



EMPOWERING BUSINESSES

ANNUAL REPORT 2023

EMPOWERING BUSINESSES

Our Approach to the Adoption of Integrated Reporting <IR>

IndiaMART is in the second year of its journey towards Integrated Reporting following the <IR> Principles and Framework of Value Reporting Foundation ('VRF'), formed as a merger of International Integrated Reporting Council ('IIRC') and Sustainability Accounting Standards Board ('SASB'). We adopted such reporting in FY 2022 in line with SEBI's circular dated February 06, 2017, asking top 1,000 companies to voluntarily adopt integrated reporting.

Integrated Reporting has emerged as a globally best practice with its focus on meaningfully combining financial and non-financial information to provide an all-inclusive depiction of its value creation over short, medium and long-term. In this Report, we provide information on our six capitals, value creation process, engagement mechanism with stakeholders and our strategic orientation. In the coming years, we intend to add more elements as per <IR> Framework to make the Report more comprehensive in terms of disclosures to the relevant stakeholders.

Reporting Principle

The non-statutory section of this Report is guided by VRF's <IR> Framework. The statutory and financial sections comply with the requirements of Companies Act, 2013 (and Rules made thereunder), Indian Accounting Standards, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards.

Reporting Period, Scope and Boundary

The Report covers the key statutory financial information and activities of IndiaMART for FY 2023. Material events post March 31, 2023 till April 28, 2023 when the Board of Directors ('Board') approved the Report, have been included. Material information relating to subsidiaries, associates and strategic investments has also been considered while making this Report. Our subsidiaries include Busy Infotech Private Limited, HelloTrade Online Private Limited, Livekeeping Technologies Private Limited, Pay with IndiaMART Private Limited, Tolexo Online Private Limited and Tradezeal Online Private Limited. Associates and Investments include Adansa Solutions Private

Limited, Agillos e-Commerce Private Limited, Edgewise Technologies Private Limited, Fleetx Technologies Private Limited, IB Monotaro Private Limited, Instant Procurement Services Private Limited, Legistify Services Private Limited, Mobisy Technologies Private Limited, Mynd Solutions Private Limited, Shipway Technologies Private Limited, Simply Vyapar Apps Private Limited, Truckhall Private Limited, Zimyo Consulting Private Limited. Unless explicitly mentioned otherwise, financial figures wherever used are computed on standalone basis. Number and percentages, wherever required, have been rounded off.

