

INDEPENDENT AUDITOR'S REPORT

To the Members of CarTrade Tech Limited (formerly known as MXC Solutions India Private Limited)

Report on the Audit of the Standalone Financial Statements**Opinion**

We have audited the accompanying standalone financial statements of CarTrade Tech Limited (formerly known as MXC Solutions India Private Limited) ("the Company"), which comprise the Balance sheet as at March 31 2021, 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 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 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, 2021, 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 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 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 financial statements.

Emphasis of Matter

We draw attention to Note 2.3 to the financial statements, which describes the impact forfeiture/cancellation of employee stock options and its consequent impact on the total comprehensive income and on earnings per share, which has led to restatement of the financial statements as at and for the year ended March 31, 2020.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the



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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 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



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- 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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- (f) With respect to the adequacy of the internal financial controls with reference to these standalone 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, 2021;
- (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;
 - 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

per **Govind Ahuja**

Partner

Membership Number: 048966

UDIN: 21048966AAAACI6949



Place of Signature: Mumbai

Date: July 13, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CARTRADE TECH LIMITED (FORMERLY KNOWN AS 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 and audit procedures performed by us, 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) According to the information and explanations given by the management and audit procedures performed by us, inventories of the Company are entirely lying with third parties, which have been confirmed by them as at year end and no material discrepancies were noticed in respect of such confirmations.
- iii) According to the information and explanations given to us and audit procedures performed by 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.

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



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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 records of the Company, the dues of income tax, cess and other material statutory dues on account of any disputes, are as follows:

Name of the statute	Nature of the dues	Amount (Rs in lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Goods and Service Tax Act, 2017	Goods and service tax	38.48	AY 2018-19	Assistant Commissioner – Central Excise and CGST
Service Tax Act, 1994	Service Tax	2.14	AY 2015-16 to 2018-19	Deputy Commissioner – Central Excise and CGST

The provisions relating to duty of excise and duty of custom, are not applicable to the Company.

- (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 and audit procedures performed by us, 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 and audit procedures performed by us, 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 section 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.



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- (xiv) According to the information and explanations given by the management and audit procedures performed by us, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment of shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised. The Company does not have any debentures.
- (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

per Govind Ahuja

Partner

Membership Number: 048966

UDIN: 21048966AAAACI6949



Place of Signature: Mumbai

Date: July 13, 2021

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ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CARTRADE TECH LIMITED (FORMERLY KNOWN AS 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 CarTrade Tech Limited ("the Company") as of March 31, 2021 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 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 Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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 financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2021, 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

per Govind Ahuja

Partner

Membership Number: 048966

UDIN: 21048966AAAACI6949



Place of Signature: Mumbai

Date: July 13, 2021

Particulars	Note	As at March 31, 2021	As at March 31, 2020 (Restated)
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	297.64	181.84
Capital work in progress	3A	12.52	
Right of use assets	3	456.28	405.80
Goodwill	4A	78,409.27	78,409.27
Other Intangible Assets	4B	28.05	22.37
Financial Assets			
Investment	5	15,887.60	15,887.60
Other financial assets	6	160.65	175.15
Deferred Tax assets (net)	22	5,915.03	-
Income Tax assets (net)	22	675.59	380.65
Other non-current assets	7	41.30	48.24
Total Non - Current Assets		1,01,883.93	95,510.92
Current assets			
Inventories	6A	157.69	1.84
Financial Assets			
Investments	5	60,790.17	26,408.50
Trade receivables	8	3,057.86	3,145.28
Cash and cash equivalents	9	1,331.23	1,045.94
Bank balance other than Cash and cash equivalents mentioned above	10	1.39	1.30
Other financial assets	6	1,165.58	499.20
Income Tax assets (net)	22	-	168.48
Other current assets	7	217.48	957.63
Total Current Assets		66,721.40	32,228.17
Total Assets		1,68,605.33	1,27,739.09
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	11	358.43	344.93
Instruments entirely in the nature of equity	11	3,880.06	3,490.34
Other Equity	12	1,60,780.35	1,20,554.76
Total Equity		1,65,018.84	1,24,390.03
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	24	262.51	41.31
Provisions	13	421.58	379.78
Other non-current liabilities	16	13.69	9.91
Total non - Current Liabilities		697.78	431.00
Current liabilities			
Financial Liabilities			
Lease liabilities	24	195.04	414.21
Trade payables	14		
- total outstanding dues of micro enterprises and small enterprises		5.76	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,170.85	1,103.95
Other financial liabilities	15	390.41	767.21
Other current liabilities	16	1,007.35	522.32
Provisions	13	119.30	110.37
Total Current Liabilities		2,888.71	2,918.06
Total Liabilities		3,586.49	3,349.06
Total Equity and Liabilities		1,68,605.33	1,27,739.09

Summary of significant accounting policies

2.1

As per our report of even date

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number:101049W/E300004

per Govind Ahuja
Partner

Membership no: 48966

Place: Mumbai

Date: July 13, 2021

(For and on behalf of the Board of Directors

CarTrade Tech Limited (formerly known as "MXC Solutions India Private Limited ")

Vinay Sanghi
Chairman, Managing
Director and Chief
Executive OfficerDIN: 00309085
Place: Mumbai
Date: July 13, 2021Aneasha Menon
Chief Financial Officer
and DirectorDIN: 07779195
Place: Mumbai
Date: July 13, 2021Lalbahadur Pal
Company Secretary and
Compliance OfficerACS: 40812
Place: Mumbai
Date: July 13, 2021

PS

CarTrade Tech Limited (formerly known as "MXC Solutions India Private Limited")
Statement of Profit and Loss for the year ended March 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	For the Year ended March 31, 2021	For the Year ended March 31, 2020 (Restated)
Income			
Revenue from operations	17	9,279.40	12,044.12
Other income	18	2,045.27	1,666.94
Total Income		11,324.67	13,711.06
Expenses			
Purchase of stock-in-trade	6B	281.31	1,621.73
Changes in inventories of stock-in-trade	6C	(155.85)	92.32
Employee Benefits Expense	19	6,112.43	6,526.44
Finance Cost	20	27.78	58.42
Depreciation and amortisation expense	4C	483.85	458.96
Other expenses	21	2,551.24	4,027.40
Total Expenses		9,300.76	12,785.27
Profit before tax for the year		2,023.91	925.79
Tax expense			
Current tax expense	22	1.83	-
Tax Adjustment of earlier years	22	-	(93.25)
Deferred tax credit	22	(5,918.68)	-
Total Tax Expense / (benefit)		(5,916.85)	(93.25)
Profit for the year		7,940.76	1,019.04
Other Comprehensive Income / (Loss)			
Items that will not be reclassified to profit or loss			
Remeasurement gain on defined benefit plans		14.51	(25.88)
Income tax effect on above		(3.65)	-
Total Other Comprehensive Income / (Loss) for the year		10.86	(25.88)
Total other comprehensive Income for the year		7,951.62	993.16
Earnings per equity share face value (of Rs. 10/- each)	25		
Basic (In Rs.)		19.21	2.63
Diluted (In Rs.)		16.71	2.36

Summary of significant accounting policies

2.2

As per our report of even date
For S. R. Batliboi & Associates LLP

Chartered Accountants
ICAI Firm Registration number:101049W/E300004

per Govind Ahuja
Partner



Membership no: 48966
Place: Mumbai
Date: July 13, 2021

For and on behalf of the Board of Directors
CarTrade Tech Limited (formerly known as
"MXC Solutions India Private Limited")

Vinay Sanghi
Chairman, Managing
Director and Chief
Executive Officer
DIN: 00309085
Place: Mumbai
Date: July 13, 2021

Aneesha Menon
Chief Financial Officer
and Director
DIN: 07779195
Place: Mumbai
Date: July 13, 2021

Lal Bahadur Pal
Company Secretary
and Compliance
Officer
ACS: 40812
Place: Mumbai
Date: July 13, 2021

