



**IndiaMART InterMESH Ltd.**

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**Date: November 09, 2020**

**BSE Limited**  
(BSE: 542726)

**National Stock Exchange of India Limited**  
(NSE: INDIAMART)

Dear Sir/Ma'am,

**Subject: Outcome of the Board Meeting**

Pursuant to Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we wish to inform you that the meeting of the Board of Directors of IndiaMART InterMESH Limited was held today i.e. November 09, 2020 at 2.00 P.M. and concluded at 3:45 P.M. wherein the Audited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2020 were approved.

Please take above information on record.

Yours faithfully,  
**For Indiamart Intermesh Limited**

**(Manoj Bhargava)**  
**Sr. Vice President (Legal & Secretarial),**  
**Company Secretary & Compliance Officer**

**Enclosed:** *Audited (Standalone and Consolidated) Financial Results of the Company, along with the Auditor Report, for the quarter and half year ended September 30, 2020.*

# B S R & Co. LLP

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,  
DLF Cyber City, Phase-II,  
Gurugram – 122 002, India

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## INDEPENDENT AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF IndiaMART InterMESH Limited

#### Report on the audit of the Standalone Financial Results

#### Opinion

We have audited the accompanying standalone quarterly financial results of IndiaMART InterMESH Limited (“the Company”) for the quarter ended 30 September 2020 and the year to date results for the period from 1 April 2020 to 30 September 2020 (“the standalone financial results”), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income (loss) and other financial information for the quarter ended 30 September 2020 as well as the year to date results for the period from 1 April 2020 to 30 September 2020.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Standalone Financial Results* 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 results 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.

Registered Office:

### **Management's and Board of Directors' Responsibilities for the Standalone Financial Results**

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the condensed standalone interim financial statements. The Company's Management and Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net profit/loss and other comprehensive income (loss) and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Management and the 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 Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 results.

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 results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the 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 results 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 results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **B S R & Co. LLP**

*Chartered Accountants*

ICAI Firm registration No: 101248W/W-100022

**KANIKA KOHLI**

Digitally signed by KANIKA

KOHLI

Date: 2020.11.09 14:40:07

+05'30'

**Kanika Kohli**

*Partner*

Membership No: 511565

ICAI UDIN: 20511565AAAABP5869

Place: Gurugram

Date: 9 November 2020

I. Audited Standalone Financials Results

(Amounts in INR million, except per share data)

S.No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
		Audited	Audited	Audited	Audited	Audited	Audited
<b>1</b>	<b>Income:</b>						
	a) Revenue from operations	1,618	1,513	1,529	3,131	2,972	6,235
	b) Other income	210	334	203	544	346	684
	<b>Total income</b>	<b>1,828</b>	<b>1,847</b>	<b>1,732</b>	<b>3,675</b>	<b>3,318</b>	<b>6,919</b>
<b>2</b>	<b>Expenses:</b>						
	a) Employee benefits expense	472	448	662	920	1,247	2,548
	b) Depreciation and amortisation	43	43	50	86	94	209
	c) Finance costs	17	19	7	36	11	33
	d) Other expenses	317	312	496	629	979	1,960
	<b>Total expenses</b>	<b>849</b>	<b>822</b>	<b>1,215</b>	<b>1,671</b>	<b>2,331</b>	<b>4,750</b>
<b>3</b>	<b>Profit before exceptional items and tax (1-2)</b>	<b>979</b>	<b>1,025</b>	<b>517</b>	<b>2,004</b>	<b>987</b>	<b>2,169</b>
<b>4</b>	Exceptional items [loss/(income)]	-	-	-	-	-	69
<b>5</b>	<b>Profit after exceptional items and before tax (3-4)</b>	<b>979</b>	<b>1,025</b>	<b>517</b>	<b>2,004</b>	<b>987</b>	<b>2,100</b>
<b>6</b>	<b>Tax expense/(credit)</b>						
	a) Current tax	171	-	(71)	171	(3)	(3)
	b) Deferred tax	63	260	178	323	249	327
	c) Tax impact related to change in tax rate and law	-	-	314	-	314	314
	<b>Total tax expense</b>	<b>234</b>	<b>260</b>	<b>421</b>	<b>494</b>	<b>560</b>	<b>638</b>
<b>7</b>	<b>Net Profit for the period (5-6)</b>	<b>745</b>	<b>765</b>	<b>96</b>	<b>1,510</b>	<b>427</b>	<b>1,462</b>
<b>8</b>	<b>Other comprehensive income/(loss) (net of tax)</b>						
	-Items that will not be reclassified to profit or loss	2	(14)	(26)	(12)	(35)	(54)
<b>9</b>	<b>Total comprehensive Income for the period (7+8)</b>	<b>747</b>	<b>751</b>	<b>70</b>	<b>1,498</b>	<b>392</b>	<b>1,408</b>
<b>10</b>	Paid up equity share capital (face value : INR 10/- each)	289	289	288	289	288	289
<b>11</b>	Other equity for the year						2,456
<b>12</b>	<b>Earnings per equity share:</b>						
	Basic earnings per equity share (INR 10 per share)	25.78	26.44	3.33	52.26	14.87	50.73
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	
	Diluted earnings per equity share (INR 10 per share)	25.32	26.01	3.26	51.35	14.55	49.84
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	

