

INDEPENDENT AUDITOR'S REPORT

To the Members of MXC Solutions India Private Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of MXC Solutions India Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the 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 March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 audit opinion on the standalone Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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.

Responsibility of Management for the standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of

the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 system 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 made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

MXC Solutions India Private Limited

Auditor's Report – March 2020

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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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AHUJA, c=IN, o=Personal,
email=govind.ahuja@srb.in
Date: 2020.07.21 22:01:45 +05'30'

per Govind Ahuja

Partner

Membership Number: 48966

UDIN: 20048966AAAABP7104

Place of Signature: Mumbai

Date: July 21, 2020

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF MXC SOLUTIONS INDIA PRIVATE LIMITED

Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- 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 maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the products of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other material statutory dues applicable to it. The provisions relating to duty of excise and duty of custom are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise and duty of custom, are not applicable to the Company.
- (c) According to the information and explanations given to us, there are no dues of income tax, cess and other material statutory dues which have not been deposited on account of any dispute. The provisions relating to duty of excise and duty of custom, are not applicable to the Company.

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

MXC Solutions India Private Limited

Auditor's Report – March 2020

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- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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AHUJA, c=IN, o=Personal,
email=govind.ahuja@srb.in
Date: 2020.07.21 22:02:17 +05'30'

per Govind Ahuja

Partner

Membership Number: 48966

UDIN: 20048966AAAABP7104

Place of Signature: Mumbai

Date: July 21, 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF MXC SOLUTIONS INDIA PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MXC Solutions India Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting

principles. A company's internal financial control over financial reporting with reference to these 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 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS 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 over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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email=govind.ahuja@srb.in
Date: 2020.07.21 22:02:43 +05'30'

per Govind Ahuja

Partner

Membership Number: 48966

UDIN: 20048966AAAABP7104

Place of Signature: Mumbai

Date: July 21, 2020

(Rupees in Lakhs)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	587.64	124.04
(b) Goodwill	4A	78,409.27	78,409.27
(c) Other Intangible Assets	4B	22.37	16.98
(d) Intangible assets under development		-	3.38
(e) Financial Assets			
(i) Investment	5	15,887.60	15,637.60
(ii) Other financial assets	6	175.15	175.69
(f) Income Tax assets (net)		380.65	427.12
(g) Other Assets	7	48.24	59.18
Total Non - Current Assets		95,510.92	94,853.26
2 Current assets			
(a) Inventory		1.84	94.16
(b) Financial Assets			
(i) Investments	5	26,408.50	25,187.29
(ii) Trade receivables	8	3,145.28	2,677.17
(iii) Cash and cash equivalents	9	1,045.94	1,432.49
(iv) Bank balance other than (iv) above	10	1.30	1.24
(v) Other financial assets	6	497.83	437.10
(c) Current Tax Asset (net)		168.48	87.11
(d) Other assets	7	959.00	1,432.33
Total Current Assets		32,228.17	31,348.89
Total Assets		1,27,739.09	1,26,202.15
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	11	344.93	344.93
(b) Preference Share capital	11	3,490.34	3,490.34
(c) Other Equity	12	1,20,554.76	1,18,764.17
Total Equity		1,24,390.03	1,22,599.44
Liabilities			
2 Non-current liabilities			
(a) Provisions	13	379.78	318.03
(b) Lease liabilities	24	41.31	-
(c) Other liabilities	16	9.91	-
Total non - Current Liabilities		431.00	318.03
3 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	14	1,103.95	1,345.59
(ii) Other financial liabilities	15	573.87	863.21
(iii) Lease liabilities	24	414.21	-
(b) Provisions	13	110.37	98.36
(c) Other liabilities	16	715.66	977.52
Total Current Liabilities		2,918.06	3,284.68
Total Liabilities		3,349.06	3,602.71
Total Equity and Liabilities		1,27,739.09	1,26,202.15

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number:101049W/E300004

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AHUJA, c=IN, o=Personal,
email=govind.ahuja@srb.in
Date: 2020.07.21 22:03:26 +05'30'

Govind Ahuja

Partner

Membership no: 48966

Place: Mumbai

Date: July 21, 2020

For and on behalf of the Board of Directors

MXC Solutions India Private Limited

Rajan
Jitendra
Mehra

Digitally
signed by
Rajan
Jitendra
Mehra

Rajan Mehra

Director

DIN: 00504892

Place: Mumbai

Date: July 21, 2020

VINAY
VINOD
SANGHI

Digitally
signed by
VINAY
VINOD
SANGHI

Vinay Sanghi

Chief Executive
Officer & Director

DIN: 00309085

Place: Mumbai

Date: July 21, 2020

Pal Lal
Bahadur
Deepnarayan

Digitally signed
by Pal Lal
Bahadur
Deepnarayan

Lalbahadur Pal

Company Secretary

Place: Mumbai

Date: July 21, 2020

MXC Solutions India Private Limited
Statement of Profit and Loss for the year ended March 31, 2020

(Rupees in Lakhs)

Particulars	Note	For the Year ended March 31, 2020	For the Year ended March 31, 2019
I Revenue from operations	17	12,044.12	9,234.20
II Other income	18	1,666.94	1,972.44
III Total Income (I + II)		13,711.06	11,206.64
IV Expenses			
Purchase of Stock-in-trade		1,621.73	94.41
Changes in Inventories of Finished Goods		92.32	(94.16)
Employee Benefits Expense	19	6,637.21	6,066.16
Finance Costs	20	59.42	1.76
Depreciation and amortisation expense	4C	458.96	138.53
Other expenses	21	4,026.40	4,298.76
Total Expense		12,896.04	10,505.46
V Profit before tax (III - IV)		815.02	701.18
VI Tax expense / (benefit)			
Current tax	22	-	80.00
Tax Adjustment of earlier years	22	(93.25)	-
Total Tax Expense / (benefit)		(93.25)	80.00
VII Profit for the year (V-VI)		908.27	621.18
VIII Other Comprehensive Income / (Loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(25.88)	1.22
Total Other Comprehensive Income / (Loss) for the year		(25.88)	1.22
IX Total other comprehensive Income for the year (VII+VIII)		882.39	702.40
X Earnings per equity share (of Rs. 10/- each)	25		
Basic (In Rs.)		26.33	20.33
Diluted (In Rs.)		2.10	1.44
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number:101049W/E300004

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Govind Ahuja

Partner

Membership no: 48966

Place: Mumbai

Date: July 21, 2020

For and on behalf of the Board of Directors

MXC Solutions India Private Limited

**Rajan
Jitendra
Mehra**

Digitally signed by
Rajan
Jitendra
Mehra

**Rajan Mehra
Director**

DIN: 00504892

Place: Mumbai

Date: July 21, 2020

**VINAY
VINOD
SANGHI**

Digitally signed by
VINAY
VINOD
SANGHI

**Vinay Sanghi
Chief Executive
Officer & Director**

DIN: 00309085

Place: Mumbai

Date: July 21, 2020

**Pal Lal
Bahadur
Deepnarayan**

Digitally signed
by Pal Lal
Bahadur
Deepnarayan

**Lalbahadur Pal
Company Secretary**

Place: Mumbai

Date: July 21, 2020

MXC Solutions India Private Limited
Statement of Changes in Equity for the year ended March 31, 2020

(a) Equity Share Capital	As at March 31, 2020	As at March 31, 2019
Opening Balance	344.93	344.93
Issued during the year	-	-
Total	344.93	344.93
(b) Preference Share Capital	As at March 31, 2020	As at March 31, 2019
Opening Balance	3,490.34	3,490.34
Issued during the year	-	-
Total	3,490.34	3,490.34

(c) Other Equity	Securities Premium	Share option outstanding account	Retained earnings	Money Received against Share Warrant	Attributable to owners of the Company
Balance as at April 1, 2018 (before business combination)	1,45,456.70	848.61	(23,372.20)	4.46	1,22,937.57
Less: Pursuant to business combination during the year (Refer note 32)			(5,493.93)		(5,493.93)
Balance as at April 1, 2018	1,45,456.70	848.61	(28,866.13)	4.46	1,17,443.64
Add: Profit for the year	-	-	621.18	-	621.18
Add: Other comprehensive income for the year	-	-	1.22	-	1.22
Total comprehensive income for the year	1,45,456.70	848.61	(28,243.73)	4.46	1,18,066.04
Add:					
Recognition of share based payments		698.13			698.13
Balance as at March 31, 2019	1,45,456.70	1,546.74	(28,243.73)	4.46	1,18,764.17
Add: Profit for the year	-	-	908.27	-	908.27
Add: Adjustment pursuant to Ind AS 116 adoption (Refer note 24)	-	-	(14.27)	-	(14.27)
Add: Other comprehensive income for the year	-	-	(25.88)	-	(25.88)
Total comprehensive income for the year	-	-	868.12	-	868.12
Recognition of share based payments	-	922.47	-	-	922.47
Balance as at March 31, 2020	1,45,456.70	2,469.21	(27,375.61)	4.46	1,20,554.76