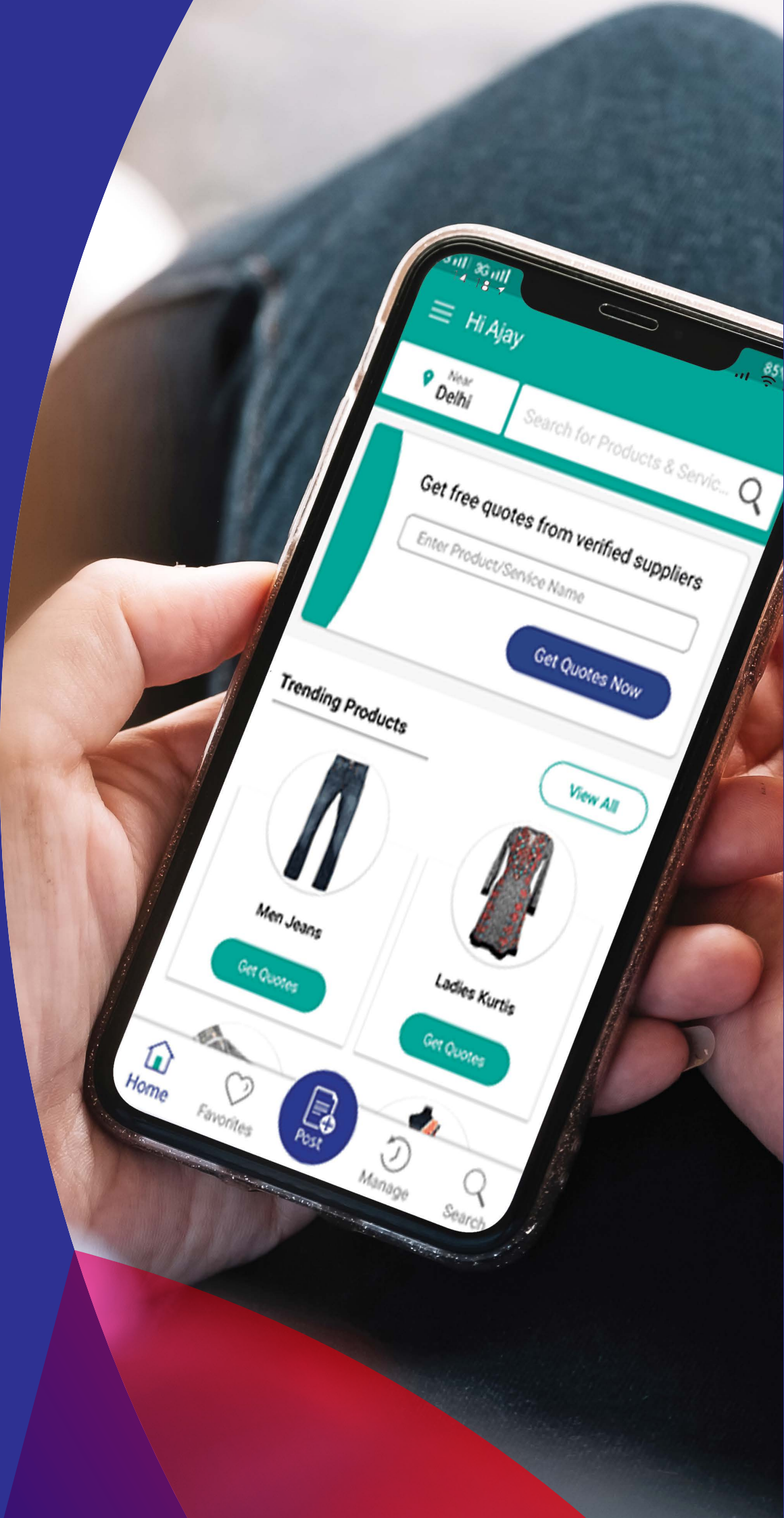
Board Approval

A dedicated reporting team supported by the Executive Management is responsible for drafting the Report. The Board takes responsibility for the integrity of this Report. The Report covers IndiaMART's business and associated activities that assist in value creation and provides a balanced representation of the material matters and the strategic orientation of the Company.

Key Highlights FY 2023

Collections from customers	EBITDA	Paying subscription suppliers	Business enquiries delivered
₹ 11,666 Million	₹ 2,616 Million	202,690	479 Million
Cash generated from operating activities	Net profit	Live product listings	Annualised revenue per paying subscriber
₹ 4,636 Million	₹ 2,722 Million	95 Million	₹ 46,318
Deferred revenue	Traffic	Registered buyers	Employees added to serve the growing paying subscription suppliers
₹ 11,344 Million	1,021 Million	170 Million	911
Revenue from operations	Indian supplier storefronts	Unique business enquiries	
₹ 9,388 Million	7.5 Million	88 Million	

Numbers as at and for the year ended March 31, 2023



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To learn more about the Company, visit:
<https://investor.indiamart.com/>

iOS



Android



EMPOWERING BUSINESSES

Amid the expanding role of small businesses in the nation's economic growth trajectory, IndiaMART continues to surge steadily ahead on its path to empower such businesses by enabling their digital inclusion.

We are cognisant of our responsibility, particularly towards the country's small and medium enterprises (SMEs). Also, we are committed to helping the SMEs adapt expeditiously and effectively to the transforming business ecosystem, while also steering the expansion and growth of small, medium and large businesses.

Our partnership-led approach, supported by our ability to hand-hold and guide them in their digital empowerment journey, has emerged as a pivot for the sustained development of SMEs across India. By leveraging the right tools and platforms, small businesses can streamline their operations, reduce costs, and increase their reach and revenue. By remaining focussed on devising innovative solutions designed to simplify the journey of both, the buyers and the suppliers, we strive to promote their ease of doing business. We continue to invest proactively in nurturing their digital inclusion, enabling their long-term growth for steering the nation's economic progress.



IndiaMART AT A GLANCE

FOSTERING A DYNAMIC ECOSYSTEM FOR DEVELOPMENT OF BUSINESSES AND NATION

India's largest online B2B marketplace, IndiaMART was established in 1996 with the aim of facilitating online commerce and enabling growth to businesses online. Our focus is on Small & Medium Enterprises (SMEs) while catering also to the business needs of Large Enterprises and Individuals.

With 60% market share* of the online B2B classified space in India, we remain at the forefront of the transformative journey towards empowering small businesses for sustainable growth. Our mission 'to make doing business easy' is crafted around our value proposition of business empowerment.

