

# Building an Iconic Global Data Platform,



*from India  
for the World*

# Contents

## CORPORATE REVIEW

About Tracxn .....	02
FY24 Highlights .....	04
Our Journey .....	05
Letter to the Shareholders .....	06
Board of Directors .....	08
Investors that have Backed Us .....	10
Performance Summary .....	12

## STATUTORY REPORTS

Management Discussion and Analysis.....	14
Board's Report.....	42
Corporate Governance Report .....	58

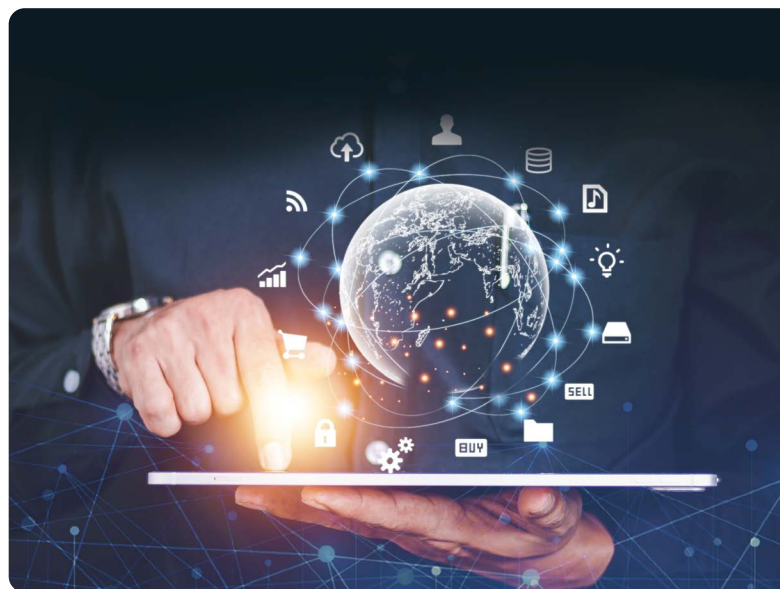
## FINANCIAL STATEMENTS

Independent Auditor's Report.....	80
Standalone Financial Statements.....	92

## SAFE HARBOUR

This annual report is prepared by Tracxn Technologies Limited (hereinafter called the "Company") solely for information purposes and does not constitute an offer, solicitation, recommendation, or invitation to purchase or subscribe to any securities. It shall not form the basis of or be relied on in connection with any contract or binding commitment whatsoever. This document may contain words or phrases that are forward-looking statements that involve risks and uncertainties and are based on certain beliefs, plans, and expectations of the Company and its management. Actual future performance, outcomes, and results may differ materially from those expressed in forward-looking statements because of various risks, and external factors having a bearing on the Company's business. The Company, its affiliates, shareholders, directors, employees, or advisors do not make any representation or warranty, expressed or implied. The Company expressly disclaims any obligation to publicly amend or disseminate any updates or revisions to any information or statement contained in this document.

To facilitate understanding, some non-GAAP metrics are used and financial amounts are converted from ₹ Lakhs into ₹ Crores in this report, hence, there could be some totalling anomalies in the numbers. The definitions for the non-GAAP metrics are available under the 'Definitions' section at the end of the Management Discussion and Analysis Report.



## About the Report

This is an annual report of Tracxn Technologies Limited, covering the Company's performance in the financial year ending March 31, 2024, along with key aspects of the business, performance, technology, industry and market. The Report covers financial and non-financial information and activities of Tracxn Technologies Limited for the period from April 1, 2023 to March 31, 2024 and the report has been prepared in accordance with the Companies Act, 2013 (and the Rules made thereunder), the Indian Accounting Standards, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

# Building

an Iconic Global  
Data Platform,

*from India  
for the World*

○ We believe technology can solve some of the toughest problems, and one such problem is high quality information about global private markets. We are committed to providing industry-leading research and data for private markets globally. Today we are proud to be one of the top private market intelligence players in the world.

# About Tracxn

## Tracxn at A Glance

Tracxn is a leading market intelligence platform that provides data and software for the global private markets. Founded in 2012 by venture capital investors and IIT graduates Abhishek Goyal and Neha Singh, Tracxn offers a subscription based platform to provide comprehensive private company data, including transactions, financials, shareholding and valuations for deal sourcing, M&A opportunities, deal diligence, private markets analysis, and tracking emerging themes.



Tracxn has a global customer base spanning over 50 countries; and customers including private market investors (venture capital funds, private equity funds) & investment banks; M&A, corporate development, innovation teams at large corporations; and others, such as government and educational institutions. Operating on a Software-as-a-Service (SaaS) model, Tracxn's business exhibits high operating leverage, an asset-light structure, and benefits from the cost advantage of being based out of India while providing services to a global customer base.

# 50+

**TRACXN HAS A GLOBAL CUSTOMER BASE SPANNING OVER 50 COUNTRIES**

## OUR STORY

Tracxn was conceptualized by its founders Neha Singh and Abhishek Goyal, who both independently arrived at this idea while working as private market investors at venture capital funds Sequoia Capital and Accel Partners respectively. They spent disproportionate amounts of time collating information while investing in the private markets - to find new upcoming companies in emerging sectors, map the competition landscape of companies, look at companies & business models scaling globally across countries, and much more. A decade earlier this problem resonated with almost every private market investor who was building this information themselves.

Having a technical background and holding degrees in Computer Science from the Indian Institute of Technology Bombay (IIT Bombay) and the Indian Institute of Technology Kanpur (IIT Kanpur), Neha and Abhishek wondered if a global data platform could be built in this space similar to what was available for public market investors. After over a year of deliberation, the coders-turned-investors began building the platform, which they wished existed when they were investors themselves.

Drawing parallels from the parallel public markets, they realized that public market investors had access to multiple platforms globally and the companies providing these platforms had huge revenues, were highly profitable and cash-rich. Similar platforms for private markets was a massive & unserved opportunity as from being a negligible part, the private markets were becoming a sizable portion of most Limited Partners' asset allocation, indicating a large and growing space, thus accelerating the demand for private market data.

They started working on launching Tracxn in 2012 while Neha was still attending Stanford Graduate School of Business. They got into Lightspeed's summer fellowship program, where they got the opportunity to work with some of the senior partners at Lightspeed Venture Partners to help with the initial product development.

Tracxn was formally launched in 2013 for US investors and later expanded its coverage for investors in India & other countries. As of now, Tracxn has customers from over 50 countries and covers more than 3 million entities worldwide.