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CarTrade Tech Limited (formerly known as "MXC Solutions India Private Limited ")
Statement of Cash Flow for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Restated)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax for the year	2,023.91	925.79
<u>Adjusted for:</u>		
Depreciation and amortisation of property, plant and equipment, right-of-use-assets and intangible assets	483.85	458.96
Share-based payment expense	505.34	811.69
Interest income on loan carried at amortised cost		
Interest Income - on bank deposit	(0.08)	(10.56)
Interest Income - security deposits		
Interest Income - income tax refund	(7.58)	(28.12)
Profit on sale of Property, Plant and Equipment (Net)	(0.35)	(2.78)
Impairment allowance on financial assets	57.79	192.41
Bad debts written off (Net)	-	8.73
Liabilities no longer required written back	(298.51)	(72.78)
Interest income - security deposit	(14.84)	-
Interest expense lease liabilities	27.78	58.42
Gain on sale of investment in mutual fund	-	(23.99)
Net gain on investment carried at fair value through Profit and Loss	(1,681.67)	(1,522.20)
Operating Loss before Working Capital Changes	(928.27)	(130.22)
<u>Changes in working capital:</u>	1,095.64	795.57
(Increase) / Decrease in trade receivables	43.87	(669.26)
Decrease/ (Increase) in other assets	70.29	424.09
(Increase) / Decrease in Inventory	(155.85)	92.32
(Decrease) / Increase in trade payables	72.65	(168.83)
(Increase) / Decrease in other liabilities	410.52	(518.33)
Increase in provision for employee benefits	65.23	47.88
	506.71	(792.13)
Cash from / (used in) operations	1,602.35	3.44
Income tax (paid) (net of refund)	(118.99)	86.39
Net Cash from / (used in) Operating Activities	1,483.36	89.83
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(229.51)	(140.59)
Proceeds from sale of Property, Plant and Equipment	0.35	2.78
Purchase of current investments	(32,700.00)	(950.00)
Proceeds from Sale of current investments	-	1,274.98
Payment made on account of investment in subsidiary	-	(250.00)
Interest income received	0.08	10.56
Net Cash (used in) / from Investing Activities	(32,929.08)	(52.27)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Instruments in the entirely nature of equity including premium	32,157.00	-
Proceeds from issue of equity share capital including premium	14.85	-
Interest portion of lease liabilities	(27.78)	(58.42)
Principal portion of lease liabilities	(413.06)	(365.69)
Net Cash from / (used in) Financing Activities	31,731.01	(424.11)
Net (decrease) in cash and cash equivalents	285.29	(386.55)
Cash and cash equivalents at beginning of the year	1,045.94	1,432.49
Cash and cash equivalents at end of the year (as per Note 9)	1,331.23	1,045.94
The accompanying notes are an integral part of the financial statements		

For non-cash transactions pertaining to change in Right of Use Assets and Lease Liabilities, refer note no.4C and 24 respectively.

As per our report of even date
For For S. R. Batliboi & Associates LLP

Chartered Accountants
ICAI Firm Registration number:101049W/E300004

per Govind Ahuja
Partner



Membership no: 48966
Place: Mumbai
Date: July 13, 2021

For and on behalf of the Board of Directors
CarTrade Tech Limited (formerly known as
"MXC Solutions India Private Limited ")

Vinay Sanghi
Chairman, Managing
Director and Chief
Executive Officer
DIN: 00309085
Place: Mumbai
Date: July 13, 2021

Aneesa Menon
Chief Financial Officer
and Director
DIN: 07779195
Place: Mumbai
Date: July 13, 2021

Laibahadur Pal
Company Secretary and
Compliance Officer
ACS: 40812
Place: Mumbai
Date: July 13, 2021

PS

CarTrade Tech Limited (formerly known as "MXC Solutions India Private Limited")
 Changes in Equity as at and for the year ended March 31, 2021
 (All amounts in INR lakhs, unless otherwise stated)

Particulars	Equity Share Capital		Instruments entirely in the nature of equity: Compulsory Convertible Preference Shares	
	No of shares	Amount	No of shares	Amount
	Balance as at April 1, 2019	34,49,303	344.93	3,49,03,315
Issued during the year	-	-	-	-
Balance as at March 31, 2020	34,49,303	344.93	3,49,03,315	3,490.34
Issued during the year	1,35,000	13.50	38,97,225	389.72
Balance as at March 31, 2021	35,84,303	358.43	3,88,00,540	3,880.06

Other Equity

Particulars	Reserves and Surplus				Money received against share warrants	Total Other Equity
	Securities Premium	Share based payment reserve	Retained earnings	Total		
Balance as at April 1, 2019	1,45,456.71	1,546.74	(28,243.73)	1,18,759.72	4.46	1,18,764.18
Add:						
Profit for the year	-	-	1,019.04	1,019.04	-	1,019.04
Other comprehensive income for the year	-	-	(25.88)	(25.88)	-	(25.88)
Share-based payments to employees	-	922.46	-	922.46	-	922.46
Adjustment pursuant to Ind AS 116 adoption (refer note 24)	-	-	(14.27)	(14.27)	-	(14.27)
Transfer from share based payment reserve to retained earnings on account of cancellation of vested options (refer note 2.3)	-	(31.77)	31.77	-	-	-
Options forfeited during the year (refer note 2.3)	-	(110.77)	-	(110.77)	-	(110.77)
Balance as at March 31, 2020 (Restated)	1,45,456.71	2,326.66	(27,233.07)	1,20,550.30	4.46	1,20,554.76
Profit for the year	-	-	7,940.76	7,940.76	-	7,940.76
Other comprehensive income for the year	-	-	10.86	10.86	-	10.86
Share-based payments to employees	-	575.14	-	575.14	-	575.14
Transfer from share based payment reserve to retained earnings on account of cancellation of vested options	-	(106.20)	106.20	-	-	-
Options forfeited during the year	-	(69.80)	-	(69.80)	-	(69.80)
Issue of instruments entirely in the nature of equity (refer note 12)	31,767.28	-	-	31,767.28	-	31,767.28
Premium on issue of equity shares (refer note 12)	1.35	-	-	1.35	-	1.35
Balance as at March 31, 2021	1,77,225.34	2,725.80	(19,175.25)	1,60,775.89	4.46	1,60,780.35

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

per Govind Ahuja
 Membership no: 48966

Partner
 Place: Mumbai
 Date: July 13, 2021



For and on behalf of the Board of Directors
 CarTrade Tech Limited (formerly known as "MXC Solutions India Private Limited")

Vinay Sanghi
 Chief Executive
 Officer & Director
 DIN: 00309085
 Place: Mumbai
 Date: July 13, 2021

Aneisha Menon
 Chief Financial Officer
 and Director
 DIN: 07779195
 Place: Mumbai
 Date: July 13, 2021

Lalbahadur Pal
 Company Secretary
 and Compliance
 ACS: 40812
 Place: Mumbai
 Date: July 13, 2021

Note 1: About the Company

CarTrade Tech Limited (formerly known as "MXC Solutions India Private Limited"), ("CarTrade" or "the Company") incorporated on April 28, 2000 as a private Company domiciled in India, under the Companies Act, 1956. Its registered office is at 12th Floor, Vishwaroop IT Park, Sector 30A, Vashi, New Mumbai, Thane, Maharashtra - 400 705.

The Company operates an automotive digital ecosystem which connects automobile customers, OEMs, dealers, banks, insurance companies and other stakeholders. The Company owns and operates under several brands: CarTrade, CarWale, and AutoBiz. Through these platforms, the Company enables new and used automobile customers, vehicle dealerships, Automotive Manufacturers ("OEMs") and other businesses to buy and sell their vehicles in a simple and efficient manner.

The Company applied for a change in name to CarTrade Tech Private Limited and change in registered office address to 12th Floor, Vishwaroop IT Park, Sector 30A, Vashi, New Mumbai, Thane, Maharashtra - 400 705, with the Registrar of Companies, Mumbai which was approved on April 20, 2021.

On May 12, 2021, the Company converted from Private Company to Public Company vide fresh incorporation certificate issued by Registrar of Companies and the name of the Company was changed to CarTrade Tech Limited.

These financial statements as at year ended March 31, 2021 were authorised for issue in accordance with resolution of Board of Directors on July 13, 2021.

Note 2: Significant Accounting Policies

2.1 Basis of accounting and preparation

The financial statements of the Company for the year ended March 31, 2021, have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). The Company has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast doubt significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities, which are measured at fair value, based on their classification. (refer accounting policy 2.2 (p) on financial instruments).

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

Business combinations 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 acquiree and the equity interests issued by the Company in exchange of control of the acquiree. 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 Company's) 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.
- c. Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- d. Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date
- e. Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

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 of made on transaction-by-transaction basis.

When the consideration transferred by the Company includes assets or liabilities resulting from a contingent consideration, it is recognised at fair value at the acquisition date.

Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.



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 at every reporting date.

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 reporting 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 such as current investment at fair value at each balance sheet date.

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

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

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

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

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



The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value.

External valuers are involved for valuation of significant assets and liabilities, such as financial assets, and significant liabilities. Involvement of external valuers is decided upon annually by the Company management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Company management decides with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Company management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Company management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

The Company management present the valuation results to the Board of Directors and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

f Revenue from Operations (Revenue from Contract with Customers)

Revenue from contracts with customers is recognised when services are 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 when services are being delivered 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

Rendering of services:

i) Website services and fees: Includes the following:

a) Advertisement income : pertains to revenue generated from the display ads on company websites. The performance obligation is satisfied upon display of the advertisement, net commissions if any.

b) Lead generation revenue: pertains to fees for leads shared with and / or concluded for customers, ie lead generation, is recognized on the successful generation and delivery of the lead as the customer simultaneously receives and consumes the benefits provided by the Company.

c) Managed solutions: Revenue from events, marketing, multimedia and digital services are recognised on rendering of services (point in time).

ii) Commission and related incomes: The Company facilitates auctions of vehicles via its online and offline platforms and provides incidental ancillary services such as valuation, inspection and registration. Revenue is recognised upon rendering of service (point in time) as per terms of contract on accrual basis.