II. Audited Standalone Balance sheet

(Amounts in INR million)

	As at	
	September 30, 2020	March 31, 2020
	Audited	Audited
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	34	48
Capital work in progress	2	2
Right-of-use assets	714	800
Intangible assets	4	5
Investment in subsidiaries and associates	314	316
Financial assets		
(i) Investments	192	89
(ii) Loans	1	1
(iii) Others financial assets	48	398
Deferred tax assets (net)	-	244
Non-current tax assets (net)	218	211
<b>Total non-current assets</b>	<b>1,527</b>	<b>2,114</b>
<b>Current assets</b>		
Financial assets		
(i) Investments	9,860	8,656
(ii) Trade receivables	10	11
(iii) Cash and cash equivalents	140	129
(iv) Bank balances other than (iii) above	417	69
(v) Loans	7	12
(vi) Others financial assets	74	76
Current tax assets (net)	77	75
Other current assets	31	46
<b>Total current assets</b>	<b>10,616</b>	<b>9,074</b>
<b>Total assets</b>	<b>12,143</b>	<b>11,188</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital	289	289
Other equity	3,989	2,456
<b>Total equity</b>	<b>4,278</b>	<b>2,745</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
(i) Lease liabilities	572	613
Provisions	289	258
Deferred tax liabilities (net)	75	-
Contract liabilities	2,280	2,697
<b>Total non-current liabilities</b>	<b>3,216</b>	<b>3,568</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	163	177
(ii) Lease liabilities	138	153
(iii) Other financial liabilities	158	254
Provisions	45	40
Contract liabilities	3,994	4,138
Other current liabilities	151	113
<b>Total current liabilities</b>	<b>4,649</b>	<b>4,875</b>
<b>Total liabilities</b>	<b>7,865</b>	<b>8,443</b>
<b>Total equity and liabilities</b>	<b>12,143</b>	<b>11,188</b>

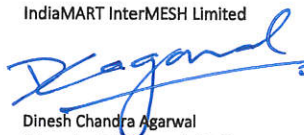
**Notes to the Statement of Audited Standalone Financial Results for the Quarter and six months ended September 30, 2020:**

- 1 The above standalone financial results for the quarter and six months ended September 30, 2020 were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on November 9, 2020. The statutory auditors have expressed an unmodified audit opinion on these results.
- 2 The above standalone financial results have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- 3 The standalone cash flow statement is attached in Annexure I.
- 4 The results for the quarter and six months ended September 30, 2020 are available on the BSE Limited website (URL: www.bseindia.com/corporates), the National Stock Exchange of India Limited website (URL: www.nseindia.com/corporates) and on the Company's website.
- 5 Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has only one 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 operating segment based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. Hence, the Company has a single operating segment "Business to business e-marketplace".
- 6 In view of the COVID -19 pandemic, the Company has considered internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of receivables, right-of-use assets, investment in subsidiaries and associates, Investment in other entities and other financial assets, for possible impact on the standalone quarterly financial results. However, the actual impact of COVID-19 on the Company's standalone interim financial results may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.
- 7 The Indian Parliament has approved the Code on Social Security, 2020 (the 'Code') which would primarily 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 rules for quantifying the financial impact are yet to be framed. The management 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.
- 8 The CEO and CFO have certified these results under Regulation 33(2) of SEBI (LODR) Regulations, 2015.