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number:101049W/E300004

GOVIND
PITAMBAR
AHUJA
Govind Ahuja

Partner

Membership no: 48966

Place: Mumbai

Date: July 21, 2020

For and on behalf of the Board of Directors

MXC Solutions India Private Limited

Rajan
Jitendra
Mehra
Rajan Mehra

Director

DIN: 00504892

Place: Mumbai

Date: July 21, 2020

VINAY
VINOD
SANGHI
Vinay Sanghi

Chief Executive

Officer & Director

DIN: 00309085

Place: Mumbai

Date: July 21, 2020

Lal Bahadur
Deepnarayan
Lal Bahadur Deepnarayan

Company Secretary

Place: Mumbai

Date: July 21, 2020

MXC Solutions India Private Limited
Cash flow statement for the year ended March 31, 2020

(Rupees in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax	815.02	701.18
<u>Adjusted for:</u>		
Depreciation and amortisation of property, plant and equipment and intangible assets	458.96	138.53
Share-based payment expense	922.47	698.13
Interest Income - bank deposit	(10.56)	(18.34)
Interest Income - income tax refund	(28.12)	(37.99)
Profit on sale of Property, Plant and Equipment (Net)	(2.78)	(1.08)
Provision for doubtful debts	192.42	57.55
Bad debts written off (Net)	8.73	9.99
Liabilities no longer required written back	(72.78)	(109.02)
Amortised prepaid rent	-	2.05
Interest income on security deposit	-	(1.94)
Interest expense lease liabilities	58.42	-
Net gain on investment carried at fair value through Profit and Loss	(23.99)	(39.78)
Unrealised gain on investment carried at fair value through Profit and Loss	(1,522.20)	(1,745.11)
Operating Loss before Working Capital Changes	(19.43)	(1,047.01)
<u>Changes in working capital:</u>	795.59	(345.84)
(Increase) in trade receivables	(669.26)	(131.31)
Decrease in other assets	424.09	145.43
(Increase) / Decrease in Inventory	92.32	(94.16)
(Decrease) / Increase in trade payables	(168.85)	730.11
(Increase) in other liabilities	(518.32)	(107.01)
(Increase) in provision for employee benefits	47.88	1.42
Cash from operations	3.45	198.65
Income tax refund/(paid) (net)	86.37	(175.71)
Net Cash from Operating Activities	89.82	22.94
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(140.59)	(38.95)
Proceeds from sale of Property, Plant and Equipment	2.78	1.46
Purchase of current investments	(950.00)	-
Proceeds from Sale of current investments	1,274.98	740.01
Proceeds from sale of subsidiary investment	-	4.50
Investment in Subsidiary	(250.00)	-
Transfer from Restricted Bank Balance	-	103.17
Interest received	10.56	18.34
Net Cash (used in) / from Investing Activities	(52.27)	828.53
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of of lease liabilities	(424.10)	-
Net Cash used in Financing Activities	(424.10)	-
Net (decrease) / Increase in cash and cash equivalents	(386.55)	851.47
Cash and cash equivalents at beginning of the year	1,432.49	581.02
Cash and cash equivalents at end of the year (as per Note 9)	1,045.94	1,432.49
The accompanying notes are an integral part of the financial statements		

As per our report of even date

For For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number:101049W/E300004

**GOVIND
PITAMBAR
AHUJA**

Digitally signed by GOVIND
PITAMBAR AHUJA
DN: cn=GOVIND PITAMBAR
AHUJA, c=IN, o=Personal,
email=govind.ahuja@srb.in
Date: 2020.07.21 22:04:40 +05'30'

Govind Ahuja
Membership no: 48966

Place: Mumbai
Date : July 21, 2020

For and on behalf of the Board of Directors
MXC Solutions India Private Limited

Rajan
Jitendra Rajan
Mehra
Digitally signed by
Jitendra
Mehra

Rajan Mehra
Director

DIN: 00504892

Place: Mumbai
Date : July 21, 2020

VINAY
VINOD
SANGHI
Digitally signed by
VINAY
VINOD
SANGHI

Vinay Sanghi
Chief Executive
Officer & Director

DIN: 00309085

Place: Mumbai
Date : July 21, 2020

Pal Lal
Bahadur
Deepnarayan
Digitally signed by Pal
Lal Bahadur
Deepnarayan

Lalbahadur Pal
Company Secretary

Place: Mumbai
Date : July 21, 2020

Note 1: About the Company

MXC Solutions India Private Limited ("MXC" or "the Company") is a private Company domiciled in India incorporated on April 28, 2000, under the Companies Act, 1956. The Company runs CarTrade.com, Carwale.com and Bikewale.com an online auto classifieds and content site and CarTradeExchange, which helps new and used car dealers to run their business. Its registered office is at c/o Suraj Sanghi Service Centre, Dr. Annie Besant Road, Worli, Mumbai -400 018. On August 28, 2019, the NCLT approved the scheme of amalgamation with its wholly owned subsidiary namely Automotive Exchange Private Limited ('AEPL') from the appointed date i.e. April 1, 2017. Scheme was filed with ROC on November 4, 2019, and accordingly effective date of scheme is April 1, 2017 and the effect of the Scheme has been given in these financial statements. The amalgamation has been accounted under the 'pooling of interests' method based on the carrying value of the assets and liabilities of erstwhile AEPL as included in the consolidated Balance Sheet of the Company as at the earliest period presented.

The financial statements were authorised for issue in accordance with resolution of Board of Directors on July 21, 2020.

Note 2: Significant Accounting Policies

2.1 Basis of accounting and preparation

These Financial statements have been prepared in accordance with The Indian Accounting Standards notified under the Companies (India Accounting Standard) Rules, 2015 (as amended from time to time) (herein after referred to as the Ind AS) presentation requirements of schedule III of the Companies Act, 2013 (the "Act"). The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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 Financial statements are presented in Indian rupees ("₹") and all values are rounded to the nearest lakh, except when otherwise indicated.

2.2 Summary of Significant Accounting policies

a Business Combinations

Acquisitions of business are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquire and the equity interests issued by the Company in exchange of control of the acquire. Acquisition related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

a. Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 – Employee Benefits respectively.

b. Assets (or disposal Companies) that are classified as held for sale in accordance with Ind AS 105 Non Current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non- controlling interests in the acquire, and the fair value of the acquirer's previously held equity interest in the acquire (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non- Controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on transaction-by-transaction basis.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent settlement dates and is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognized in profit or loss.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

In case of business combination involving entities under common control the above policy does not apply. Business combinations involving entities under common control are accounted for using the Pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of the transferor entity or business is recognised as Capital Reserve under equity.

b Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Company's cash generating units (or Companies of cash generating units) that is expected to benefit from the synergies of the combination.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually.

c Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is 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,
- 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 and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d Foreign currencies

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

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

e Fair value measurement

The Company measures financial instruments at fair value at each Balance sheet date in accordance with the accounting policies mentioned above.

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:

- In the principal market for the asset or liability, or
- In the absence of principal market, in the most advantageous market for asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

f Revenue Recognition

Revenue from contracts with customers is recognised when services are being delivered to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration, if any) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration, if any, on account of various discounts and schemes offered by the Company as part of the contract. Payment is generally received on successful completion of services except as stated below.

Rendering of services:

- i) Advertisement income : The performance obligation is satisfied upon display of the advertisement, net commissions if any.
- ii) Lead generation revenue: The performance obligation is satisfied at a point in time upon delivery of leads.
- iii) Subscription fees :The performance obligation is satisfied over-time i.e. over time of subscription/contract and the payment is generally received as short-term advances before the service is provided.
- iv) Facilitation and other related fees: Revenue is recognised at a point in time as per terms of contract on accrual basis.
- v) Other operating Income : Other operating revenue includes security deposit forfeited, Website and development fees and other services fees. Revenue from security deposit forfeiture is recognised as per policy mentioned in note 2.2 r below. Revenue is recognised at a point in time / over time once contractual obligation is satisfied.

Revenue from sale of Goods:

Sale of Goods (Used car) : Revenue is recognised when all the significant risks and rewards of ownership of the vehicle have been passed to the buyers.

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 (I) Financial instruments – initial recognition and subsequent measurement.

- Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are initially recognised for revenue earned from advertisement and lead revenue. Upon completion of the entire contract, the amounts recognised as contract assets are reclassified to trade receivables.