Sale of used cars :

Revenue from sale of used cars is recognised at the point in time when control is transferred to the customer, generally on delivery of the vehicle

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some of the contracts with customer provide a right to customer of cash rebate/discount if payment is cleared within specified due dates.

- 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.



g Other income

- a) Dividend from investments are recognised when the right to receive payment is established and no significant uncertainty as to collectibility exists.
- b) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable for all financial instruments measured at amortised cost and other interest-bearing financial assets, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss
- c) For gains on fair valuation of financial instruments through Profit & Loss, refer to the accounting policy in 2.2 p.

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). It includes office premises taken on rent. 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 and the estimated useful lives of the assets.

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 in substance 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 applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.



Retirement and other employee benefits

i. Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives payable within twelve months.

ii. Post-employment 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 consolidated statement of profit and loss:

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

iii. 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

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 considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment

Minimum Alternate Tax ("MAT") paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability is recognised as an asset in the Balance sheet only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.



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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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

k Property Plant and Equipment

Property, Plant and Equipment other than Freehold Land, 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.

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss at the time of incurrence.

Depreciation is provided for Property, Plant and Equipment so as to expense the cost over its useful life. The estimated useful lives, residual value 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 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
- v) Office equipment - 3 Years

The Company, based on management estimate supported by internal technical expert, 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.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal.

Cost of software is amortised over a period 3 years.

m Impairment of non-financial 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.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually at each reporting date and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

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. A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the Restated Ind AS Consolidated Summary Statement.

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.



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o **Share Based Payment arrangements**

Equity-settled share based payments to employees (including senior executives) 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

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- (i) Financial assets at amortised cost (debt instruments)
- (ii) Financial assets at fair value through profit or loss
- (iii) Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- (iv) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit & loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method

Equity instruments at FVTOCI

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit & loss

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

Financial assets are measured at fair value through statement of profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').



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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at 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:

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind-AS 17.
- Contract assets and trade receivables under Ind-AS 18.
- Loan commitments which are not measured as at FVTPL.
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables, and
- All lease receivables resulting from transactions within the scope of Ind AS 17.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

The balance sheet presentation for various financial instruments is described below:

- For financial assets measured as at amortised cost and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.



Financial liabilities and Equity instruments

Initial Recognition and Measurement

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.

The Company's financial liabilities include trade and other payables and loans

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the

Re-classification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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 and treated as other income, on the earlier of expiry of three years; or uncertainty over repayment

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.

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 Compulsorily Convertible preference shares

Compulsorily Convertible preference shares are recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. The carrying amount of the conversion option is not remeasured in subsequent years. These instruments are mandatorily convertible into fixed number of shares and there is no other obligation on the issuer. These instruments are classified as equity in entirety and is valued at fair value .



v **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 Judgments

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements

Operating lease commitments – Company as a lessee

The Company has entered into lease agreements with lessor and has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retain the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

B Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively

a) Impairment of non-financial assets:

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are accompanied together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Company of assets ('CGU').

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

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) 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.

d) Estimated useful life of property plant and equipment and intangible assets

The charge in respect of periodic depreciation/ amortization is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Management at the time the asset is acquired/ capitalized periodically, including at each financial period/year end, determines the useful lives and residual values of Company's assets. The lives are based on historical experience with similar assets as well as anticipation of future events, which may affect their life, such as changes in technology. The estimated useful life is reviewed at least annually.

e) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment

f) Share-based payments

For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses a most appropriate method (i.e. discounted cash flow approach, comparable companies method, etc) for Employee Share Option Plan. The assumptions and models used for estimating fair value for share-based payment transactions are dependent on the terms of the scheme. Such assumptions include weighted average share price, exercise price, volatility, expected life option, risk free interest rate, etc



g) Provision for Expected credit loss

The Company creates provision based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by customer type). The Company will calibrate the customer to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

h) Defined Benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary increases. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Further salary increases and gratuity increases are based on expected future inflation rates.

New and amended standards

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the April 1, 2019. For details refer note 24

(ii) Amendments to Ind AS 103 Business Combinations

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the April 01, 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the financial statements of the Company but may impact future periods should the Company enter into any business combinations.

(ii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Company.

These amendments are applicable prospectively for annual periods beginning on or after the April 01, 2020. The amendments to the definition of material are not expected to have a significant impact on the Company's financial statements.



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2.3. Summarised below are the restatements made to the audited financial statements for the year ended March 31, 2020

In January 2020, the Company had not accounted for the forfeiture of un-vested options amounting to Rs.110.77 Lakhs on resignation of an employee in the statement of profit and loss for the year ended March 31, 2020 which has now been restated in these financial statements.

Further certain vested options amounting to Rs. 31.77 lakhs were cancelled during the same year for which transfer from share based payment reserve to retained earnings were not accounted for. This has now been restated these financial statements.

The error has been corrected by restating each of the affected financial statement line items for the prior year, as follows:

Impact on Equity:

Particulars	March 31, 2020
Other equity	
Share based payment reserve	(142.54)
Retained earnings	142.54
Total impact on equity	-

Impact on statement of profit or loss (increase in profit)

Particulars	March 31, 2020
Employee Benefits Expense	(110.77)
Impact on profit for the year	110.77

Impact on basic and diluted earnings per share (EPS) (increase in EPS)

	March 31, 2020
Earnings per share	
Basic, profit for the year attributable to ordinary equity holders	0.29
Diluted, profit for the year attributable to ordinary equity holders	0.26

The error did not have an impact on OCI for the year or the Company's operating, investing and financing cash flows.



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3 : Property, Plant and Equipment and Right to Use Assets

Description of Assets	Lease Hold Improvements	Furniture and fixtures	Plant and Equipment	Computer	Vehicles	Total Property, Plant and Equipment	Right to Use Assets (Refer note 24)
Cost or Valuation							
Balance as at April 1, 2019	431.06	143.39	258.46	697.12	-	1,530.03	-
Additions	-	1.29	5.78	11.49	99.07	117.63	783.97
Disposals	-	-	0.09	86.34	-	86.43	-
Balance as at March 31, 2020	431.06	144.68	264.15	622.26	99.07	1,561.23	783.97
Additions	21.13	-	14.51	14.79	133.49	183.92	438.82
Disposals	-	-	0.37	9.91	-	10.28	-
Balance as at March 31, 2021	452.19	144.68	278.29	627.15	232.56	1,734.87	1,222.79
Accumulated Depreciation							
Balance as at April 1, 2019	424.37	86.96	235.01	659.63	-	1,405.97	-
Depreciation	5.38	11.13	16.39	23.28	3.66	59.84	378.17
Disposal	-	-	0.09	86.34	-	86.43	-
Balance as at March 31, 2020	429.75	98.09	251.31	596.57	3.66	1,379.38	378.17
Depreciation	2.63	11.08	9.70	20.17	24.55	68.13	388.34
Disposal	-	-	0.37	9.91	-	10.28	-
Balance as at March 31, 2021	432.38	109.17	260.64	606.83	28.21	1,437.23	766.51
Net book value							
As at March 31, 2021	19.81	35.51	17.65	20.32	204.35	297.64	456.28
As at March 31, 2020	1.31	46.60	12.84	25.70	95.40	181.84	405.80

3A : Capital Work-In-Progress

Description of Assets	Amount
Balance as at April 1, 2019	-
Additions	-
Transfer to Property, Plant and Equipment	-
Balance as at March 31, 2020	-
Additions	12.52
Transfer to Property, Plant and Equipment	-
Balance as at March 31, 2021	12.52

4A. Goodwill

Goodwill	Amount
Gross carrying value	
Balance as at April 1, 2019	78,409.27
Additions	-
Disposals	-
Balance as on March 31, 2020	78,409.27
Additions	-
Disposals	-
Balance as on March 31, 2021	78,409.27
Net book value	
As at March 31, 2021	78,409.27
As at March 31, 2020	78,409.27

Note:

The goodwill of Rs. 78,409.27 Lakhs was created on merger of Automotive Exchange Private Limited ("AEPL") with an appointed date of April 1, 2017. By acquisition of this brand the Company was able to bring synergies of the brand name and trade mark as well as that of their franchisee business. Accordingly, for the purpose of testing impairment of goodwill allocated to this transaction, the "website services and fees" is considered as one Cash Generating Unit (CGU). The recoverable amount of this CGU is determined based on fair value less cost of disposal and its value in use as per requirement of Ind AS 36. The fair value is computed as per Discounted Cash Flow method, covering generally a period of five years which are based on key assumptions such as margins, expected growth rates based on past experience and Management's expectations/extrapolation of normal increase/steady terminal growth rate and appropriate discount rates that reflects current market assessments of time value of money. The management believes that any reasonable possible change in key assumptions on which recoverable amount is based is not expected to cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit. 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. Refer to the key assumptions below:

