

TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

NINTH ANNUAL REPORT

FINANCIAL YEAR 2020-2021

TRACXN TECHNOLOGIES LIMITED
(Formerly known as Tracxn Technologies Private Limited)
CIN: U72200KA2012PLC065294

REGISTERED OFFICE

48, First Floor, DVG Road, Basavanagudi, Bengaluru, Karnataka India - 560004

CORPORATE OFFICE

No. L-248, 2nd Floor, 17th Cross, Sector 6, HSR Layout, Bengaluru, Karnataka - 560102

BOARD OF DIRECTORS

1. Ms. Neha Singh	-	Managing Director cum Chairperson
2. Mr. Abhishek Goyal	-	Executive Director
3. Mr. Ravi Chandra Adusumalli	-	Non - Executive Director
4. Mr. Vivek Kumar Mathur	-	Nominee Director
5. Mr. Brij Bhushan	-	Independent Director
6. Mr. Nishant Verman	-	Independent Director
7. Ms. Payal Goel	-	Independent Director
8. Mr. Rohit Jain	-	Independent Director

TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

STATUTORY AUDITORS

M/s. Price Waterhouse & Co., Chartered Accountants LLP
(Registration Number 012754N/N500016),
Bangalore

BANKERS

1. HDFC Bank Limited
2. ICICI Bank
3. Kotak Bank

CORPORATE INFORMATION

Email id: compliance-officer@tracxn.com Telephone No.: +91 90360 90116

Link Intime India Private Limited
(Registrar and Transfer Agent)

Address: C-101, 247 Park, LBS Marg, Vikhroli (West) -400083
Telephone: +91 22 49186101; Facsimile: +91 22 49186060;
Email: equityca@linkintime.co.in

TRACXN TECHNOLOGIES LIMITED
(Formerly Known as "Tracxn Technologies Private Limited")

BOARD'S REPORT

To
The Members,
Tracxn Technologies Limited

Your Directors are pleased to present the Ninth (9th) Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2021.

FINANCIAL SUMMARY / HIGHLIGHTS:

The Company's financial performance for the year under review along with previous year figures is given hereunder:

(Amount in INR '000)		
Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Revenue from Operation	4,37,786.71	3,73,342.21
Other Income	14,996.40	33,534.39
CCPS Gains	1,04,634.48	(3,43,744.59)
Total Income	5,57,417.59	63,132.01
Less: Total expenses excluding Depreciation	6,08,371.04	5,97,811.00
Less: Depreciation	2,523.15	5,649.38
Loss after depreciation and other expenses	(53,476.60)	(5,40,328.37)
Less: Tax Expenses/Tax Credit	-	-
Net Loss after Tax	(53,476.60)	(5,40,328.37)
Loss per share (Basic)	(0.55)	(5.54)



TRACXN TECHNOLOGIES LIMITED
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PERFORMANCE OF THE COMPANY

During the financial year ended March 31, 2021 total income of the Company was INR Thousand 5,57,417.59/- as against the total income for the previous year which was INR Thousand 63,132.01/-.

The Company has during the year under review has posted a net loss of INR Thousand 53,476.60/- as against net loss of INR Thousand 5,40,328.37/- in the previous year.

DIVIDEND

The Board of Directors of the Company has not declared any dividend for the current financial year due to insufficient profits.

TRANSFERS TO RESERVES (BALANCE SHEET):

The opening balance as on 1st April 2020 of Reserves & Surplus Account stood at INR. (1,35,44,52,747)/-. After making adjustments and appropriations, the closing balance as on 31st March 2021 of Reserves & Surplus Account stood at INR 21,32,71,467/-. The Members are advised to refer the Note No. 10(c) as given in the financial statements which forms the part of the Annual Report.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.



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MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the company occurred between the end of the financial year to which the financial statements relate on the date of this Report.

Because of the global outbreak of Coronavirus Disease 2019 (COVID-19), the uncertainty resulting from prolonged shutdown, supply chain disturbances, loss of migrant labor and changing regulation while restarting work could have a significant adverse effect on the operations of the Business. Consequently, the precise financial effect on the Company’s business is hard to discern. We track the situation closely and will take all appropriate steps in the interest of all stakeholders, as many be appropriate. The Company did not, however, witness significant adjustments and obligations impacting the financial position.

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure A and is attached to this Report. The annual return of the Company has been placed on the website of the Company under the following link: <https://tracxn.com/investor-relations/financials>

NATURE OF BUSINESS ACTIVITIES AND CHANGES THEREOF

During the year under review, there has been no change in the nature of Business of the Company.



TRACXN TECHNOLOGIES LIMITED
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SHARE CAPITAL AND DEBT STRUCTURE

During the financial year under review, there was an increase in the Paid Up Share Capital of the Company due to an allotment of 634 Series B2 CCPS of face value of INR 10/- each. Accordingly, as on March 31, 2021, the issued, subscribed and paid up Capital of the Company stood at INR 89,60,354/- divided into 11,07,344 Equity Shares of INR 1/- each and 7,85,301 Preference Shares of INR 10/- each.

The following are the changes occurred after the end of financial year 2020-21:

A) Authorised Share Capital:

The members of the Company at their Extraordinary General Meeting held on 8th July 2021, approved the increase in the Authorised Share capital of the Company from Rs. 1,20,00,000/- (Rupees One Crore Twenty Lakh only) divided into 15,00,000 (Fifteen Lakh) Equity Shares of INR 1/- each and 10,50,000 (Ten Lakh Fifty Thousand) Preference Shares of INR 10/- each to INR 12,00,00,000 (Rupees Twelve Crore Only) only divided into 10,95,00,000 (Ten Crore Ninety Five Lakhs) Equity Shares of INR 1/- each and 10,50,000 (ten Lakh Fifty Thousand) Preference Shares of INR 10/- each.

B) Issued, Subscribed and Paid up Share Capital:

Conversion of Compulsory Convertible Preference Shares (CCPS) of the company into Equity Shares of the company:

The Board of Directors at their meeting held on 21st July, 2021 approved the Conversion of 7,44,137 CCPS into the Equity Shares of the Company.

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Corporate Office Address: No. L-248, 2nd Floor, 17th Cross, Sector 6, HSR Layout, Bengaluru, Karnataka, 560102

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Ph: +91 88004 11990, Email: hi@tracxn.com, Website: www.tracxn.com CIN: U72200KA2012PLC065294



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Issue of Bonus Equity Shares:

The Directors recommended the issue and allotment of 9,62,77,012 Shares as Bonus Shares to the Equity shareholders in the ratio of 52:1 (i.e. Fifty Two Fully Paid Up Equity Shares of INR 1/- each for One Fully Paid Up Equity Share) at their meeting held on 21st July 2021. The Bonus issue was approved by the members at an Extraordinary General Meeting held on 23rd July 2021. After approval from members, the Board at their meeting held on 2nd August, 2021 allotted 9,62,77,012 Shares as Bonus Shares to the existing Equity Shareholders of the Company.

The Company's increased issued, subscribed and paid-up share capital after Conversion of CCPS into Equity Shares and issue of Bonus Shares stands at INR 9,85,40,133 (Rupees Nine Crore Eighty Five Lakhs, Forty Thousand One Hundred and Thirty Three Only) divided into 981,28,493 Equity Shares of INR 1/- each and INR 4,11,640 (Four Lakhs Eleven Thousand Six Hundred and Forty Rupees Only) divided into 41,164 Preference Shares of INR 10/- each.

BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.



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DETAILS OF EMPLOYEE STOCK OPTIONS

The disclosure shall include the following details of all the Employee Stock Options Scheme(s) implemented from time to time:

- (a) options granted: 32,491
- (b) options vested: 16,505
- (c) options exercised: NIL
- (d) the total number of shares arising as a result of exercise of options: NIL
- (e) options lapsed: NIL
- (f) the exercise price: Re. 1
- (g) variation in terms of options: NA
- (h) money realized by exercise of options: NA
- (i) total number of options in force: 154,265
- (j) employee wise details of options granted to:
 - (i) Key Managerial Personnel: NA
 - (ii) any other employee who receives a grant of options in any one year of options amounting to five percent or more of total options granted during that year:

EMP ID	Name	Option granted	Date of Option Granted	Date Of Joining	Date Of Exit	Department	Designation
193	Arjav Harjai	1,692	14-Jul-20	02-Sep-15	--	Business	SVP - Business Strategy
787	Amit Agarwal	3,384	14-Jul-20	14-Mar-17	--	Business	Chief Operating Officer
59	Vaneet Goyal	1,015	09-Sep-20	18-May-15	--	Business	SVP - Business Strategy
59	Vaneet Goyal	677	21-Dec-20	18-May-15	--	Business	SVP - Business Strategy



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- (iii) identified employees who were granted options, during any one year, equal to or exceeding one percent of the issued capital, excluding outstanding warrants and conversions, of the company at the time of grant.: NA

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint Venture and Associate Companies within the meaning of the Companies Act, 2013.

CONVERSION OF THE COMPANY:

Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited) was originally incorporated and registered under the Companies Act, 1956 on **11-Aug-2012** as a Private Limited Company, Limited by Shares (Category – Private Limited Company, Limited by Shares and Sub-Category – Indian Non-Government Company) bearing the Corporate Identification No. (CIN) U72200KA2012PTC065294 at Bangalore in the State of Karnataka.

Subsequently, the unanimous consent of the Shareholders of the Company was granted to the conversion of the Company from Private Limited Company into a Public Limited Company whereby the Name of the Company has changed from “Tracxn Technologies Private Limited” to “Tracxn Technologies Limited” on conversion vide Special Resolution passed by the Shareholders of the Company at an Extraordinary General Meeting held on 8th July 2021 and the same was approved by the Registrar of Companies, Bangalore vide its certificate dated 28th July 2021 bearing the CIN No: U72200KA2012PLC065294



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DEPOSITS

During the Year under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 and 74 of the Companies act 2013 read with Companies (Acceptance of Deposit) Rules, 2014. As such, no specific details prescribed in Rule 8 (1) of the Companies (Accounts) Rules, 2014 (as amended) are required to be given or provided.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL

As on March 31, 2021, the Board comprised of 4 (Four) Directors which includes Two (2) Executive Directors, and Two (2) Nominee Director.

There were no changes in the constitution of the Board of Directors of the Company during the financial year 2020-21, however after the closure of the financial year, the composition of the Board of Directors has been changed.

• **EXECUTIVE DIRECTOR AND KEY MANAGERIAL PERSONNEL:**

Ms. Megha Bohra (M. No. 39158) has been appointed as a Company Secretary of the Company on 25th June 2021.

The Board of Directors at its meeting held on 2nd August 2021 approved the:

- 1) Appointment of Ms. Neha Singh (DIN 05331824) as a Managing Director cum Chairperson of the Board of Directors of the Company for a period of 5 years w.e.f. 6th August 2021 subject to approval of members at an Extraordinary General Meeting to be held on 6th August 2021.



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- 2) Re-appointed of Mr. Abhishek Goyal (DIN00423410) as an Executive Director of the Company for a period of 5 years w.e.f. 6th August 2021 subject to approval of members at an Extraordinary General Meeting to be held on 6th August 2021.
- 3) Appointment of Ms. Megha Bohra (M. No.39158) as a Compliance Officer of the Company effective from 2nd August 2021.
- 4) Appointment of Mr. Prashant Chandra (PAN AGJPC7605E) as a Chief Financial Officer of the Company effective from 2nd August 2021

In accordance with the provisions of Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ms. Neha Singh, Managing Director cum Chairperson, Mr. Abhishek Goyal, Executive Director, Mr. Prashant Chandra, Chief Financial Officer and Ms. Megha Bohra, Company Secretary & Compliance Officer are the Designated Key Managerial Personnel ('KMP') of the Company.

• **INDEPENDENT DIRECTORS**

The Board of Directors in their meeting held on 2nd August 2021 approved the appointment of Mr. Brij Bhushan (DIN: 03624436); Mr. Nishant Verman (DIN: 05128414); Ms. Payal Goel (DIN: 09196284) and Mr. Rohit Jain (DIN: 06876642) as an Additional (Independent) Directors (Category: Non-Executive Director) for a term of 5 years which will be effective from 6th August 2021 up to 5th August 2026.

Their appointment is subject to approval of members at an Extraordinary General Meeting which will be held on 6th August 2021. This shall be their first term as an Independent Director of the Company.



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• **NON-EXECUTIVE DIRECTOR**

The designation of Mr. Ravi Chandra Adusumalli (DIN: 00253613) has been changed from Nominee Director to Director (Category: Non-Executive, Non- Independent) w.e.f. 21st July 2021.

• **RETIREMENT BY ROTATION**

Pursuant to Section 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended), Mr. Ravi Chandra Adusumalli, Director retires by rotation as Director at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

A brief resume and other details of the above Directors seeking re-appointment are provided in the Notice of AGM.

The Composition of Board of Directors of the Company will be:

1.	Ms. Neha Singh	Managing Director Cum Chairperson
2.	Mr. Abhishek Goyal	Executive Director
3.	Mr. Ravi Chandra Adusumalli	Non-Executive Director
4.	Mr. Vivek Kumar Mathur	Nominee Director
5.	Mr. Brij Bhushan	Independent Director
6.	Mr. Nishant Verman	Independent Director
7.	Ms. Payal Goel	Independent Director
8.	Mr. Rohit Jain	Independent Director



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9.	Mr. Prashant Chandra	Chief Financial Officer
10.	Ms. Megha Bohra	Company Secretary & Compliance Officer

DISQUALIFICATIONS OF DIRECTORS:

During the year under review, the Company has received Form DIR-8 from all Directors of the Company as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014. The Board noted the same and confirmed that, none of the Directors of your Company is disqualified to hold office as per the provisions of Section 164(2) of the Companies Act, 2013.

DECLARATION UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013 FROM THE INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement: -

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



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- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had 5 (Five) Board meetings during the financial year under review.

Sl. No.	Date of Board Meeting	Board Strength	No of Directors present
1.	26 June 2020	4	2
2.	28 July 2020	4	2
3.	30 September 2020	4	4
4.	08 December 2020	4	2
5.	10 March 2021	4	4



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PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans given, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the financial year under review, all contracts / arrangements entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis as defined under Section 188 of the Companies Act, 2013. There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large.