**As per KPMG Report dated May 29, 2018 on Market assessment of B2B e-commerce and digital classifieds in India*

Our Buyer Value Proposition

We Offer Buyers Free of Cost:

Access to a wide range of products and services	Convenience of discovering anytime, anywhere	Price Discovery and Transparency Supplier ratings	Multiple Payment Options
Behavioural Data Driven Algorithmic Matchmaking	Multi-lingual search		

Our Supplier Value Proposition

We Offer Suppliers:

Enhanced business visibility	Access to a large buyer base	Lead Generation & Management System	Instant Payment Solution: Pay with IndiaMART
Know your buyer profile	Premium Number Service		

Our Presence & Reach

Employees Located Pan India

4,583

Registered Buyers

170 Million

Indian Supplier Storefronts

7.5 Million

Live Product Listings

95 Million

Presence Across

1,000+ Cities

Channel Sales Partners

150+

(As on March 31, 2023)

Our Core Strengths

IndiaMART has developed a nucleus of strengths that give it an enviable competitive edge.



Rich Legacy & Experience

- 25+ years of experience in connecting buyers and suppliers online
- Deep understanding of online trade & commerce in India, particularly the Indian SMEs
- High brand recall, backed by stakeholder trust



Product Strength & Innovation

- User-friendly app with 4.7 rating on Play store
- Product Discovery
- Supplier Discovery
- Cost-effective Lead Generation (Enquiry & RFQ)
- Lead Management System (CRM platform)
- Behavioural data-driven algorithmic matchmaking
- PNS (Preferred Number Service)
- Digital presence through comprehensive catalogue



Strong Network & Community Effects

- 7.5 million suppliers, 170 million buyers & 95 million products and services
- 36% of suppliers are also buyers
- 1,021 million - 100% organic traffic in FY 2023
- 351 million replies & callbacks between buyers and suppliers on IndiaMART platform



Professional & Competent People

- Highly qualified management & leadership teams with experienced professionals
- 4,583 employees across product technology, sales, servicing and others
- Extensive & robust network of sales & service representatives
- 150+ channel partners reaching out to small businesses across India to help them transition to online platform

Our Core Values



Teamwork

"Together we can achieve the impossible" is our belief. Our success is a result of our teamwork. We have experts from the field of management, marketing, IT, arts, content & various other disciplines who work cordially as a team on every project, every endeavour. Dedication and passion are the true means to our mission fulfilment.



Responsibility

Responsible, not just for quality work but for continuous self-development, of our decisions and of our actions. We believe that we have a duty to conduct our business in a manner that upholds the highest standards of ethical and social responsibility. This helps us think rationally and provides a sense of accountability to ourselves, our commitment to customers and to our colleagues.



Integrity

At IndiaMART, integrity is a core value that we hold in high regard. We realise the importance of the job & information we handle. We understand the responsibility that each member of our team has to shoulder, and we do that with highest levels of trust, honesty and integrity of purpose and action.



Passion

Work at IndiaMART involves constant innovation and creativity. It involves a continuous thought process to deliver tangible benefits to our customers, taking into account the uniqueness of their purpose. The team here comprises passionate individuals who are dedicated to making a positive difference through their determination and hard work. Their unwavering commitment to customer satisfaction is what enables us to stay ahead of the curve and provide unparalleled service to our clients.

Diversified Presence Across Geographies

Our pan India presence covering diverse regions gives us a strong competitive edge in reaching out to the small businesses across the country and helping them transition to online platform. This enables us to help them grow their business. To make the last-mile effort, we have built a formidable sales team, using a combination of tele calling and field sales force to connect with customers in the farthest corner of the country.

Nationwide Sales and Service Coverage

Strong presence across the length and breadth of the country



Reach to 1,000+ Cities



Field, Tele and Online Sales



~3,500 Inhouse Sales Supervision & Client Servicing Team (Renewal & Upsell)



~150 Channel Sales Partners



*Population more than 500,000, excluding metro cities
Note: Figures as of March 31, 2023
Map not to scale.