Particulars	March 31, 2021	March 31, 2020
Perpetuity Growth	5.00%	5.00%
Cost of Equity of Company	14.80%	14.46%



(All amounts in INR lakhs, unless otherwise stated)

4B : Other Intangible Assets

Description of Assets	Computer Software (Total)
I. Gross carrying value	
Cost	
Balance as at April 1, 2019	475.51
Additions	26.34
Disposal	-
Balance as at March 31, 2020	501.85
Additions	33.06
Balance as at March 31, 2021	534.91
II. Accumulated amortisation and impairment	
Balance as at April 1, 2019	458.53
Amortisation expense	20.95
Balance as at March 31, 2020	479.48
Amortisation expense	27.38
Balance as at March 31, 2021	506.86
Net book value	
As at March 31, 2021	28.05
As at March 31, 2020	22.37

4C: Depreciation and Amortisation Expenses

Particular	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of tangible assets	68.13	59.84
Amortization of intangible assets	27.38	20.95
Depreciation of Right of Use Assets	388.34	378.17
Total	483.85	458.96



PS

CarTrade Tech Limited (formerly known as "MXC Solutions India Private Limited")
Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

5. Investments

Particulars	As at March 31, 2021			As at March 31, 2020		
	QTY	Current	Non Current	QTY	Current	Non Current
Unquoted Investments						
Investments in Equity instruments of Subsidiary Companies at amortised cost						
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	25,00,000	-	250.00
Investments Carried At Amortised Cost [A]			15,887.60			15,887.60
Investments in Mutual Funds, at fair value through profit and loss						
HDFC Liquid Fund- Growth (of Rs. 1000/- each)	2,77,228	11,138.13	-	11,771	457.17	-
ICICI Prudential Liquid- Regular Plan- Growth (of Rs. 100/- each)	36,07,110	10,931.10	-	36,07,109	10,550.80	-
Birla Sun Life Cash Plus- Growth-Regular Plan (of Rs. 100/- each)	35,42,063	11,664.34	-	35,42,063	11,254.75	-
DSP BlackRock Liquidity Fund- Institutional Plan- Growth (of Rs. 1000/- each)	3,57,742	10,444.84	-	1,46,901	4,145.78	-
ICICI Money Market Growth (of Rs. 100/- each)	17,37,404	5,091.84	-	-	-	-
HDFC Ultra Short term (of Rs. 10/- each)	5,42,08,270	6,421.62	-	-	-	-
DSP Low duration fund (of Rs. 10/- each)	3,28,39,296	5,098.30	-	-	-	-
Investments Carried At FVTPL [B]		60,790.17	-		26,408.50	-
Total Unquoted Investments [A+B]		60,790.17	15,887.60		26,408.50	15,887.60
Aggregate value of unquoted investments		60,790.17	15,887.60		26,408.50	15,887.60
Aggregate value of impairment in value of investments						



6. Other Financial assets (Unsecured)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non Current	Current	Non Current
a) Security Deposits				
- Considered good	0.69	160.65	7.09	175.15
- Items with significant increase in credit risk	3.05	-	3.05	-
Less -Impairment Allowance (allowance for bad and doubtful Security Deposit)	3.74 (3.05)	160.65	10.14 (3.05)	175.15
b) Interest accrued on Fixed Deposits	0.69	160.65	7.09	175.15
c) Contract assets	0.02	-	0.03	-
- Considered good	994.09	-	452.35	-
- Items with significant increase in credit risk	45.92	-	60.17	-
Less -Impairment Allowance (allowance for bad and doubtful Contract Assets)	1,040.01 (45.92)	-	512.52 (60.17)	-
d) Loan and Advances to employees	994.09	-	452.35	-
e) Others (Contractually reimbursable expenses)	1.14	-	1.37	-
f) Fees for IPO related services, recoverable from selling shareholders (refer note below)	10.63	-	38.36	-
	159.01	-	-	-
Total	1,165.58	160.65	499.20	175.15

Note

Fees for IPO related services, recoverable from selling shareholders comprises expenses incurred in connection with proposed Initial Public offer (IPO) of the Company. As per understanding between the Company and the Selling Shareholders, all the IPO expenses other than listing fees will be borne by the Selling Shareholder.

Movement of Provision for doubtful Security deposits, Contract Assets and loan to employees:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non Current	Current	Non Current
Balance at the beginning of the year				
- Security deposits	3.05	-	3.05	-
- Contract Assets	60.17	-	-	-
Total	63.22		3.05	
Provided/(reversed) during the year				
- Security deposits	14.25	-	-	-
- Contract Assets	-	-	60.17	-
Total	14.25		60.17	
Balance at the end of the year				
- Security deposits	3.05	-	3.05	-
- Contract Assets	45.92	-	60.17	-
Total	48.97		63.22	

6A. Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Traded Goods (at lower of cost or net realisable value)	157.69	1.84
Total	157.69	1.84

6B. Purchase of stock-in-trade

Particulars	As at March 31, 2021	As at March 31, 2020
Purchases	281.31	1,621.73
Purchase of stock-in-trade	281.31	1,621.73

6C. Changes in Inventories stock-in-trade

Particulars	As at March 31, 2021	As at March 31, 2020
Inventory at the beginning of the year (A)	1.84	94.16
Inventory at the end of the year (B)	157.69	1.84
Changes in inventories of stock-in-trade (A-B)	(155.85)	92.32

7. Other assets (Unsecured, considered good)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non Current	Current	Non Current
a) Indirect taxes recoverable	76.08	-	846.65	-
b) Prepaid expenses	53.06	41.30	63.86	48.24
c) Advance to vendors	88.34	-	47.12	-
Total	217.48	41.30	957.63	48.24



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8. Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivable (Unsecured)		
(a) Considered Good	3,057.86	3,145.28
(b) Trade Receivables which have significant increase in credit risk	427.73	384.18
	3,485.59	3,529.46
Less: Impairment Allowance (allowance for bad and doubtful debts)	427.73	384.18
Total	3,057.86	3,145.28

Movement in Impairment Allowance (allowance for bad and doubtful debts)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	384.18	266.96
Add: Provision recorded during the year	43.55	117.22
Balance at the beginning of the year	427.73	384.18

(i) For details pertaining to related party receivables, refer note 29

(ii) Trade receivable are non-interest bearing and are generally receivables on terms 0 to 90 days

9. Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Cash in hand	2.78	3.96
(b) Bank balances		
- In Current account	1,328.45	1,041.98
Total	1,331.23	1,045.94

10. Bank balance other than Cash and cash equivalents mentioned above

Particulars	As at March 31, 2021	As at March 31, 2020
Other Bank Balance:		
Deposit accounts with original maturity of more than 3 months but less than 12 months.	1.39	1.30
Total	1.39	1.30



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11. Equity Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	Units	Rupees	Units	Rupees
Authorised Capital				
(A) Equity Share Capital				
Equity Shares of Rs 10/- each	2,00,30,000	2,003.00	1,00,30,000	1,003.00
(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
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each H Series	40,00,000	400.00	-	-
Issued, Subscribed and Fully Paid up				
(A) Equity Share Capital				
Equity Shares of Rs 10/- each	35,84,303	358.43	34,49,303	344.93
	35,84,303	358.43	34,49,303	344.93
(B) Instruments entirely in the nature of equity				
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
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each H Series	38,97,225	389.72	-	-
	3,88,00,540	3,880.06	3,49,03,315	3,490.34

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Rupees	No. of Shares	Rupees
Equity shares				
At the beginning of the year	34,49,303	344.93	34,49,303	344.93
Add: Issued during the year at a premium of Rs. 1/- per share	1,35,000	13.50	-	-
At the end of the year	35,84,303	358.43	34,49,303	344.93
Instruments entirely in the nature of equity				
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each				
At the beginning of the year	3,49,03,315	3,490.34	3,49,03,315	3,490.34
Add: Issued during the year - Series H at a premium of Rs. 815.13 per share	38,97,225	389.72	-	-
At the end of the year	3,88,00,540	3,880.06	3,49,03,315	3,490.34

There has been no movement in any of the series of instruments in the nature of equity between April 1, 2019 till March 31, 2021 other than issue 3,897,225 Series H 8% Non-cumulative Compulsorily Convertible Preference shares of Rs. 10 each during the year ended March 31, 2021



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

Class of shares / Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
William Austin Ligon	1,92,730	5.38%	1,92,730	5.59%
Vinay Vinod Sanghi with Seena Vinay Sanghi	7,16,717	20.00%	4,50,050	13.05%
Bina Vinod Sanghi with Vinay Vinod Sanghi	1,83,333	5.11%	4,50,000	13.05%
Shree Krishna Trust	7,00,050	19.53%	7,00,050	20.30%
Higdhell Investment Ltd	6,11,981	17.07%	6,11,981	17.74%
Macritchie Investments Pte. Ltd.	5,92,650	16.53%	5,92,650	17.18%
8% Non-cumulative Compulsorily Convertible Preference Shares (Series A to H)				
CMDB II	56,75,595	14.63%	56,75,595	16.26%
Higdhell Investment Ltd	1,58,25,768	40.79%	1,45,26,693	41.62%
MacRitchie Investments Pte. Ltd.	1,21,33,327	31.27%	1,08,34,252	31.04%
Springfield Venture International	31,82,038	8.20%	31,82,038	9.12%

(iii) 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.