CORPORATE SOCIAL RESPONSIBILITY:

During the financial year under review, the Company does not qualify under Section 135(1) of the Companies Act, 2013 for undertaking the Corporate Social Responsibility (CSR) activities.

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

Pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are as follows:



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(A) CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

The Company lays great emphasis on savings in the cost of energy consumption. Therefore, achieving reduction in per unit consumption of energy is an ongoing exercise in the Company. The effective measures like education, training, publicity, messaging through use of social media have been taken to minimize the loss of energy as far as possible. The Company does not have any internal generation of power (captive, surplus or otherwise) and the amount spent during the financial year 2020-21 is INR5,69,711.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

Presently, the Company does not have any alternate sources of energy for internal generation of power (captive, surplus or otherwise). However, the management of the Company is exploring an alternative source of energy like solar, wind, thermal or otherwise for internal generation of power for captive purposes.

(iii) Capital investment on energy conservation equipment:

The Company has not made any capital investment on energy conservation equipment/s.

(B) TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

(i) The efforts made towards technology absorption:

The Company is always in pursuit of finding the ways and means to improve the performance, quality and cost effectiveness of its services. The technology used by the Company is updated as a matter of continuous exercise.



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(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

As the Company is in service industry, there is no question of product improvement, product development or import substitution. Moreover, the Company has not derived any material benefits in cost reduction against technology absorption.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

The Company has not imported any technology during the last three years reckoned from the beginning of the financial year.

(iv) The expenditure incurred on Research and Development:

The Company does not have a separate independent research and development activity. As such, no material amount of expenditure was incurred on research and development activity of the Company.

(C) FOREIGN EXCHANGE EARNINGS / OUTGO

During the financial year under review, the total Foreign Exchange Inflow and Outflow during the year under review is as follows:

(Amount in INR ‘000)

Particulars	2020-21	2019-20
Inflow	3,08,554.93	2,66,526.30
Outflow	12,627.18	1,615.80



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**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE
REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN
STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no significant and material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

STATUTORY AUDITORS

In compliance with the Companies (Audit and Auditors) Rules, 2014, M/s. Price Waterhouse Chartered Accountants LLP, (Registration Number 012754N/N500016), were appointed as the Statutory Auditors of the Company at the Fourth Annual General Meeting, for a period of 5 years, to hold office till the conclusion of the Ninth Annual General Meeting of the Company.

The Board of Directors of the Company respectively at their meeting held on 05th August, 2021 proposed, subject to approval of the shareholders, the appointment of M/s. Price Waterhouse Chartered Accountants LLP, (Registration Number 012754N/N500016), as Statutory Auditors of the Company to hold office for their second term of 5 (Five) years i.e. from the conclusion of ensuing AGM till the conclusion of AGM for financial year 2025-26.

The Company had received certificate from the Statutory Auditor confirming their eligibility and willingness for their appointment pursuant to Sections 139(1), 141(2) and 141(3) of the Act read with Companies (Audit and Auditors) Rules, 2014. During the year under review,

- 1) The observation(s) made by the Statutory Auditor in their Report are self-explanatory and therefore, do not call for any further comments under Section 134(3)(f) of the Act.
- 2) The Auditor's Report does not contain any reservation, qualification, disclaimer or adverse remarks.
- 3) The Statutory Auditor has not reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Act.

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SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India i.e. SS-1 and SS-2 with respect to Board Meetings and General Meetings.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

DISCLOSURES PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the requirements under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, your Company has constituted Internal Complaints Committees (ICC). While maintaining the highest governance norms, the Company has appointed the following members of ICC as below:

- A Presiding officer or Chairperson who is a woman employed at a senior level at workplace from amongst the employees.
- The Company has appointed an external independent person who has worked in this area and has the requisite experience in handling such matters as other members of ICC.
- Not less than two members from amongst employees preferably are committed to the cause of women or who have had experience in social work or have legal knowledge.

During the year under review, there were no complaints received by the ICC. Further to build awareness in this area, the Company has been conducting necessary trainings in the organization on a continuous basis at all the levels of employee.



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DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY’S OPERATIONS IN FUTURE

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company’s operations in future.

ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to employees, bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**On behalf of the Board of Directors
For TRACXN TECHNOLOGIES LIMITED**



Abhishek Goyal

Director (DIN: 00423410)

Address H 1101 Mantri Espana, Behind Sakra Hospital Bellandur, Bengaluru Karnataka - 560103



Neha Singh

Director (DIN: 05331824)

Address H 1101 Mantri Espana, Behind Sakra Hospital Bellandur, Bengaluru Karnataka - 560103

Date: 05th August 2021

Place: Bangalore

TRACXN TECHNOLOGIES LIMITED
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FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]*

as on the financial year ended on 31st March 2021

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: - **U72200KA2012PLC065294**
- ii) Registration Date: **11-Aug-2012**
- iii) Name of the Company: **TRACXN TECHNOLOGIES LIMITED (Formerly Known as
"Tracxn Technologies Private Limited")**
- iv) Category / Sub-Category of the Company: **Company Limited by Shares**
- v) Address of the Registered office and contact details: **48, First Floor, DVG Road,
Basavanagudi Bangalore Karnataka 560004 India**
- vi) Whether listed company Yes / No: **No**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: **Yes**
Name: **Link Intime India Private Limited**
Address: **C-101, 247 Park, LBS Marg, Vikhroli (West) -400083**
Contact details: Email Id: **equityca@linkintime.co.in**; Phone: **+91 22 49186101**

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II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated: -

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Data Processing, Hosting, and related activities	63111	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	HOLDING / SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
NA					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	---	9,63,856	9,63,856	87.04%	---	9,63,856	9,63,856	87.04%	--
b) Central Govt	---	---	---	---	---	---	---	---	---
c) State Govt	---	---	---	---	---	---	---	---	---
d) Bodies Corporates	---	---	---	---	---	---	---	---	---
e) Banks/Fl	---	---	---	---	---	---	---	---	---
f) Any Other	---	---	---	---	---	---	---	---	---
Sub-total (A) (1):-	---	9,63,856	9,63,856	87.04%	---	9,63,856	9,63,856	87.04%	--
(2) Foreign									
a) NRIs Individuals	---	---	---	---	---	---	---	---	---
b) Other Individual	---	---	---	---	---	---	---	---	---
c) Bodies	---	---	---	---	---	---	---	---	---



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Corporates									
d) Banks / FI	---	---	---	---	---	---	---	---	---
e) Any Other	---	---	---	---	---	---	---	---	---
Sub-total (A) (2):-	---	---	---	---	---	---	---	---	---
Total shareholding of Promoter (A) = (A)(1) +(A)(2)	---	9,63,856	9,63,856	87.04%	---	9,63,856	9,63,856	87.04%	---
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	---	---	---	---	---	---	---	---	---
b) Banks/FI	---	---	---	---	---	---	---	---	---
c) Central Govt	---	---	---	---	---	---	---	---	---
d)State Govt(s)	---	---	---	---	---	---	---	---	---
e) Venture	---	---	---	---	---	---	---	---	---



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Capital Funds									
f) Insurance Companies	---	---	---	---	---	---	---	---	---
g) FIIs	---	---	---	---	---	---	---	---	---
h) Foreign Venture Capital Funds	---	---	---	---	---	---	---	---	---
i) Others (specify)	---	---	---	---	---	---	---	---	---
Sub-total (B)(1):-	---	---	---	---	---	---	---	---	---
2. Non-Institutions									
a) Bodies Corporates									
i) Indian	---	---	---	---	---	---	---	---	---
ii) Overseas	---	100	100	0.01%	---	100	100	0.01%	---
b) Individuals									



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as "Tracxn Technologies Private Limited")

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	---	1,43,388	1,43,388	12.95%	---	1,43,388	1,43,388	12.95%	---
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	---	---	---	---	---	---	---	---	---
c) Others (specify)	---	---	---	---	---	---	---	---	---
Sub-total (B)(2):-	---	1,43,488	1,43,488	12.96%	---	1,43,488	1,43,488	12.96%	---
Total Public Shareholding (B) = (B)(1) + (B)(2)	---	1,43,488	1,43,488	12.96%	---	1,43,488	1,43,488	12.96%	---
C. Shares held by Custodian for	---	---	---	---	---	---	---	---	---



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
GDRs & ADRs									
Grand Total (A+B+C)	---	11,07,344	11,07,344	100.00%	---	11,07,344	11,07,344	100.00%	---

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Abhishek Goyal	4,81,928	43.52%	---	4,81,928	43.52%	---	---
2	Neha Singh	4,81,928	43.52%	---	4,81,928	43.52%	---	---
Total		9,63,856	87.04%	---	9,63,856	87.04%	---	---



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
1. Abhishek Goyal	4,81,928	43.52%	4,81,928	43.52%
2. Neha Singh	4,81,928	43.52%	4,81,928	43.52%
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g., allotment / transfer / bonus / sweat equity etc):	---	---	---	---
At the End of the year				
1. Abhishek Goyal	4,81,928	43.52%	4,81,928	43.52%
2. Neha Singh	4,81,928	43.52%	4,81,928	43.52%



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Prashant Chandra	36,144	3.26%	36,144	3.26%
2.	Sachin Bansal	23,832	2.15%	23,832	2.15%
3.	Binny Bansal	23,832	2.15%	23,832	2.15%
4.	Mukul Singhal	11,916	1.08%	11,916	1.08%
5.	Nita Goyal	23,832	2.15%	23,832	2.15%
6.	Sahil Barua	11,916	1.08%	11,916	1.08%
7.	Deepak Singh	11,916	1.08%	11,916	1.08%
8.	Elevation Capital V Limited (Formerly known as Saif Partners India V Limited)	100	0.01%	100	0.01%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer / bonus/sweat equity etc):	--	--	--	--

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Corporate Office Address: No. L-248, 2nd Floor, 17th Cross, Sector 6, HSR Layout, Bengaluru, Karnataka, 560102

Registered Office Address: #48, First Floor, DVG Road, Basavanagudi, Bangalore 560004

Ph: +91 88004 11990, **Email:** hi@tracxn.com, **Website:** www.tracxn.com **CIN:** U72200KA2012PLC065294



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the End of the year				
1.	Prashant Chandra	36,144	3.26%	36,144	3.26%
2.	Sachin Bansal	23,832	2.15%	23,832	2.15%
3.	Binny Bansal	23,832	2.15%	23,832	2.15%
4.	Mukul Singhal	11,916	1.08%	11,916	1.08%
5.	Nita Goyal	23,832	2.15%	23,832	2.15%
6.	Sahil Barua	11,916	1.08%	11,916	1.08%
7.	Deepak Singh	11,916	1.08%	11,916	1.08%
8.	Elevation Capital V Limited (Formerly known as Saif Partners India V Limited)	100	0.01%	100	0.01%



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
1. Abhishek Goyal	4,81,928	43.52%	4,81,928	43.52%
2. Neha Singh	4,81,928	43.52%	4,81,928	43.52%
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g., allotment / transfer / bonus / sweat equity etc):	---	---	---	---
At the End of the year				
1. Abhishek Goyal	4,81,928	43.52%	4,81,928	43.52%
2. Neha Singh	4,81,928	43.52%	4,81,928	43.52%



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
• Addition	0	0	0	0
• Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Abhishek Goyal	Neha Singh	-
1.	Gross salary			
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 48,39,231	Rs. 63,39,231	Rs. 1,11,78,462
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961			
	c. Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	0	0	0
	- as % of profit			
	- others, specify...			
5.	Others, please specify	(12,42,679)	2,93,243	(9,49,436)
	Post-Employment Benefits			
	Total (A)	Rs. 35,96,552	Rs. 66,32,474	Rs. 1,02,29,026
	Ceiling as per the Act	NA	NA	NA



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as "Tracxn Technologies Private Limited")

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
		NIL	NIL
3.	Independent Directors	-	-
	• Fee for attending board committee meetings • Commission • Others, please specify	-	-
	Total (1)	-	-
4.	Other Non-Executive Directors	-	-
	• Fee for attending board committee meetings • Commission • Others, please specify	-	-
	Total (2)	-	-
	Total (B) = (1 + 2)	-	-
	Total Managerial Remuneration	-	-
	Overall Ceiling as per the Act	-	-



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as “Tracxn Technologies Private Limited”)

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b. Value of perquisites u/s 17(2) Income-tax Act, 1961 c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	-	-	-



TRACXN TECHNOLOGIES LIMITED
(Formerly Known as "Tracxn Technologies Private Limited")

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

On behalf of the Board of Directors
For TRACXN TECHNOLOGIES LIMITED


Abhishek Goyal

Director (DIN: 00423410)

Address H 1101 Mantri Espana, Behind Sakra Hospital Bellandur, Bengaluru Karnataka - 560103




Neha Singh

Director (DIN: 05331824)

Address H 1101 Mantri Espana, Behind Sakra Hospital Bellandur, Bengaluru Karnataka - 560103

Date: 05th August 2021

Place: Bangalore

Page 34 of 34

Corporate Office Address: No. L-248, 2nd Floor, 17th Cross, Sector 6, HSR Layout, Bengaluru, Karnataka, 560102

Registered Office Address: #48, First Floor, DVG Road, Basavanagudi, Bangalore 560004

Ph: +91 88004 11990, Email: hi@tracxn.com, Website: www.tracxn.com CIN: U72200KA2012PLC065294

Price Waterhouse Chartered Accountants LLP

Independent auditor's report

To the Members of Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, and its total comprehensive loss (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) 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 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 opinion.