# FY24 Highlights

## REVENUE & GROWTH

**82.8 Cr.**

REVENUE FROM OPERATIONS

**6.0%**

REVENUE FROM OPERATIONS GROWTH

**87.0 Cr**

TOTAL INCOME

**7.2%**

TOTAL INCOME GROWTH

## INTERNATIONAL REVENUE

**66%**

INTERNATIONAL REVENUE

**50+**

CUSTOMERS IN 50+ COUNTRIES

REVENUE CONTRIBUTION (%) BY THE 4 GEO REGIONS

**32%**

AMERICAS

**23%**

EMEA

**10%**

APAC

(excluding India)

**34%**

INDIA

## PROFITABLE OPERATIONS

**4.6 Cr.**

EBITDA

**5.5%**

EBITDA MARGIN

**2.2%**

EBITDA MARGIN EXPANSION<sup>1</sup>

**6.5 Cr.**

PAT

**7.9%**

PAT MARGIN

**1.0%**

PAT MARGIN EXPANSION<sup>1</sup>

**10.3 Cr.**

FREE CASH FLOW<sup>2</sup>

**75.2 Cr.**

CASH & CASH EQ<sup>3</sup>

## LARGE LEADS FUNNEL

**16.4 M**

VISITS ON OUR PLATFORM

**79%**

YOY GROWTH RATE

**7.2 M**

YOY GROWTH (absolute)

**3,000+**

MEDIA MENTIONS

**720**

TEAM MEMBERS

Note:

<sup>1</sup> For the year FY23, EBITDA and PAT have been adjusted for IPO expense (reimbursable to the company) and deferred tax

<sup>2</sup> Adjusted for tax amounts received upon exercise of ESOPs, pending payment to Income Tax

<sup>3</sup> Includes Cash in bank and payment gateways + Investments & Bank deposits + Security deposit paid against IPO - tax amounts received upon exercise of ESOPs, pending payment to Income Tax.

# Our Journey

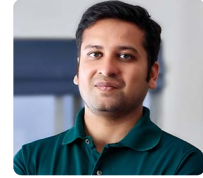
2012

Company  
incorporated

2013-15



SACHIN BANSAL



BINNY BANSAL

- Platform Launched
- Raised Angel funding from marquee investors

2017-19

Accel ELEVATION KB

PRIME VENTURE PARTNERS SEQUOIA

- Launched 'Tracxn Score', reports and live chat features
- Launched personalised dashboards on our platform
- Launched a portfolio tracker and an acquisitions database on our platform

2015-16

ELEVATION



RATAN N TATA



NRJN FAMILY TRUST

- 'Top 100 Analytics Startups of 2015' - Forbes
- Raised Series A funding from Angel and Corporate Investors

2020-21



- Crossed customers in 50+ countries
- Launched advanced search feature within platform
- Launched a collection of sector-based newsletters on the platform

2021-22

LISTED ON



- Became a public listed company on October 20, 2022
- Launched updated Home Dashboard with personalised feed

CURRENT

Amongst the Leading **global market intelligence providers** for private company data

# Letter to the Shareholders

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 **Neha Singh**



 **Abhishek Goyal**

Dear Shareholders,

FY24 has been a year of resilience and continued growth for Tracxn. Globally, it was perceived as a challenging period for private market funding, with terms like "funding winter" frequently making headlines. Global funding reached a near six-year low, decreasing by nearly 44% compared to the previous year, with funds raised by Indian companies down by about 70%. As a key market player, we also felt the impact. However, despite these challenges, our business has remained resilient and has continued to grow year-on-year.

Additionally, due to our recent aggressive focus on various growth initiatives, we had one of the highest volume growth in the last quarter of FY24. We expect this momentum to further accelerate as markets improve.

Our Revenue from Operations for the year stood at INR 82.8 crores. We continued to have profitable operations with an expanded bottomline, ending the year with an EBITDA of INR 4.6 crores and a PAT of INR 6.5 crores, with EBITDA and PAT margins of 5.5% and 7.9%, respectively. We generated INR 10.3 crores of Free Cash Flow and ended the year with about INR 75.2 crores cash and cash equivalents. Due to the high operating leverage of the SaaS business model, a significant portion of incremental revenue flows directly to the bottom line. In FY24, 43% of the incremental revenue was added to the EBITDA. In FY23 and FY22, this was 31% and 77% respectively.

We continued to expand our global footprint, both in terms of our customer base and our coverage of private markets. Our customer base expanded to 1,312 active accounts across over 50 countries with nearly 66% of the total revenue coming from

international customers as of March 31, 2024. The top five countries based on the number of customer accounts included US, Singapore, Germany, UK, in addition to India.

We also continued to expand the database on our platform with details of over 3.0 million global entities available on the platform as of the year end, a 40% increase from last year. One of the key focus areas this year was increasing the regulatory data on our platform. In line with the customer demand, we have increased the coverage of private company financials and cap tables on the platform multifold. Today we track private company financials in over 20 countries and private company captables in over 15 countries. We launched a Legal Entities database featuring millions of legal entities across multiple countries as of the end of December 2023 to help investors to screen through legal entities registered in various countries, particularly the late stage private market investors. We believe this will also help increase our pace of customer acquisition in customer segments like private equity funds and investment banks.

We also invested in several sales & marketing initiatives this year to expand our customer base. One of the key initiatives was the formation of specialized business development teams for segments like universities, private equity firms, and startups. This approach has shown very good initial success, as different customer segments, although served by the same platform, have distinct use cases and workflows. Another key initiative we launched was "Tracxn Lite", which allows users to access nearly all features of the Tracxn platform simply by signing up with their official email ID. This aims to showcase the platform's value proposition and drive product-led growth. We saw a very strong response to this launch with over 15,000 sign-ups in just the first 3 months of the launch and the monthly active users crossing 7,000. Additionally, we have also been focusing on customer expansion initiatives. The number of users added in Q4FY24 was an all-time high in addition to the account additions being at an all-time high in the same quarter.

Generative AI has emerged as a transformative technology, gaining widespread traction and attention. At Tracxn, we have also been actively leveraging Generative AI across various functions - including data production across modules and improving data accuracy. We are also exploring Gen AI capabilities in our GTM funnel for reach outs, content writing, automation of day-to-day tasks etc. The initial results have been very promising and are helping us to reduce manual tasks, drive efficiency and increase the throughput of data production. We continue to explore additional avenues for leveraging this innovative technology.

India has long been recognized as a global hub for back-office operations, supporting various large data companies. We believe it's time to elevate this role from being just a support center to becoming a leader in the global data industry. Our aim is to build a world-class, large-scale global data platform out of India, leveraging the country's vast talent pool, technological expertise, and deep understanding of diverse markets.