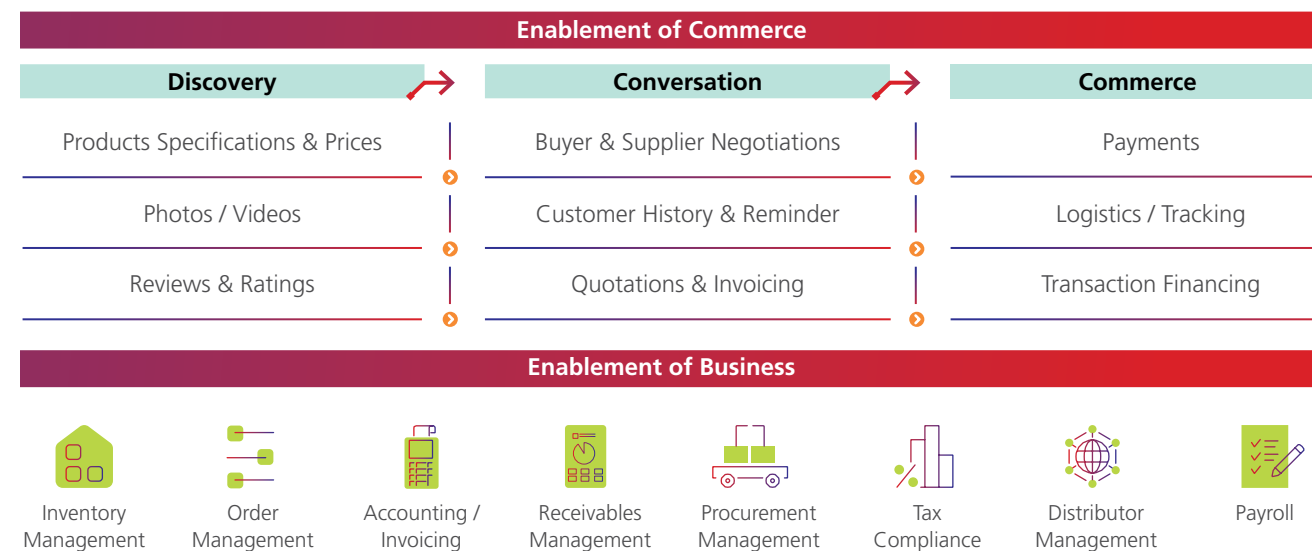
IndiaMART ECOSYSTEM

ENABLING DIGITAL INCLUSION OF BUSINESSES WITH END-TO-END SOLUTIONS

IndiaMART's journey of enabling digital inclusion of businesses is driven by its ability to offer end-to-end solutions to buyers as well as sellers. It is powered by our diversified ecosystem, with the objective of:

- Enablement of commerce
- Enablement of business

Journey Towards Commerce and Business Enablement



Enabling Business & Commerce with Strategic Investments

At IndiaMART, we are focussed on building an ecosystem designed to further enhance the engagement of buyers and suppliers. In the last few years, we have made strategic investments in companies offering SaaS based solutions for problems faced by small and medium businesses. We aim to enable these offerings on our platform in the long-term, as they achieve scale, to provide end-to-end solution to businesses and enable their operations such as accounting, logistics support, distribution management, receivables management, invoice discounting, etc.

These services are aligned to the key requirements of small and medium businesses, whose interests are central to our business proposition. It is our constant endeavour to strengthen and expand our business and commerce enablement services for them through strategic investments and acquisitions.

Accounting – A Strategic Fit for IndiaMART

Accounting has emerged as the most prominent among the key areas of our investment. The sector offers significant opportunity for us.