Emphasis of Matter

4. We draw your attention to
 - a) Note 11(b)(ii) to the financial statements regarding the accounting treatment of certain compulsorily convertible cumulative preference shares ("CCPS") aggregating to Rs. 6,927.96 thousand and Rs. 6,219.24 thousand and securities premium thereon aggregating to Rs. 1,006,867.95 thousand and Rs. 798,115.89 thousand presented as other financial liabilities of Rs. 1,691,670.06 thousand and Rs. 1,138,464.70 thousand after fair valuation, for the year ended March 31, 2020 and the transition date opening balance sheet as at April 1, 2019 respectively in accordance with Ind AS 32 'Financial Instruments: Presentation', consequent to first time adoption of Ind AS. Such accounting treatment is not in accordance with the provisions of section 2(64) and section 43 read with Schedule III and section 52 of the Act, which requires the aggregate amount received on those shares shall be transferred to 'Preference share capital' and 'Securities Premium account'. Subsequently, shareholders' agreement was amended on March 30, 2021 with such preference shareholders agreeing to irrevocably revoke/ waive the buyback rights. From such date of the revision in Shareholders' Agreement, the said CCPS in their entirety meet the definition of an equity instrument and accordingly, other financial liabilities as at 30 March 2021 (including CCPS aggregating to INR 1,873.77 thousand issued during the year) have been remeasured and reclassified as equity of Rs. 6,934.30 thousand, securities premium of Rs. 1,008,735.38 thousand and retained earnings of Rs. 573,239.67 thousand, after adjusting for fair market value gain of INR 104,634.48 thousand for the period April 1, 2020 to March 30, 2021, in accordance with Ind AS 32. The resultant disclosure of equity and securities premium is in accordance with section 2(64), section 43 and section 52 of the Act as at March 31, 2021.

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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/NS00016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)
Report on audit of the Financial Statements
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- b) Note 33 to the financial statements which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of these matters.

Other Information

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Matter

6. The financial information of the Company for the year ended March 31, 2020 and the transition date opening balance sheet as at April 1, 2019 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2020 and March 31, 2019 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated September 30, 2020 and September 27, 2019 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the financial statements

7. 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)
Report on audit of the Financial Statements
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8. In preparing the 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 financial statements

9. Our objectives are to obtain reasonable assurance about whether the 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 financial statements.
10. 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 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 but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

Report on audit of the Financial Statements

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11. 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.

Report on other legal and regulatory requirements

12. 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 Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
13. 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 other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - 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.
 - f. Clause (i) of section 143(3) is not applicable pursuant to notification G.S.R 583(E) dated 13 June 2017.
 - g. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the financial statements.
 - ii. The Company has long-term contracts as at March 31, 2021 for which there were no material foreseeable losses. There were no outstanding derivative contracts as at March 31, 2021.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

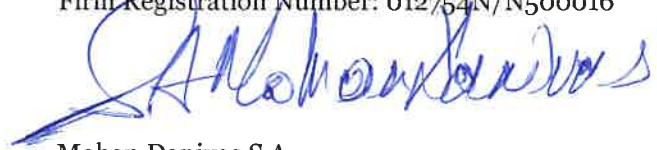
Report on audit of the Financial Statements

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14. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. During the year ended March 31, 2021 the Company was registered as a private limited company (Refer Note 34 to the financial statements). Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Mohan Danivas S A

Partner

Membership Number: 209136

UDIN: 21209136AAAACC7487

Place: Bengaluru

Date: August 05, 2021

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited) on the financial statements as of and for the year ended March 31, 2021

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- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets of the Company have not been physically verified by the Management during the year in view of the restrictions consequent to the outbreak of Coronavirus (Covid-19). However, the company has carried out the physical verification of fixed assets subsequent to the year end and no material discrepancies have been noticed on such verification. Consequently, in our opinion, the frequency of verification is reasonable.
 - (c) The Company does not own any immovable properties as disclosed in Note 5 on Property, Plant and Equipment to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. 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 Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 27(b) to the financial statements regarding management's assessment on certain matters relating to provident fund.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited) on the financial statements as of and for the year ended March 31, 2021

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- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service-tax, duty of customs, and duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income-tax as at March 31, 2021, which have not been deposited on account of a dispute, are as follows:

					Rs. in Thousands
Name of the statute	Nature of dues	Amount	Amount paid under protest*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	Rs. 2,270.74	Rs. 2,270.74	2013-14	Assessing Officer

* Includes Rs. 340.12 paid under protest and Rs. 1,930.62 adjusted from the refund receivable for the financial year ended March 31, 2018.

- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. During the year ended March 31, 2021 the Company was registered as a private limited company (Refer Note 34 to the financial statements). Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company. Also refer to paragraph 14 of our main audit report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further, the Company was registered as a private limited company during the year ended March 31, 2021 (Refer Note 34 to the financial statements) and was not required to constitute an Audit Committee under Section 177 of the Act. Accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.



Price Waterhouse Chartered Accountants LLP

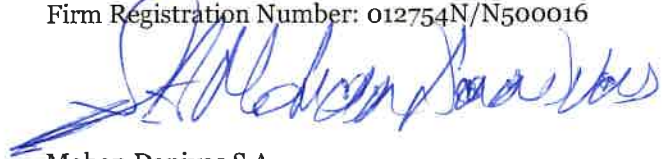
Annexure A to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited) on the financial statements as of and for the year ended March 31, 2021

Page 3 of 3

- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Mohan Danivas S A
Partner
Membership Number: 209136
UDIN : 21209136AAAACC7487

Place: Bengaluru
Date: August 05, 2021

Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

CIN: U72200KA2012PLC065294

BALANCE SHEET

(All amount in INR thousands, except share and per share data, unless otherwise stated)

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
ASSETS				
Non-current assets				
Property, plant and equipment	5	2,674.62	5,742.39	11,239.78
Intangible assets	6	-	-	-
Current tax assets (net)	8	25,662.17	22,221.93	23,610.72
Other non-current assets	9	104.44	606.16	223.40
Total non-current assets		28,441.23	28,570.48	35,073.90
Current assets				
Financial assets				
i. Investments	7(a)	1,67,568.19	4,14,690.07	3,25,423.97
ii. Trade receivables	7(b)	56,853.94	43,998.27	42,567.26
iii. Cash and cash equivalents	7(c)	18,007.68	22,955.92	24,990.34
iv. Loans	7(d)	3,360.00	10,860.00	8,500.00
v. Other financial assets	7(e)	2,08,161.77	38.94	-
Other current assets	9	2,194.66	2,641.31	4,575.43
Total current assets		4,56,146.24	4,95,184.51	4,06,057.00
Total assets		4,84,587.47	5,23,754.99	4,41,130.90
EQUITY AND LIABILITIES				
Equity				
Equity share capital	10(a)	1,107.34	1,107.34	1,107.34
Instruments entirely equity in nature	10(b)	7,853.01	918.71	918.71
Other equity				
Reserves and surplus	10(c)	2,13,271.42	(13,54,452.79)	(8,30,995.10)
Total equity		2,22,231.77	(13,52,426.74)	(8,28,969.05)
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i. Other financial liabilities	11(b)	-	16,91,670.06	11,38,464.70
Contract liabilities	13	940.21	-	-
Employee benefit obligations	12	27,851.91	31,918.51	12,516.33
Total non-current liabilities		28,792.12	17,23,588.57	11,50,981.03
Current liabilities				
Financial liabilities				
i. Trade payables				
(a) Total outstanding dues of micro enterprises and small enterprises; and	11(a)	99.67	57.07	39.87
(b) Total Outstanding dues other than (a) above	11(a)	14,057.05	4,508.94	4,425.31
ii. Other financial liabilities	11(b)	1,420.54	1,139.93	1,077.14
Contract liabilities	13	1,94,112.12	1,24,633.80	95,908.48
Employee benefit obligations	12	12,979.82	10,374.92	6,266.38
Other current liabilities	14	10,894.38	11,878.50	11,401.74
Total current liabilities		2,33,563.58	1,52,593.16	1,19,118.92
Total liabilities		2,62,355.70	18,76,181.73	12,70,099.95
Total equity and liabilities		4,84,587.47	5,23,754.99	4,41,130.90

The above Balance Sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Mohan Danivas S A
Partner
Membership Number: 209136
Place: Bengaluru
Date: 5 August 2021

For and on behalf of the Board of Directors of
Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

Neha Singh
Director
DIN: 05331824

Abhishek Goyal
Director
DIN: 00423410

Prashant Chandra
Chief Financial Officer

Megha Bohra
Company Secretary
M. No. A39158

Place: Bengaluru
Date: 5 August 2021

Place: Bengaluru
Date: 5 August 2021

Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**CIN: U72200KA2012PLC065294****STATEMENT OF PROFIT AND LOSS**

(All amount in INR thousands, except share and per share data, unless otherwise stated)

Particulars	Note	Year ended 31 March 2021	Year ended 31 March 2020
Income			
Revenue from operations	15	4,37,786.71	3,73,342.21
Other income	16 (a)	10,233.50	882.62
Other gains/(losses) - net	16 (b)	1,09,397.38	(3,11,092.82)
Total income		5,57,417.59	63,132.01
Expenses			
Employee benefit expense	17	5,38,130.90	5,12,792.12
Depreciation expense	18	2,523.15	5,649.38
Other expenses	19	70,240.14	85,018.88
Total expenses		6,10,894.19	6,03,460.38
(Loss) before tax		(53,476.60)	(5,40,328.37)
Income tax expense:			
- Current tax	20	-	-
- Deferred Tax	20	-	-
(Loss) for the year		(53,476.60)	(5,40,328.37)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Gain/ (loss) on remeasurement of post employment benefit obligations	12	11,949.47	(7,939.41)
- Income tax relating to above		-	-
Other comprehensive income/ (loss) for the year, net of tax		11,949.47	(7,939.41)
Total comprehensive (loss) for the year		(41,527.13)	(5,48,267.78)
Earnings per equity share [nominal value per share: INR 1 (2020: INR 1)]	29		
Basic earnings per share		-0.55	-5.54
Diluted earnings per share		-1.52	-5.54

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/N500016

Chartered Accountants

Mohan Danivas S A

Partner

Membership Number: 209136

Place: Bengaluru

Date: 5 August 2021

For and on behalf of the Board of Directors of
**Tracxn Technologies Limited (formerly known
as Tracxn Technologies Private Limited)****Neha Singh**

Director

DIN: 05331824

Prashant Chandra
Chief Financial Officer**Abhishek Goyal**

Director

DIN: 00423410

Megha Bohra
Company Secretary
M. No. A39158Place: Bengaluru
Date: 5 August 2021Place: Bengaluru
Date: 5 August 2021

Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

CIN: U72200KA2012PLC065294

STATEMENT OF CASH FLOWS

(All amount in INR thousands, except share and per share data, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Cash Flow from Operating Activities:			
Net (loss) before Income Tax		(53,476.60)	(5,40,328.37)
Adjustment for:			
Depreciation expense	18	2,523.15	5,649.38
Net (gain)/ loss on disposal of Property, plant and equipment	16(b)	442.04	-
Net gains on sale of investments	16(b)	(5,493.70)	(11,776.88)
Net fair value gains on financial assets measured at fair value through profit or loss	16(b)	(849.99)	(19,480.30)
Fair value (gain)/ loss on CCPS measured at fair value through profit or loss	16(b)	(1,04,634.48)	3,43,744.58
Interest on income tax refund	16(a)	(265.22)	(536.36)
Interest income from bank deposits measured at amortised cost	16(a)	(9,889.07)	(11.68)
Share based payment expense	17	27,276.29	24,810.09
Impairment loss/ (reversal) on financial assets	19	(833.09)	2,118.21
Unrealised Exchange Difference (net)		(441.92)	(1,988.13)
Operating loss before working capital changes		(1,45,642.59)	(1,97,799.46)
Adjustment for:			
(Increase)/ decrease in trade receivables		(10,787.59)	(2,154.64)
(Increase)/ decrease in loans		7,500.00	(2,360.00)
(Increase)/ decrease in other financial assets		24.56	(38.94)
(Increase)/ decrease in other assets		948.37	1,551.36
Increase / (decrease) in trade payables		9,590.71	100.82
Increase / (decrease) in contract liabilities		70,418.53	28,725.32
Increase / (decrease) in employee benefit obligations		10,487.76	15,571.31
Increase / (decrease) in other financial liabilities		280.61	62.79
Increase / (decrease) in other liabilities		(984.12)	476.76
Cash generation from Operations		(58,163.76)	(1,55,864.68)
Income taxes paid (net of refunds received, including interest thereon)		(2,433.02)	1,925.14
Net Cash Flow (used in) Operating Activities		(60,596.78)	(1,53,939.54)
Cash Flow from Investing Activities:			
Payments for purchase of property, plant and equipment		-	(151.98)
Proceeds from sale of property, plant and equipment		102.58	-
Funds invested in bank deposits		(1,99,000.32)	-
Proceeds from sale of investments		7,87,427.63	5,58,845.09
Payments for purchase of investments in mutual funds		(5,33,962.07)	(6,16,854.00)
Interest received		-	11.68
Net cash inflow /(outflow) from investing activities		54,567.82	(58,149.21)
Cash Flow from Financing Activities:			
Proceeds from issue of CCPS		1,873.77	2,09,460.78
Net cash inflow from financing activities		1,873.77	2,09,460.78
Net Increase/(Decrease) in Cash and Cash Equivalents		(4,155.19)	(2,627.97)
Cash and Cash Equivalents as at beginning of the year	7(c)	22,955.92	24,990.34
Effects of exchange rate changes on cash and cash equivalents		(793.05)	593.55
Cash and Cash Equivalents as at end of the year	7(c)	18,007.68	22,955.92
Non-cash financing activities			
- Modification of CCPS	11(b)	15,88,909.35	-
Cash and cash equivalents comprise of [Refer note 7(c)]:			
Cash on Hand		9.91	52.66
Balance with banks			
In current accounts		5,001.17	6,168.99
In earners exchange foreign currency accounts		12,996.60	16,734.27
Total		18,007.68	22,955.92

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Statement of Cash Flows referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Mohan Danivas S A
Partner
Membership Number: 209136
Place: Bengaluru
Date: 5 August 2021

For and on behalf of the Board of Directors
Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

Neha Singh
Director
DIN: 05331824

Abhishek Goyal
Director
DIN: 00423410

Prashant Chandra
Chief Financial Officer

Megha Bohra
Company Secretary
M. No. A39158

Place: Bengaluru
Date: 5 August 2021

Place: Bengaluru
Date: 5 August 2021

Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

CIN: U72200KA2012PLC065294

STATEMENT OF CHANGES IN EQUITY

(All amount in INR thousands, except share and per share data, unless otherwise stated)