Place: Noida  
Date : November 9 ,2020

For and on behalf of the Board of Directors

**IndiaMART InterMESH Limited**



**Dinesh Chandra Agarwal**

(Managing Director and Chief Executive Officer)



## Statement of Audited Standalone Financials Results for the quarter and six months ended September 30, 2020

Annexure -I

(Amounts in INR million)

## Audited Standalone Statement of Cash Flows

Particulars	For the six months ended 30 September 2020	For the six months ended 30 September 2019
<b>Profit before tax</b>	<b>2,004</b>	<b>987</b>
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortization	86	94
Interest, dividend and other income	(55)	(29)
Fair value gain on measurement and income from sale of financial assets		
- Investment in Mutual Funds measured at FVTPL	(469)	(316)
Gain on disposal of property, plant and equipment	(1)	(1)
Share-based payment expense	30	51
Finance costs	36	11
Provisions and liabilities no longer required written back	(19)	-
<b>Operating Profit before working capital changes</b>	<b>1,612</b>	<b>797</b>
<b>Movement in working capital</b>		
(Increase)/decrease in trade receivables	1	(6)
(Increase)/decrease in other financial assets	(15)	6
(Increase)/decrease in other assets	16	(10)
Increase/(decrease) in other financial liabilities	(83)	(90)
Increase/(decrease) in trade payables	(13)	32
Increase/(decrease) in contract and other liabilities	(524)	367
Increase/(decrease) in provisions	20	38
<b>Cash generated from operations</b>	<b>1,014</b>	<b>1,134</b>
Income tax paid (net)	(179)	(152)
<b>Net cash generated from operating activities (1)</b>	<b>835</b>	<b>982</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment	2	1
Purchase of property, plant and equipment and other intangible assets	-	(25)
Purchase of current investments	(1,200)	(2,010)
Investment in subsidiaries, associates and other entities	(102)	(330)
Proceeds from sale of investments in subsidiaries	2	-
Proceeds from sale of current investments	464	1,190
Interest and dividend received	48	20
Advances received from /(paid for) selling shareholders (net)	-	84
Refund/(payment) of refundable security deposits for listing on stock exchange.	24	(24)
(Investment in)/redemption of bank deposits (includes earmarked balances with bank) (having original maturity of more than three months)	2	(14)
<b>Net cash generated from (used in) investing activities (2)</b>	<b>(760)</b>	<b>(1,108)</b>
<b>Cash flow from financing activities</b>		
Payment of lease liabilities	(19)	(79)
Interest paid on lease liabilities	(36)	(11)
Dividend paid (including Dividend Distribution Tax)	(15)	-
Proceeds from issue of equity shares on exercise of ESOP	6	18
<b>Net cash generated from (used in) financing activities (3)</b>	<b>(64)</b>	<b>(72)</b>
<b>Net increase/(decrease) in cash and cash equivalents (1+2+3)</b>	<b>11</b>	<b>(198)</b>
Cash and cash equivalents at the beginning of the year	129	359
<b>Cash and cash equivalents at the end of the period</b>	<b>140</b>	<b>161</b>



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Chartered Accountants

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## INDEPENDENT AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF IndiaMART InterMESH Limited

#### Report on the audit of the Consolidated Financial Results

#### Opinion

We have audited the accompanying Statement of Consolidated Financial Results of IndiaMART InterMESH Limited (“Holding company”) and its subsidiaries (holding company and its subsidiaries together referred to as “the Group”), and its associates for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020 (“the Statement or consolidated financial results”), being submitted by the Holding company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).

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 four subsidiaries, and financial information of a subsidiary and associates, the Statement:

a. includes the results of the following entities:

#### Subsidiaries:

1. Tradezeal International Private Limited
2. Tolexo Online Private Limited
3. Pay with Indiamart Private Limited
4. Hello Trade Online Private Limited

#### Associates:

5. Simply Vyapar Apps Private Limited
6. Ten Times Online Private Limited (Subsidiary of the Holding Company till 1 September 2020)

b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and

c. gives a true and fair view, in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated total comprehensive income (comprising of net profit and other comprehensive income (loss)) and other financial information of the Group for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial results.