Demand Scenario

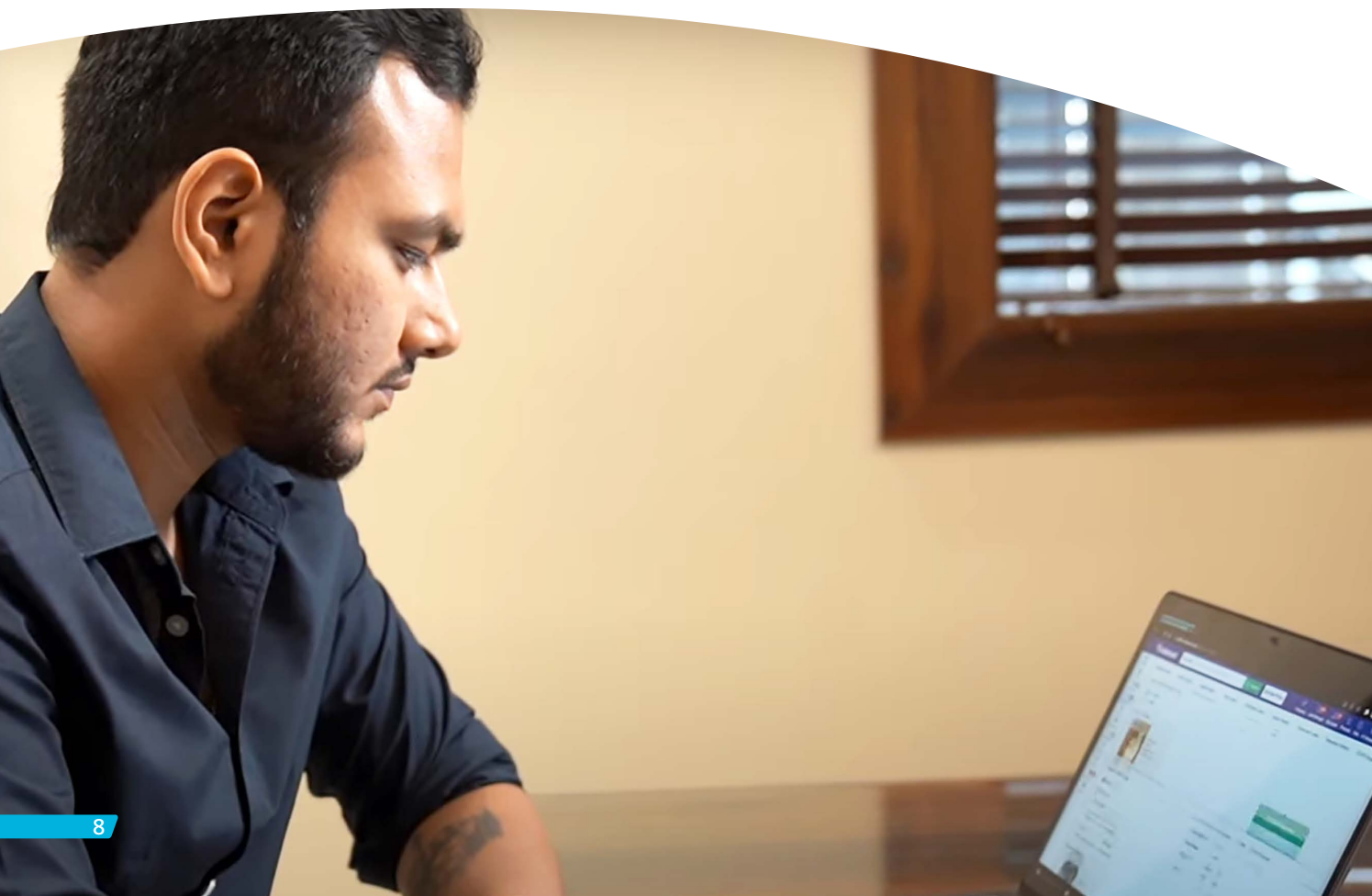
In India, the accounting industry has been growing rapidly in recent years, driven by the country's strong economic growth and increasing demand for professional financial services. GST compliances, coupled with increased digital adoption and internet connectivity by businesses, have unleashed a new wave of demand for accounting software. The evolving regulatory & business environment makes it even more imperative for small and medium businesses to adopt an organised accounting management system.

Growth Potential

As the 63 million+ MSMEs in India continue to grow, their shift towards the formal sector leads to increased compliances and the need for systematic way of invoicing and financial record keeping. Further, the growing base of GST registered businesses, currently at 14 million+, necessitates need for GST compliant accounting softwares. Further, with businesses moving to online channels, there is a paradigm shift seen in storing and maintaining financial records along with on-the-go accessibility.

Turnover of Accounting Software Services Segment

₹434 million



Happy Customers

We came onboard IndiaMART 12 years ago with an intent to build brand awareness and also to scale up our business enterprise on the digital front. I'm happy to say that IndiaMART has been consistently delivering on these counts through the years, and I am confident that it will continue to do so in the coming years as well. Kudos to the Digital Strategy team at IndiaMART in helping us adapt quickly to the changes on the digital marketing front & enabling a WIN-WIN situation. Wishing you all the best. Let's GROW together!

Suresh Ramnarayan
Deputy General Manager-Sales
Support & Marketing, Essae



Making the most of the Opportunity

Our investments in the accounting space are spread across the entire spectrum of accounting software, catering to various businesses, be it micro, small, medium, or large. We are now present in all the segments of accounting as we aim to build up a new business line over the next few years.



Vyapar, which is one of our first investment, is mobile-based easy-to use Accounting Software catering to small businesses with a goal to help the businessman invest more time in growing the business rather than on tiresome bookkeeping. To cater to a wider range of clients mostly medium and large-sized, we invested in **Busy**,

a traditional on premises accounting software vouched by businesses for its reliability. We have also invested in **Realbooks**, which is a cloud-based accounting software that comes with various USPs including unlimited number of user setup, multi-location access, versatility across all operating systems, etc. We also recognised the

growing need of businesses to be able to remotely manage their accounts on mobile and invested in **Livekeeping**, which provides various value-added services including data entry, real-time dashboard for performance analysis, among many others to Tally users, on mobile.