A. Equity share capital:

Particulars	Notes	Amount
As at 1 April 2019		1,107.34
Changes in equity share capital		-
As at 31 March 2020		1,107.34
Changes in equity share capital		-
As at 31 March 2021		1,107.34

B. Instruments entirely equity in nature**Compulsorily Convertible Cumulative Preference Share Capital:**

Particulars	Notes	Amount
As at 1 April 2019		918.71
Changes during the year		-
As at 31 March 2020		918.71
Changes during the year		-
Changes during the year on account of modification of CCPS	10(b) & 11(b)	6,934.30
As at 31 March 2021		7,853.01

C. Other equity

Particulars	Securities premium	Employee stock option reserve	Retained earnings	Total other equity
Balance as at 1 April 2019	1,14,163.66	1,65,843.20	(11,11,001.96)	(8,30,995.10)
(Loss) for the year	-	-	(5,40,328.37)	(5,40,328.37)
Other comprehensive (loss)	-	-	(7,939.41)	(7,939.41)
Total comprehensive (loss) for the year	-	-	(5,48,267.78)	(5,48,267.78)
Transactions with owners in their capacity as owners:				
Share based payment expense for the year	-	24,810.09	-	24,810.09
Balance as at 31 March 2020	1,14,163.66	1,90,653.29	(16,59,269.74)	(13,54,452.79)
(Loss) for the year	-	-	(53,476.60)	(53,476.60)
Other comprehensive income	-	-	11,949.47	11,949.47
Total comprehensive (loss) for the year	-	-	(41,527.13)	(41,527.13)
Transactions with owners in their capacity as owners:				
Share based payment expense for the year	-	27,276.29	-	27,276.29
Changes during the year on account of modification of CCPS [refer note 11(b)]	10,08,735.38	-	5,73,239.67	15,81,975.05
Balance as at 31 March 2021	11,22,899.04	2,17,929.58	(11,27,557.20)	2,13,271.42

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Statement of Changes in Equity referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
 Firm Registration Number: 012754N/N500016
 Chartered Accountants

Mohan Danivas S A
 Partner
 Membership Number: 209136
 Place: Bengaluru
 Date: 5 August 2021

For and on behalf of the Board of Directors of
Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

Neha Singh
 Director
 DIN: 05331824

Prashant Chandra
 Chief Financial Officer

Place: Bengaluru
 Date: 5 August 2021

Abhishek Goyal
 Director
 DIN: 00423410

Megha Bohra
 Company Secretary
 M. No. A39158

Place: Bengaluru
 Date: 5 August 2021



1 General information

Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited) (the "Company") was incorporated as a private limited Company on 11 August 2012 under the provisions of the Companies Act 1956. Subsequently in July 2021, the Company converted into a Public Limited Company (Refer Note 34). The Company offers Tracxn 'Platform' on a subscription basis to global customer base; that helps Venture Capital, Private Equity Investors and Corporate Development teams to find startups across highly investable sectors by tracking and curating data of millions of startups.

2 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

i) Compliance with Indian Accounting Standards (Ind AS)

The financial statements comply in all material aspects with Indian accounting standards notified under Section 133 of the Companies Act, 2013 (the 'Act') [the Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Company has decided to voluntarily adopt Ind AS for the financial year ended 31 March 2021 onwards. In accordance with the transition provision specified under Ind AS 101, the date of transition to Ind AS is 1 April 2019. These financial statements are the first financial statements of the Company under Ind AS. Refer note 30 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The financial statements upto the year ended 31 March 2020 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2016 (as amended) ("Previous GAAP") and other relevant provisions of the Act.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- (a) certain financial assets and liabilities that are measured at fair value; and
- (b) Employee share based payments

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The Board of directors of the Company assesses the financial performance and position of the Company and make strategic decisions. Accordingly, the Board has been identified as the chief operating decision maker. Refer note 25 for segment information presented.

2.3 Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the statement of profit and loss.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/ (losses).



2.4 Revenue from contract with customers

i) Sale of services

The Company receives subscription revenue from rendering of services through its platform. Revenue from contracts with customers is recognized when services are rendered to the customer at an amount that reflects the consideration entitled in exchange for those services. The Company recognizes subscription revenues over time wherein the customer simultaneously receives and consumes the benefits provided by the Company. The progress is measured using the output method which measures revenue by comparing 'time elapsed' to the 'total subscription period'.

Revenue is recognised, net of goods and services tax, when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. In few cases, the Company provides refunds against revenue received from certain customers. The Company estimates the refund liability on the basis of their past experience and future expectation, as that is the amount of consideration for which the entity does not expect to be entitled.

The invoicing for the services is done upfront irrespective of the duration of the subscription with a credit term of 10-15 days, which is consistent with market practice. The Company does not adjust the transaction prices for any time value of money as the transfer of the promised services to the customer and payment by the customer does not generally exceed one year.

ii) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract. Contract Liabilities are disclosed in Note 13.

2.5 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, if any, only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax are recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.



2.6 Leases

As a lessee:

Leases are recognised as a Right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in substance fixed payments), less any incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the company's incremental borrowing rate, which is the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

If a readily observable amortising loan rate is available to the Company (through recent financing or market data) which has a similar payment profile to the lease, then the Company uses that rate as the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease payments that represent payments based on actual utilisation of common facilities of the leased asset are recognised in the statement of profit and loss as and when they are incurred.

Right-of-use assets are measured at cost comprising the following:

- the amount of initial measurement of lease liability
- any lease payments made on or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in the statement of profit and loss. Short-term leases are leases with a term of 12 months or less. The lease contracts also include non -lease components which are charged to the statement of profit and loss as and when incurred.

2.7 Financial instruments

A) Initial recognition and measurement

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

B) Subsequent measurement

i) Financial assets carried at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in the statement of profit and loss using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of profit and loss. Impairment losses are presented in the statement of profit and loss. Financial assets at amortised cost comprises of trade receivables, loans, cash and cash equivalents and other financial assets.

a) Trade receivables:

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method less impairment loss, if any.

b) Loans (Security Deposits):

On initial recognition, Loans are measured at fair value. Since the objective is to hold these financial assets to collect contractual cash flows that are solely payments of principal and interest, these assets are subsequently measured at amortised cost using the EIR method less impairment, if any

c) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

d) Other financial assets:

On initial recognition, Other financial assets are measured at fair value, and subsequently, measured at the amortised cost, less impairment if any. Loss arising from impairment, if any is recognised in the Statement of Profit and Loss.



2.7 Financial instruments (continued)

ii) Financial assets at fair value through profit or loss

The Company holds certain investments in mutual funds which are subsequently measured at fair value through profit or loss.

iii) Financial liabilities measured at amortised costs

Financial liabilities are subsequently carried at amortised cost using the effective interest method. The Company's financial liabilities consist of trade payables and Other financial liabilities.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within the credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

C) Financial liabilities measured at fair value through profit or loss

Financial liabilities at fair value through profit and loss include financial liabilities designated upon initial recognition as at Fair Value Through Profit or Loss (FVTPL).

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. Financial liabilities measured at fair value through profit or loss consist of Compulsorily convertible cumulative preference shares.

Compulsorily convertible cumulative preference shares

The Company has assessed the debt/equity classification for compulsorily convertible cumulative preference shares (CCPS) based on the requirements in Ind AS 32. Based on the terms and conditions of issue of certain CCPS, the investor has an option to put the CCPS back to the Company for cash through a buy back in the event the Company is unable to provide an exit to the CCPS holders through a Qualified IPO or a strategic sale. As the failure to complete a qualified public offering is outside the control of the Company, it meets the definition of a contingent settlement event under IND AS 32, resulting in the CCPS being classified as a financial liability. Further, the holders' option to convert CCPS into equity shares is subject to variation due to the anti-dilution clause. Accordingly, the conversion option is to be classified as an embedded derivative and should be separated from the host debt. The Company has taken the option to classify the entire CCPS at fair value through profit or loss instead of accounting for the host debt and the embedded derivative separately. The dividends on these CCPS are recognised as finance expenses in the statement of profit and loss.

D) 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/equity. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

E) 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 legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

F) Impairment

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognised as an impairment gain or loss in the statement of profit and loss.



2.7 Financial instruments (continued)

G) Interest income

Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

2.8 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful life and residual value:

Depreciation is calculated using the written down value method to allocate their cost, net of their residual values, over their estimated useful life as follows:

Management estimate of useful life

Computer equipments: 3 years
Office equipments: 1-5 years

Useful life as per Schedule II

Computer equipments: 3 years
Office equipments: 5 years

The assets' residual value and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other gains/ (losses).

2.9 Intangible Assets

Software:

Operating software is capitalised along with the related fixed assets. Costs associated with maintaining the software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Amortisation methods and periods:

The Company amortizes software with a finite useful life using the straight line method over three years and the useful life is reviewed at end of each reporting period, and adjusted if appropriate. The amortisation method and the estimated useful life of intangible assets are reviewed at each reporting period.

2.10 Impairment of assets

Assessment is done whenever there is an event or change in circumstances as to where there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of asset, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.



2.11 Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. In case of long term provisions, they are disclosed by discounting at the rate used to determine the present value, which is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the 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.

2.12 Fair value measurement

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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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

2.13 Employee benefits

i) Short term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss. Past service costs are recognised immediately in the statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.



2.13 Employee benefits (continued)

iii) Post employment obligations:

The Company operates the following post-employment schemes:

a) Defined benefit plans (gratuity)

The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity (Amendment) Act, 2018. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

b) Defined contribution plan such as provident fund and employees state insurance

The Company pays provident fund contributions to publicly administered provident funds and employees state insurance funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and recognised as employee benefit expense when they are due.

iv) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

v) Share-based payments

The fair value of options granted under the "Tracxn Employee Stock Option Plan 2016" is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

2.14 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date these mandatorily convertible instruments are classified as equity.



2.15 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.17 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands as permitted by Schedule III of Companies Act, 2013, unless otherwise stated. Amounts mentioned as "0" in the financial statements denote amounts rounded off, being less than INR 500.

3 Critical estimates and judgements

The preparation of these financial statements requires the use of accounting estimates which could differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Significant estimates:-

i) Defined benefit plans and compensated absences:

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases attrition rates and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Further details about gratuity obligations are given in Note 12.

ii) Fair value measurement of CCPS:

Fair value of CCPS is measured using Black Scholes option pricing model. The significant assumptions used in determining the fair values of CCPS are discount rates using a pre-tax rate that reflects current market assessments of the time value of money and expected volatility. For further details about Fair value measurement, refer note 21.

Critical judgement:

i) Recognition and measurement of deferred tax:

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The company has not recognised the deferred tax asset in the absence of reasonable certainty supported by convincing evidence that sufficient future taxable income will be available for set-off. Further details about Deferred tax assets are given in Note 20.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

4 Recent Accounting Pronouncements

The Company has applied the following amendments to Ind AS for its annual reporting period commencing 1 April 2020:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- Definition of a Business – amendments to Ind AS 103
- COVID-19 related concessions – amendments to Ind AS 116
- Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.



Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

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NOTES TO FINANCIAL STATEMENTS

(All amount in INR thousands, except share and per share data, unless otherwise stated)

5 Property, plant and equipment

Particulars	Gross block			Depreciation			Net Block	
	As at 1 April 2020	Additions	Disposals	As at 31 March 2021	As at 1 April 2020	For the year	Disposals	As at 31 March 2021
Computer equipments	32,584.44	-	4,561.87	28,022.57	27,035.67	2,474.23	4,108.04	25,401.85
Office equipments	509.02	-	198.78	310.24	315.41	48.92	107.99	256.34
	33,093.46	-	4,760.65	28,332.81	27,351.08	2,523.15	4,216.03	25,658.19
Carrying amount	33,093.46	-	4,760.65	28,332.81	27,351.08	2,523.15	4,216.03	25,658.19
								2,674.62

Particulars	Gross Block			Depreciation			Net Block	
	As at 1 April 2019	Additions	Disposals	As at 31 March 2020	As at 1 April 2019	For the year	Disposals	As at 31 March 2020
Computer equipments	32,584.44	-	-	32,584.44	21,496.75	5,538.92	-	27,035.67
Office equipments	357.04	151.98	-	509.02	204.95	110.46	-	315.41
	32,941.48	151.98	-	33,093.46	21,701.70	5,649.38	-	27,351.08
Carrying amount	32,941.48	151.98	-	33,093.46	21,701.70	5,649.38	-	27,351.08
								5,742.39



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(All amount in INR thousands, except share and per share data, unless otherwise stated)

6 Intangible assets

Particulars	Gross block			Amortisation		Net Block	
	As at 1 April 2020	Additions	Disposals	As at 31 March 2021	As at 1 April 2020	As at 31 March 2021	As at 31 March 2021
Tracxn software platform	2,646.02	-	-	2,646.02	-	2,646.02	-
Carrying amount	2,646.02	-	-	2,646.02	-	2,646.02	-

Particulars	Gross Block			Amortisation		Net Block	
	As at 1 April 2019	Additions	Disposals	As at 31 March 2020	As at 1 April 2019	As at 31 March 2020	As at 31 March 2020
Tracxn software platform	2,646.02	-	-	2,646.02	-	2,646.02	-
Carrying amount	2,646.02	-	-	2,646.02	-	2,646.02	-



7 Financials assets

7(a) Current investments

Particulars	31 March 2021	31 March 2020	1 April 2019
<i>Investment in Mutual Funds at fair value through profit and loss (Quoted)</i>			
Aditya Birla Sun Life Liquid Fund Growth Units Nil (2020: 354,410; 2019: Nil)	-	1,12,612.20	-
HDFC Liquid Funds Growth Units 17,750 (2020: 14,874; 2019: Nil)	71,313.89	57,765.43	-
HDFC Short Term Opportunities Funds - Growth Direct Units Nil (2020: 7,493,228; 2019: 7,493,228)	-	1,71,507.25	1,56,089.93
ICICI Prudential Flexible Income Growth Units Nil (2020: Nil; 2019: 428,596)	-	-	1,53,750.17
ICICI Prudential Liquid Funds Growth Units 317,626 (2020: 248,906; 2019: Nil)	96,254.30	72,805.19	-
Axis Liquid Funds Growth Units Nil (2020: Nil; 2019: 7,546)	-	-	15,583.87
Total current investments	1,67,568.19	4,14,690.07	3,25,423.97
Aggregate amount of quoted investments and market value thereof	1,67,568.19	4,14,690.07	3,25,423.97
Aggregate amount of unquoted investments	-	-	-
Aggregate amount of impairment in the value of investments	-	-	-