As we look forward to another year of growth and progress, we would like to thank our shareholders for their continued support and confidence in our vision.

If you have any questions, please write to us at [investor.relations@tracxn.com](mailto:investor.relations@tracxn.com).

**Sincerely,**

**Neha Singh**

CHAIRPERSON AND MANAGING DIRECTOR

**Abhishek Goyal**

VICE-CHAIRMAN AND EXECUTIVE DIRECTOR

# Board of Directors



**Neha Singh**  
CHAIRPERSON AND  
MANAGING DIRECTOR



Neha Singh is the Co-founder of Tracxn. Prior to Tracxn, Neha was an investor with the venture capital fund Sequoia Capital and investing in private markets. Before Sequoia Capital, she was a consultant at Boston Consulting Group. Neha holds a Bachelor's and Master's degree in Technology, with specializations in Computer Science and Engineering, from the Indian Institute of Technology Bombay where she was awarded the Institute Silver Medal. She pursued her post-graduate studies in MBA from the Stanford University (officially Leland Stanford Junior University) Graduate School of Business.

Over the years, Neha has received numerous accolades and she was also amongst LiveMint's list of 100 women entrepreneurs who are building and shaping India. Previously Neha also featured in the Fortune 40 under 40 by Fortune India magazine and was awarded the 'Most Powerful Women - Rising Stars Award' by Business Today, 'Outstanding Women Award' by Outlook Business, and received the Google Women in Engineering Award recognizing women student achievers in the field of Computer Science.



**Abhishek Goyal**  
VICE CHAIRMAN AND  
EXECUTIVE DIRECTOR



Abhishek Goyal is the Co-founder of Tracxn. Abhishek began his career with technology firms Yahoo & Amazon and later, he was an investor at Accel Partners. At Accel Partners, Abhishek was a part of the deal team which wrote the first cheques to Flipkart (acquired by Walmart) and CommonFloor. He holds a Bachelor's degree specializing in Computer Science and Engineering, from the Indian Institute of Technology, Kanpur.

He was amongst the top 100 rankers in IIT JEE in the batch of 1998. He has been the recipient of various recognitions which includes being featured in the Fortune 40 Under 40 list consecutively in 2018 and 2019 and LiveMint's 25 people who matter in the Indian e-commerce.



**Brij Bhushan**  
INDEPENDENT DIRECTOR



Mr. Brij Bhushan is the Co-founder of Magicpin. He has over 15 years of professional experience in strategy, venture capital and growth technology. Previously he was an investor with the venture capital fund Nexus Venture Partners. Brij has also worked at Bain & Co. in San Francisco, USA and India, as a Consultant for Strategy and Operations for clients across Consumer, Technology, Education, Retail and Telecom services sector.

He holds a Bachelor's degree in Computer Science and Engineering, from Maharshi Dayanand University, Rohtak and Post-Graduate Diploma in Management from the Indian Institute of Management, Bengaluru.

## LEGEND

**A** - Audit Committee**C** - Corporate Social Responsibility Committee**N** - Nomination And Remuneration Committee**S** - Stakeholders' Relationship Committee Chairperson Member**Nishant Verman**

INDEPENDENT DIRECTOR



Mr. Nishant Verman is presently the CEO and Co-founder of Bazaar.com. In his previous stint, Nishant has held the position of the Director of Corporate Development at Flipkart, where he also joined the board of directors of MapMyIndia as a representative of Flipkart. He has also worked on various strategy, investments and corporate development related roles at Canaan Partners and Microsoft and as an Investment Banker with Morgan Stanley, in the USA.

He has an M.B.A. degree from the Kellogg School of Management in International Business & Marketing. He also holds a Master's degree in Computer Science from Stanford University, and a Bachelor's degree from The University of Michigan, Ann Arbor.

**Payal Goel**

INDEPENDENT DIRECTOR



Mrs. Payal Goel is currently working as a Principal of Corporate Development at Google India, where she has led multiple transactions including Google's investment into Bharti Airtel, Open Money, NoBroker and Glance. She has more than 15 years of experience, out of which 13 years as an investor working with Private Equity, Venture Capital and Corporate Development teams. Mrs. Payal brings with her rich investing experience that spans different sectors and stages, while evaluating and collaborating with companies on their growth journey. She has previously worked at Peepul Capital Advisors, Aspada Investment Advisors Private Limited and Flipkart Internet Private Limited.

She holds a Bachelor's degree in Arts, with Honors, from the University of Delhi and Post-Graduate Program in Management from the Indian School of Business, Hyderabad.

**Rohit Jain**

INDEPENDENT DIRECTOR



Mr. Rohit Jain is the Co-founder and Partner at Pravega Ventures, a technology focused Venture Capital Fund. Rohit has more than 15 years of technology and product experience having worked at companies like Google, Microsoft, and IBM Research, across US & India. He holds multiple patents and has also published a number of research papers. In the past as an Investor at SAIF Partners (currently Elevation Capital), he led investments and served on boards of many companies like NoBroker, Walnut, Qikwell, CoverFox and AutoNinja.

He holds a B-tech degree in Computer Science from the Indian Institute of Technology, Delhi and a Master's degree in Computer Science from the University of North Carolina.

# Investors that have **Backed Us**





We have been fortunate to get the backing of some leading institutional investors and marquee angel investors.

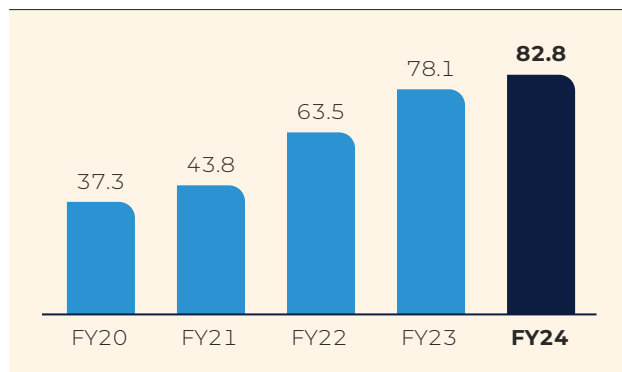
In our journey as a private company, we had the support of prominent Institutional Investors, including Elevation Capital, Accel Partners, Sequoia Capital, Prime Venture Partners, KB Investment, 3one4 Capital, Beenext and marquee angel investors, including Mr. Ratan Tata, NRJN Family Trust, Sachin Bansal and Binny Bansal (founders of Flipkart), Sahil Barua (founder of Delhivery), Girish Mathrubootham (founder of Freshworks), Anand Rajaraman, Amit Ranjan (founder of SlideShare) amongst others.