Registered Office:

## **Management's and Board of Directors' Responsibilities for the Consolidated Financial Results**

These quarterly consolidated financial results as well as the year to date consolidated financial results have been prepared on the basis of the condensed consolidated interim financial statements.

The Management and the Holding company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group including its associates in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective 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 of the assets of each 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 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 results 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 results by the Management and the Directors of the Holding company, as aforesaid.

In preparing the consolidated financial results, the Management and the respective 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 Results**

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 results.

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 results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the 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 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 results 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 results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates to express an opinion on the consolidated financial results, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial results, 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 para (a) of the section titled "Other Matters" in this audit report.

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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### **Other Matters**

- (a) The consolidated financial results include the audited financial results of four subsidiaries, whose interim financial statements, net of consolidation adjustments, reflect Group's share of total assets of INR 70.73 Million as at 30 September 2020, Group's share of total revenue of INR 7.70 Million and INR 14.02 Million and Group's share of total net loss after tax of INR 9.46 Million and INR 17.28 Million for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020 respectively, as considered in the consolidated financial results, which have been audited by their respective independent auditors. The independent auditors' reports on interim financial statements of these entities have been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

(b) The consolidated financial results include the unaudited financial results of a subsidiary (till 1 September 2020) and associates, whose interim financial information reflect Group's share of total assets of INR Nil as at 1 September 2020, Group's share of total revenue of INR 7.39 Million for the period 1 July 2020 to 1 September 2020 and INR 20.49 Million for the period 1 April 2020 to 1 September 2020 and Group's share of total net loss after tax (and other comprehensive income (loss)) of INR 3.04 Million and INR 18.22 Million for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020 respectively, as considered in the consolidated financial results. These unaudited interim financial information have been furnished to us by the Board of Directors and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of a subsidiary (till 1 September 2020) and associates is based solely on such unaudited interim financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these interim financial information are not material to the Group.

Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Board of Directors.

For **B S R & Co. LLP**

*Chartered Accountants*

ICAI Firm registration No: 101248W/W-100022

**KANIKA**

**KOHLI**

**Kanika Kohli**

*Partner*

Membership No: 511565

ICAI UDIN: 20511565AAAABQ2345

Digitally signed by KANIKA  
KOHLI

Date: 2020.11.09 14:39:13  
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Place: Gurugram

Date: 9 November 2020

IndiaMART InterMESH Limited  
CIN: L74899DL1999PLC101534

Regd.office :- 1st Floor, 29-Daryaganj, Netaji Subhash Marg, Delhi-110002, India  
Statement of Audited Consolidated Financials Results for the quarter and six months ended September 30, 2020