(iv) Terms of conversion/ redemption of CCPS

Series	Conversion ratio	Conversion period
Series A Preference shares are compulsorily convertible preference shares.	1:1	At any time during the conversion period of 20 years from the date of issue i.e. 08.12.09 and 11.01.10 or on the expiry of the conversion period or immediately prior to the filing by the Company of its red herring prospectus document with SEBI.
Series B Preference shares are compulsorily convertible preference shares.	1:1	At any time during the conversion period of 20 years from the date of issue i.e. 15.12.10 or on the expiry of the conversion period or immediately prior to the filing by the Company of its red herring prospectus document with SEBI.
Series C Preference shares are compulsorily convertible preference shares.	1:1	At any time during the conversion period of 20 years from the date of issue i.e. 2.9.11 or on the expiry of the conversion period or immediately prior to the filing by the Company of its red herring prospectus document with SEBI.
Series D Preference shares are compulsorily convertible preference shares.	1:1	At any time during the conversion period of 20 years from the date of issue i.e. 9.10.14 or on the expiry of the conversion period or immediately prior to the filing by the Company of its red herring prospectus document with SEBI.
Series E Preference shares are compulsorily convertible preference shares.	1:1.1125624	At any time during the conversion period of 20 years from the date of issue i.e. 4.8.15 and 25.8.15 or on the expiry of the conversion period or immediately prior to the filing by the Company of its red herring prospectus document with SEBI.



Series	Conversion ratio	Conversion period
Series F Preference shares are compulsorily convertible preference shares.	1:1	At any time during the conversion period of 20 years from the date of issue i.e. 12.1.16 or on the expiry of the conversion period or immediately prior to the filing by the Company of its red herring prospectus document with SEBI.
Series F1 Preference shares are compulsorily convertible preference shares.	1:1	At any time during the conversion period of 20 years from the date of issue i.e. 29.4.16 or on the expiry of the conversion period or immediately prior to the filing by the Company of its red herring prospectus document with SEBI.
Series G Preference shares are compulsorily convertible preference shares.	1:1	At any time during the conversion period of 20 years from the date of issue i.e. 3.2.17 or on the expiry of the conversion period or immediately prior to the filing by the Company of its red herring prospectus document with SEBI.
Series H Preference shares are compulsorily convertible preference shares.	1:1	At any time during the conversion period of 20 years from the date of issue i.e. 5.6.20 and 01.10.20 or on the expiry of the conversion period or immediately prior to the filing by the Company of its red herring prospectus document with SEBI.

Rights of preference shares

Shareholders Agreement provides for transfer restrictions on shares held by parties. The Major Shareholders are not permitted to transfer any or all of the Restricted Shares without offering a right of first refusal to each of CMBD, Springfield, Highdell, Temasek, FIOL, Manbro, MSF, MCP and/or their permitted transferees ("ROFR Investors"). In the event the ROFR Investors do not exercise their right of first refusal, they are entitled to exercise a tag along right and sell their shareholding with the Major Shareholders.

Pursuant to the Shareholders Agreement, each of the Major Shareholders, CMDB, Springfield, and certain other shareholders collectively, have the right to nominate one Director on the Board. Highdell and Temasek have the right to nominate three directors each on to the Board. Further, each of CMDB, Highdell, Springfield, Temasek and the Major Shareholders are entitled to nominate one observer each to the Board and all the committees of the Board. The Majority Investors and the Major Shareholders have affirmative voting rights in respect of certain reserved matters including any alteration or change so as to adversely effect rights of Equity Shares, alteration or modification of authorized number of Equity Shares, fresh issuance of any security, creation of any new class of or series of Equity Shares. 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).

v) Details, terms and conditions pertaining to Share Warrants

Share Warrant 1.

The Board of Directors of the Company at their meeting held on September 24, 2014 and as approved at its Extra Ordinary General Meeting held on September 24, 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. 4 Lakhs 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 conversion price.

Share Warrant 2.

The Board of Directors of the Company at their meeting held on December 16, 2016 and as approved at its Extra Ordinary General Meeting held on December 20, 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. 0.45 Lakhs 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 conversion price.

For information pertaining to subsequent events in relation with Share Capital, please refer note 35.



12. Other equity

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
(a) Securities premium (refer note a below)	1,77,225.34	1,45,456.71
(b) Share based payment reserve (refer note b below)	2,725.80	2,326.66
(c) Retained earnings (refer note c below)	(19,175.25)	(27,233.07)
(d) Money received against share warrants (refer note 11)	4.46	4.46
Total	1,60,780.35	1,20,554.76

12.1. Securities premium

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
Balance at beginning of year	1,45,456.71	1,45,456.71
Issue of 8% Non-cumulative Compulsorily Convertible Preference shares - Series H	31,767.28	-
Issue of Equity shares during the year on account of exercise of option	1.35	-
Balance at end of year (refer note a below)	1,77,225.34	1,45,456.71

12.2. Share based payment reserve (Refer Note 31)

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
Balance at beginning of year	2,326.66	1,546.74
Recognition of Share based payments	575.14	922.46
Transfer from share based payment reserve to retained earnings on account of cancellation of vested options (refer note 2.3)	(106.20)	(31.77)
Options forfeited during the year (refer note 2.3)	(69.80)	(110.77)
Balance at end of year (refer note b below)	2,725.80	2,326.66

12.3 Retained earnings

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
Balance at beginning of year	(27,233.07)	(28,243.73)
Transfer from share based payment reserve to retained earnings on account of cancellation of vested options (refer note 2.3)	106.20	31.77
Profit for the year	7,940.76	1,019.04
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)	10.86	(25.88)
Balance at end of year (refer note c below)	(19,175.25)	(27,233.07)

12.4 Money Received against Share Warrant

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
Balance at beginning of year (refer note 11)	4.46	4.46
Balance at end of year	4.46	4.46

a. Securities premium

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 based payment reserve

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 and will be utilised on exercise of option.

c. Retained earnings.

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.



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13. Provisions

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non Current	Current	Non Current
Provision for employee benefits				
Gratuity	82.11	421.58	69.04	379.78
Compensated absences	37.19	-	41.33	-
Total	119.30	421.58	110.37	379.78

14. Trade Payables

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non Current	Current	Non Current
Trade payables				
total outstanding dues of micro enterprises and small enterprises (refer note a below)	5.76	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	1,170.85	-	1,103.95	-
Total	1,176.61	-	1,103.95	-

a) Details of Dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due to suppliers under MSMED Act	5.76	-
Interest accrued and due to suppliers under MSMED Act on the above amount	-	-
Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
Interest paid to suppliers under MSMED Act	-	-
Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
Interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act	-	-

15. Other Financial Liabilities

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non Current	Current	Non Current
(i) Security deposit received from customers	150.89	-	573.87	-
(ii) Employee related liabilities	239.52	-	193.34	-
Total	390.41	-	767.21	-

16. Other Liabilities

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non Current	Current	Non Current
(i) Advances received from customers	47.95	-	43.70	-
(ii) Deferred Revenue	478.53	-	340.91	-
(iii) Statutory Dues	480.87	-	137.71	-
(iv) Employee Deposit	-	13.69	-	9.91
Total	1,007.35	13.69	522.32	9.91

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17. Revenue from operations (Revenue from contract with customers)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from rendering of services		
(i) Website services and fees	8,819.61	9,824.40
(ii) Commission and related income	329.74	467.25
Revenue from sale of Goods		
(iii) Sale of Used cars	130.05	1,752.47
Total	9,279.40	12,044.12

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services and major customers. The Company's operations pre-dominantly relate to automotive digital systems which connect automobile customers, OEMs, dealers, banks, insurance companies and other stakeholders, pertaining to sale of cars, trucks and commercial vehicles. Based on internal reporting provided to the Chief operating decision maker, the Company's operations predominantly relates to single reportable operating segment which are subject to same risk and rewards of operating and managing a media / platform for the automotive sector through website fees and commission and related services and trading of cars.