- 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 goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

Contract liabilities mainly include short term advances received to render services as per contract. The revenue from these services is recognised over the period of the contract

g Other income

- a) Dividend from investments are recognised when the right to receive payment is established and no significant uncertainty as to collectability exists.
- b) Interest income from financial instruments measured at amortised cost, is recorded on accrual basis.

h Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term

The right-of-use assets are also subject to impairment.

i) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in financial liabilities.

i Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, 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. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- i. The date of the plan amendment or curtailment, and
- ii. 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:

- iii. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- iv. Net interest expense or income

Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

j Taxes

i) Current 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 in the countries where the Company operates and generates taxable income.

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

ii) 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:

- i. 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

- ii. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, 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:

- iii. 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

- iv. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, 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.

k Property Plant and Equipment

Property, Plant and Equipment is stated net of accumulated depreciation and impairment losses, if any. Such cost includes the cost of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the assets to its working condition for its intended use. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is provided for Property, Plant and Equipment so as to expense the cost over its useful life. The estimated useful lives and method of depreciation are reviewed at the end of each financial year and any change in estimate is accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis for Property, Plant and Equipment purchased and sold during the year. Depreciation on Property, Plant and Equipment is calculated on the straight-line method as per the estimated useful life prescribed in Schedule II to the Companies Act, 2013.

Estimated useful lives of the assets are as follows:

- i) Computers - 3 Years / servers - 6 Years
- ii) Furniture and Fixtures - 10 Years
- iii) Vehicle - 5 Years
- iv) Leasehold Improvement - 60 months or lease period whichever is lower

The Company, based on management estimate, depreciates office equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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 derecognition 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.

l Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. 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 derecognition 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.

Cost of software is amortised over a period 3 years.

m Impairment of Tangible and Intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

n Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

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.

Provisions and contingent liabilities are reviewed at each balance sheet date.

o Share Based Payment arrangements

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Note 31.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the counterparty renders the service.

p Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial assets

i. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These include trade receivables, balances with banks, and other financial assets.

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

iii. Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

iv. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognised (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.

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 lower of the original carrying amount of the asset and maximum amount of consideration that the Company could be required to repay.

v. Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses on a financial asset that is held at amortized cost. Loss allowance in respect of financial assets other than finance receivables is measured at an amount equal to life time expected losses and is calculated as the difference between their carrying amount and the expected future cash flows. Such impairment loss is recognized in the income statement. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. The reversal is recognized in the income statement.

Financial liabilities and Equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

i. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

ii. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

All the financial assets and financial liabilities of the Company are currently measured at amortized cost except for investment in Mutual Fund.

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

q Cash and Cash Equivalents

Cash comprises cash on hand. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

r Security Deposit

The Company, at the time of buyer registration, collects refundable security deposits ("RSD") from prospective bidder, which entitles bidder to bid during auction. The RSD is towards ensuring performance of the contract. As per contractual terms, the RSD is refunded upon demand after adjustments of facilitation fee. The Company generally accounts for unclaimed RSD upon completion of limitation period of 3 years.

Security deposits are forfeited on default, which at the expiry three years or when no uncertainty over repayment exists, whichever is earlier is treated as income.

s Earning Per Share

Basic earnings per share has been computed by dividing profit or loss for the year by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

t Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Traded goods comprises of used car: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

u Critical accounting judgements and key sources of estimation uncertainty

In application of Company's accounting policies, which are described above, the directors of the Company are required to make judgements, estimations and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

a) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the 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's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and its written down to its recoverable amount.

In carrying out impairment analysis involves an estimate in the value in use. In considering the value in use, the Company has anticipated the future market conditions, projections and other parameters that affect the operations.

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.

b) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgements in making these assumptions and selecting the inputs to the impairment calculations based on Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Impairment of investments in subsidiaries:

Determining whether the investments in subsidiaries impaired requires an estimate in the value in use of investments. In considering the value in use, the Company has anticipated the future market conditions, projections and other parameters that affect the operations of these entities

d) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. 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. Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

MXC Solutions India Private Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2020

3: Property, plant and equipment

(Rupees in Lakhs)							
Description of Assets	Lease Hold Improvements	Furniture and fixtures	Office equipments	Computer	Vehicles	Right to Use Assets (Refer note 24)	Total
Cost							
Balance as at April 1, 2018 (Before Business Combination)	-	39.62	50.65	139.49			229.75
Add:Pursuant to business combination during the year during	431.06	104.85	203.44	562.13			1,301.49
Balance as at April 1, 2018	431.06	144.47	254.09	701.62	-	-	1,531.25
Additions	-	0.27	8.72	6.83	-	-	15.82
Disposals	-	1.34	4.36	11.34	-	-	17.04
Balance as at March 31, 2019	431.06	143.39	258.46	697.11	-	-	1,530.03
Additions	-	1.29	5.78	11.49	99.07	783.97	901.61
Disposals	-	-	0.09	86.34	-	-	86.43
Balance as at March 31, 2020	431.06	144.68	264.15	622.25	99.07	783.97	2,345.20

(Rupees in Lakhs)							
Description of Assets	Lease Hold Improvements	Furniture and fixtures	Office equipments	Computers	Vehicles	Right to Use Assets (Refer note 24)	Total
Depreciation							
Balance as at April 1, 2018 (before business combination)	-	19.61	42.41	123.62	-	-	185.64
Add:Pursuant to business combination during the year during	402.38	57.51	173.07	509.00	-	-	1,141.95
Balance as at April 1, 2018	402.38	77.12	215.48	632.62	-	-	1,327.59
Depreciation	21.99	11.18	23.59	38.27	-	-	95.03
Disposal	-	1.34	4.06	11.26	-	-	16.66
Balance as at March 31, 2019	424.37	86.95	235.01	659.63	-	-	1,405.96
Depreciation	5.38	11.13	16.38	23.28	3.66	378.17	438.01
Disposal	-	-	0.09	86.34	-	-	86.43
Balance as at March 31, 2020	429.75	98.08	251.30	596.57	3.66	378.17	1,757.54

(Rupees in Lakhs)							
Description of Assets	Lease Hold Improvements	Furniture and fixtures	Office equipments	Computers	Vehicles	Right to Use Assets (Refer note 24)	Total
Net book value							
As at March 31, 2020	1.31	46.60	12.84	25.69	95.40	405.80	587.64
As at March 31, 2019	6.69	56.44	23.44	37.47	-	-	124.04

4A. Goodwill

(Rupees in Lakhs)	
Goodwill	Amount
Gross carrying value	
Balance as on April 1, 2018 (before business combination)	-
Add: Pursuant to business combination during the year	78,409.27
Balance as at April 1, 2018	78,409.27
Add / (Less): Changes during the year	-
Balance as on March 31, 2019	78,409.27
Add / (Less): Changes during the year	-
Balance as on March 31, 2020	78,409.27
Accumulated Impairment	
Balance as on April 1, 2018 (before business combination)	-
Add: Pursuant to business combination during the year	-
Balance as at April 1, 2018	-
Impairment losses recognised in the year	-
Balance as on March 31, 2019	-
Impairment losses recognised in the year	-
Balance as on March 31, 2020	-

Note:

Goodwill of Rs.78,409.27 lakhs relates to erstwhile Automotive Exchange Private Limited (identified as separate CGU) for the purpose of impairment testing, the recoverable amount of this CGU is determined based on fair value less cost of disposal as per requirement of Ind AS 36. The fair value is computed as per Discounted Cash Flow method. Due to use of significant unobservable input to compute the fair value, it is classified as level 3 in the fair value hierarchy as per the requirement of Ind AS 113.