**I. Audited Consolidated Financials Results**

S.No.	Particulars	(Amounts in INR million, except per share data)					
		Quarter ended			Six Months ended		Year ended
		September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
	Audited	Audited	Audited	Audited	Audited	Audited	
<b>1</b>	<b>Income:</b>						
	a) Revenue from operations	1,632	1,531	1,566	3,163	3,039	6,389
	b) Other income	179	337	205	516	348	686
	<b>Total income</b>	<b>1,811</b>	<b>1,868</b>	<b>1,771</b>	<b>3,679</b>	<b>3,387</b>	<b>7,075</b>
<b>2</b>	<b>Expenses:</b>						
	a) Employee benefits expense	489	475	688	964	1,295	2,667
	b) Depreciation and amortisation	44	44	50	88	94	211
	c) Finance costs	18	18	7	36	11	33
	d) Other expenses	326	323	515	649	1,014	2,033
	<b>Total expenses</b>	<b>877</b>	<b>860</b>	<b>1,260</b>	<b>1,737</b>	<b>2,414</b>	<b>4,944</b>
<b>3</b>	<b>Profit before exceptional items, share of net losses of investment accounted using equity method and tax (1-2)</b>	<b>934</b>	<b>1,008</b>	<b>511</b>	<b>1,942</b>	<b>973</b>	<b>2,131</b>
4	Share in net profit/ (loss) of associates using equity method	(2)	(4)	(2)	(6)	(2)	(16)
<b>5</b>	<b>Profit before exceptional items and tax (3+4)</b>	<b>932</b>	<b>1,004</b>	<b>509</b>	<b>1,936</b>	<b>971</b>	<b>2,115</b>
6	Exceptional items	-	-	-	-	-	-
<b>7</b>	<b>Profit before tax (5+6)</b>	<b>932</b>	<b>1,004</b>	<b>509</b>	<b>1,936</b>	<b>971</b>	<b>2,115</b>
<b>8</b>	<b>Tax expense/(credit)</b>						
	a) Current tax	171	4	(69)	175	(2)	1
	b) Deferred tax	63	259	177	322	248	326
	c) Tax impact related to change in tax rate and law	-	-	314	-	314	314
	<b>Total tax expense</b>	<b>234</b>	<b>263</b>	<b>422</b>	<b>497</b>	<b>560</b>	<b>641</b>
<b>9</b>	<b>Net Profit for the period [7-8]</b>	<b>698</b>	<b>741</b>	<b>87</b>	<b>1,439</b>	<b>411</b>	<b>1,474</b>
	Attributable to:						
	- Equity holders of the parent	698	741	87	1,439	411	1,474
	-Non-controlling interests	-	-	-	-	-	-
<b>10</b>	<b>Other comprehensive income/(loss) (net of tax)</b>						
	-Items that will not be reclassified to profit or loss	2	(14)	(26)	(12)	(36)	(55)
<b>11</b>	<b>Total comprehensive income for the period [9+10]</b>	<b>700</b>	<b>727</b>	<b>61</b>	<b>1,427</b>	<b>375</b>	<b>1,419</b>
<b>12</b>	<b>Total comprehensive income for the period attributable to :</b>						
	- Equity holders of the parent	700	727	61	1,427	375	1,419
	-Non-controlling interests	-	-	-	-	-	-
13	Paid up equity share capital (face value : INR 10/- each)	289	289	288	289	288	289
14	Other equity for the year						2,462
<b>15</b>	<b>Earnings per equity share:</b>						
	Basic earnings per equity share (INR 10 per share)	24.18 (Not annualised)	25.63 (Not annualised)	3.01 (Not annualised)	49.83 (Not annualised)	14.29 (Not annualised)	51.14
	Diluted earnings per equity share (INR 10 per share)	23.75 (Not annualised)	25.20 (Not annualised)	2.95 (Not annualised)	48.97 (Not annualised)	13.98 (Not annualised)	50.24

Statement of Audited Consolidated Financials Results for the quarter and six months ended September 30, 2020

**II. Audited Consolidated Balance sheet**

(Amounts in INR million)

	As at	
	September 30, 2020	March 31, 2020
	Audited	Audited
<b>I. Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	35	52
Capital work in progress	2	2
Right-of-use assets	714	800
Intangible assets	4	5
Investment in associates	290	296
Financial assets		
(i) Investments	100	-
(ii) Loans	1	1
(iii) Others financial assets	48	400
Deferred tax assets (net)	-	246
Non-current tax assets (net)	218	211
Other non-current assets	17	17
<b>Total non-current assets</b>	<b>1,429</b>	<b>2,030</b>
<b>Current assets</b>		
Financial assets		
(i) Investments	9,873	8,719
(ii) Trade receivables	11	17
(iii) Cash and cash equivalents	164	169
(iv) Bank balances other than (iii) above	417	69
(v) Loans	8	13
(vi) Others financial assets	83	80
Current tax assets (net)	79	79
Other current assets	34	53
<b>Total current assets</b>	<b>10,669</b>	<b>9,199</b>
<b>Total assets</b>	<b>12,098</b>	<b>11,229</b>
<b>II. Equity and liabilities</b>		
<b>Equity</b>		
Share capital	289	289
Other equity	3,930	2,462
<b>Equity attributable to equity holders of the parent</b>	<b>4,219</b>	<b>2,751</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>4,219</b>	<b>2,751</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
(i) Lease and other financial liabilities	572	612
Provisions	292	265
Deferred tax liabilities (net)	75	-
Contract liabilities	2,280	2,697
<b>Total non-current liabilities</b>	<b>3,219</b>	<b>3,574</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	164	179
(ii) Lease liabilities	138	153
(iii) Other financial liabilities	164	260
Provisions	45	40
Contract liabilities	3,998	4,156
Other current liabilities	151	116
<b>Total current liabilities</b>	<b>4,660</b>	<b>4,904</b>
<b>Total liabilities</b>	<b>7,879</b>	<b>8,478</b>
<b>Total equity and liabilities</b>	<b>12,098</b>	<b>11,229</b>