17.1 Performance Obligations: for the detailed performance obligation refer note 2.2 (f)

17.2 Contract Balances

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables	3,057.86	3,145.28
Contract Assets (Net of Provision of Rs.45.92 lakhs (March 31, 2020 Rs. 60.17))	994.09	452.35
Contract Liabilities	(526.48)	(384.61)

Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days. In March 31, 2021, Rs. 427.73 lakhs (March 31, 2020: Rs. 384.18 lakhs) was recognised as provision for expected credit losses on trade receivables

Contract liabilities consists of Advance from customers and deferred revenue.

The Company has rendered the service and have recognised the revenue of Rs.340.91 Lakhs for year ended March 31, 2021, March 31, 2020 Rs. 488.87 Lakhs. It expects similarly to recognise revenue in year 2021-22 from the closing balance of deffered revenue as at March 31, 2021.

The Company usually renders services against the advance from customers within the next reporting period.



CarTrade Tech Limited (formerly known as "MXC Solutions India Private Limited")
Notes forming part of the financial statements for the year ended March 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

18. Other Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income on		
Bank deposits	0.08	10.56
Income Tax Refund	7.58	28.12
Security Deposits	14.84	-
	22.50	38.68
Net gain on investment carried at fair value through Profit and Loss		
Gain on fair valuation of investment in mutual fund	1,681.67	1,522.20
Gain on sale of investment in mutual fund	-	23.99
	1,681.67	1,546.19
Other Non-Operating Income		
Liabilities no longer required written back	298.51	72.78
Profit on sale of Property, Plant and Equipment (Net)	0.35	2.78
Miscellaneous Income	42.24	6.51
	341.10	82.07
Total	2,045.27	1,666.94

19. Employee benefits expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020(Restated)
Salaries , wages and bonus	5,213.11	5,256.46
Gratuity (refer note 23)	105.61	94.75
Contributions to provident and other funds	188.76	191.57
Share-based payments to employees (refer note 31 and note 2.3)	505.34	811.69
Staff welfare expenses	99.61	171.97
Total	6,112.43	6,526.44

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant."

20. Finance costs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense on financial liabilities (lease liability)	27.78	58.42
Total	27.78	58.42



21. Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Power and fuel	48.13	87.96
Rent (Refer note 24)	15.17	36.96
Commission and related expense	304.12	476.89
Repairs and maintenance - Others	76.42	87.55
Insurance	6.10	4.74
Rates and taxes	34.42	10.44
Telephone and Communication	63.29	78.05
Travelling and conveyance	122.86	348.55
Legal and professional fees	307.38	148.02
Payments to auditors (refer note 32)	16.00	23.84
Advertisement, Marketing and Sales Promotion Expenses	1,126.89	2,238.47
Website Hosting Charges	241.63	217.98
Impairment allowance on on financial assets	57.79	192.41
Bad Debts Written Off	-	8.73
Bank Charges	3.31	1.00
CSR Expenses (refer note 34)	13.30	-
Membership and Subscription fees	50.05	30.19
Miscellaneous expenses	64.38	35.62
Total	2,551.24	4,027.40



Note 22 : Income tax

(i) Income tax recognised in Statement of Profit and Loss for the year ended March 31, 2021

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax	1.83	(93.25)
Deferred tax		
Initial recognition of deferred tax asset consequent to revision in estimate (Refer note (iii) below)	(5,918.68)	-
Income tax expense recognised in profit or loss	(5,916.85)	(93.25)

(ii) The Income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	2,023.91	925.79
Income tax expense at enacted tax rate	25.17%	25.17%
Effect of expenses that are not deductible in determining taxable profit	509.42	233.02
Effect of expenses that are not deductible in determining taxable profit, but not claimed as an expense in books	126.85	218.97
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(638.08)	(2,775.10)
Adjustments pertaining to prior years		2,323.11
Initial recognition of deferred tax on account of revision in estimate (Refer note (iii) below)		(93.25)
a. unused tax losses and unabsorbed depreciation of earlier years	(6,454.99)	-
b. other items of earlier years	539.96	-
Income tax expense recognised in profit or loss	(5,916.85)	(93.25)

iii) Till March 31, 2020, the Company did not recognise deferred tax asset ('DTA') on the timing differences mainly arising from brought forward losses and unabsorbed depreciation due to the absence of reasonable certainty in accordance with Ind-AS 12. Pursuant to the changes in the Finance Bill 2021, goodwill of a business or profession is not to be considered as depreciable asset and no depreciation to be allowed in any situation for assessment years beginning on April 1, 2020. Depreciation on goodwill was one of the larger components contributing to accumulation of losses till foreseeable future for the Company. Given this proposed change in law, the Company has revised its estimate with respect to utilization of certain portion of its brought forward losses and unabsorbed depreciation relating to earlier years, to the extent it can be offset against future taxable profits and has accordingly recorded a Deferred Tax Asset of Rs. 6,455 Lakhs during year ended March 31, 2021 in view of reasonable certainty based on revised estimates due to change in law. Further, the Company has also recognised net deferred tax liability of Rs.539.96 lakhs which was hitherto not recognised due to the lack of reasonable certainty of realis ability of brought forward losses and unabsorbed depreciation.

iv) 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 April 1, 2019, subject to certain conditions specified therein. The Company has assessed the impact of the Law and has availed the beneficial (lower) rate of tax.



22.1. Components of deferred tax assets (net)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax asset:		
Impact of employee related retirement and other liabilities	139.78	123.37
Impact of Impairment allowance on trade receivables and contract assets	107.65	96.70
Property, plant and equipment: Impact of difference between tax depreciation and depreciation charged for financial reporting	(33.43)	(8.24)
Impact of deferred tax on unused tax losses and unabsorbed depreciation (Refer note 22.2 and 22.3 below)	18,133.06	18,204.84
Impact of Deferred tax due on Ind AS 116 adjustments	112.58	-
Deferred tax liabilities:		
Financial instruments at fair value through Profit and loss	(862.89)	(383.14)
Total deferred tax assets (net)	17,596.75	18,033.53
Less: Deferred tax assets (net), not recognised - Refer note 22 (iii) below	11,678.07	18,033.53
Total deferred tax assets (net) recognised	5,918.68	-

Reconciliation of deferred tax assets :

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	-	-
Tax income / (expense) during the year recognised in profit & loss	5,918.68	-
Tax income / (expense) during the year recognised in OCI	(3.65)	-
Closing balance	5,915.03	-

22.2 Unused tax losses and unabsorbed depreciation, are attributable to the following:

Particulars	As at March 31, 2021	As at March 31, 2020
Unabsorbed Depreciation (no expiry)	45,137.05	45,137.05
Unused tax losses (see below)	26,494.10	26,977.05

22.3 Breakup of expiry of balances

	As at March 31, 2021 Amount	As at March 31, 2020 Amount
2020	-	482.95
2021	1,257.68	1,257.68
2022	1,563.18	1,563.18
2023	6,792.04	6,792.04
2024	13,152.04	13,152.04
2025	2,478.49	2,478.49
2026	1,092.15	1,092.15
2027	158.52	158.52
Total	26,494.10	26,977.05



Note 23: Employee Benefits

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.188.76 Lakhs for the year ended March 31, 2021 (March 31, 2020 : Rs. 191.57 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, 2021 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, 2021 and year ended March 31, 2020 for the defined benefit scheme is as under:

Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
I. Principal Actuarial assumptions		
Discount rate	6.05%	6.25%
Expected rate of salary increase	8.00%	8.00%
Mortality tables	IALM 2012-14	IALM 2012-14
Withdrawal Rates	20% p.a. at younger ages reducing to 23% p.a. at older ages	20% p.a. at younger ages reducing to 23% p.a. at older ages
Weighted average duration (in years)	5.24	5.11

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, 2021	As at March 31, 2020
II. Components of defined benefit costs recognised in the Statement of Profit and loss		
Service cost:		
Current service cost	79.07	68.14
Net interest expense	25.89	26.61
Components of defined benefit costs recognised in the Statement of Profit and loss (Refer Note 19)	104.96	94.75

Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
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	5.05	22.28
Actuarial (gains) / losses arising from changes in demographic assumptions		(1.79)
Actuarial (gains) / losses arising from changes in experience adjustments	(19.56)	5.39
Components of defined benefit costs / (income) recognised in other comprehensive income	(14.51)	25.88



Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
IV: Change in the defined benefit obligation		
Opening defined benefit obligation	448.82	369.82
Current service cost	79.07	68.14
Interest cost	25.89	26.61
Remeasurement (gains)/losses:		
Actuarial (gains) / losses arising from changes in financial assumptions	5.05	22.28
Actuarial (gains) / losses arising from changes in demographic assumptions		(1.79)
Actuarial (gains) / losses arising from changes in experience adjustments	(19.55)	5.39
Benefits paid	(35.59)	(41.63)
Closing defined benefit obligation	503.69	448.82

Sensitivity Analysis for Entities

Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Defined Benefit Obligation - Discount Rate + 50 basis points	491.26	438.08
Defined Benefit Obligation - Discount Rate - 50 basis points	516.75	460.08
Defined Benefit Obligation - Salary Escalation Rate + 50 basis points	516.45	459.84
Defined Benefit Obligation - Salary Escalation Rate - 50 basis points	491.42	438.20
Defined Benefit Obligation - Rate of employee turnover + 10 basis points	496.41	442.87
Defined Benefit Obligation - Rate of employee turnover - 10 basis points	512.02	455.62

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, 2021	As at March 31, 2020
1st Following year	78.66	69.04
2nd Following year	71.44	64.31
3rd Following year	64.97	60.63
4th Following year	59.44	57.40
5th Following year	54.47	53.55
Sum of years 6 to 10	209.41	187.72

c. Leave plan and compensated absences

The liability for compensated absences for the year ended March 31, 2021 is Rs.37.19 lakhs (March 31, 2020 : Rs 41.33 lakhs) shown under provisions.