As we transitioned from a private company to a publicly listed company, we were fortunate to get some leading and marquee investors in our anchor book: Abakkus, BNP Paribas, ICICI Prudential, Kotak Mahindra Mutual Fund & Kotak Mahindra Life Insurance, Motilal Oswal, Nippon Life, Reliance General Insurance, Tara Emerging Capital and White Oak Capital.

# Performance Summary

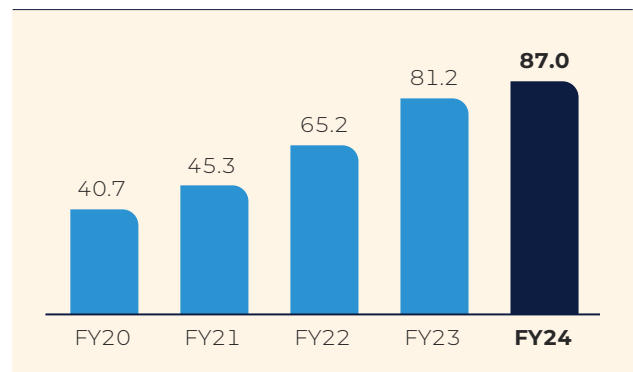
## Revenue from Operations

(In ₹ Crore)



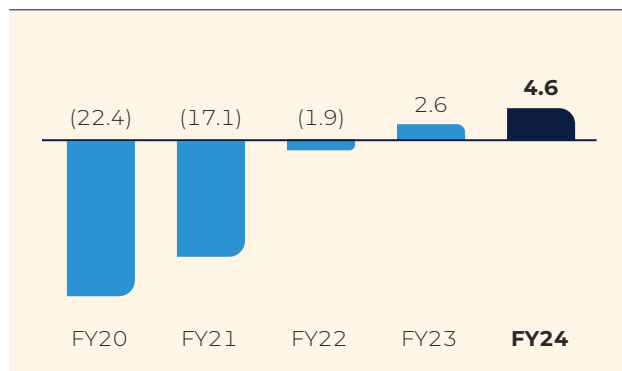
## Total Income

(In ₹ Crore)



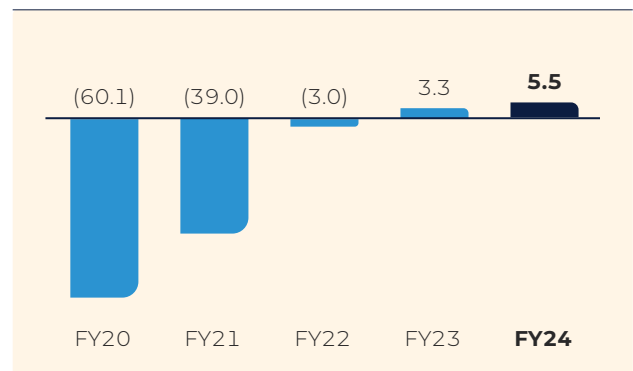
## EBITDA<sup>1</sup>

(In ₹ Crore)



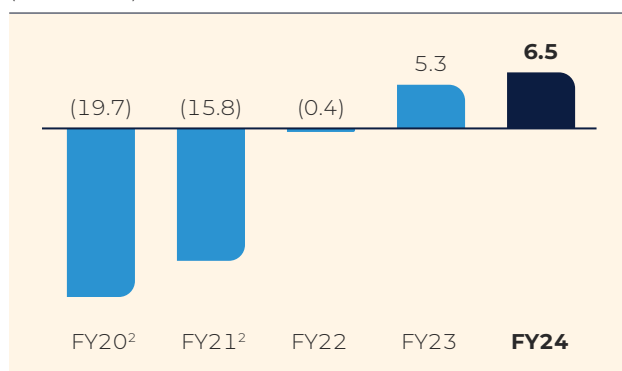
## EBITDA Margin<sup>1</sup>

(In %)



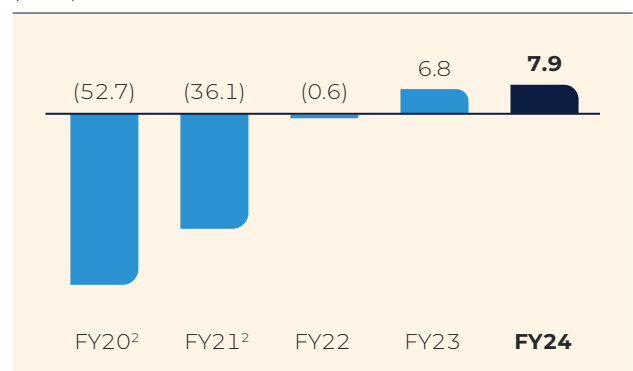
## PAT<sup>1</sup>

(In ₹ Crore)



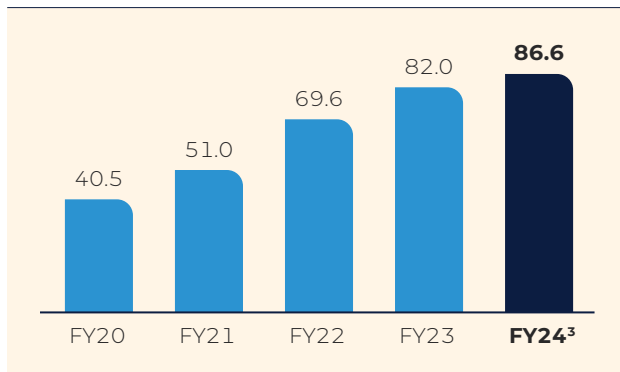
## PAT Margin<sup>1</sup>

(In %)

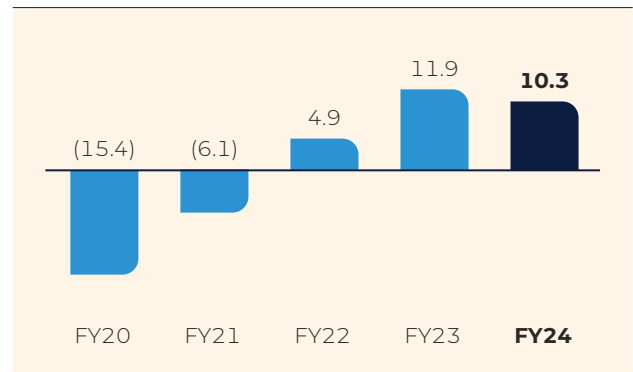


**Contract Price**

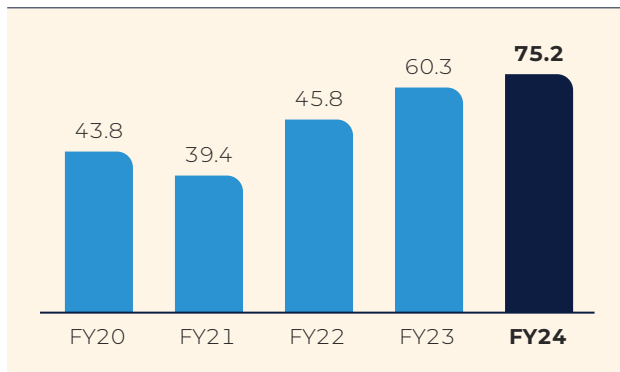
(In ₹ Crore)