Our accounting investments find a strategic fit in IndiaMART's long-term approach to business and commerce enablement. We believe these investments will provide us access to a wider client base and large business opportunity in future.

Licenses sold by BUSY since inception

~331K

Our Accounting Landscape

Since our foray into the Accounting space in Vyapar in September 2019, we have doubled down with investments in Busy, Livekeeping & Realbooks, making a complete suite of accounting software services.



Vyapar is a mobile-only and DIY software, and started to offer a hybrid cloud onto desktop, used by almost half a million people.



Realbooks is a multi-branch, multi-location simultaneous accounting system.



Livekeeping provides various value-added services, including data entry, real-time dashboard for performance analysis, to Tally users on mobile.



'Busy Accounting Software' or **'Busy'** offers web-based business accounting solution for companies, including GST billing & return filing, TDS/TCS, configurable GST compliant invoicing, and inventory management.

In addition to the desktop-based accounting software, we had a vision converted into reality by having an official mobile app that connects with our desktop accounting software. This

mobile app would allow its user to view data which is residing in one's desktop online and navigate through different kinds of reports that are available for creating quotations, sales orders, invoices and receipts in the mobile app. Busy has successfully garnered the position of becoming the only company in the accounting space across the world which offers 24*7 customer support.

The Roadmap:

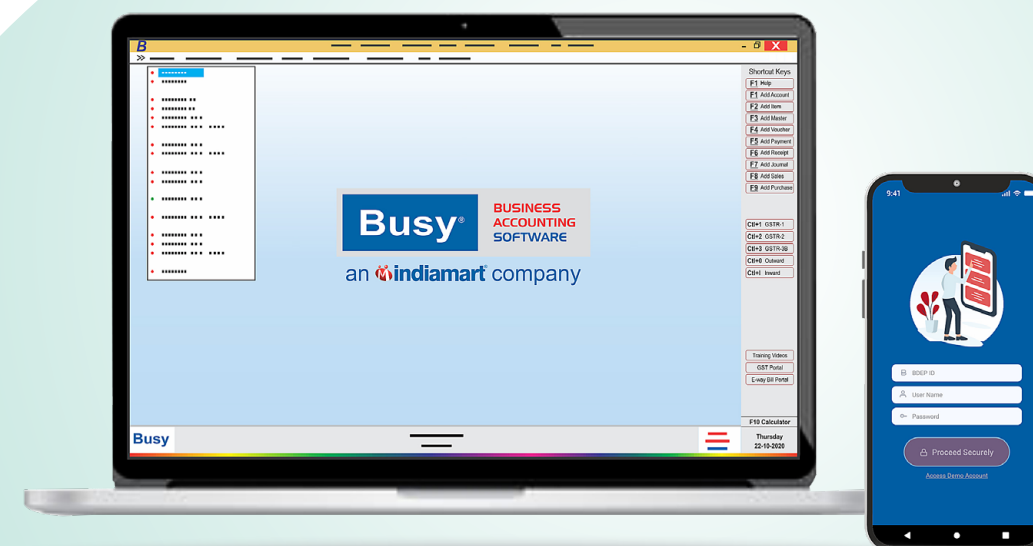
The Busy acquisition is aimed at enabling us to offer accounting software solutions to businesses in line with our long-term vision of enabling businesses.