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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.
- Covid-19-Related Rent Concessions: The amendment provided relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, the Company has elected not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. This amendment had an impact of Rs. 41.55 lakhs (recognised under miscellaneous income) during the year ended March 31, 2021.

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, 2021:

	Mar-21	Mar-20
Opening balance	405.80	
Additions (Note 3)	438.82	783.97
Depreciation expense (Note 4C)	(388.34)	(378.17)
Closing Balance	456.28	405.80

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

	For year ended March 31, 2021	For year ended March 31, 2020
Opening Balance	455.52	-
Additions	415.09	821.21
Accretion of interest	27.78	58.42
Payments	(440.84)	(424.11)
Closing Balance	457.55	455.52
Current	262.51	414.21
Non-current	195.04	41.31

The following are the amounts recognised in Profit or Loss:

	For year ended March 31, 2021	For year ended March 31, 2020
Depreciation expense of right-of-use assets	(388.34)	(378.17)
Interest expense on lease liabilities	(27.78)	(58.42)
Other expenses (Lease payment)	440.84	424.11
Total amount recognised in Profit or Loss	24.72	(12.48)

C. Impact on Statement of cashflow (increase/(decrease))

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Operating lease payments	440.84	424.11
Net cashflow from operating activities	440.84	424.11
Payment of principle portion of lease liabilities	(27.78)	(58.42)
Payment of interest portion of lease liabilities	(413.06)	(365.69)
	(440.84)	(424.11)



Note 25: Earnings per share (EPS)

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

Particulars		For year ended March 31, 2021	For year ended March 31, 2020 (Restated)
Profit attributable to ordinary shareholders (Rs in lakhs)	A	7,940.76	1,019.04
Add : Adjustments for effect of dilution	B	-	-
Profit attributable to equity holders adjusted for the effect of dilution (Rs in lakhs)	C=A-B	7,940.76	1,019.04
Weighted average number of Equity shares	D	34,78,550	34,49,303
Add: Impact of ordinary shares to be issued upon conversion of compulsorily convertible preference shares	E	3,78,62,036	3,52,99,477
Weighted average number of -shares for Basic EPS	F=D+E	4,13,40,586	3,87,48,780
Effect of dilution:			
Impact of ordinary shares to be issued upon conversion of Share Warrants	G	17,16,752	17,16,752
Impact of employee stock options	H	44,73,268	26,43,268
Weighted average number of Equity shares adjusted for the effect of dilution	I=F+G+H	4,75,30,606	4,31,08,800
Basic earnings per share (in Rs)	J=C/F	19.21	2.63
Diluted Earnings per ordinary shares (in Rs)	K=C/I	16.71	2.36

Note : Earning Per Share have been restated to include the impact of compulsorily convertible preference shares outstanding as at each reporting date (which increased the denominator) and consider the impact of change on account of restatements.

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.

All non-current assets of the Company are located in India.



Note 27 : Financial Instruments

(i) Categories of financial instruments

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets		
Measured at FVTPL		
Current Investments - Mutual Funds	60,790.17	26,408.50
Measured at amortised cost		
Trade Receivables	3,057.86	3,145.28
Cash and cash equivalents	1,331.23	1,045.94
Bank balance other than Cash and cash equivalents mentioned above	1.39	1.30
Other financial assets	1,326.23	674.35
Financial liabilities		
Measured at amortised cost		
Trade payables	1,176.60	1,103.95
Other financial liabilities	390.41	767.21
Lease liabilities	457.55	455.52

(ii) Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade payables and lease liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, and cash and cash equivalents that derive directly from its operations. The Company holds investments mutual funds.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(ii)(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 of currency risk and other price risk, such as equity price. Financial instruments affected by market risk include debt and equity investments

Foreign currency risk

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 is Nil.

(ii)(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.

The Ageing analysis of trade receivables (net) before adjustment of impairment allowance of ₹ 427.73 lacs (31 March 2020 ₹ 384.18 lacs) as of the reporting date is as follows:

Particular	As at	
	31 March 2021	31 March 2020
0-30 days	2,026.14	2,252.37
30-90 days	633.47	339.92
90-180 days	158.93	453.08
181-365 days	166.40	138.96
Above 365 days	500.65	345.13
Total	3,485.59	3,529.46



(ii)(c) Financial instruments and cash deposits note

The Company invests mutual funds with Balanced risk. The Company's financial instruments at fair value through OCI . The Company recognised provision for expected credit losses/profit on its instruments at fair value through OCI .

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2021 and 31 March 2020 is the carrying amounts as per Note 5 .

(ii)(d) Liquidity risk management

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 respective reporting dates

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2021

Particulars	On Demand	Due in 1st year	Due in 1 to 5 years	Carrying amount
Financial Liabilities				
Trade payables	-	1,176.60	-	1,176.60
Other financial liabilities	-	390.41	-	390.41
Lease Liabilities	-	195.04	262.51	457.55
Total	-	1,762.05	262.51	2,024.56

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

Particulars	On Demand	Due in 1st year	Due in 1 to 5 years	Carrying amount
Financial Liabilities				
Trade payables	-	1,103.95	-	1,103.95
Other financial liabilities	-	767.21	-	767.21
Lease Liabilities	-	414.21	41.31	455.52
Total	-	2,285.37	41.31	2,326.68



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, and other current liabilities approximate their fair values largely due to the short-term maturities of these instruments.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities with carrying amounts that are reasonable approximations of fair values

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets at amortised cost:				
Trade Receivables	3,057.86	3,057.86	3,145.28	3,145.28
Cash and cash equivalents	1,331.23	1,331.23	1,045.94	1,045.94
Bank balance other than Cash and cash equivalents mentioned above	1.39	1.39	1.30	1.30
Other financial assets	1,326.23	1,326.23	674.35	674.35
Financial Liabilities				
Financial liabilities held at amortised cost:				
Trade payables	1,176.60	1,176.60	1,103.95	1,103.95
Other financial liabilities	390.41	390.41	767.21	767.21
Lease liabilities	457.55	457.55	455.52	455.52

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

Financial Asset/ Financial Liabilities	Fair Value		Fair Value Hierarchy	Valuation technique and key inputs
	As at March 31, 2021	As at March 31, 2020		
Financial assets				
Investment in Mutual Fund	60,790.17	26,408.50	Level 1	Quoted price in active markets (Net Asset Value issued by fund)



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
Subsidiaries (held indirectly)	CarTradeExchange Solutions Private Limited Adroit Inspection Services Private Limited Augeo Asset Management Private Limited
Key Management Personnel	Mr. Vinay Sanghi (Chief Executive Officer and Director) Mrs.Aneesha Menon (Chief Financial Officer) (w.e.f. July 01, 2020) Mr.Lal Bahadur Pal (Company Secretary)
Relatives of key management personnel	Mr. Varun Sanghi Ms.Diya Sanghi (April 26, 2020 to August 31, 2020) Rashi Uday Gangwal (w.e.f. July 1, 2020)

Note: The transaction with related parties are made on terms equivalent to those that prevail in arm's length transaction

S. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	Nature of Transactions/ Names of Related Parties		
A	Subsidiary (Shriram Automall India Limited)		
1	Reimbursement of expenses	37.11	35.85
B	Subsidiary (CarTradeExchange Solutions Private Limited)		
1	Reimbursement of expenses	108.83	155.44
2	Commission and related expense	303.48	472.78
3	Commission and related income	10.00	10.00
C	Subsidiary (CarTarde Finance Private Limited)		
1	Investment in equity shares	-	250.00
2	Reimbursement of expenses	46.74	6.84
3	Advance given	-	4.53
D	Remuneration to Key management personnel (Refer Note 1 below)		
1	Vinay Sanghi	564.96	474.23
2	Aneesha Menon	76.59	-
3	Lal Bahadur Pal	17.29	17.11
F	Remuneration to relatives of key management personnel (Refer Note 1 below)		
1	Varun Sanghi	24.22	16.76
2	Diya Sanghi	1.04	-
3	Rashi Uday Gangwal	10.63	-

S. No.	Particulars	As at March 31, 2021	As at March 31, 2020
	Balance outstanding		
A	Shriram Automall India Limited		
1	Trade Receivable	10.92	22.05
B	CarTradeExchange Solutions Private Limited		
1	Trade Payable	324.78	307.97
2	Trade Receivable	251.03	89.87
C	Adroit Inspection Services Private Limited - (Advance given)		
		22.42	22.42
D	CarTrade Finance Private Limited		
		53.36	4.53

Note 1 : Remuneration to KMP includes share based payment expenses of Rs.91.93 lacs determined in accordance with applicable accounting standards and does not include the provision for gratuity and compensated absences which are determined on an actuarial basis for the Company as a whole.