7(b) Trade receivables

Particulars	31 March 2021	31 March 2020	1 April 2019
Trade receivables from contract with customers *	59,197.34	47,263.26	43,942.56
Less: Loss allowance	(2,343.40)	(3,264.99)	(1,375.30)
Total trade receivables	56,853.94	43,998.27	42,567.26
Current portion	56,853.94	43,998.27	42,567.26
Non-current portion	-	-	-

Particulars	31 March 2021	31 March 2020	1 April 2019
Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured	59,197.34	47,263.26	43,942.56
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
Total	59,197.34	47,263.26	43,942.56
Loss allowance	(2,343.40)	(3,264.99)	(1,375.30)
Total trade receivables	56,853.94	43,998.27	42,567.26

* Includes unbilled revenue of INR 38.14 (2020: INR 948.63; 2019: INR 4,062.46)

7(c) Cash and cash equivalents

Particulars	31 March 2021	31 March 2020	1 April 2019
Balances with bank:			
- in current accounts	5,001.17	6,168.99	12,225.27
- in Earners Exchange Foreign Currency accounts	12,996.60	16,734.27	12,750.96
Cash on hand	9.91	52.66	14.11
Total cash and cash equivalents	18,007.68	22,955.92	24,990.34



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NOTES TO FINANCIAL STATEMENTS

(All amount in INR thousands, except share and per share data, unless otherwise stated)

7(d) Loans

Particulars	31 March 2021	31 March 2020	1 April 2019
Security deposits	3,360.00	10,860.00	8,500.00
Less: Loss allowance	-	-	-
Total loans	3,360.00	10,860.00	8,500.00
Current portion	3,360.00	10,860.00	8,500.00
Non-current portion	-	-	-

Particulars	31 March 2021	31 March 2020	1 April 2019
Loans considered good - secured	-	-	-
Loans considered good-unsecured	3,360.00	10,860.00	8,500.00
Loans which have significant increase in credit risk	-	-	-
Loans - credit impaired	-	-	-
Total	3,360.00	10,860.00	8,500.00
Loss allowance	-	-	-
Total loans	3,360.00	10,860.00	8,500.00

7(e) Other financial assets

Particulars	31 March 2021		31 March 2020		1 April 2019	
	Current	Non-current	Current	Non-current	Current	Non-current
(Unsecured, considered good, unless otherwise stated)						
Bank deposits*	2,08,147.39	-	-	-	-	-
Other receivables	14.38	-	38.94	-	-	-
Total other financial assets	2,08,161.77	-	38.94	-	-	-

* Represents bank deposits with original maturity more than 12 months but realisable within the next 12 months.

8 Current tax assets (net)

Particulars	31 March 2021	31 March 2020	1 April 2019
Advance tax (net of provision for tax INR Nil (2020: INR Nil; 2019: INR Nil)*)	25,662.17	22,221.93	23,610.72
Total current tax assets (net)	25,662.17	22,221.93	23,610.72

*Includes amounts paid under protest INR 340.12 (2020: INR 340.12; 2019: INR 340.12)

9 Other assets

Particulars	31 March 2021		31 March 2020		1 April 2019	
	Current	Non-current	Current	Non-current	Current	Non-current
Balances with government authorities	-	-	21.29	-	99.46	-
Prepaid expenses	1,208.72	104.44	1,360.32	606.16	1,471.83	223.40
Balance in prepaid corporate cards	712.20	-	762.20	-	2,549.72	-
Advance to Vendors	273.74	-	497.50	-	454.42	-
Total other assets	2,194.66	104.44	2,641.31	606.16	4,575.43	223.40



10 Share capital and other equity**10(a) Equity share capital***i) Authorised equity share capital*

Particulars	Number of shares	Amount
As at 1 April 2019	15,00,000	1,500.00
Changes during the year	-	-
As at 31 March 2020	15,00,000	1,500.00
Changes during the year	-	-
As at 31 March 2021	15,00,000	1,500.00

ii) Movements in equity share capital

Issued, subscribed and paid-up:

Particulars	Number of shares	Amount
As at 1 April 2019	11,07,344	1,107.34
Changes during the year	-	-
As at 31 March 2020	11,07,344	1,107.34
Changes during the year	-	-
As at 31 March 2021	11,07,344	1,107.34

iii) Rights, preferences and restrictions attached to shares:

Equity Shares: The Company has one class of equity shares having par value of INR 1 per share. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iv) Details of shareholders holding more than 5% of the aggregate shares in the Company:

Particulars	31 March 2021		31 March 2020		1 April 2019	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Number of equity shares :						
Neha Singh	4,81,928	43.52	4,81,928	43.52	4,81,928	43.52
Abhishek Goyal	4,81,928	43.52	4,81,928	43.52	4,81,928	43.52

10(b) Instruments entirely equity in nature
Preference share capital*i) Authorised Preference share capital*

Particulars	Number of shares	Amount
As at 1 April 2019	7,50,000	7,500.00
Changes during the year [refer note (vii) below]	3,00,000	3,000.00
As at 31 March 2020	10,50,000	10,500.00
Changes during the year	-	-
As at 31 March 2021	10,50,000	10,500.00

ii) Movements in Preference share capital

Issued, subscribed and paid-up [Also refer note 11(b)] :

Particulars	Number of shares	Amount
As at 1 April 2019	91,871	918.71
Changes during the year	-	-
As at 31 March 2020	91,871	918.71
Changes during the year	-	-
Changes during the year on account of modification of CCPS-refer note 11(b)	6,93,430	6,934.30
As at 31 March 2021	7,85,301	7,853.01



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(All amount in INR thousands, except share and per share data, unless otherwise stated)

10(b) Instruments entirely equity in nature (contd.)

iii) Details of shareholders holding more than 5% of the aggregate shares in the Company:

Particulars	31 March 2021		31 March 2020		1 April 2019	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Series A CCPS:						
Elevation Capital V Limited (formerly SAIF Partners India V Limited)	3,17,262	100	-	-	-	-
Ordinary (Series A1) CCPS:						
Trustee, Kolluri Living Trust	5,055	100	5,055	100	5,055	100
Series A2 CCPS:						
Ratan N Tata	11,168	15	11,168	15	11,168	15
Trustees, 3ONE4 Capital Trust	11,168	15	11,168	15	11,168	15
Trustees, NRJN Family Trust	11,168	15	11,168	15	11,168	15
VH Capital	11,168	15	11,168	15	11,168	15
Beenext PTE Ltd	8,376	11	8,376	11	8,376	11
Anand & Venky, LLC	5,584	7	5,584	7	5,584	7
Rathnagiri Mathrubootham	5,584	7	5,584	7	5,584	7
Series A3 CCPS:						
WGG International Ltd	11,991	100	11,991	100	11,991	100
Series A4 CCPS:						
Seabright II Limited	76,304	33	-	-	-	-
Elevation Capital V Limited (formerly SAIF Partners India V Limited)	76,304	33	-	-	-	-
Accel India (IV) Mauritius Ltd	38,152	17	-	-	-	-
SCI Investment V	28,614	13	-	-	-	-
Series B1 CCPS:						
Seabright II Limited	4,016	5	-	-	-	-
Elevation Capital V Limited (formerly SAIF Partners India V Limited)	20,707	27	-	-	-	-
Accel India (IV) Mauritius Ltd	37,650	50	-	-	-	-
SCI Investment V	12,550	17	-	-	-	-
Series B2 CCPS:						
KB Global Platform Fund	70,872	99	-	-	-	-

During the year ended 31 March 2021, SAIF Partners India V Limited, an investor in the Company, has changed its name to Elevation Capital V Limited.

The terms and conditions of the Series A, Series A4, Series B1 and Series B2 CCPS included buy back rights which would get triggered if certain conditions as per the shareholders agreements are not met. Hence, such CCPS were accounted as other financial liabilities on transition to Ind AS [Refer note 11(b)(ii)]. Pursuant to waiver cum amendment agreement dated 30 March 2021 to the shareholders agreement dated 10 December, 2020, such CCPS holders have waived off their buyback right consequent to which such CCPS have been classified as instruments entirely equity in nature with effect from 30 March 2021 [Refer note 11(b)(iii)].

The terms and conditions of the Series A1, Series A2, Series A3 CCPS does not include any buy back rights. Accordingly, all such preference shares issued are classified as instruments entirely equity in nature from the date of issue of such CCPS.

iv) Rights, preferences and restrictions attached to shares:

Series A Compulsorily Convertible Cumulative Preference Shares: ("CCPS"): The fully paid Series A compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 668.25 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a Initial Public Offering (IPO), prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, in the event the Board declares any dividend for the relevant year, and shall be paid pari passu with the holders of Series A4, B1 and B2 CCPS, and in priority to equity shares and Series A1, A2 and A3 CCPS. Refer note 11(b) for modification to the terms of the CCPS.

Ordinary (Series A1) CCPS: The ordinary (Series A1) compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 440.05 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a IPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid subsequent to the preference of the holders of Series A, A2, A3, A4, B1 and B2 CCPS and in priority to equity shares.

Series A2 CCPS: The Series A2 compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 1,154 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a IPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid (i) after payment of dividend to holders of Series A, A4, B1 and B2 CCPS (ii) pari passu with the holders of Series A3 CCPS and (iii) in priority to equity shares and Series A1 CCPS.

Series A3 CCPS: The Series A3 compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 1,386.93 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a IPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid (i) after payment of dividend to holders of Series A, A4, B1 and B2 CCPS (ii) pari passu with the holders of Series A2 CCPS and (iii) in priority to equity shares and Series A1 CCPS.



10(b) Instruments entirely equity in nature (contd.)

Series A4 CCPS: The Series A4 compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 1,719.93 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a IPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid pari passu with the holders of Series A, B1 and B2 CCPS, and in priority to equity shares, Series A1, A2 and A3 CCPS. Refer note 11(b) for modification to the terms of the CCPS.

Series B1 CCPS: The Series B1 compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 2,539.83 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a IPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid pari passu with the holders of Series A, A4 and B2 CCPS and in priority to equity shares, Series A1, A2 and A3 CCPS. Refer note 11(b) for modification to the terms of the CCPS.

Series B2 CCPS: The Series B2 compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 2,945.48 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a IPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid pari passu with the holders of Series A, A4 and Series B1 CCPS and in priority to equity shares, Series A1, A2 and A3 CCPS. Refer note 11(b) for modification to the terms of the CCPS.

In an event of liquidation, the settlement terms detailing order of preference to shareholders is detailed in the shareholder's agreement.

v) Shares reserved for issue under options:

Refer Note 24 for details of shares to be issued under the Employee Stock Option Plan.

- vi) For the period of five years immediately preceding the Balance Sheet date, there have been no:
- (a) share allotted as fully paid-up pursuant to a contract without payment being received in cash;
 - (b) shares allotted as fully paid-up by way of bonus shares; and
 - (c) shares bought back by the Company.

- vii) Consequent to the approval of the shareholders of the Company in their meeting held of 23 July 2019, the Company has increased its authorised share capital of preference shares from 750,000 shares to 1,050,000 shares of Rs.10 each during the year ended 31 March 2020.

10(c) Reserves and surplus

Particulars	31 March 2021	31 March 2020	1 April 2019
Securities Premium Account	11,22,899.04	1,14,163.66	1,14,163.66
Employee stock option reserve	2,17,929.58	1,90,653.29	1,65,843.20
Retained earnings	(11,27,557.20)	(16,59,269.74)	(11,11,001.96)
Total reserves and surplus	2,13,271.42	(13,54,452.79)	(8,30,995.10)

(i) Securities Premium Account

Particulars	31 March 2021	31 March 2020
Opening balance	1,14,163.66	1,14,163.66
Changes during the year on account of modification of CCPS [refer note 11(b)]	10,08,735.38	-
Closing balance	11,22,899.04	1,14,163.66

(ii) Employee stock option reserve

Particulars	31 March 2021	31 March 2020
Opening balance	1,90,653.29	1,65,843.20
Share based payment expense for the year	27,276.29	24,810.09
Closing balance	2,17,929.58	1,90,653.29

(iii) Retained earnings

Particulars	31 March 2021	31 March 2020
Opening balance	(16,59,269.74)	(11,11,001.96)
Net (loss) for the year	(53,476.60)	(5,40,328.37)
Add: Changes during the year on account of modification of CCPS [refer note 11(b)]	5,73,239.67	-
Items of other comprehensive income / (loss) recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	11,949.47	(7,939.41)
Closing balance	(11,27,557.20)	(16,59,269.74)

Nature and purpose of reserves:**Securities Premium Account**

Securities premium is used to record the premium received on issue of equity shares and CCPS that meets the definition of equity [refer note 11(b)]. The reserve is utilised in accordance with the provisions of the Act.

Employee stock option reserve

The reserve is used to recognise the grant date fair value of options issued to employees under Tracxn Employee Stock Option Plan 2016.



Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

CIN: U72200KA2012PLC065294

NOTES TO FINANCIAL STATEMENTS

(All amount in INR thousands, except share and per share data, unless otherwise stated)

11 Financial liabilities

11(a) Trade payables

Particulars	31 March 2021	31 March 2020	1 April 2019
Trade payables: Micro and Small Enterprises (Refer note 32)	99.67	57.07	39.87
Trade payables: others	14,057.05	4,508.94	4,425.31
Total trade payables	14,156.72	4,566.01	4,465.18

11(b) Other financial liabilities

Particulars	31 March 2021		31 March 2020		1 April 2019	
	Current	Non-current	Current	Non-current	Current	Non-current
Employees Benefits Payable	1,420.54	-	1,139.93	-	1,077.14	-
Compulsorily convertible cumulative preference shares - refer note (i) and (ii) below	-	-	-	16,91,670.06	-	11,38,464.70
Total other financial liabilities	1,420.54	-	1,139.93	16,91,670.06	1,077.14	11,38,464.70

i) *Details of shareholders holding more than 5% of the aggregate compulsorily convertible cumulative preference shares in the Company:*

Particulars	31 March 2021		31 March 2020		1 April 2019	
	Number of shares (refer note iii below)	% holding	Number of shares	% holding	Number of shares	% holding
Series A CCPS:						
Elevation Capital V Limited (formerly SAIF Partners India V Limited)	-	-	3,17,262	100	3,17,262	100
Series A4 CCPS:						
Seabright II Limited	-	-	76,304	33	76,304	33
Elevation Capital V Limited (formerly SAIF Partners India V Limited)	-	-	76,304	33	76,304	33
Accel India (IV) Mauritius Ltd	-	-	38,152	17	38,152	17
SCI Investment V	-	-	28,614	13	28,614	13
Series B1 CCPS:						
Seabright II Limited	-	-	4,016	5	4,016	5
Elevation Capital V Limited (formerly SAIF Partners India V Limited)	-	-	20,707	27	20,707	27
Accel India (IV) Mauritius Ltd	-	-	37,650	50	37,650	50
SCI Investment V	-	-	12,550	17	12,550	17
Series B2 CCPS:						
KB Global Platform Fund	-	-	70,872	100	-	-

ii) The Company has issued Series A, Series A4, Series B1 and Series B2 Compulsorily Convertible Cumulative Preference Shares (CCPS) which are held by the investors (i.e. other than the promoters). If declared by the Board, each holder of such CCPS, shall be entitled to receive a preferential cumulative dividend at the rate of 0.001% per annum. Refer note 10 (b) for details of the terms and conditions of such CCPS. As per the shareholders agreement dated 10 December 2020, the Company is required to provide an exit to Series A investors by way of Qualified IPO or a Strategic Sale within 7 years from the Series A closing date, the failure of which will provide the investor the right to require the Company to buy back the shares held by them at fair value. In the event the Company provides an exit to Series A investors, the Series A4, Series B1 and Series B2 Investors shall be entitled to participate in the relevant exit provided by the Company to Series A investors on same terms and at the same price as applicable to the shares held by Series A investors.

A successful Qualified IPO or a strategic sale is not in the control of the Company, hence it does not have an unconditional right to defer the settlement of preference shares beyond 7 years. The instruments are hybrid instruments and have an embedded derivative in the form of settlement option and host non-derivative liability. On transition to Ind AS with effect from 1 April 2019, the Company has designated these instruments as 'Other financial liabilities' valued at fair value through profit and loss as at the transition date. Consequent to the first-time adoption of Ind AS, CCPS amounts received aggregating to INR 6,927.96 and INR 6,219.24 and securities premium thereon aggregating to INR 1,006,867.95 and INR 798,115.89 have been fair valued and presented as 'other financial liabilities' for the year ended 31 March 2020 and transition date opening balance sheet as at 1 April 2019 respectively, in accordance with the requirements of Ind AS 32 'Financial Instruments: Presentation' (Refer note 30B). However, as per the provisions of Companies Act, 2013, amounts received from issue of preference shares are to be disclosed under 'Preference share capital' and 'Securities premium' as applicable.



11(b) Other financial liabilities (continued)

- iii) Pursuant to waiver cum amendment agreement dated 30 March 2021 to the shareholders agreement dated 10 December 2020, all entitled CCPS holders have irrevocably revoked/ waived off their buyback right associated with the CCPS held by them. Basis this development as on the date of the waiver, the buyback clause is neither enforceable nor exercisable.

Consequently, such CCPS in their entirety met the definition of an equity instrument as per Ind AS 32 with effect from 30 March 2021. As a result of this, the entire financial liabilities pertaining to such CCPS as at 30 March 2021 (including INR 1,873.77 issued during the year) have been classified as preference share capital amounting to INR 6,934.30, Security premium of INR 1,008,735.38 and Retained earnings of INR 573,239.67, after adjusting for fair market value gain of INR 104,634.48 for the period 01 April 2020 to 30 March 2021. [Also refer Notes 10(b), 10(c) and 16(b)]. Such presentation as at 31 March 2021 is in accordance with Ind AS and Companies Act, 2013.

12 Employee benefit obligations

Particulars	31 March 2021		31 March 2020		1 April 2019	
	Current	Non-current	Current	Non-current	Current	Non-current
Compensated absences (i)	10,889.79	-	9,588.28	-	6,122.32	-
Gratuity (ii)	2,090.03	27,851.91	786.63	31,918.51	144.05	12,516.33
Total employee benefit obligations	12,979.82	27,851.91	10,374.92	31,918.51	6,266.38	12,516.33

i) *Compensated absences*

The leave obligations cover the Company's liability for paid leaves. The entire amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	31 March 2021	31 March 2020	1 April 2019
Leave obligations not expected to be settled within the next 12 months	9,256.32	8,150.04	5,203.98

ii) *Post-employment obligations*

a) *Gratuity*

The Company provides for gratuity for employees in India as per the Payment of Gratuity (Amendment) Act, 2018. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on termination/retirement is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Final liability is actuarially valued and recognised in the books as at the end of each year by the Company. The gratuity plan of the Company is not funded.

Particulars	31 March 2021	31 March 2020	1 April 2019
A) Present value of defined benefit obligation			
Obligations at the beginning of the year	32,705.14	12,660.38	7,392.97
Current service cost	8,397.55	11,121.64	5,361.09
Interest cost	2,207.60	983.71	884.05
Benefits paid	(1,418.89)	-	-
Remeasurement (gains)/ losses			
- arising from changes in demographic assumptions.	(11,026.67)	(10,006.67)	1,229.64
- arising from changes in financial assumptions.	(342.59)	25,742.33	(168.39)
- arising from changes in experience adjustments.	(580.21)	(7,796.25)	(2,038.98)
Obligations at the end of the year	29,941.93	32,705.14	12,660.38
B) Net (asset)/ liability:			
Present value of defined benefit obligation	29,941.93	32,705.14	12,660.38
Fair value of plan assets	-	-	-
Net (asset)/obligation	29,941.93	32,705.14	12,660.38



12 Employee benefit obligations (contd)

Particulars	31 March 2021	31 March 2020	1 April 2019
C) Expenses recognised in Statement of Profit and Loss			
Current service cost	8,397.55	11,121.64	5,361.09
Interest cost	2,207.60	983.71	884.05
Interest income	-	-	-
Total amount recognised in the Statement of Profit and Loss	10,605.15	12,105.35	6,245.14
D) Amounts recognised in Other Comprehensive Income			
(Gains)/losses arising from changes in			
- return on plan assets	-	-	-
- demographic assumptions	(11,026.67)	(10,006.67)	1,229.64
- financial assumptions	(342.59)	25,742.33	(168.39)
- experience adjustments	(580.21)	(7,796.25)	(2,038.98)
Total amount recognised in Other Comprehensive Income	(11,949.47)	7,939.41	(977.73)
Total amount recognised in Statement of Total Comprehensive Income (C+D)	(1,344.32)	20,044.76	5,267.41
E) Actuarial assumptions			
Discount rate per annum (Key)	6.82%	6.75%	7.70%
Salary escalation rate (Key)	14.00%	14.00%	7.00%
Withdrawal rate (Key)	18.00%	9.86%	5.86%
Mortality rate (Non-key)	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2006-08) Ultimate
F) Expected contribution in next year	-	-	-
G) Reconciliation of amounts in Balance Sheet			
Net defined benefit liability/ (asset) at the beginning of the year	32,705.14	12,660.38	7,392.97
Defined benefit cost included in statement of profit and loss	10,605.15	12,105.35	6,245.14
Total remeasurements included in other comprehensive income	(11,949.47)	7,939.41	(977.73)
Benefits paid	(1,418.89)	-	-
Net defined benefit liability (asset) at the end of the year	29,941.93	32,705.14	12,660.38

Risk Exposure

Through its defined benefit plan, the Company is exposed to a number of risks. The most significant risks are:

(i) **Interest rate risk** : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(ii) **Salary inflation risk** : Higher than expected increases in salary will increase the defined benefit obligation.

(iii) **Demographic risk** : This is the risk of variability of results due to factors like mortality, withdrawal, disability and retirement. The effect of these on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and attrition rate.

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the principal assumptions is as under:

Changes in assumption	Change in DBO	Impact on defined benefit obligation (DBO)		
		Gratuity		
		31 March 2021	31 March 2020	1 April 2019
		%	%	%
Discount rate				
a. Increase by 0.5%	Decrease by	(938.09)	(1,862.99)	(798.23)
b. Decrease by 0.5%	Increase by	996.98	2,048.55	883.25
Withdrawal rate				
a. Increase by 1%	Decrease by	(855.77)	(1,579.56)	(115.20)
b. Decrease by 1%	Increase by	927.55	1,795.31	85.86
Salary escalation rate				
a. Increase by 1%	Increase by	1,566.14	2,732.80	1,641.84
b. Decrease by 1%	Decrease by	(1,492.07)	(2,582.55)	(1,459.95)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.



12 Employee benefit obligations (contd)**Defined benefit liability and employer contributions**

The weighted average duration of the defined benefit obligation is 14 years (2020: 14 years; 2019: 15 years). The expected benefit payments are as follows:

Particulars	Gratuity		
	31 March 2021	31 March 2020	1 April 2019
Expected future cash flows [Undiscounted]			
Year 1	2,090.03	786.63	144.05
Year 2	2,683.07	1,162.04	345.73
Year 3	3,077.07	1,620.08	533.04
Year 4	3,490.75	1,991.39	757.32
Year 5	3,601.82	2,335.46	951.26
Year 6 to 10	36,850.63	83,825.90	45,961.73

b) Defined Contribution Schemes

Contributions are made to recognized government provident funds and Employee State Insurance Scheme in India for employees at a specified percentage of basic salary as per the regulations. The contributions payable to these plans by the Company are administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The Company recognised INR 14,959.98 (2020: INR 14,456.40) for Provident fund contributions and INR 1,678.91 (2020: INR 2,061.69) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss.

13 Contract liabilities

Particulars	31 March 2021		31 March 2020		1 April 2019	
	Current	Non Current	Current	Non Current	Current	Non Current
Deferred revenue	1,93,585.24	940.21	1,23,892.46	-	94,497.53	-
Advance from customers	526.88	-	741.34	-	1,410.95	-
Total Contract Liabilities	1,94,112.12	940.21	1,24,633.80	-	95,908.48	-

Notes:**i) Revenue recognised in relation to contract liabilities**

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

a) Revenue recognised that was included in contract liabilities balance as at the beginning of the year.

Particulars	31 March 2021	31 March 2020
Sale of Services	1,24,633.80	95,908.48

b) There was no revenue recognised from performance obligations satisfied in previous year.**c) As at 31 March 2021, the aggregate amount of the transaction price allocated to the remaining performance obligations related to customer contracts with a duration of more than one year is INR 1,819.85 (2020: INR Nil; 2019: INR Nil). Out of this, the Company expects to recognize revenue of INR 879.64 (2020: Nil; 2019: Nil) within the next one year and the remaining in the year after that.****14 Other liabilities**

Particulars	31 March 2021		31 March 2020		1 April 2019	
	Current	Non-current	Current	Non-current	Current	Non-current
Statutory dues including goods and service tax, provident fund, tax deducted at source etc.	8,708.22	-	9,368.24	-	10,694.87	-
Refund Liabilities [refer note (i) below]	2,186.16	-	2,510.26	-	706.87	-
Total other liabilities	10,894.38	-	11,878.50	-	11,401.74	-

Note**i) Where a customer has a right to terminate a contract within a given period, the Company recognises a refund liability for the amount of consideration received/ receivable for which the Company does not expect to be entitled. This liability is estimated by the management as at year end based on past trends.**

Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**CIN: U72200KA2012PLC065294****NOTES TO FINANCIAL STATEMENTS***(All amount in INR thousands, except share and per share data, unless otherwise stated)***15 Revenue from operations**

The Company derives its revenue from the sale of subscription services.

Particulars	31 March 2021	31 March 2020
Sale of services:		
Income from sale of subscription services	4,37,786.71	3,73,342.21
Total revenue from operations	4,37,786.71	3,73,342.21

Notes:**a) Disaggregation of revenue from contract with customers**

The Company is solely into the business of providing subscription services to customers and hence there is no further disaggregation of services.

b) Reconciliation of Revenue recognised with the Contract Price

Particulars	31 March 2021	31 March 2020
Contract Price	5,10,391.39	4,04,577.79
Adjusted for:		
Contract liabilities	(70,418.53)	(28,725.32)
Refund liabilities	(2,186.16)	(2,510.26)
Closing balance	4,37,786.70	3,73,342.21

16 Other income and other gains/(losses)**(a) Other income**

Particulars	31 March 2021	31 March 2020
Interest income from bank deposits measured at amoritsed cost	9,889.07	11.68
Interest on income tax refund	265.22	536.36
Miscellaneous income	79.21	334.58
Total other income	10,233.50	882.62

(b) Other gains/(losses)

Particulars	31 March 2021	31 March 2020
Net gain/(loss) on disposal of Property, plant and equipment	(442.04)	-
Net gains on sale of investments	5,493.70	11,776.88
Net fair value gains on financial assets measured at fair value through profit or loss	849.99	19,480.30
Fair value gain/ (loss) on CCPS measured at fair value through profit or loss	1,04,634.48	(3,43,744.58)
Foreign exchange gain/(loss) (net)	(1,138.75)	1,394.58
Total other gains/(losses) - net	1,09,397.38	(3,11,092.82)



Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**CIN: U72200KA2012PLC065294****NOTES TO FINANCIAL STATEMENTS***(All amount in INR thousands, except share and per share data, unless otherwise stated)***17 Employee benefits expense**

Particulars	31 March 2021	31 March 2020
Salaries, wages and bonus	4,81,405.71	4,56,097.52
Contribution to provident fund and other funds	16,638.89	16,518.09
Share based payment expense	27,276.29	24,810.09
Gratuity (Refer note 12)	10,605.15	12,105.35
Staff welfare expenses	2,204.86	3,261.07
Total employee benefits expense	5,38,130.90	5,12,792.12

18 Depreciation expense

Particulars	31 March 2021	31 March 2020
Depreciation on property, plant and equipment	2,523.15	5,649.38
Total depreciation expense	2,523.15	5,649.38

19 Other expenses

Particulars	31 March 2021	31 March 2020
Software	2,696.15	2,101.31
Rent	22,877.16	41,374.10
Repairs and maintenance - Computers	109.27	765.03
Repairs and maintenance - others	1,522.97	4,595.73
Bank Charges	2,327.78	2,064.05
Legal and Professional	13,341.84	3,020.07
Printing and Stationery	183.42	194.12
Travelling expenses	0.00	1,607.62
Rates and taxes	2,387.93	760.95
Power and fuel	569.71	2,965.20
Communication	350.36	1,394.80
Payment to auditors [Refer note below]	1,250.00	750.00
Web Hosting and Domain Charges	22,850.92	20,483.76
Impairment loss/ (reversal) on financial assets (refer note 22)	(833.09)	2,118.21
Miscellaneous	605.72	823.93
Total other expenses	70,240.14	85,018.88

Note: Details of payment to auditors

Particulars	31 March 2021	31 March 2020
Payment to auditors		
As auditor:		
Audit fee	1,200.00	700.00
Tax audit fee	50.00	50.00
Total payments to auditors	1,250.00	750.00



Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**CIN: U72200KA2012PLC065294****NOTES TO FINANCIAL STATEMENTS***(All amount in INR thousands, except share and per share data, unless otherwise stated)***20 Income Taxes****A. Deferred tax asset recognition**

Deferred tax assets, have not been recognised based on an evaluation that it is not probable that taxable profits will be earned in future accounting periods considering all the available evidences, including approved budgets and forecasts by the Board of the Company. However this position will be reassessed at every year end and the deferred tax asset will be accounted for, when appropriate.