4B : Other Intangible Assets

(Rupees in Lakhs)	
Description of Assets	Computer Software (Total)
Cost	
Balance as at April 1, 2018 (Before Business Combination)	-
Add: Pursuant to business combination during the year during the year	454.51
Balance as at April 1, 2018	454.51
Additions	21.00
Balance as at March 31, 2019	475.51
MXC	8.57
AEPL	466.95
Balance as at April 1, 2019	475.52
MXC	13.51
AEPL	12.83
Additions	26.34
MXC	22.08
AEPL	479.78
Balance as at March 31, 2020	501.85

(Rupees in Lakhs)	
Description of Assets	Computer Software (Total)
Amortisation and impairment	
Balance as at April 1, 2018 (before business combination)	-
Pursuant to business combination during the year during the year	415.03
Balance as at April 1, 2018	415.03
Amortisation expense	43.50
Balance as at March 31, 2019	458.53
Amortisation expense	20.95
Balance as at March 31, 2020	479.48

Description of Assets	Computer Software (Total)
Net book value	
As at March 31, 2020	22.37
As at March 31, 2019	16.98

4C: Depreciation and Amortisation Expenses

(Rupees in Lakhs)		
Particular	March 31, 2020	March 31, 2019
Depreciation of tangible assets	438.01	95.03
Amortization of intangible assets	20.95	43.50
Total	458.96	138.53

Note : The Company has elected to continue with the carrying value for all of its Property, Plant & Equipment as recognised in its previous GAAP financial statements as deemed cost on the transition date i.e. 01 April 2018

MXC Solutions India Private Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2020

5. Investments

(Rupees in Lakhs)

Particulars	As at March 31, 2020			As at March 31, 2019		
	QTY	Current	Non Current	QTY	Current	Non Current
Unquoted Investments (measured at cost)						
A. Investments in Subsidiaries						
Shriram Automall India Limited of Rs.10 /- each fully paid up	1,66,30,435	-	15,637.60	1,66,30,435	-	15,637.60
Cartrade Finance Private Limited of Rs. 10/- each fully paid up	25,00,000	-	250.00	-	-	-
B. Investments in Mutual Funds						
HDFC Liquid Fund- Growth (of Rs. 1000/- each)	11,771	457.17	-	12,249	448.36	-
ICICI Prudential Liquid- Regular Plan- Growth (of Rs. 100/- each)	36,07,109	10,550.80	-	38,42,935	10,584.16	-
Birla Sun Life Cash Plus- Growth-Regular Plan (of Rs. 100/- each)	35,42,063	11,254.75	-	35,42,063	10,590.96	-
DSP BlackRock Liquidity Fund- Institutional Plan- Growth (of Rs. 1000/- each)	1,46,901	4,145.78	-	1,34,050	3,563.81	-
Investments Carried At FVTPL [A]		26,408.50	-		25,187.29	-
Investments Carried At Amortised Cost [B]		-	15,887.60		-	15,637.60
Total Unquoted Investments [A+B]		26,408.50	15,887.60		25,187.29	15,637.60

Category-wise investments

(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
Financial assets carried at cost				
Unquoted Investments	-	15,887.60	-	15,637.60
Financial assets carried at FVTPL				
Mutual funds	26,408.50	-	25,187.29	-

MXC Solutions India Private Limited
Notes forming part of the financial statements as at and for the year ended March 31, 2020
6. Other Financial assets (Unsecured)
(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
a) Security Deposits				
- Considered good	7.09	175.15	13.58	175.69
- Considered doubtful	3.05	-	3.05	-
	10.14	175.15	16.62	175.69
Less -Allowance for doubtful	(3.05)	-	(3.05)	-
	7.09	175.15	13.58	175.69
b) Interest accrued on Fixed Deposits	0.03	-	1.96	-
c) Unbilled Revenue		-		-
- Considered good	452.35	-	406.07	-
- Considered doubtful	60.17	-	-	-
	512.52	-	406.07	-
Less -Allowance for doubtful	(60.17)	-	-	-
	452.35	-	406.07	-
d) Others	38.36	-	15.50	-
Total	497.83	175.15	437.10	175.69

7. Other assets (Unsecured, considered good)
(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
a) Indirect taxes recoverable (refer note below)	846.65	-	1,333.54	-
b) Loan and advance to employees	1.37	-	1.64	-
c) Prepaid expenses	63.86	48.24	51.87	59.18
d) Advance to vendors	47.12	-	45.28	-
Total	959.00	48.24	1,432.33	59.18

Note : Indirect Taxes recoverable as on the reporting date , Rs. 846.65 lakhs (March 31, 2019 : Rs.1,333.54 lakhs) represents unutilised Cenvat credit of service tax accumulated till June 30, 2017. The Company is utilising cenvat credit against the payment of GST liability.

MXC Solutions India Private Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2020

8. Trade receivables

(Rupees in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivable (Unsecured)		
(a) Considered Good	3,145.28	2,677.17
(b) Considered Doubtful	384.18	266.96
	3,529.46	2,944.13
Less: Allowances for doubtful debts (expected credit loss allowance)	384.18	266.96
Total	3,145.28	2,677.17

9. Cash and cash equivalents

(Rupees in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
(a) Cash in hand	3.96	0.88
(b) Bank balances		
- In Current account	1,041.98	822.30
- In Fixed Deposit	-	609.31
Total	1,045.94	1,432.49

10. Bank balance other than Note 9 above

(Rupees in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Other Bank Balance:		
(a) Deposit accounts with original maturity for more than 3 months	1.30	1.24
Total	1.30	1.24

11. Equity Share Capital

(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Units	Rupees	Units	Rupees
Authorised Capital				
(A) Equity Share Capital				
Equity Shares of Rs 10/- each	85,00,000	850.00	85,00,000	850.00
(B) Preference Share Capital				
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each A Series	20,00,000	200.00	20,00,000	200.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each B Series	28,00,000	280.00	28,00,000	280.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each C Series	40,00,000	400.00	40,00,000	400.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each D Series	64,00,000	640.00	64,00,000	640.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each E Series	40,00,000	400.00	40,00,000	400.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F Series	1,29,00,000	1,290.00	1,29,00,000	1,290.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F1 Series	6,00,000	60.00	6,00,000	60.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each G Series	40,00,000	400.00	40,00,000	400.00
	4,52,00,000	4,520.00	4,52,00,000	4,520.00
Issued, Subscribed and Fully Paid up				
(A) Equity Share Capital				
Equity Shares of Rs 10/- each	34,49,303	344.93	34,49,303	344.93
	34,49,303	344.93	34,49,303	344.93
(B) Preference Share Capital				
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each A Series	19,32,120	193.21	19,32,120	193.21
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each B Series	27,70,456	277.05	27,70,456	277.05
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each C Series	36,57,066	365.71	36,57,066	365.71
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each D Series	59,64,300	596.43	59,64,300	596.43
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each E Series	35,19,482	351.95	35,19,482	351.95
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F Series	1,28,79,955	1,288.00	1,28,79,955	1,288.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F1 Series	5,85,437	58.54	5,85,437	58.54
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each G Series	35,94,499	359.45	35,94,499	359.45
	3,49,03,315	3,490.34	3,49,03,315	3,490.34
TOTAL	3,83,52,618	3,835.27	3,83,52,618	3,835.27

Note : There has been no change/movement in the above share capital during the year and accordingly the reconciliations for each series have not been disclosed separately.

Refer Notes (i) to (iii) below

(i) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<u>Equity shares</u>				
Austin Ligon	1,92,730	5.59%	1,92,730	5.59%
Vinay Vinod Sanghi with Seena Vinay Sanghi	4,50,050	13.05%	4,50,050	13.05%
Bina Vinod Sanghi with Vinay Vinod Sanghi	4,50,000	13.05%	4,50,000	13.05%
Shree Krishna Trust	7,00,050	20.30%	7,00,050	20.30%
Highdell Investment Ltd	6,11,981	17.74%	6,11,981	17.74%
Macritchie Investments Pte. Ltd.	5,92,650	17.18%	5,92,650	17.18%
<u>8% Non-cumulative Compulsorily Convertible Preference Shares (Series A to G)</u>				
CMDB II	56,75,595	16.26%	56,75,595	16.26%
Highdell Investment Ltd	1,45,26,693	41.62%	1,45,26,693	41.62%
MacRitchie Investments Pte. Ltd.	1,08,34,252	31.04%	1,08,34,252	31.04%
Springfield Venture International	31,82,038	9.12%	31,82,038	9.12%

(ii) Terms/rights attached to equity shares

(a) Voting rights

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion of their shareholding.

(b) Dividend distribution rights:

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Subject to the provisions of section 123 of the Companies Act, 2013, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

(iii) Terms of conversion/ redemption of CCPS

(a) Series A Preference shares are compulsorily convertible on exercise of the conversion option by the preference shareholders at any time during the conversion period of 20 years from the date of issue i.e. 08.12.09 or on the expiry of the conversion period or immediately prior to the filing by the Company of its draft offer document with SEBI.

(b) Series B Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 15.12.10 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(c) Series C Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 02.09.11 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(d) Series D Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 09.10.14 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(e) Series E Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 04.08.15 & 25.08.15 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(f) Series F Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 12.01.16 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(g) Series F1 Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 29.04.16 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(h) Series G Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 03.02.17 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(i) The conversion ratio for all the above preference shares is 1:1 except Series E, where the conversion is 1:1.11

(j) If the Company declares any dividend, in any Financial Year, each holder of Preference Shares shall, on a pari passu basis and subject to applicable Law, be entitled to receive a non-cumulative preferential dividend at the rate of 8% (Eight Percent).