Note 2: The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operations.



30. Capital Management

For the purpose of the Company's capital management, capital includes equity capital, convertible preference shares 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 each year end, the Company has only one class of equity shares and has lease liabilities and 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.

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 447,500 (under "ESOP 2010"), 802,608 (under "ESOP 2011"), 300,710 (under "ESOP 2014"), 1,355,000 (under "ESOP 2015"), 1,134,241 (under "ESOP 2021 I") and 2,000,000 (under "ESOP 2021 II") Equity Shares of Rs. 10 each of the Company.

Particulars	No of options in Pool	Maximum number / % of Options that shall vest
ESOP Scheme 2010	4,47,500	25% vests every year
ESOP Scheme 2011	8,02,608	25% vests every year
ESOP Scheme 2014	3,00,710	25% vests every year
ESOP Scheme 2015	13,55,000	25% vests every year
ESOP Scheme 2021 I	11,34,241	25% vests every year
ESOP Scheme 2021 II	20,00,000	15,00,000 option vest in one year and balance 25% vests every year

The following table list the inputs to the Black Scholes Models used for the weighted average fair valuation of the options granted under ESOP Scheme 2015:

Particulars	March 31, 2021	March 31, 2020
Dividend yield (%)	0%	0%
Expected volatility (%)	44.80%	44.80%
Risk free interest rate (%)	7.13%	7.13%
Spot price (Rs)	373.13	373.13
Exercise price (Rs)	271.57	220.55
Expected life of options granted in the year (in years)	7	7

The details of activity under ESOP Scheme 2010

Particulars	March 31, 2021	March 31, 2020
Outstanding at the beginning of the year (Weighted average exercise price for each year Rs.19.16)	1,97,500	1,97,500
Granted During the year	-	-
Forfeited during the year	-	-
Exercised During the year *	(1,35,000)	-
Outstanding at the end of the year	62,500	1,97,500
Weighted average exercise price of options outstanding at the end of year (in Rs.)	14.43	19.16
No. of Option vested until year end	62,500	1,97,500
Weighted average remaining contractual life (in years)	0.30	0.87
Weighted average exercise price of options on the date of grant (in Rs.)	19.16	19.16
Weighted average Fair Value of options (in Rs.)	7.17	4.08

*Options exercised during the year ended March 31, 2021 at an exercise price of Rs. 11/- and fair value of shares as on date of exercise of Rs. 825/-



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The details of activity under ESOP Scheme 2011

Particulars	March 31, 2021	March 31, 2020
Outstanding at the beginning of the year	7,60,058	7,60,058
Granted During the year	28.74	28.74
Forfeited during the year	-	-
Exercised During the year	-	-
Outstanding at the end of the year	7,60,058	7,60,058
Weighted average exercise price of options outstanding at the beginning of year (in Rs.)	28.74	28.74
No. of Option vested until year end	7,60,058	7,60,058
Weighted average remaining contractual life (in years)	1.82	2.82
Weighted average Exercise price of options on the date of grant (in Rs.)	28.74	28.74
Fair Value of options (in Rs.)	10.50	10.50

The details of activity under ESOP Scheme 2014

Particulars	March 31, 2021	March 31, 2020
Outstanding at the beginning of the year (Weighted average exercise price for each year Rs.205.34)	3,00,710	3,00,710
Granted During the year	-	-
Forfeited during the year	-	-
Exercised During the year	-	-
Outstanding at the end of the year (Weighted average exercise price for each year Rs.205.34)	3,00,710	3,00,710
No. of Option vested until year end	3,00,710	3,00,710
Weighted average remaining contractual life (in years)	3.59	4.59
Weighted average Exercise price of options on the date of grant (in Rs.)	205.34	205.34
Fair Value of options (in Rs.)	2.93	2.93

The details of activity under ESOP Scheme 2015

Particulars	March 31, 2021	March 31, 2020
Outstanding at the beginning of the year	13,85,000	13,95,000
Granted During the year	-	45,000
Forfeited during the year	-	(17,500)
Exercised During the year	-	-
Lapsed During the year	(35,000)	(37,500)
Outstanding at the end of the year	13,50,000	13,85,000
Weighted average exercise price of options outstanding at the beginning of year (in Rs.)	220.55	278.04
Weighted average exercise price of options outstanding at the end of year (in Rs.)	271.57	220.55
No. of Option vested until year end	11,05,000	9,90,000
Weighted average remaining contractual life (in years)	5.82	6.84
Weighted average Exercise price of options on the date of grant (in Rs.)	282.78	227.23
Fair Value of options (in Rs.)	161.76	134.38

Weighted average exercise price of options granted, forfeited and lapsed during the year ended March 31, 2021 and year ended March 31, 2020 is Rs. 472/-

The details of activity under ESOP Scheme 2021 II

Particulars	March 31, 2021	March 31, 2020
Outstanding at the beginning of the year	-	-
Granted During the year	20,00,000	-
Forfeited during the year	-	-
Exercised During the year	-	-
Lapsed During the year	-	-
Outstanding at the end of the year	20,00,000	-
Weighted average exercise price of options outstanding at the beginning of year (in Rs.)	-	-
Weighted average exercise price of options outstanding at the end of year (in Rs.)	825	-
No. of Option vested until year end	-	-
Weighted average remaining contractual life (in years)	7.00	-
Weighted average Exercise price of options on the date of grant (in Rs.)	825.00	-
Fair Value of options (in Rs.)	967.26	-



Note 32: Payment to auditors

Particulars	As at March 31, 2021	As at March 31, 2020
To statutory auditor		
i) For Audit fees	33.50	21.00
ii) For Other services	-	2.00
iii) For reimbursement of expenses	-	0.84
Less: Fees for IPO related services, recoverable from selling shareholders	(17.50)	-
Total	16.00	23.84

33. Capital and other commitments

Particulars	As at March 31, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	17.50	-

34. Details of CSR expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Gross amount required to be spent by the Company during the year	-	-
Amount spent during the year [A]		
(1) Construction/acquisition of any assets	-	-
(2) Purpose other than (1) above	13.30	-
Total [B]	13.30	-
Excess Spend [C = A-B]	(13.30)	-

35. Events after the reporting period

- a) On April 8, 2021 the Company has allotted 13,36,310 shares of Rs. 10 each at a price of Rs. 1,376.80/- per share, raising Rs. 18,398.37 lakhs on a preferential basis.
- b) On April 8, 2021, Mr. Vinay Vinod Sanghi, Whole Time Director of the Company exercised his option to convert 17,16,752 warrants (refer note 11 (v)) into
- (i) 7,76,707 equity shares at a price of Rs. 510 per share, aggregating to Rs. 3961.2 lakhs;
- (ii) 1,40,045 equity shares, at a price of Rs. 596 per share, aggregating to Rs. 834.7 lakhs; and
- (iii) 8,00,000 equity shares, at a price of Rs. 117 per share, aggregating to Rs. 936.0 lakhs.
- c) On April 1, 2021 the Company has granted 2,30,000 ESOP options under ESOP 2021 I to various employee of the Company including KMP vide Compensation committee and Board Meeting dated April 23, 2021.



36. In view of the COVID-19 pandemic, the Company has assessed the counterparty credit risk in case of financial assets (comprising of 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 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. As at the balance sheet date, the Company has evaluated the impact of COVID 19 on its financial statements. The impact of COVID 19 may differ from that estimated as at the date of approval of these financial statements.

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number:101049W/E300004


per Govind Ahuja



Partner

Membership no: 48966
Place: Mumbai
Date: July 13, 2021

For and on behalf of the Board of Directors
CarTrade Tech Limited (formerly known as "MXC Solutions India Private Limited")


Vinay Sanghi
Chairman, Managing
Director and Chief
Executive Officer

DIN: 00309085
Place: Mumbai
Date: July 13, 2021


Aneesha Menon
Chief Financial Officer
and Director

DIN: 07779195
Place: Mumbai
Date: July 13, 2021


Lalbahadur Pal
Company Secretary and
Compliance Officer

ACS: 40812
Place: Mumbai
Date: July 13, 2021