**Free Cash Flow<sup>1,4</sup>**

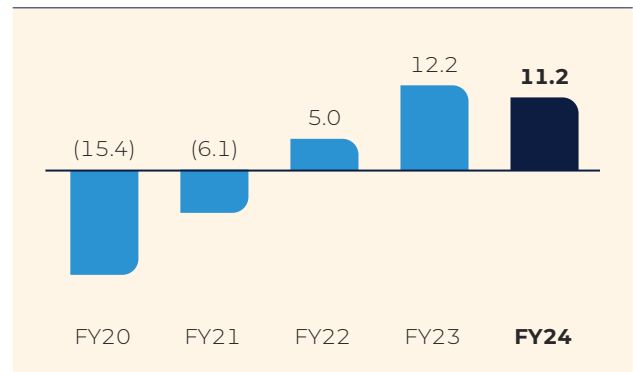
(In ₹ Crore)

**Cash and Cash Equivalents<sup>1,5</sup>**

(In ₹ Crore)

**Net Operating Cash Flow<sup>1,4</sup>**

(In ₹ Crore)



<sup>1</sup> Adjusted for IPO Expense (reimbursable to the company) and Deferred tax for FY22 & FY23

<sup>2</sup> PAT adjusted for Fair Value gain/(loss) on CCPS for FY20 & FY21

<sup>3</sup> Adjusted for proforma bills wherein invoice is to be raised after payment is received

<sup>4</sup> Adjusted for tax amounts received upon exercise of ESOPs, pending payment to Income Tax

<sup>5</sup> Cash & cash eq - Includes Cash in bank and payment gateways + Investments & Bank deposits + Security deposit paid against IPO - tax amounts received upon exercise of ESOPs, pending payment to Income Tax.

# Management Discussion and Analysis

## 1. INDUSTRY OVERVIEW - GROWING PRIVATE MARKETS

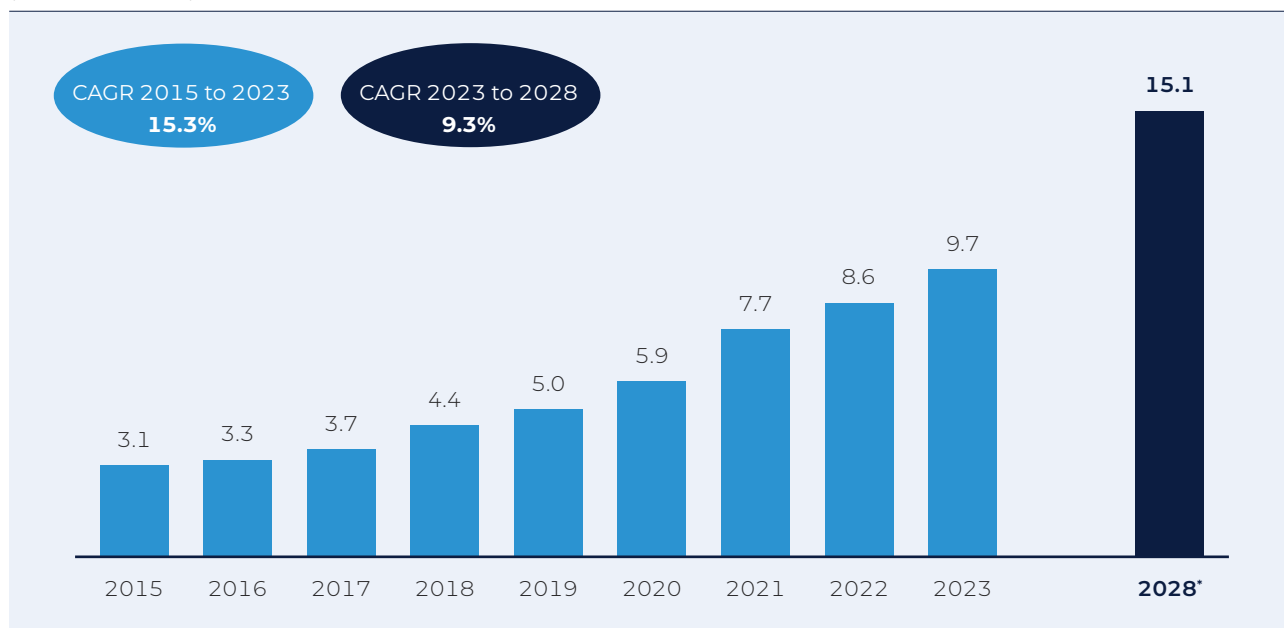
Private companies across the world are increasing in numbers and playing a key role in launching new products and services, improving workforce skills, introduction of cutting edge technologies and more importantly, creating better work opportunities for the skilled workforce worldwide. The growth is fuelled by decreased cost of launching a product and company, access to global markets, availability of capital and increased ease of doing business. These private companies have not only become a large part of products and services which global enterprises and consumers use, but have also helped in creating millions of jobs globally. As per the report on Economic contribution of the US private equity sector prepared for the American Investment Council by Ernst & Young - In 2022, the US private

equity sector directly employed 12 million workers earning \$1 trillion in wages and benefits and generated \$1.7 trillion of gross domestic product (GDP) in the United States in 2022.

In line with this growth, the private market AUM has crossed \$9 trillion globally and private markets have become a sizable allocation for most LPs (limited partners) today. The capability of private market investments to provide capital to a wide range of companies at different stages and various sectors, including high-growth technology startups, makes private market investments an integral part of the portfolio of limited partners for diversification and generating alpha.