12. Other equity

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Securities premium account	1,45,456.70	1,45,456.70
(b) Share option outstanding account	2,469.21	1,546.74
(c) Retained earnings	(27,375.61)	(28,243.73)
(d) Money Received against Share Warrant	4.46	4.46
Total	1,20,554.76	1,18,764.17

12.1. Securities premium account

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	1,45,456.70	1,45,456.70
Balance at end of year (refer note a below)	1,45,456.70	1,45,456.70

12.2. Share option outstanding account (Refer Note 31)

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	1,546.74	848.61
Recognition of Share based payments	922.47	698.13
Balance at end of year (refer Note b below)	2,469.21	1,546.74

12.3 Retained earnings

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year (before business combination)	-	(23,372.20)
Less: Pursuant to business combination during the year	-	(5,493.93)
Balance at beginning of year	(28,243.73)	(28,866.13)
Profit for the year	908.27	621.18
Adjustment pursuant to Ind AS 116 adoption (refer note 24)	(14.27)	-
Other comprehensive (Loss) / income arising from remeasurement of defined benefit obligation (net of income tax)	(25.88)	1.22
Balance at end of year	(27,375.61)	(28,243.73)

12.4 Money Received against Share Warrant (Refer Note 30)

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	4.46	4.46
Balance at end of year	4.46	4.46

a. Securities premium account

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

b. Share option outstanding account

The share options based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

MXC Solutions India Private Limited
Notes forming part of the financial statements as at and for the year ended March 31, 2020
13. Provisions
(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
Provision for employee benefits (Refer Note 23)				
Gratuity	69.04	379.78	51.79	318.03
Compensated absences	41.33	-	46.57	-
Total	110.37	379.78	98.36	318.03

14. Trade Payables
(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables		
Dues to Micro, Small and Medium Enterprises*	-	3.05
Dues to Others	1,103.95	1,342.54
Total	1,103.95	1,345.59

*Information regarding the total outstanding dues of Micro Enterprises and Small Enterprises is given to the extent the same is available with the Company.

15. Other Financial Liabilities
(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Security deposit received from customers	484.56	664.56
(ii) Security deposit payable (refer Note 2.2 r)	89.31	198.65
Total	573.87	863.21

16. Other Liabilities
(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
(i) Advances received from customers	43.70	-	50.48	-
(ii) Deferred Revenue	340.91	-	488.87	-
(iii) Statutory Dues	137.71	-	183.35	-
(iv) Employee related liabilities	193.34	-	231.84	-
(v) Lease liabilities	-	-	22.98	-
(vi) Employee Deposit	-	9.91	-	-
Total	715.66	9.91	977.52	-

MXC Solutions India Private Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2020

17. Revenue from operations

(Rupees in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<u>Revenue from rendering of services</u>		
i) Advertisement Income	5,867.85	5,108.60
ii) Facilitation and other related fees	467.25	968.04
iii) Lead generation revenue	2,858.27	2,084.22
iv) Subscription Fees	904.32	964.23
v) Other operating revenues	193.97	109.11
<u>Revenue from sale of Goods</u>		
Sale of Used cars	1,752.47	-
Total	12,044.12	9,234.20

The Company has disaggregated the revenue information based on the major categories of services. Since the Company is engaged in operating and managing a platform for dealing in the automotive sector, which are subject to the same risks and rewards, there are no separate reportable segments as identified by the Indian Accounting Standard 108 on "Operating Segments".

17.1 Performance Obligations: for the detailed performance obligation refer note 2.4 (d)

17.2 Contract Balances

(Rupees in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Trade Receivables	3,145.28	2,677.17
Contract Assets (Net of Provision of Rs. 60.17 lakhs (March 31, 2019 Rs. Nil))	452.35	-
Contract Liabilities	(384.61)	(539.34)

Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days. In March 31, 2020, Rs. 384.18 lakhs (March 31, 2019: Rs. 266.96 lakhs) was recognised as provision for expected credit losses on trade receivables

MXC Solutions India Private Limited
Notes forming part of the financial statements as at and for the year ended March 31, 2020
18. Other Income
(Rupees in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a) Interest Income		
i) On Bank deposits	10.56	18.34
ii) On Income Tax Refund	28.12	37.99
iii) On Security Deposits	-	4.88
	38.68	61.21
b) Net gain on investment carried at fair value through Profit and Loss		
Gain on fair valuation of investment in mutual fund	1,522.20	1,745.11
Gain on sale of investment in mutual fund	23.99	39.78
	1,546.19	1,784.89
c) Other Non-Operating Income		
i) Liabilities no longer required written back	72.78	109.02
ii) Profit on sale of Property, Plant and Equipment (Net)	2.78	1.08
iii) Miscellaneous Income	6.51	16.24
	82.07	126.34
Total	1,666.94	1,972.44

19. Employee benefits expense
(Rupees in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries , wages and bonus	5,256.46	4,968.09
Gratuity (refer note 23)	94.75	84.81
Contributions to provident and other funds	191.57	166.43
Share-based payments to employees (Refer Note 31)	922.47	698.13
Staff welfare expenses	171.96	148.71
Total	6,637.21	6,066.16

20. Finance cost
(Rupees in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Bank charges	1.00	1.76
Interest expense on lease liability	58.42	-
Total	59.42	1.76

MXC Solutions India Private Limited**Notes forming part of the financial statements as at and for the year ended March 31, 2020****21. Other expenses****(Rupees in Lakhs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and fuel	87.96	82.06
Rent	36.96	449.80
Buyer/seller facilitation expenses	476.89	833.64
Repairs and maintenance - Others	88.73	98.51
Rates and taxes	10.44	18.07
Telephone and Communication	72.48	82.59
Travelling and conveyance	348.55	379.38
Legal and professional fees	148.02	95.45
Payments to auditors (Refer Note 33)	23.84	24.04
Advertisement, Marketing and Sales Promotion Expenses	2,238.47	1,820.89
Website Hosting Charges	217.98	195.04
Impairment allowance on receivables	192.42	57.55
Bad Debts Written Off	8.73	9.99
Advances written off	-	8.21
Membership and Subscription fees	30.19	47.54
Miscellaneous expenses	44.74	96.00
Total	4,026.40	4,298.76

MXC Solutions India Private Limited**Notes forming part of the financial statements as at and for the year ended March 31, 2020****Note 22: Income Tax****The Income tax expense for the year can be reconciled to the accounting profit as follows:**

(Rupees in Lakhs)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	815.02	621.18
Income tax expense at enacted tax rate	205.13	159.95
Effect of expenses that are not deductible in determining taxable profit	246.87	257.12
Effect of expenses that are not deductible in determining taxable profit , but not claimed as an expense in books	(2,775.10)	-
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	2,323.10	(417.07)
Adjustments pertaining to prior years	(93.25)	-
Liability recorded under Minimum Alternate Tax	-	80.00
Income tax expense recognised in profit or loss	(93.25)	80.00

The tax rate used for the reconciliations above is the corporate tax rate of 25.17% for 2019-20 and 25.75% for 2018-2019 payable by corporate entities in India on taxable profits under the Indian tax law.

Pursuant to the Taxation Laws (Amendment) Act, 2019, corporate assesses have been given the option under section 115BBA of the Income Tax Act, 1961 to apply lower income tax rate with effect from 01 April 2019, subject to certain conditions specified therein. The Company has assessed the impact of the Ordinance and has availed the beneficial (lower) rate of tax.

Note 23: Employee Benefits

(Rupees in Lakhs)

a) Defined Contribution Plans

The Company makes contributions towards a provident fund under a defined contribution retirement benefit plan for qualifying employees. The provident fund is administered by Employee Provident Fund Organisation. Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Both the employees and the Company make pre-determined contributions to the provident fund. Amount recognized as expense amounts to Rs. 191.57 Lakhs (March 31, 2019 : Rs. 166.43 Lakhs) under contributions to provident and other funds (Note 19 Employee benefits expense).

b) Defined Benefit Plans

(i) The Company makes annual contribution towards gratuity to an unfunded / funded defined benefit plan for qualifying employees. The plan provides for lump sum payments to employees whose right to receive gratuity had vested at the time of resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service except in case of death.