Our Key Priorities

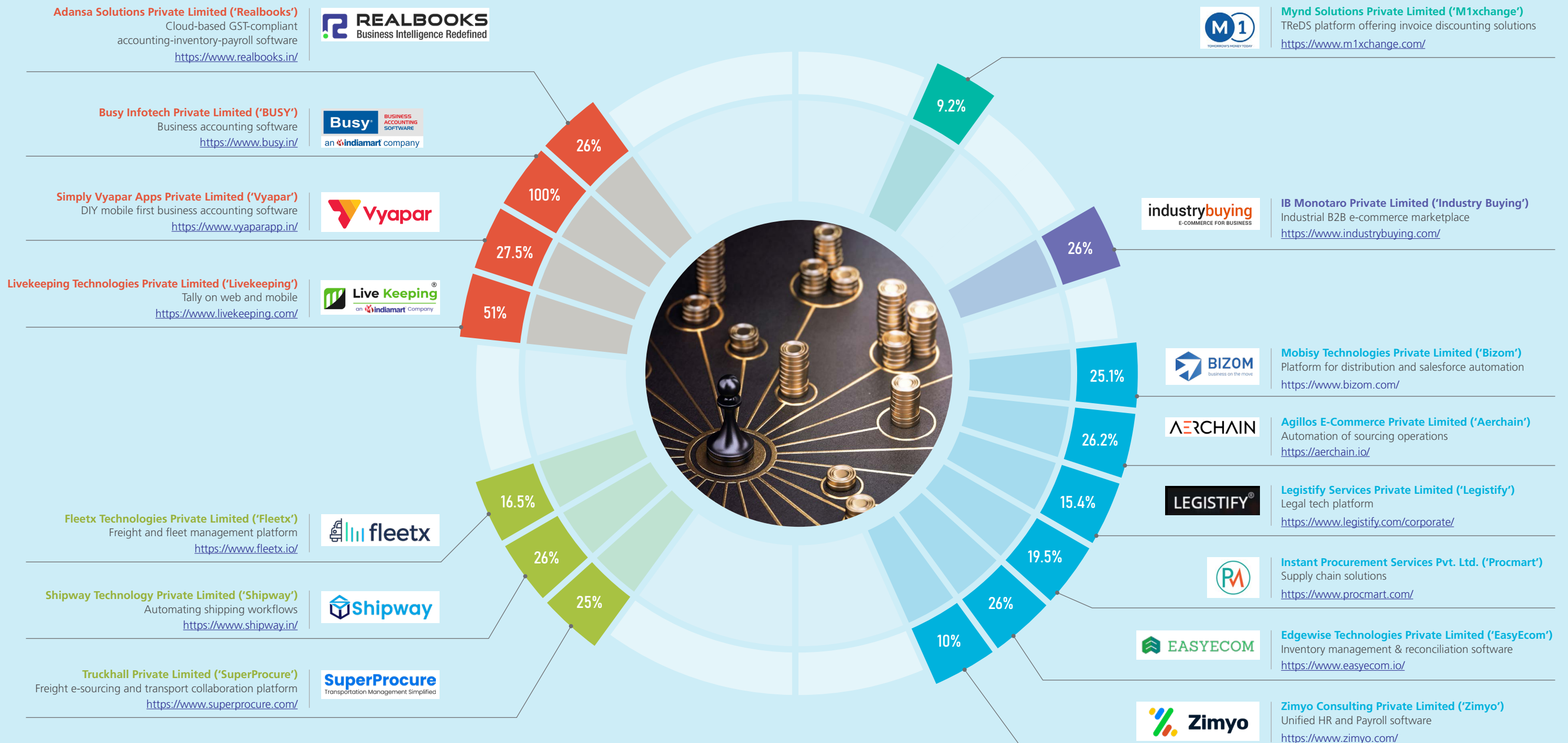
Invest in teams and product awareness

Accelerate revenue growth

Increased presence across geographies



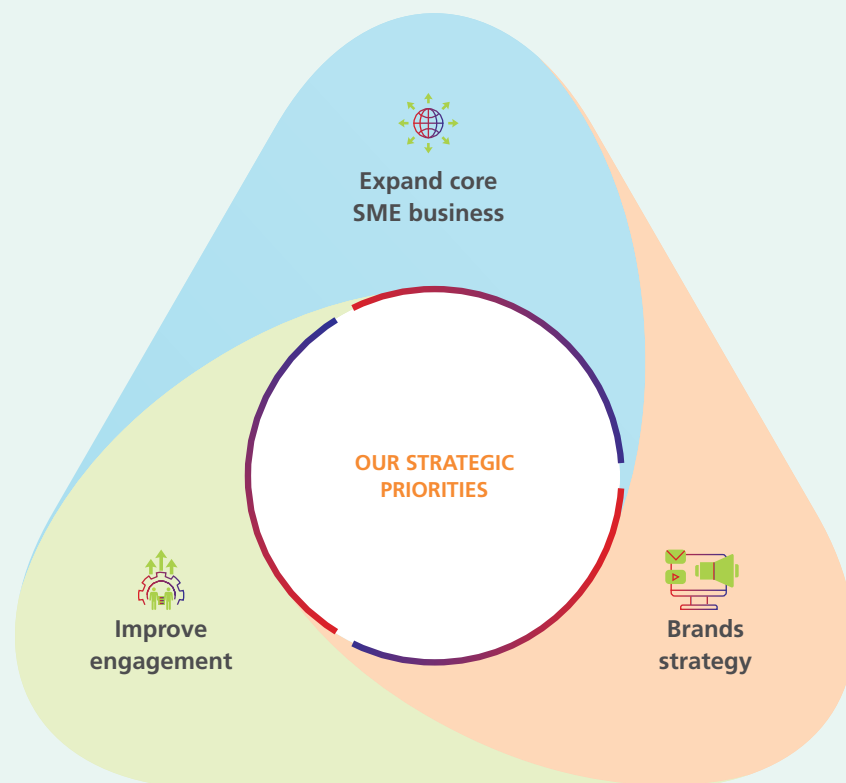
Our Key Investments & Acquisitions



OUR STRATEGY

POWERING OUR RIGHT TO WIN

We, at IndiaMART, find ourselves to be ideally positioned to maximise the expanding opportunity matrix, powered by the enhanced Government of India focus on the empowerment of small and medium businesses. We have a well-articulated strategy in place to harness the emerging opportunities in our business space. Our approach is centred around making strategic investments in the high-potential areas of growth, facilitating employee skill development and training, and ensuring wide range and accessibility of our products and solutions.