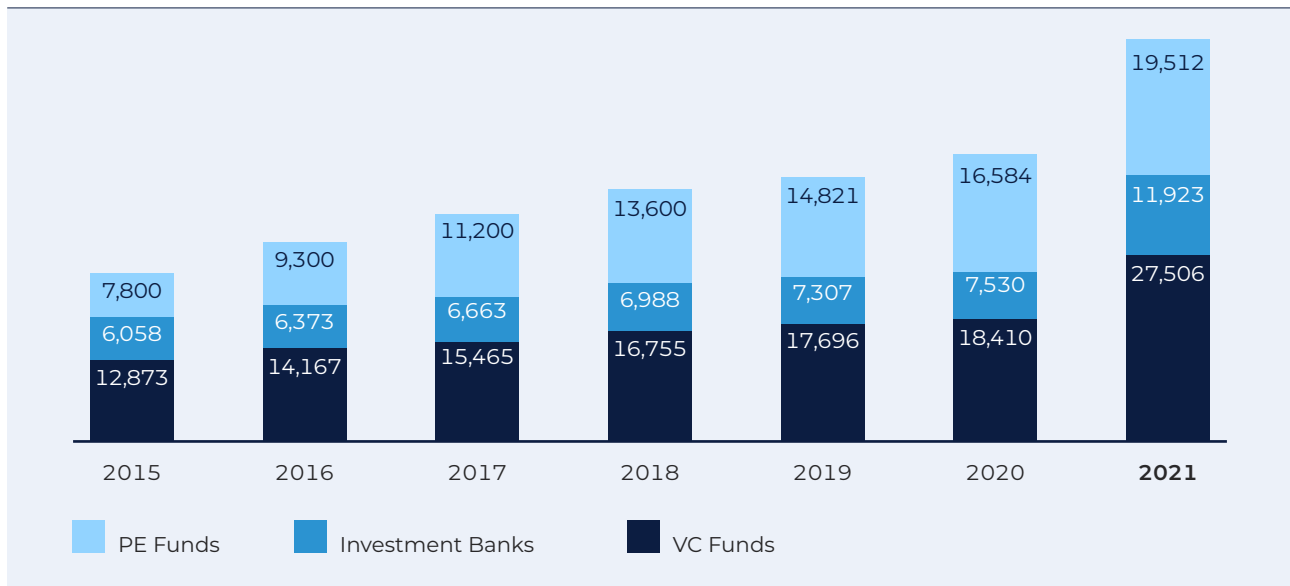
### Private market AUM growth

(In USD trillion)



\* Projected number  
Source: According to internal estimates.

### Number of VC Funds, Investment Banks and PE Firms globally, CY2015-2021\*



Note: Approximate values based on the secondary inputs

\*Source: As per the report on Global Information Services by Frost & Sullivan, commissioned by the company

Public markets have already proved the need for financial data platforms and this space has created multiple large revenue companies. Most of these are also highly cash-rich, profitable companies generating good amounts of free cash flow. As per our internal estimates, the combined revenues of companies providing data for the public markets exceed \$35B annually.

Private markets have also become significant in terms of the AUM as well as the number of institutions and investors investing in this asset class. Hence, we believe that this space will also create multiple large data companies. As per our internal estimates, the number of addressable organizations as potential subscribers for private market data - across venture capital funds, private equity funds, large corporates, investment banks, family offices, limited partners, accelerators & incubators, debt funds, etc. - are in excess of 100,000 organizations globally. Currently, the market penetration in the private market data sector is low, presenting a unique opportunity to establish a large private data company.

## 2. COMPANY OVERVIEW

Tracxn is a leading market intelligence platform providing data & software for the private markets globally. We offer comprehensive private company data through our subscription-based platform, used by private market investors and corporates for deal sourcing, identifying M&A opportunities, deal

diligence, private markets analysis and tracking emerging themes across industries.

Based out of Bangalore, India, Tracxn was founded in 2012 by venture capital investors - Neha Singh & Abhishek Goyal. As investors, both of them struggled with lack of enterprise grade information similar to what public market investors had, so with a background in computer science engineering, they decided to leverage technology to solve this problem for private market investors and started building Tracxn.

Catering to the large and fast growing private market, our customer segment includes private market investors & investment banks which includes venture capital funds, private equity funds, family offices and investment banks; M&A and corporate development and innovation teams at large corporations, including many Fortune 500 companies.

Our customers also include government and educational institutions. We have a global customer base, with nearly 66% of the revenue coming from international spanning over 50 countries.

Tracxn follows a SaaS model where access to our platform is available by subscribing on a user basis upon upfront payment of subscription fee, similar to the business model of many companies that provide public market financial data. Our platform provides comprehensive information on the private markets including global private company data,

transactions, financials, shareholding, valuations, competition mapping, benchmarks, emerging technology sectors, reports and more.

Our business model has a high operating leverage, since post the initial investment in the technology and data platform, the cost to serve incremental customers is very low. This has resulted in a steady margin expansion across the last three financial years. Additionally, though we cater to a global customer base, our entire production is based in India. This helps us with a significant and long-lasting cost advantage of make-in-India while selling globally. The business is asset-light and has been debt free since inception. The business has also been profitable in FY24 with positive EBITDA, PAT, and free cash flows.

Prior to the IPO of the company in October 2022, the company raised INR 113 Cr. from private market investors such as Elevation Capital, Accel Partners, Sequoia Capital, Prime Venture Partners, 3one4 Capital KB Global, WGG International, Beenext, Venture Highway Capital, Apoletto Asia, Millways fund and marquee Angel Investors like Mr. Ratan Tata, NRJN Family Trust, Sachin Bansal and Binny Bansal (founders of Flipkart), Sahil Barua (founder of Delhivery) Rathna Girish Mathrubootham (founder of Freshworks), Amit Ranjan (founder of SlideShare) amongst others. The company's shares were listed on October 20, 2022; on NSE and BSE mainboards, with an anchor book participation from marquee investors like Abakus, BNP Paribas, ICICI Prudential, Kotak Mahindra Mutual Fund & Kotak Mahindra Life Insurance, Motilal Oswal, Nippon Life, Reliance General Insurance, Tara Emerging Capital and White Oak Capital.