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit credit Method, which recognises each period, of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

ii) The plan typically exposes the Company to actuarial risk such as interest rate risk, salary risk and demographic risk:

Interest rate risk - The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary risk - Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk - This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

iii) The most recent actuarial valuation of the defined benefit obligation was carried out as at March 31, 2019 by an independent actuary

iv) The details in respect of the amounts recognised in the Company's financial statements for the year ended March 31, 2019 and March 31, 2018 for the defined benefit scheme is as under:

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
I. Principal Actuarial assumptions		
Discount rate	6.25%	7.40%
Expected rate of salary increase	8.00%	7.50%
Mortality tables		
MXC Solutions India Private Limited	IALM (2012-14) Ult	IALM (2006-08) Ult.
Erstwhile known as Automotive Exchange Private Limited	-	IALM (2012-14) Ult
Withdrawal Rates		
MXC Solutions India Private Limited	20% p.a. at younger ages reducing to 23% p.a. at older ages	25% at younger ages reducing to 1% at older ages.
Erstwhile known as Automotive Exchange Private Limited	-	20% at age band 21-30, 16% at age band 31-40, 23% at age band 41-57.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations. The estimates of future compensation cost considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
II. Components of defined benefit costs recognised in the Statement of Profit and loss		
Service cost:		
Current service cost	68.14	61.24
Net interest expense	26.61	23.57
Components of defined benefit costs recognised in the Statement of Profit and loss (Refer Note 19)	94.75	84.81

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
III. Components of defined benefit costs recognised in the other comprehensive income		
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in financial assumptions	22.28	6.74
Actuarial (gains) / losses arising from changes in demographic assumptions	(1.79)	0.00
Actuarial (gains) / losses arising from changes in experience adjustments	5.39	(7.96)
Components of defined benefit costs / (income) recognised in other comprehensive income *	25.88	(1.21)

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
IV. Change in the defined benefit obligation		
Opening defined benefit obligation	369.82	335.72
Current service cost	68.14	61.24
Interest cost	26.61	23.56
Remeasurement (gains)/losses:		
Actuarial (gains) / losses arising from changes in financial assumptions	22.28	6.74
Actuarial (gains) / losses arising from changes in demographic assumptions	(1.79)	-
Actuarial (gains) / losses arising from changes in experience adjustments	5.39	(7.96)
Benefits paid	(41.63)	(49.49)
Closing defined benefit obligation	448.82	369.82

Sensitivity Analysis for Entities

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Defined Benefit Obligation - Discount Rate + 50 basis points	438.08	358.49
Defined Benefit Obligation - Discount Rate - 50 basis points	460.08	381.84
Defined Benefit Obligation - Salary Escalation Rate + 50 basis points	459.84	381.72
Defined Benefit Obligation - Salary Escalation Rate - 50 basis points	438.20	358.50

These sensitivities have been calculated above to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Maturity Analysis of the Benefit Payments :

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
1st Following year	69.04	51.79
2nd Following year	64.31	48.71
3rd Following year	60.63	46.67
4th Following year	57.40	44.16
5th Following year	53.55	40.91
Sum of years 6 to 10	187.72	138.07

c. Leave plan and compensated absences

The liability for compensated absences as at the year end is Rs. 41.33 Lakhs (March 31, 2019: Rs. 46.57 Lakhs) as shown under provisions.

Refer table I above for actuarial assumptions on compensated absences.

(Rupees in Lakhs)

Note 24 : Leases

The Company has adopted Ind AS 116 "Leases" from April 01, 2019, which resulted in changes in accounting policies in the financial statements.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. The Company has recognised assets of Rs. 783.97 lakhs and liability of Rs. 821.21 lakhs and has recognised the cumulative adjustment of Rs.14.27 lakhs to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right to use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.

The following is the summary of practical expedients elected on initial application:

- Applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9.40%. Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

As at 1 April 2019	
Additions (Note 4A)	783.97
Depreciation expense (Note 4A)	(378.17)
As at 31 March 2020	405.80

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the

As at 1 April 2019	
Additions	821.21
Accretion of interest	58.42
Payments	(424.10)
As at 31 March 2020	455.53
Current	414.21
Non-current	41.31

The following are the amounts recognised in Profit or Loss:

	31 March 2020
Depreciation expense of right-of-use assets	378.17
Interest expense on lease liabilities	58.42
Other expenses (Lease payment)	(424.10)
Total amount recognised in Profit or Loss	12.49

The Company had total cash outflows for leases of INR 424.10 lakhs in 31 March 2020 (31 March 2019 INR Nil). The Company has created right-of-use assets of Rs. INR 783.97 and lease liabilities of INR 821.21 in 31 March 2020 (31 March 2019 INR Nil).

The effect of adoption of Ind AS 116 is as follows:

Balance Sheet

Particular	As at 31 March 2020
Assets	
Right-of-use assets	405.80
Total assets	405.80

Equity

Retained earnings	(49.72)
Total equity	(49.72)

Liabilities

Lease liabilities	455.53
Total liabilities	455.53

Income Statement

Particular	For the year ended 31 March 2020
Depreciation and amortisation	378.17
Other expenses	(424.10)
Finance cost	58.42
Loss /(Profit) for the year	12.49

Statement of cash flows (increase/(decrease))

	For the year ended 31 March 2020
Impact on profit and loss account	(12.49)
Depreciation on right-of-use assets	378.17
Interest Cost	58.42
Cash generated from/(used in) operations (A)	424.10
Proceeds from Lease liabilities	(365.68)
Interest on lease liabilities	(58.42)
Net cash flows from financing activities (B)	(424.10)
Net increase in cash and cash equivalents during the year (A+B)	-
There is no material impact on other comprehensive income or the basic and diluted earnings per share.	

MXC Solutions India Private Limited**Notes forming part of the financial statements as at and for the year ended March 31, 2020****Note 25: Earnings per share (EPS)**

The following reflects the loss and share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Basic		
Profit for the year attributable to ordinary shareholders	908.27	701.16
Weighted average number of equity shares in calculating EPS (number)	34,49,303	34,49,303
Basic Earnings per ordinary shares	26.33	20.33
Diluted		
Profit for the year attributable to ordinary shareholders	908.27	621.18
Weighted average number of ordinary shares for basic EPS	34,49,303	34,49,303
Add: Effect of employee stock option	26,88,268	26,53,268
Add: Effect of convertible share warrant	17,16,752	17,16,752
Add: Effect of convertible preference shares	3,52,99,477	3,52,99,477
Weighted average number of ordinary shares and potential ordinary shares for diluted EPS	4,31,53,800	4,31,18,800
Diluted Earnings per ordinary shares	2.10	1.44

Note 26: Segment reporting

Since the segment information as per IndAS 108 – Operating segments, is provided in the Consolidated Financial Statements, separate segment information is not required to be presented in the separate financial statements.

Note 27 : Financial Instruments**(i) Capital management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2020, the Company has only one class of equity shares and has no debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for re-investment into business based on its long term financial plans.

(ii) Categories of financial instruments		(Rupees in Lakhs)	
Particulars	As at March 31, 2020	As at March 31, 2019	
Financial assets			
Measured at FVTPL			
Current Investments - Mutual Funds	26,408.50	25,187.29	
Measured at amortised cost			
Trade Receivables	3,145.28	2,677.17	
Cash and cash equivalents	1,045.94	1,432.49	
Other bank balances	1.30	1.24	
Other financial assets	546.07	496.29	
Financial liabilities			
Measured at amortised cost			
Trade payables	1,103.95	1,345.59	
Other financial liabilities	573.87	863.21	

(iii) Financial risk management objectives

The Company monitors and manages the financial risks relating to the operations of the entity through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

(iii)(a) 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 risks: interest rate risk, currency risk and other price risk. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. Considering the small quantum and short period of foreign currency exposure on an ongoing basis, the Company does not consider it necessary to hedge these exposures. Market risk exposures are measured using sensitivity analysis.

There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

Foreign Currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the small quantum and short period of such exposure.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period, which are not hedged:

Currency	(Rupees in Lakhs)	
	Assets as at	
	As at March 31, 2020	As at March 31, 2019
USD	-	62.72
SGD	-	0.17

MXC Solutions India Private Limited**Notes forming part of the financial statements as at and for the year ended March 31, 2020****(iii)(b) Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Company obtains market feedback on the creditworthiness of the customer concerned. Customer wise outstanding receivables are reviewed on a monthly basis and where necessary, the credit allowed to particular customers for subsequent sales is adjusted in line with their past payment performance. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management on a quarterly basis.

(iii)(c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows.

Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2020

(Rupees in Lakhs)			
Particulars	Due in 1st year	Due in 5+ years	Carrying amount
Financial Liabilities			
Trade payables	1,103.95	-	1,103.95
Other financial liabilities	573.87	-	573.87
Total	1,677.82	-	1,677.82

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2019

(Rupees in Lakhs)			
Particulars	Due in 1st year	Due in 5+ years	Carrying amount
Financial Liabilities			
Trade payables	1,345.59	-	1,345.59
Other financial liabilities	863.21	-	863.21
Total	2,208.80	-	2,208.80

Note 28: Fair Value Measurement**Fair value of financial assets and financial liabilities that are measured at fair value on recurring basis**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. In accordance with Ind AS, the Company's investments in debt mutual funds have been fair valued. The Company has designated investments as fair value through profit and loss. Management assessed that the carrying values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their fair values largely due to the short-term maturities of these instruments.