The amount of deferred tax asset not recognised has been arrived as follows:

Particulars	31 March 2021	31 March 2020	1 April 2019
Carry forward business losses as per income tax	2,01,443.19	2,01,452.29	1,62,341.44
Unabsorbed depreciation as per income tax	8,151.52	7,319.37	5,932.05
Other temporary differences	11,891.84	12,572.70	5,712.87
Less: Deferred tax liabilities	(268.44)	(12,368.25)	(14,886.02)
Deferred tax assets (net)	2,21,218.11	2,08,976.11	1,59,100.34

a) Unabsorbed depreciation does not have any expiry period.

b) Carry forward business losses have an expiry ranging from 1 to 8 years as at the reporting date, refer below.

c) Tax rate considered for arriving at the above amounts is 26% (2020: 26%; 2019: 26%)

B. Reconciliation of tax expense and accounting profit multiplied by India's tax rate

Particulars	31 March 2021	31 March 2020
Loss before income tax expense	(53,476.60)	(5,40,328.37)
Tax at the Indian tax rate of 26% (2020: 26%)	(13,903.92)	(1,40,485.38)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Fair value adjustment on CCPS	(27,204.97)	89,373.59
Employee stock option expense	7,091.84	6,450.62
Other items	162.76	72.87
Tax losses for which no deferred income tax was recognised	22,746.52	39,110.85
Tax impact of items recognised in other comprehensive income	3,106.86	(2,064.25)
Impact of indexation not considered in deferred tax	(4,664.24)	(3,068.10)
Deferred tax assets not recognised on other temporary differences	12,665.14	10,609.78
Income tax expense	-	-

Carry forward business losses in respect of which deferred tax asset has not been recognised, expire unutilised based on the year of origination as below:

Financial year	31 March 2021	31 March 2020	1 April 2019
Within four years	1,98,849.82	84,743.66	496.72
Beyond four years, upto 8 years	5,75,931.66	6,90,072.83	6,23,893.43

C. Current tax:

There is no liability arising on account of current tax during the year ended 31 March 2021 and 31 March 2020.



21 Fair value measurements**A. Financial instruments by category**

Particulars	Level	As at 31 March 2021		As at 31 March 2020		As at April 1 2019	
		Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL
Financial assets							
Loans - Security deposits	3	3,360.00	-	10,860.00	-	8,500.00	-
Investments	1	-	1,67,568.19	-	4,14,690.07	-	3,25,423.97
Trade receivables	3	56,853.94	-	43,998.27	-	42,567.26	-
Cash and cash equivalents		18,007.68	-	22,955.92	-	24,990.34	-
Other financial assets	3	2,08,161.77	-	38.94	-	-	-
Total financial assets		2,86,383.39	1,67,568.19	77,853.13	4,14,690.07	76,057.60	3,25,423.97
Financial liabilities							
Trade payables	3	14,156.72	-	4,566.01	-	4,465.18	-
Other financial liabilities	3	1,420.54	-	1,139.93	16,91,670.06	1,077.14	11,38,464.70
Total financial		15,577.26	-	5,705.94	16,91,670.06	5,542.32	11,38,464.70

There are no financial instruments which are measured at FVOCI

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into 3 levels/hierarchy prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

During the year, there were no financial instruments which are measured at Level 2 category.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between the levels during the year.

C. Valuation techniques:

Specific valuation techniques used to value financial instruments include:

- the use of published NAV's for mutual funds.
- the fair value of other financial liabilities (CCPS) is determined using Black Scholes option pricing model.

D. Valuation inputs and relationships to fair value

Particulars	Significant unobservable Inputs	Sensitivity	Inputs used		Sensitivity (Impact on profit before tax and equity)			
			31 March 2020	31 March 2019	31 March 2020	31 March 2020	1 April 2019	1 April 2019
CCPS	Risk-free interest rate	+/- 100 bps	6.14%	7.35%	5,019.64	(5,329.77)	4,921.46	(5,429.42)
	Volatility	+/- 500 bps	33.73%	21.72%	(16,570.49)	15,170.95	(13,442.42)	11,715.56

E. Valuation process:

The fair value of the CCPS as at each reporting date is determined based on the valuation performed by an independent valuer. The significant level 3 inputs for determining the fair values of CCPS are discount rates using a pre-tax rate that reflects current market assessments of the time value of money and expected volatility.

F. Fair value of financial assets and liabilities measured at amortised cost:

The carrying amounts of trade receivables, loans, trade payables, cash and cash equivalents, other financial assets and other financial liabilities are considered to be the same as their fair values due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**CIN: U72200KA2012PLC065294****NOTES TO FINANCIAL STATEMENTS***(All amount in INR thousands, except share and per share data, unless otherwise stated)***22 Financial risk management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's risk management is carried out by the management in accordance with the policies and objectives of the Company under the supervision of the Board of Directors that help in identification, measurement, mitigation and reporting all risks associated with the activities of the Company. These risks are identified on a continuous basis and assessed for impact on the financial performance. Information on risks and the response strategy is escalated in a timely manner to facilitate timely decision making. Risk response strategy is formulated for key risks by Management. The below table broadly summarizes the sources of financial risk to which the entity is exposed to and how the entity manages the risk.

Financial risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Ageing analysis Credit ratings	Periodic review of customer credit limits; review of aging for trade receivables
Liquidity risk	Trade payables, other financial liabilities and other liabilities	Rolling cash flow forecasts.	Continuous monitoring and fund management to ensure timely payment of dues
Market risk - foreign exchange	Future commercial transactions, recognised financial assets and liabilities not denominated in Indian rupee	Sensitivity analysis	Increased focus on a) advance export billing b) localization to minimize risk
Market risk - security prices	Investments in mutual funds	Sensitivity analysis	Portfolio diversification and review of portfolio

A. Credit risk

Credit risk is a risk where the counterparty will not meet its obligations under a financial instrument leading to a financial loss. Credit risk arises from cash and cash equivalents, trade receivables, loans, investments in mutual funds and other financial assets measured at amortised cost.

(i) Credit risk management

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external agencies. Investments primarily include investment in debt based mutual funds whose portfolios have instruments with high credit rating. The board of directors periodically review the investment portfolio of the Company.

Loans comprises of refundable security deposits made on premises taken on lease. Management has evaluated and concluded that the impact of credit losses on these deposits is not likely to be material.

Credit risk with respect to trade receivable is managed by the Company through setting up credit limit and periodical review of credit worthiness of major customers. The Company has historically not faced significant challenges in collecting money from its customers and thus the credit exposure is assessed to be low.



22 Financial risk management (contd)

Expected credit loss for trade receivables under simplified approach:

The Company applies the simplified approach to provide for expected credit loss prescribed by Ind AS 109, which permits the use of lifetime expected loss provision for all the trade receivables. Determination of the amount of expected credit losses includes consideration of forward looking information. The loss allowance is determined as follows:

Particulars	Less than 6 months	More than 6 months	Total
As at 31 March 2021			
Gross carrying amount	56,853.94	2,343.40	59,197.34
Expected credit loss - measured at life-time	(568.54)	(1,774.86)	(2,343.40)
Carrying amount of trade receivables	56,285.40	568.54	56,853.94

Particulars	Less than 6 months	More than 6 months	Total
As at 31 March 2020			
Gross carrying amount	43,998.27	3,264.99	47,263.26
Expected credit loss - measured at life-time	(439.98)	(2,825.00)	(3,264.99)
Carrying amount of trade receivables	43,558.29	439.98	43,998.27

Particulars	Less than 6 months	More than 6 months	Total
As at 1 April 2019			
Gross carrying amount	42,567.26	1,375.30	43,942.56
Expected credit loss - measured at life-time	(425.67)	(949.63)	(1,375.30)
Carrying amount of trade receivables	42,141.59	425.67	42,567.26

Reconciliation of loss allowance provision

Particulars	31 March 2021	31 March 2020	1 April 2019
Opening provision for loss allowance	3,264.99	1,375.30	-
Add: Additional provision/ (reversals) - net	(833.09)	2,118.20	1,375.30
Less: Utilisation	(88.50)	(228.51)	-
Closing provision	2,343.40	3,264.99	1,375.30



22 Financial risk management (contd)

B. Liquidity risk

Liquidity risk is a risk where an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business, Company's treasury maintains flexibility in funding by maintaining availability of required funds.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2021

Contractual maturities of financial liabilities	Less than one year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivatives				
Trade payables	14,156.72	-	-	14,156.72
Other financial liabilities	1,420.54	-	-	1,420.54
Total liabilities	15,577.26	-	-	15,577.26

31 March 2020

Contractual maturities of financial liabilities	Less than one year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivatives				
Trade payables	4,566.01	-	-	4,566.01
Compulsorily convertible cumulative preference shares	-	-	16,91,670.06	16,91,670.06
Other financial liabilities	1,139.93	-	-	1,139.93
Total liabilities	5,705.94	-	16,91,670.06	16,97,376.00

1 April 2019

Contractual maturities of financial liabilities	Less than one year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivatives				
Trade payables	4,465.18	-	-	4,465.18
Compulsorily convertible cumulative preference shares	-	-	11,38,464.70	11,38,464.70
Other financial liabilities	1,077.14	-	-	1,077.14
Total liabilities	5,542.32	-	11,38,464.70	11,44,007.02



Market risk is a risk where the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price.

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR as follows:



Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)

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NOTES TO FINANCIAL STATEMENTS

(All amount in INR thousands, except share and per share data, unless otherwise stated)

24 Shared based payment expense

Tracxn Employee Stock Option Plan 2016 ("ESOP 2016" or "the Plan"): The Board vide its resolution dated 3 October 2016 approved ESOP 2016 for granting Employee Stock Options in the form of Equity Shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company. The eligible employees for the purpose of ESOP 2016 will be determined by the Board of Directors. Pursuant to the Extraordinary General Meeting held on 5 October 2016, the Board of Directors have been authorized to introduce, offer, issue and allot options to eligible employees of the Company under the ESOP 2016. The maximum number of shares under this Plan shall not exceed 229,294 shares. These Options shall vest not less than one year and not more than 4 years from the date of grant of such Options. The vested Options can be exercised only upon happening of a liquidity event as defined in the Plan and are exercisable at face value.

"Liquidity Event" shall mean any one or more of the following subject to the approval of the Board:

- (i) Listing, whereby the Shares of the Company get listed on any recognized Stock Exchange;
- (ii) Strategic Sale within the meaning of the ESOP 2016; and
- (iii) Any other event, which the Board may designate as a Liquidity Event for the purposes of the ESOP 2016.

Set out below is a summary of options granted under the plan:

Particulars	31 March 2021		31 March 2020	
	Number	Average exercise price per share option (INR)	Number	Average exercise price per share option (INR)
Opening balance	1,36,553	1	1,10,951	1
Granted during the year	32,491	1	34,037	1
Forfeited during the year	-14,779	1	-8,435	1
Exercised during the year	-	1	-	1
Closing balance	1,54,265		1,36,553	
Vested and exercisable*	1,11,232		98,207	

* Options are exercisable upon happening of a liquidity event as defined in ESOP 2016 scheme.

The weighted average remaining contractual life for options outstanding at the end of the period is 7.49 years (2020: 7.90 years)

The weighted average fair value of options granted as at grant date during the year ended 31 March 2021 was INR 1,851.94 per option (2020: INR 1,794.28). The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The model inputs for options granted during the year ended 31 March 2021 included:

Assumptions	31 March 2021	31 March 2020
Expected term (in years)	10 years	10 years
Expected forfeiture rate	10%	10%
Risk-free interest rate	6.20%	6.14%
Expected volatility	42.90%	33.73%
Dividend yield	0%	0%

Share based payment expense

Particulars	31 March 2021	31 March 2020
Shared based payment expense	27,276.29	24,810.09
Total share based payment expense	27,276.29	24,810.09



Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**CIN: U72200KA2012PLC065294****NOTES TO FINANCIAL STATEMENTS***(All amount in INR thousands, except share and per share data, unless otherwise stated)***25 Segment reporting****a) Description of segments and principal activities**

The Company is involved in the rendering of software subscription services to its customers. This subscription is given by way of access to the Tracxn Platform that hosts data that can be used by the customers. The Board of Directors review the operations of the Company as a whole as one single segment. Accordingly there are no separate reportable segments.