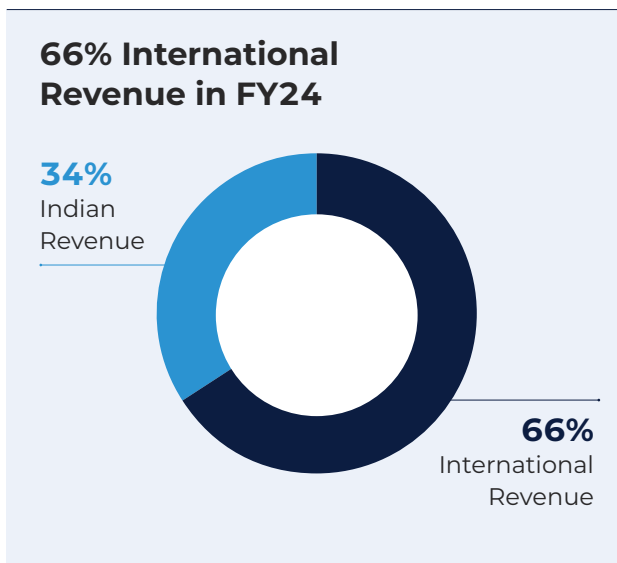
### 3. CUSTOMER SEGMENTS

Our customer base is global and includes the investment industry in terms of private market investors & investment banks - venture capital funds, private equity funds; corporate development teams, M&A teams and innovation teams at large corporations including multiple Fortune 500 companies and others including government agencies, academic institutions, accelerator & incubators, amongst others.

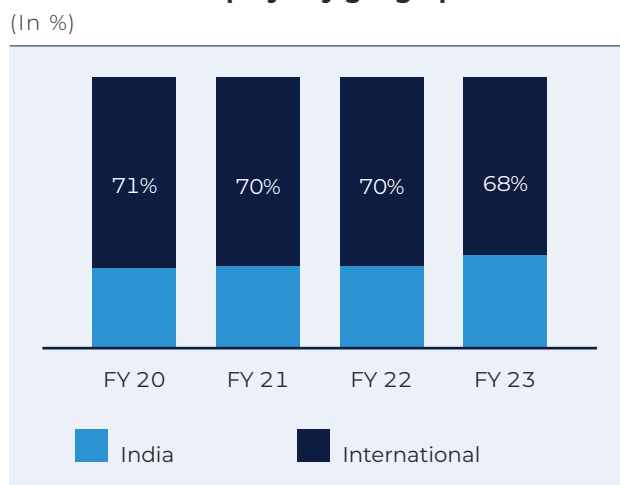
#### a. Customers segments by geography

Nearly 66% of our revenue in FY24 was from international customers, the ratio of our India & international revenue has been in this same range across the last three financial years as shown below.

Our coverage of private companies is global. We aggregate information about private companies from English as well as non-English language sources including in languages like German, French, Swedish, Korean, Dutch, Greek to name a few. The customers in each country typically use it for scouting companies within their local geographies.



#### Revenue breakup by key geographies



## Revenue contribution (FY 24)

(In %)



As on March 31, 2024, we have an active customer base of 1,312 customers spanning over 50 countries and the top 5 countries by number of customers were India, USA, Singapore, UK and Germany.

(In ₹ Crore)

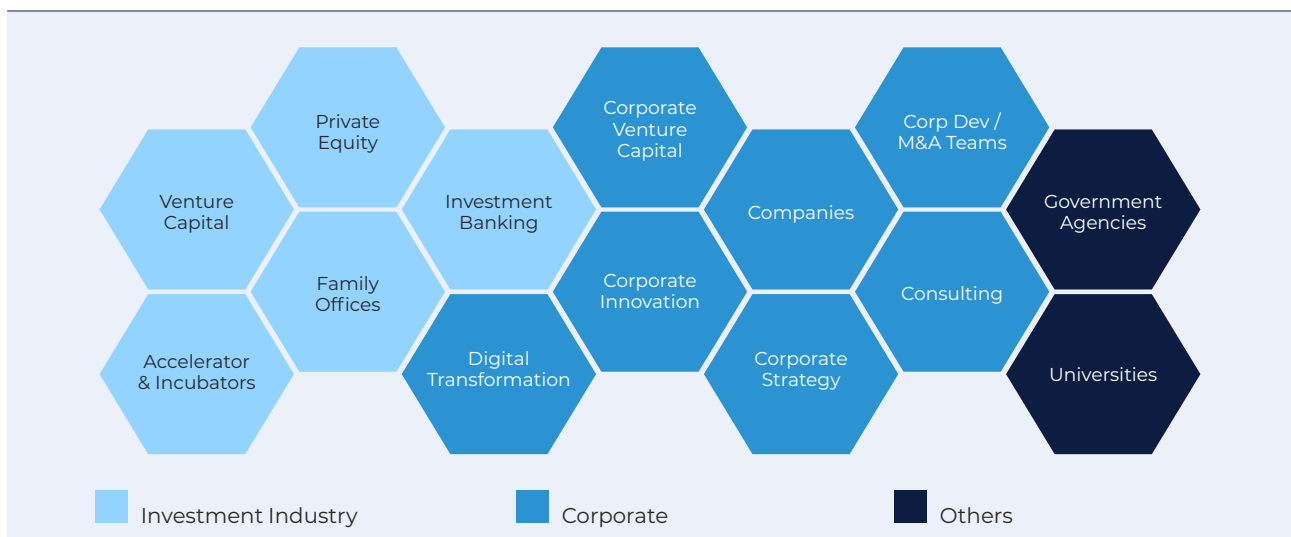
Geography	FY 21	FY 22	FY 23	FY 24	3Y CAGR
Americas	12.5	18.6	24.1	<b>26.7</b>	28.8%
APAC (excl. India)	4.8	6.9	8.1	<b>8.3</b>	20.3%
EMEA	13.6	19.2	20.8	<b>19.3</b>	12.5%
India	12.9	18.8	25.0	<b>28.4</b>	30.1%
<b>Total</b>	<b>43.8</b>	<b>63.5</b>	<b>78.1</b>	<b>82.8</b>	<b>23.7%</b>

### b. Customers by type

The main customer segments that we work with are:

- Private market investors and investment banks which includes venture capital funds; private equity funds, family offices and investment banks.
- Corporates, where we work with multiple accounts like, the corporate development teams, M&A teams and corporate innovation teams - of large corporations including many fortune 500 companies across industries.
- Other customer segments include universities, government agencies, industry bodies etc.

### Customer segments & departments that we work with



In addition, the chart below gives the number of customers across the different revenue buckets where the accrued revenue from operations from the customer accounts exceed 20L for that financial

year. We saw growth in customers across all the mentioned revenue buckets indicating continued headroom for growth in the realized pricing from customers.

Revenue	FY 21	FY 22	FY 23	FY 24
INR 20L+ accounts	13	26	33	<b>40</b>
INR 30L+ accounts	5	11	22	<b>23</b>
INR 40L+ accounts	3	6	12	<b>16</b>

While we do count some of the very large corporations as our customers, we do not have any significant customer concentration. Our largest customer account contributed to only about 2.6% of the revenue from operations in FY24.