(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
<u>Financial assets at amortised cost:</u>				
Trade Receivables	3,145.28	3,145.28	2,677.17	2,677.17
Cash and cash equivalents	1,045.94	1,045.94	1,432.49	1,432.49
Other bank balances	1.30	1.30	1.24	1.24
Other financial assets	546.07	546.07	496.29	496.29
Financial Liabilities				
<u>Financial liabilities held at amortised cost:</u>				
Trade payables	1,103.95	1,103.95	1,345.59	1,345.59
Other financial liabilities	573.87	573.87	863.21	863.21

The Company uses the hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques as mentioned in Note 5:

(Rupees in Lakhs)

Financial Asset/ Financial Liabilities	Fair Value		Fair Value Hierarchy	Valuation technique and key inputs
	As at March 31, 2020	As at March 31, 2019		
Financial assets				
Investment in Mutual Fund	26,408.50	25,187.29	Level 1	NAV issued by third party custodian

MXC Solutions India Private Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Note 29: Related party transactions

A .Details of related parties

Description of relationship	Names of related parties
Subsidiaries (held directly)	Shriram Automall India Limited
	CarTrade Finance Private Limited w.e.f. 1st July 2019
Subsidiaries (held indirectly)	CarTradeExchange Solutions Private Limited Adroit Inspection Services Private Limited
Key Management Personnel	Mr. Vinay Sanghi
Relatives of key management personnel	Mr. Varun Sanghi

(Rupees in Lakhs)

S. No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	Nature of Transactions/ Names of Related Parties		
A	Subsidiary (Adroit Inspection Services Private Limited)		
1	Auto inspection charges	-	10.58
B	Subsidiary (Shriram Automall India Limited)		
1	License fees - income	-	10.00
2	Reimbursement of expenses	35.85	97.75
3	Buyer/seller facilitation fees - expense	-	183.11
C	Subsidiary (CarTradeExchange Solutions Private Limited)		
1	Reimbursement of expenses	155.44	168.78
2	Buyer/seller facilitation fees - expense	472.78	650.53
3	License fees - income	10.00	-
D	Subsidiary (CarTarde Finance Private Limited)		
1	Investment in shares	250.00	-
2	Reimbursement of expenses	11.37	
E	Compensation of Key management personnel		
1	Remuneration	474.23	447.03
F	Relatives of key management personnel		
1	Remuneration	16.76	10.35

(Rupees in Lakhs)

S. No.	Particulars	As at March 31, 2020	As at March 31, 2019
	Balance outstanding		
A	Shriram Automall India Limited		
1	Trade Receivable **	22.05	6.36
B	CarTradeExchange Solutions Private Limited		
1	Trade Payable *	307.97	535.93
2	Trade Receivable **	89.87	46.50
C	Adroit Inspection Services Private Limited - (Advance given)	22.42	22.42
D	CarTrade Finance Private Limited **	4.53	-

* The balance does not include provision for expenses

** The balance does not include unbilled revenue and contractually reimbursable expenses

Note 30: Share Warrants**Share Warrant 1.**

The Board of Directors of the Company at their meeting held on 24 September, 2014 and as approved at its Extra Ordinary General Meeting held on 24 September, 2014 had resolved to create, offer, issue and allot 800,000 warrants, convertible into 800,000 Equity shares of Rs. 10/- each on a preferential allotment basis, pursuant to the provisions of the Companies Act, 2013 at a conversion price of Rs. 117/- per Equity share of the Company, rights to Mr. Vinay Sanghi in accordance with the terms of the Warrant subscription agreement and the application money amounting to Rs. 400,000 was received from him. The warrants may be converted into equivalent number of shares after conversion date (i.e., earlier of trigger date or 4 years from date of issue) upto period of 15 years from date of issue on payment of the balance amount.

Share Warrant 2.

The Board of Directors of the Company at their meeting held on 16 December, 2016 and as approved at its Extra Ordinary General Meeting held on 20 December, 2016 had resolved to create, offer, issue and allot 776,707 and 140,045 warrants, convertible into 776,707 and 140,045 Equity shares of Rs. 10/- each on a preferential allotment basis, pursuant to the provisions of the Companies Act, 2013 at a conversion price of Rs. 510/- and Rs. 596/- respectively per Equity share of the Company, rights to Mr. Vinay Sanghi in accordance with the terms of the Warrant subscription agreement and the application money amounting to Rs. 45,837.6 was received from him. The warrants may be converted into equivalent number of shares after conversion date (i.e., earlier of trigger date or 4 years from date of issue) upto period of 15 years from date of issue on payment of the balance amount.

Note 31: Employee Stock Option Scheme

(a) In 2010, 2011, 2014 and 2015 the Company had instituted an Equity settled "Employee Stock Option Plan 2010" (ESOP 2010), "Employee Stock Option Plan 2011" (ESOP 2011), "Employee Stock Option Plan 2014" (ESOP 2014) and "Employee Stock Option Plan 2015" (ESOP 2015) for its employees and directors. The "ESOP 2010", "ESOP 2011", "ESOP 2014" and "ESOP 2015" are administered through by the Board. Under the scheme, the Board has accorded its consent to grant options exercisable into not more than 554,131 (under "ESOP 2010"), 970,478 (under "ESOP 2011") 306,123 (under "ESOP 2014") and 1,731,827 (under "ESOP 2015") Equity Shares of Rs. 10/- each of the Company.

(b) The vesting of the options is as follows:

Vesting Date	Maximum number / % of Options that shall vest			
	ESOP 2010	ESOP 2011	ESOP 2014	ESOP 2015
1 year from the Grant Date	25%	25%	25%	25%
2 years from the Grant Date	25%	25%	25%	25%
3 years from the Grant Date	25%	25%	25%	25%
4 years from the Grant Date	25%	25%	25%	25%
Total	100 (One Hundred)%	100 (One Hundred)%	100 (One Hundred)%	100 (One Hundred)%

The options granted and outstanding by the Company are 197,500 (March 31, 2019 : 197,500) options under "ESOP 2010", 760,058 options (March 31, 2019 : 760,058) under "ESOP 2011", 300,710 options (March 31, 2019 : 300,710) under "ESOP 2014" and 14,30,000 options (March 31, 2019 : 1,395,000) under "ESOP 2015". The options can be exercised as per provisions of the scheme which is based on listing of the shares of the Company on a recognised stock exchange. If the Company does not have an IPO within six years from the date of the first Grant, the Scheme will be referred back to the Board. All live Options, if any, will lapse at the end of ten years from the date of Grant of Options.

MXC Solutions India Private Limited**Notes forming part of the financial statements as at and for the year ended March 31, 2020**

(c) The details of the options are as under:

(i) ESOP 2010

Particulars	As at March 31, 2020	As at March 31, 2019
Options outstanding at the beginning of the year	1,97,500	1,97,500
Options granted during the year	-	-
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	1,97,500	1,97,500

Total options vested until March 31, 2020 are 197,500 (March 31, 2019 :197,500) (options vested during the year are NIL March 31, 2019: NIL). The weighted average exercise (WAE) price is Rs.19.16 (March 31, 2019: Rs.19.16), weighted average of expected life (WAL) is 1 year (March 31, 2019 : 2 year), weighted average fair value of options is Rs 4.08 (March 31, 2019 : Rs.4.08)

(ii) ESOP 2011

Particulars	As at March 31, 2020	As at March 31, 2019
Options outstanding at the beginning of the year	7,60,058	7,60,058
Options granted during the year	-	-
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	7,60,058	7,60,058

Total options vested until March 31, 2020 are 760,058 (March 31, 2019: 760,058) (options vested during the year NIL (March 31, 2019 : NIL)).The weighted average exercise (WAE) price is Rs.28.74 (March 31, 2019 : Rs.28.74) ,weighted average of expected life (WAL) is 3 years (March 31, 2019 :4 Years) and weighted average fair value of options is Rs 10.50 (March 31, 2019 : Rs.10.50)

(iii) ESOP 2014

Particulars	As at March 31, 2020	As at March 31, 2019
Options outstanding at the beginning of the year	3,00,710	3,00,710
Options granted during the year	-	-
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	3,00,710	3,00,710

Total options vested until March 31,2020 are 300,710 (March 31, 2019 : 300,710) (Options vested during the year are NIL (March 31, 2019 : NIL)). The weighted average exercise (WAE) price is Rs.282.78 (March 31, 2019 : Rs.282.78) ,weighted average of expected life (WAL) is 5 years (March 31, 2019: 6 years) and weighted average fair value of options is Rs 2.93 (March 31, 2019 : Rs.2.93)

(iv) ESOP 2015

Particulars	As at March 31, 2020	As at March 31, 2019
Options outstanding at the beginning of the year	13,95,000	9,65,000
Options granted during the year	35,000	4,30,000
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	14,30,000	13,95,000

Total options vested until March 31,2020 are 997,500 (March 31, 2019 : 781,250)(options vested during the year are 216,250 (March 31, 2019:108,750).The weighted average exercise (WAE) price is Rs.206.73 (March 31, 2019 : Rs.206.73) , weighted average of expected life (WAL) is 7 years (March 31, 2019 :8 Years), weighted average fair value of options is Rs 136.57 (March 31, 2019 : Rs.136.57)

(d) Fair Valuations of Options Granted

The following table list the inputs to the Black Scholes Model used for the options granted during the year ended March 31, 2020.