(b) Geographical information

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Particulars	Segment revenue	
	31 March 2021	31 March 2020
Geographical segment *		
India	1,29,231.77	1,06,815.91
United States of America	1,16,730.08	1,09,786.94
Other countries	1,91,824.86	1,56,739.36
Total	4,37,786.71	3,73,342.21

* There are no non-current assets which are outside India and hence no separate disclosures given.

(c) Information about major customers

There is no single customer who contributes more than 10% of the total revenue of the Company.



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NOTES TO FINANCIAL STATEMENTS

(All amount in INR thousands, except share and per share data, unless otherwise stated)

26 Related party transactions

A. Names of related parties and nature of relationship:

Ref	Description of relationship	Names of related parties
a)	Key Management personnel (KMP) Whole Time Directors	Neha Singh Abhishek Goyal
	Non-Executive Directors*	Vivek Kumar Mathur Ravi Chandra Adusumali
b)	Entity having significant influence over the Company*	Elevation Capital V Limited (formerly SAIF Partners India V Limited)

* No transactions have taken place during the current and previous year

B. Transactions with related parties (refer notes below)

Particulars	31 March 2021		31 March 2020	
	Neha Singh	Abhishek Goyal	Neha Singh	Abhishek Goyal
KMP compensation				
Short-term employee benefits	6,339.23	4,839.23	6,046.67	6,046.67
Post-employment benefits	293.24	(1,242.68)	482.37	607.38

Notes:-

The above excludes :

- expenses incurred in the ordinary course of business through prepaid corporate credit cards issued to whole time directors.
- modification made to Shareholders agreement on 30 March 2021, consequent to which certain CCPS were classified to Equity. Also refer note 11(b).



Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**CIN: U72200KA2012PLC065294****NOTES TO FINANCIAL STATEMENTS***(All amount in INR thousands, except share and per share data, unless otherwise stated)***27 Contingent liabilities**

The Company has the following contingent liabilities:

Particulars	31 March 2021	31 March 2020	1 April 2019
Claims against the company not acknowledged as debt	3,179.04	3,179.04	2,906.55
Income tax matters (Refer Note (a) below)	3,179.04	3,179.04	2,906.55
Total contingent liabilities			

- a) The Company had issued equity shares in the financial year 2013-14 to certain individuals at a premium for which the Assessing officer had added income in the hands of the Company amounting to INR 8,903.37 under Section 56(2)(vii b) of the Income Tax Act, 1961. During the year ended 31 March 2020, the Company has filed an appeal with the Income Tax Appellate Tribunal (ITAT), where the ITAT vide its order dated 23 October 2020 has ruled in the favour of the Company. Pending receipt of revised assessment order from the department, the Company continues to disclose the disputed amount as contingent liability. The amounts disclosed above is including interest amounting to INR 908.29 (2020: INR 908.29; 2019: 635.81).
- b) The Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir and Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No.C 1/1(33)2019/Vivekananda Vidya Mandir/284) dated 20 March 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.
- c) The cumulative amount of dividend payable INR 4 (2020: INR 3; 2019: INR 2) to CCPS holders has not been recognized as liability as the amount is not material.
- d) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

28 Commitments**Capital commitments**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is INR Nil (2020: INR Nil, 2019: INR Nil)

29 Earnings per share (EPS):

- a) The earnings per share has been calculated based on the following:

Particulars	31 March 2021	31 March 2020
Basic (loss) per share (In INR)	-0.55	-5.54
Diluted (loss) per share (In INR) [refer note (ii) below]	-1.52	-5.54

- b) Reconciliation between number of shares for basic and diluted EPS:

Particulars	31 March 2021	31 March 2020
Weighted average equity shares outstanding [refer note (i) below]	586,89,232	586,89,232
Weighted average CCPS convertible into equity [refer note (i) below]	387,90,795	387,86,995
Total weighted average number of shares outstanding considered for basic EPS	974,80,027	974,76,227
Adjustments for calculation of diluted earnings per share:		
Employee stock options [refer note (i) below]	59,23,085	57,30,608
CCPS [refer notes below]	6,89,208	6,53,380
Total Weighted average number of shares outstanding considered for diluted EPS [refer notes below]	1040,92,320	1038,60,214

- c) Reconciliations of earnings used in calculating earnings per share :

Particulars	31 March 2021	31 March 2020
(Loss) after tax attributable to equity holders of the Company	(53,476.60)	(5,40,328.37)
Less: Fair value gain/ (loss) on CCPS measured at FVTPL	1,04,634.48	(3,43,744.58)
(Loss) attributable to the equity holders of the Company used in calculating diluted earnings per share	(1,58,111.08)	(1,96,583.79)

Notes:-

(i) The earnings per share reflects the impact of bonus shares issuance in the ratio of 52:1 (refer note 34).

(ii) There are potential equity shares as on 31 March 2020 in the form of CCPS (financial liability in nature) and stock options granted to employees. As these are anti dilutive, they are ignored in the calculation of diluted earning/(loss) per share and accordingly the diluted earning/(loss) per share is the same as basic earnings/(loss) per share.



30 First-time adoption of Ind AS

Transition to Ind AS

The Company has decided to voluntarily adopt Ind AS for the financial year ended 31 March 2021 onwards. In accordance with the transition provision specified under Ind AS 101, the date of transition to Ind AS is 1 April 2019. These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2021, the comparative information presented in these financial statements for the year ended 31 March 2020 and in the preparation of an opening Ind AS balance sheet at 1 April 2019 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions :

A.1.1 Revenue from contracts with customers

When applying Ind AS 115 retrospectively, Ind AS 101 permits a first-time adopter an option not to restate completed contracts that begin and end within the same annual reporting period.

A.2 Ind AS mandatory exceptions :

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2019 are consistent with the estimates as at the same date made in conformity with previous GAAP.

The Company made estimates for the following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- a) impairment of financial assets based on expected credit loss model
- b) Fair valuation of CCPS carried at FVTPL

A.2.2 De-recognition of financial assets and liabilities

IND AS 101 requires a first time adopter to apply the de-recognition provisions of IND AS 109 prospectively for transactions occurring on or after the date of transition to IND AS. However, IND AS 101 allows a first time adopter to apply the de-recognition requirements in IND AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply to IND AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of IND AS 109 prospectively from the date of transition to IND AS.

A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**CIN: U72200KA2012PLC065294****NOTES TO FINANCIAL STATEMENTS***(All amount in INR thousands, except share and per share data, unless otherwise stated)***30 First-time adoption of Ind AS (Contd)****B Reconciliations between Previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

(i) Reconciliation of total equity as at 31 March 2020 and 1 April 2019

Particulars	Notes to first time adoption	31 March 2020	1 April 2019
Total equity (shareholder's funds) as per previous GAAP		2,91,673.14	2,52,241.75
Adjustments:			
Reclassification of CCPS and securities premium thereon to financial liabilities	5	(10,13,795.91)	(8,04,335.13)
Fair value adjustment for CCPS	5	(6,77,874.15)	(3,34,129.57)
Fair value adjustment for investments	2	47,570.20	57,253.92
Total adjustments		(16,44,099.86)	(10,81,210.78)
Total equity as per Ind AS		(13,52,426.72)	(8,28,969.03)

(ii) Reconciliation of total comprehensive (loss) for the year ended 31 March 2020

Particulars	Notes to first time adoption	31 March 2020
(Loss) after tax as per previous GAAP		(1,92,593.54)
Adjustments:		
Fair value adjustment for investments	2	(9,683.72)
Fair value adjustment for CCPS	5	(3,43,744.58)
Impact of share based payments	3	(2,245.94)
Re-measurement gains/ (losses) on Post employment benefits	1	7,939.41
Total adjustments		(3,47,734.83)
Loss after tax as per Ind AS		(5,40,328.37)
Other comprehensive loss, net of tax	1	(7,939.41)
Total comprehensive loss as per Ind AS		(5,48,267.78)

(iii) Impact of Ind AS adoption on the Statement of Cash Flows for the year ended 31 March 2020

There are no material adjustments to the Statement of Cash Flows as reported under previous GAAP.



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NOTES TO FINANCIAL STATEMENTS

(All amount in INR thousands, except share and per share data, unless otherwise stated)

30 First-time adoption of Ind AS (Contd)

C Notes to first-time adoption

Note 1: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

Note 2: Fair valuation of investments

Under previous GAAP, the Company was carrying its current investment at the lower of carrying amount and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value of these investments have been recognised as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2020.

Note 3: Employee share based payments expense

Under the previous GAAP, the cost of equity-settled employee share-based plan was recognised using the intrinsic value method. For options granted under graded vesting plan, the Company recognised the sharebased payment expense on a straight-line basis over the requisite service period for the entire award (i.e., over the requisite service period of the last separately vesting portion of the award) under the Previous GAAP. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options at the grant date. If the share-based payment is subject to different vesting periods, each of these instalments is accounted for as a separate award under Ind AS.

Ind AS 101 permits a first-time adopter to not consider the number of options, that have already vested as on the date of transition, for fair valuation. However, the Company has elected to apply Ind AS 102 retrospectively from the date of grant of options. The resulting impact have been adjusted against retained earnings on the date of transition with a corresponding increase in employees stock options reserve. Thus there is no impact on the total equity.

Note 4: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Note 5: Compulsorily convertible cumulative preference shares (CCPS)

Under the previous GAAP, CCPS issued to the investors were classified as equity and carried at transaction value.

The Company had CCPS to the investors. The terms of the instrument provided the holder an option to convert the instrument and also a right to put back the instrument to the Company on the event the Company is not able to conduct a successful qualified IPO within 7 years from the date of issue. On such occurrence, the Company will be obliged to buyback CCPS at a price equal the fair value of shares. Since the conduct of successful qualified IPO is not within the control the Company, the Company doesn't have an unconditional right to avoid settlement. Thus, these instruments are in the nature of hybrid instrument with embedded derivative in the form of settlement option and host non-derivative liability. The Company has taken the option to classify the entire CCPS at fair value through profit or loss instead of accounting for the host debt and the embedded derivative separately. On transition, this instrument is recorded at its fair value and difference between its fair value and the carrying amount as per previous GAAP is recognised in the retained earnings.

Note 6: Retained earnings

Retained earnings as at 1 April 2019 has been adjusted consequent to the above Ind AS transition adjustments.



Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**CIN: U72200KA2012PLC065294****NOTES TO FINANCIAL STATEMENTS***(All amount in INR thousands, except share and per share data, unless otherwise stated)***31 Leases**

The Company has taken certain office premises on lease. Rental contracts are typically made for 1 to 3 years, but may have extension options as described in note iii below. The notice period for such leases is 2-3 months where either party can terminate the lease without any significant penalty or loss. Accordingly, the Company has elected to take short-term exemption for leases based on management assessment.

i) Amounts recognised in the Statement of Profit and Loss

Particulars	Note	31 March 2021	31 March 2020
Expenses relating to short-term leases (included in other expenses)	19	22,877.16	41,374.10

ii) Total cash outflow for leases for the year ended 31 March 2021 was INR 22,877.16 (2020 -INR 41,374.10)

iii) Extension and termination options are included in property lease agreements. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. Extension and termination options held are exercisable by both the Company and the lessor. Extension options have not been included in the lease term as exercising this option is currently not reasonably certain.

32 Dues to micro and small enterprises

Sr No	Particulars	31 March 2021	31 March 2020	1 April 2019
(i)	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	99.67	57.07	39.87
(ii)	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	-
(iii)	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	145.80	-
(iv)	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	-
(v)	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	2.35	3.00
(vi)	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-	-
(vii)	Further interest remaining due and payable for earlier years	-	-	-

33 Impact of Covid

The COVID-19 outbreak has spread rapidly during the last few months. Governments across the globe have undertaken various measures to contain the spread of the virus including restrictions on travel, social distancing and other emergency measures. The Company continues to provide services to its customers uninterruptedly despite the lock-down and other restrictions.

Management has carried out the impact assessment of the pandemic on the operations of the Company and believes that there is minimum disruption to the operations of the Company. As at the year end, the management has assessed the recoverability of the carrying values of property, plant and equipment, trade receivables, investments, other assets and carrying value of liabilities and believes that no adjustments are required to be made in respect of such assets and liabilities as at 31 March 2021. Management has also assessed the liquidity position of the Company for next 12 months and basis that assessment believes that the Company will be able to meet all its financial obligations with the existing cash and bank balances and the projections of future cash inflows.

As explained above, management has considered all possible impacts of known events arising from COVID-19 pandemic in the preparation of these financial statements and therefore, believes that the current pandemic is not likely to have a material Impact on the operations and financial position of the Company. The Company will continue to closely monitor any material changes to future economic conditions.



Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**CIN: U72200KA2012PLC065294****NOTES TO FINANCIAL STATEMENTS***(All amount in INR thousands, except share and per share data, unless otherwise stated)***34 Events after the reporting period**

Subsequent to the year end:

(i) The Company has converted from a Private Limited Company to a Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 7 July 2021 and consequently the name of the Company has been changed to "Tracxn Technologies Limited" pursuant to a fresh certificate of incorporation dated 28 July 2021 issued by the Registrar of Companies.

(ii) The Board of Directors and shareholders of the Company at their meeting held on 21 July 2021 and 23 July 2021 respectively, have approved conversion of 744,137 CCPS having face value of INR 10 each into 744,137 equity shares having face value of INR 1 each. Post the above conversion, the Company has approved the capitalisation of securities premium on account of issuance of bonus shares in the ratio 52 :1 per fully paid equity share having face value of INR 1 per share.

Particulars	Number of shares
Number of equity shares as at 31 March 2021	11,07,344
Add: CCPS converted into equity shares in July 2021	7,44,137
Number of equity shares post conversion of CCPS	18,51,481
Number of Equity shares after issuance of bonus shares (52 bonus shares for each equity share)	981,28,493

35 These financial statements for the year are approved for issue by Company's Board of Directors on 5 August 2021.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants



Mohan Danivas S A
Partner
Membership Number:
Place: Bengaluru
Date: 5 August 2021

For and on behalf of the Board of Directors of
Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)



Neha Singh
Director
DIN: 05331824




Abhishek Goyal
Director
DIN: 00423410



Prashant Chandra
Chief Financial Officer

Place: Bengaluru
Date: 5 August 2021



Megha Bohra
Company Secretary
M. No. A39158

Place: Bengaluru
Date: 5 August 2021