**Notes to the Statement of Audited Consolidated Financial Results for the Quarter and Six months ended September 30, 2020 :**

- 1 The above consolidated financial results for the quarter and six months ended September 30,2020 were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on November 9,2020. The statutory auditors have expressed an unmodified audit opinion on these results.
- 2 The above financial results have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015,as amended from time to time.
- 3 The Consolidated cash flow statement is attached in Annexure I.
- 4 The results for the quarter and six months ended September 30,2020 are available on the BSE Limited website (URL:www.bseindia.com/corporates), the National Stock Exchange of India Limited website (URL:www.nseindia.com/corporates) and on the Company's website.
- 5 Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group has only one 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 operating segment based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. Hence, the Group has a single operating segment "Business to business e-marketplace".
- 6 In view of the COVID -19 pandemic, the Group has considered internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of receivables, right-of-use assets, investment in associates & other entities, and other financial assets, for possible impact on the Consolidated quarterly Financial Results. However, the actual impact of COVID-19 on the Group's consolidated interim financial results may differ from that estimated and the Group will continue to closely monitor any material changes to future economic conditions.
- 7 The Indian Parliament has approved the Code on Social Security, 2020 (the 'Code') which would primarily impact the contributions by the Group towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The management 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.
- 8 The CEO and CFO have certified these results under Regulation 33(2) of SEBI (LODR) Regulations, 2015.

Place: Noida  
Date : November 9,2020

For and on behalf of the Board of Directors  
IndiaMART InterMESH Limited  
  
Dinesh Chand Agarwal  
(Managing Director and Chief Executive Officer)



## Audited Consolidated Statement of Cash Flows

Annexure - I  
(Amounts in INR million)

Particulars	For the Six months ended September 30, 2020	For the Six months ended September 30, 2019
<b>Profit before tax</b>	1,937	971
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortization	88	94
Interest and other income	(23)	(28)
Provisions and liabilities no longer required written back	(19)	-
Fair value gain on measurement and income from sale of financial assets	(473)	(318)
- Investment in Mutual Funds measured at FVTPL		
Gain on disposal of property, plant and equipment	(1)	(1)
Finance costs	36	11
Allowances for doubtful debts	(2)	1
Share-based payment expense	36	52
Share of net loss of associates	6	2
Loss on change of control of a subsidiary converted into an associate	2	-
<b>Operating Profit before working capital changes</b>	<b>1587</b>	<b>784</b>
<b>Movement in working capital</b>		
(Increase)/decrease in trade receivables	6	(11)
(Increase)/decrease in other financial assets	(21)	6
(Increase)/decrease in other assets	17	(12)
(decrease) in other financial liabilities	(80)	(94)
(Decrease)/Increase in trade payables	(11)	34
Increase/(decrease) in contract and other liabilities	(531)	369
Increase in provisions	20	39
<b>Cash generated from operations</b>	<b>987</b>	<b>1,115</b>
Income tax paid (net)	(177)	(151)
<b>Net cash generated from operating activities</b>	<b>810</b>	<b>964</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment	2	-
Purchase of property, plant and equipment and other intangible assets	-	(26)
Purchase of current investments	(1,200)	(2,049)
Proceeds from sale of current investments	504	1,213
Interest received	16	20
Advances received from /(paid for) selling shareholders (net)	-	84
Refund/(payment) of refundable security deposits for listing on stock exchange	24	(24)
(Investment in)/redemption of bank deposits (includes earmarked balances with bank) (having original maturity of more than three months)	2	(15)
Investment in associates and other entities	(100)	(312)
Proceeds from sale of dilution of Stake, net of cash paid	1	-
<b>Net cash used in investing activities</b>	<b>(751)</b>	<b>(1,109)</b>
<b>Cash flow from financing activities</b>		
Repayment of lease liabilities	(19)	(79)
Interest paid on lease liabilities	(36)	(11)
Dividend paid (including Dividend Distribution Tax)	(15)	-
Proceeds from issue of equity shares on exercise of stock option plans	6	18
<b>Net cash generated from (used in) financing activities</b>	<b>(64)</b>	<b>(72)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(5)</b>	<b>(217)</b>
Cash and cash equivalents at the beginning of the period	169	402
<b>Cash and cash equivalents at the end of the period</b>	<b>164</b>	<b>185</b>