistant Manager, NSDL, at designated e-mail IDs: evoting@nsdl.co.in, who will address the grievances related to electronic voting.
3. Process for those Members holding shares in demat mode and whose email address are not registered with the Company/Depositories, for procuring user id and password and registration of e-mail address for e-voting for the resolutions set out in this Notice:

   Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing demat account number, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained above.

B. INSTRUCTIONS FOR E-VOTING DURING THE AGM

1. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
3. The details of the person who may be contacted for any grievances connected with the facility for e-voting during the AGM shall be the same as mentioned above for remote e-voting.

C. INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/OAVM

1. Members will be able to attend the AGM through VC/OAVM provided by NSDL at https://www.evoting.nsdl.com under shareholders/members login by using their remote e-voting login credentials and selecting the EVEN for Company's AGM. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed.

   Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first serve basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.

3. Members will be required to use Internet with a good speed to avoid any disturbance during the meeting. Members joining through Tablets/Laptops/Mobile devices etc are recommended to use stable Wi-Fi or LAN to mitigate any kind of glitches and for better experience.

4. Members who will participate in the AGM through VC/OAVM can also pose question/feedback through question box option. Such questions by the Members shall be taken up during the meeting or replied within seven (7) working days from the date of AGM by the Company suitably.

D. THE INSTRUCTIONS FOR MEMBERS FOR ELECTION OF CHAIRMAN TO START THE AGM PROCEEDING ON THE DAY OF AGM ARE AS UNDER:

1. After successful login at Step 1 above, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After clicking on Active Voting Cycles, you will be able to see "**EVEN**" of Chairman Election of IndiaMart Intermesh Ltd whose voting cycle is in active status.

3. Select "**EVEN**" of Chairman Election, now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options and click on "**Submit**" and also "**Confirm**" when prompted.

5. Upon confirmation, the message "**Vote cast successfully**" will be displayed.

6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

OTHER INSTRUCTIONS:

1. The Board of Directors of the Company has appointed Mr. Shreyansh Pratap Jain, Practicing Company Secretary (Membership No. F8621 & C.P. No. 9515) as the Scrutiniser to scrutinise the process of remote e-voting and e-voting during the 22nd AGM in a fair and transparent manner.

2. The Scrutiniser shall after the conclusion of e-voting at the AGM, will first count the votes casted through e-voting at the meeting and thereafter unblock the votes casted through remote e-voting and shall make, not later than two (2) working days of the conclusion of the AGM, a consolidated Scrutiniser's report of the total votes casted in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

3. The results declared along with the report of the Scrutiniser shall be placed on the website of the Company https://investor.indiamart.com/ under the head of 'Investor Relations' and on the website of NSDL at www.evoting.nsdl.com after the declaration of result by the Chairman or a person authorised by him in writing. The results shall, simultaneously, be forwarded to National Stock Exchange of India Limited and BSE Limited which shall place the results on their website.

4. Subject to receipt of requisite number of votes, the resolution(s) forming part of notice of AGM shall be deemed to be passed on the date of the AGM i.e. Tuesday, August 31, 2021.

By order of the Board of
IndiaMART InterMESH Limited

Sd/-
Manoj Bhargava
Senior Vice President (Legal & Secretarial)
Company Secretary & Compliance Officer
Membership No.- F 5164

Date: August 3, 2021
Place: Noida

ANNEXURE

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, the following information is furnished about the Directors proposed to be appointed/re-appointed:

<table>
<tr><td>Name of the Director</td><td colspan="3">Mr. Dhruv Prakash</td></tr>
<tr><td>Date of Birth & Age</td><td colspan="3">November 13, 1951
69 Years</td></tr>
<tr><td>Qualification</td><td colspan="3">He holds a bachelor's degree in science from Meerut University, a master's degree in Science (Chemistry) from Meerut University and a Post graduate Diploma in business administration from the Indian Institute of Management Ahmedabad.</td></tr>
<tr><td>Terms and Conditions of appointment/ re-appointment</td><td colspan="3">Non-Executive Director, liable to retire by rotation.</td></tr>
<tr><td>Details of Remuneration sought to be paid</td><td colspan="3">Sitting Fee paid as director for attending the Meetings of Board and Committees Meetings.</td></tr>
<tr><td>Last Remuneration drawn (Per Annum)</td><td colspan="3">Refer Corporate Governance Report</td></tr>
<tr><td>Experience & Expertise</td><td colspan="3">43 years of Industry experience, currently he is engaged in his independent professional practice for rendering management consultancy and leadership development services. He has experience in the field of management consulting, finance, manufacturing and chemicals. He has previously worked at Korn/Ferry International Private Limited, Helion Ventures Private Limited, Hewitt Associates (India) Private Limited, Amar Dye-Chem Limited, DCM Toyota Limited, Hindustan Reprographics Limited and Escorts Limited.</td></tr>
<tr><td>Date of first appointment on the Board</td><td colspan="3">He was first appointed to our Board on May 11, 2012 and resigned from our Board on January 27, 2015 and was subsequently re-appointed on September 1, 2016.</td></tr>
<tr><td>No. of equity shares held in the Company*</td><td colspan="3">25,106 equity shares</td></tr>
<tr><td>Relationship with other Directors, Manager, and other Key Managerial Personnel of the Company</td><td colspan="3">No Relation</td></tr>
<tr><td>Number of Board Meetings attended during FY 2021</td><td colspan="3">Four (4)</td></tr>
<tr><td rowspan="6">Other Directorships, Membership/Chairmanship of Committees of other Boards*</td><td colspan="3">Directorship in the following Companies:
• Bharat Hotels Limited
• SBI Mutual Fund Trustee Company Private Limited

Committee Positions in the following Companies:</td></tr>
<tr><td>Name of the Company</td><td>Name of the Committee</td><td>Position held (Chairman/Member)</td></tr>
<tr><td rowspan="3">Bharat Hotels Limited</td><td>Audit Committee</td><td>Member</td></tr>
<tr><td>Stakeholders Relationship Committee</td><td>Chairman</td></tr>
<tr><td>Nomination & Remuneration Committee</td><td>Chairman</td></tr>
<tr><td>SBI Mutual Fund Trustee Company Private Limited</td><td>Audit Committee</td><td>Member</td></tr>
</table>

* As on July 22, 2021