ESOP Scheme	Grant date	Volatility	Risk Free Interest Rate	Weighted Average fair value
ESOP 2015 (E)	01-08-2018	44.40%	7.85%	424.20
		44.10%	7.89%	436.19
		43.40%	7.91%	446.10
		43.70%	7.94%	458.11
ESOP 2015 (F)	15-10-2018	44.10%	7.87%	423.65
		44.20%	7.85%	436.13
		43.50%	7.92%	446.57
		43.30%	7.98%	457.54
ESOP 2015 (G)	01-08-2019	46.70%	6.50%	589.29
		46.70%	6.50%	589.29
		46.70%	6.50%	589.29
		46.70%	6.50%	589.29

The weighted average share price considered for fair valuation of above options was INR 825.1 (March 31, 2019: INR 674.06).

Dividend yield is considered to be zero for each share options.

Note 32: Scheme Accounting

On August 28, 2019, the NCLT approved the scheme of amalgamation with its wholly owned subsidiary namely Automotive Exchange Private Limited ('AEPL') from the appointed date i.e. April 1, 2017. Scheme was filed with ROC on November 4, 2019, and accordingly effective date of scheme is April 1, 2017 and the effect of the Scheme has been given in these financial statements. The amalgamation has been accounted under the 'pooling of interests' method based on the carrying value of the assets and liabilities of erstwhile AEPL as included in the consolidated Balance Sheet of the Company as at the earliest period presented.

Accordingly, the goodwill on acquisition of AEPL on January 15, 2016 accounted in consolidated FS as on date of acquisition has been now accounted in standalone financial statements which was determined as under.

Particulars		Amount
Purchase consideration	(A)	67,200.51
Less: Net identifiable assets/(liabilities) acquired on initial acquisition date	(B)	(11,208.76)
Goodwill on consolidation	(C = A - B)	78,409.27

Pursuant to the approval of the Scheme, the Company has recorded the following adjustments as at April 01 2019 relating to assets and liabilities of AEPL:

Particulars		Amount
<u>Non-Current Assets</u>		
Property, Plant and Equipment		90.93
Capital work-in-progress		-
Other Intangible assets		16.98
Other financial assets		140.16
Advance Income Tax (Net)		399.85
Other non-current assets		0.22
<u>Current Assets:</u>		
Financial Assets:		
Trade receivables		2,403.68
Cash and cash equivalents		949.61
Bank balances other than those included in Cash and Cash equivalents above		1.24
Other financial assets		406.02
Other current assets		42.19
Total Assets taken over	(D)	4,450.88
<u>Non-Current Liabilities</u>		
Borrowing		
Provisions		
<u>Current Liabilities</u>		
Borrowings		801.10
Trade payables		209.33
Provisions		31.39
Other financial liabilities		-
Other current liabilities		420.04
Total Liabilities taken over	(E)	1,461.86
Net Assets taken over	(F = D-E)	2,989.02
Goodwill on consolidation	(C)	78,409.27
Total	(G = F+C)	81,398.29
Less: Investments of MXC in AEPL's equity and debt instruments	(H)	(86,549.25)
Less: Elimination of intercompany balance between AEPL and MXC		(342.97)
Adjusted to retained earnings	(I=G-H)	(5,493.92)

Note 33: Payment to auditors

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
To statutory auditor		
i) For Audit fees	21.00	21.00
ii) For Other services	2.00	3.00
iii) For reimbursement of expenses	0.84	0.04
Total	23.84	24.04

Note 34: Deferred tax balances

34.1 The tax effect of significant timing differences that has resulted in deferred tax assets which has not been accounted for. However, the same will be reassessed at subsequent Balance Sheet date and will be accounted for in the year of reasonable certainty/virtual certainty in accordance with the aforesaid Ind AS 12.

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax asset :		
Depreciation	(8.24)	99.55
Provision for Doubtful Debts	96.70	68.74
Gratuity & Leave Encashment	123.37	107.22
Carry forward Losses (see below)	6,843.84	6,692.10
	7,055.67	6,967.62
Deferred tax liability:		
Fair Value Gain of Mutual Fund (Recognised FVTPL)	(383.14)	(459.61)
Rent equalisation	-	(5.92)
	(383.14)	(465.53)
Net deferred tax asset	6,672.53	6,502.09

34.2 Unrecognized, deductible, temporary differences on unused tax losses and unabsorbed depreciation:

Deductible temporary differences, unused tax losses and unabsorbed depreciation for which no deferred tax asset have been recognized, are attributable to the following:

Unabsorbed Depreciation	34,715.29	19,902.20
Unabsorbed losses	27,190.48	27,328.15

34.3 Breakup of expiry of balances as at March 31, 2020**March 31****Amount**

2020	482.95
2021	1,257.68
2022	1,722.13
2023	6,792.04
2024	13,206.52
2025	2,478.49
2026	1,092.15
2027	158.52
Total	27,190.48

Note 35: Commitments

(Rupees in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Commitment for the acquisition of capital assets	-	10.13
Total	-	10.13

Note 36 : In view of the outbreak of Coronavirus (COVID-19) pandemic, causing a slowdown of economic activities, the Company has used various internal and external information, as available and based on current estimates expects the carrying amount of these assets will be recovered.

The Company has assessed the counterparty credit risk in case of financial assets (comprising cash and cash equivalents, bank deposits and investments in mutual funds) and considered subsequent recoveries, past trends, credit risks profile of customers in case of trade receivables and unbilled revenues. The Company while assessing Right to Use Asset, Investment in subsidiaries and Goodwill, has considered past trend, future business projections and does not foresee either significant down-sizing of its operations or any changes in lease terms.

The impact of COVID 19 may differ from that estimated as at the date of approval of these financial statements. Further there have been no material changes in the controls / processes followed in the financial statement closing process. The management continues to monitor any future changes on the business and financial statements.

Note 37: The Company has vide its board resolution dated May 20, 2020, accorded to create, offer and upon acceptance of offer allot 38,97,225 Series H Preference shares for a price of INR 825.13 per share, in two tranches. On June 5, 2020, the Company issued 19,48,614 Series H Preference Shares to three existing shareholders on receipt of INR 1,60,78,51,239/- (as Tranche I) on the same terms and condition of existing preference share of the Company.

MXC Solutions India Private Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Note 38: As disclosed in note 32, in accordance with Appendix to IndAS 103, the prior period comparative numbers are presented after giving effect to scheme of amalgamation approved by the NCLT on August 28, 2019.

Note 39: Previous year's figures have been regrouped wherever necessary, to conform to the current year's classification.

As per our report of even date

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number:101049W/E300004

GOVIND
PITAMBAR
AHUJA

Digitally signed by GOVIND
PITAMBAR AHUJA
DN: cn=GOVIND PITAMBAR
AHUJA, c=IN, o=Personal,
email=govind.ahuja@srb.in
Date: 2020.07.21 22:06:10 +05'30'

Govind Ahuja

Partner

Membership no: 48966

Place: Mumbai

Date: July 21, 2020

**For and on behalf of the Board of Directors
MXC Solutions India Private Limited**

Rajan
Jitendra
Mehra

Digitally
signed by
Rajan
Jitendra
Mehra

Rajan Mehra

Director

DIN: 00504892

Place: Mumbai

Date: July 21, 2020

VINAY
VINOD
SANGHI

Digitally
signed by
VINAY
VINOD
SANGHI

Vinay Sanghi

**Chief Executive
Officer & Director**

DIN: 00309085

Place: Mumbai

Date: July 21, 2020

Pal Lal
Bahadur
Deepnarayan

Digitally signed
by Pal Lal
Bahadur
Deepnarayan

Lalbahadur Pal

Company Secretary

Place: Mumbai

Date: July 21, 2020