We Steer our Strategic Priorities and Goals Through a Multi-pronged Approach, Crafted around:

Expand Core SME Business

- Expanding the buyer network through buyer traffic by providing them a broader product catalogue and large base of suppliers on the platform
- Increasing the suppliers and their product listings on the platform through expansion of our reach across geographies and industries
- Improving engagement of buyers and suppliers on the platform leveraging AI/ML across customer journey including relevant matchmaking, easy supplier onboarding leading to further strengthening of network effects

Brands Strategy

- Focussing on medium and large enterprises through our enterprise solutions and partnering with them across a wide spectrum
- Enable brands to leverage their offline presence and promote themselves online for effective lead generation

Improve Engagement

- Enhancing value proposition to the customers by providing business enablement software as a service like accounting, distributors management, receivables management payroll management, etc.
- Facilitating access to financial assistance to small and medium businesses through use of technology

AWARDS AND ACCOLADES

WINNING RECOGNITIONS ACROSS PLATFORMS



Best Business App 2023

13th India Digital Awards by IAMAI



Pride of India Brand

North edition 2023 of exchange4media



Entrepreneur of The Year

Awarded to Dinesh Agarwal, Founder & CEO, at Dun & Bradstreet Business Excellence Awards 2022



Leading Mid-Corporate in Services

Non-IT category at D&B Business Excellence Awards 2022



Best In-House Legal Team

Media, Technology and Telecommunications category at the ALB India Law Awards 2023



Best In-House Legal Team

Internet and e-Commerce category by Indian Business Law Journal



Excellence in Corporate Social Responsibility

Certificate of Recognition at 7th Edition of the ICSI National Awards



Excellence in Corporate Governance

Certificate of Recognition at 22nd Edition of the ICSI National Awards



Gold for Annual Report FY 2022

Ranked 35th worldwide and 5th in India at LACP 2022 - Spotlight Awards



Best In-House Legal Counsel

Awarded to Manoj Bhargava, Group General Counsel & Company Secretary in the Internet and e-Commerce category by Indian Business Law Journal



Best CA CFO

Awarded to Prateek Chandra, CFO in Emerging Corporates Services Category by ICAI in 2023



One of the Top Digital Innovators

Recognition awarded to Amarinder Dhaliwal, CPO at a business technology conclave organised by The Economic Times in association with Google Cloud, called ET Spectrum



Game Changers

Awarded to Vivek Agarwal, CIO by CIO100 India (Foundry IDG) in the CIO Category



FE Financial Star

Recognition awarded to Prateek Chandra, CFO under the FE Power List 2022 as at the CFO Connect Conclave 2022



Top General Counsel

Recognition and enlistment among Top 50 General Counsel of India in Legal Powerlist 2022

CASE STUDY

SCALING NEW HEIGHTS

For Mastech Industrial Control, a retailer turned wholesaler, the association with IndiaMART has helped it scale new heights in terms of business growth. The 3X growth in the Punjab-based company's sales in the last five years stands testimony to the success of this partnership. The company, joined IndiaMART as a free user in 2012. It later upgraded to a paid subscription to increase its leads. Thanks to the partnership, Mastech's monthly revenue increased from ₹ 10 lakh to ₹ 30 lakh. This strategic move helped Mastech expand its reach and eventually launch its own brand in 2021. It is today a leading wholesale trader of welding and cutting machines, and imports and sells its own brand of equipment from China.

Increased visibility of products and established brand's online presence

Direct connect with buyers

Wider and easier access to target audiences

Increased reach and generation of more sales

WHAT IndiaMART HAS MEANT FOR MASTECH

IndiaMART has been instrumental in the growth journey of the company. We have increased our sales up to 3X with IndiaMART in the last 5 years. It is a feat that would not have been possible without IndiaMART.

Sumesh Verma

Proprietor & CEO, Mastech Industrial Control, Jalandhar

Business via IndiaMART

70%

Increase in Sales

3X