#### 4. PLATFORM OFFERING

Tracxn is a comprehensive private market data intelligence and software platform. Our customers including private market investors and corporates use it for their daily investment activities including deal sourcing, identifying M&A targets, deal diligence, analysis and tracking emerging themes across industries and markets, among other uses. Our extensive global database of private companies, coupled with personalized modules and features, allows customers to source and track companies across sectors and geographies to address their requirements.

##### a. Modules

Our offering spans across multiple modules across Private Market data, Workflow Software & Tools. Some key modules include:

- **Global private company coverage:** Private company profiles including curated data, factual details, detailed competition mapping, industry classification, sector and business model mapping, and much more.
- **Private company financials:** Detailed private company financials across over 20 countries including India, UK, Germany, Singapore and more.
- **Private company capitalization tables & valuations:** Detailed private company capitalization tables and valuations across over 15 countries, including detailed shareholding historical valuations, etc.
- **Emerging sector coverage:** Comprehensive coverage of companies, detailed sector taxonomy, market map, sector trends, news and reports.

- **Investor database:** Of private market funds and investors.
- **Global funding, M&A transactions:** Latest transactions data of funding rounds and acquisitions globally, including deal value, round type, participants and facilitators.
- **Live Deals:** Active investment opportunities from global private markets
- **Leaderboards & benchmarks:** Companies leaderboard based on our proprietary Tracxn score and benchmarks against other private and public companies. The same is also available for the investors.
- **Advanced search:** Global search allows for keyword based search of all the databases in one go. Complex queries and operators can be used to refine the search further.
- **Reports:** Numerous reports every month analyzing activities and trends across various companies, sectors and geographies. The reports are periodically updated and published on the platform.
- **MyAnalyst support:** Dedicated team of analysts that provide support through email, platform chat and select social media platforms.
- **Personalized dashboards & newsletters:** Helps source relevant deals and track relevant activities in specific sectors and geographies mandates. Newsletters are delivered directly in the inbox to help one stay updated in their mandated sector or geography.
- **Multiple workflows, softwares and tools like APIs, integrations & plugins:** API pack which enables users to query and access our platform database directly; excel plugin to pull data into user sheets; browser plug-ins through which users can obtain company's information such as the company's primary business, funding and valuation, competitors, investors, in one click.

- **Others:** Other modules include deal flow CRM, Tracxn score for companies and investors, editor rating for companies, and more.

### b. Global coverage

Our coverage of companies is global and typically investors look at companies in their respective local regions for sourcing & scouting. As of March 31, 2024, our platform was scanning over 770 million

web domains, and had profiled over 3.0 million entities across more than 2,700 feeds, categorized across industries, sectors, sub-sectors, geographies, affiliations and networks globally.

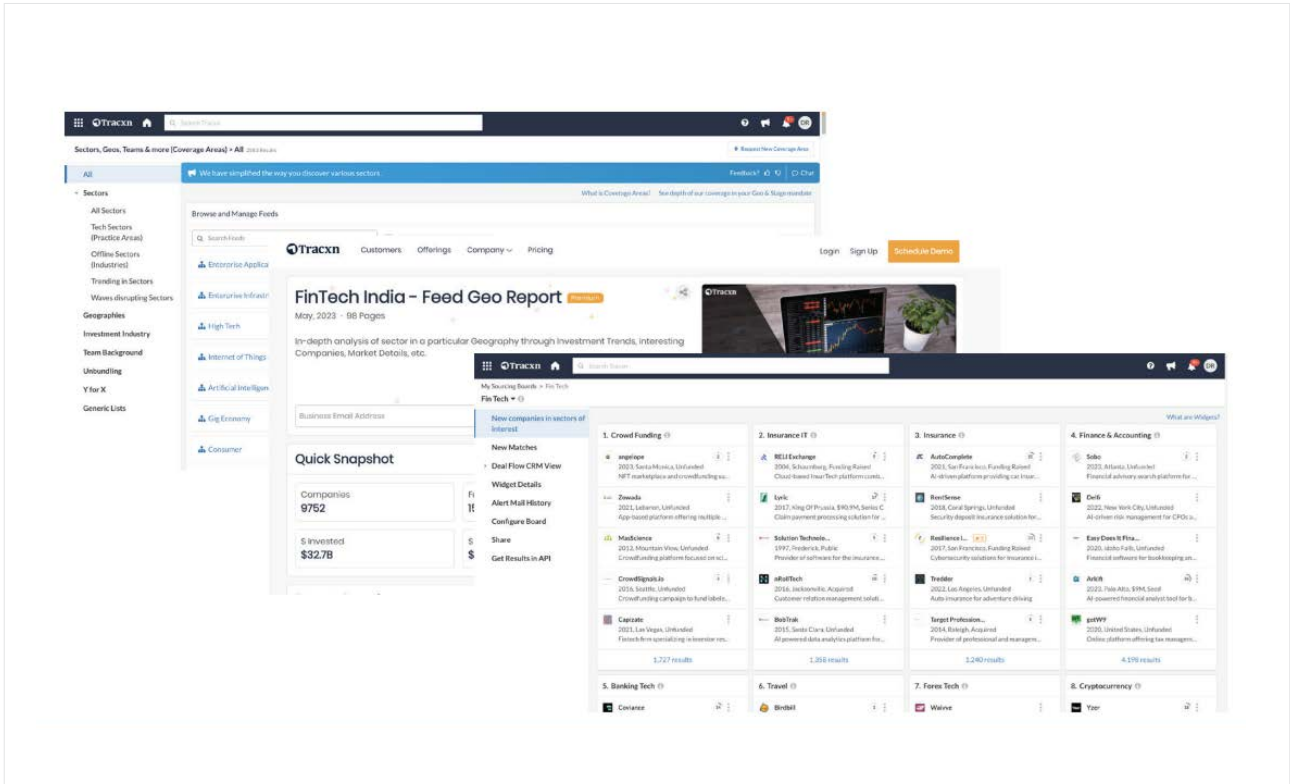
### c. Industry & emerging technology coverage

We provide comprehensive coverage of the private market across industries. Currently we cover 24 industries on our platform as given below:

 Automotive	 Agriculture, Fishing and Forestry	 Aerospace, Maritime & Defence	 Business Services	 Consumer Goods	 Chemicals & Materials
 Consumer Services	 Education	 Energy and Utilities	 Environment	 Financial Services	 Food
 Health Care	 Hi-Tech	 IT Infrastructure & Services	 Industrial Goods & Manufacturing	 Logistics	 Mining
 Real Estate & Construction	 Semiconductors & Electronics Components	 Telecom	 Travel and Hospitality	 Retail	 Media & Entertainment

Each industry is divided into multiple sectors and further within each sector, multiple business models are mapped. Each entity uploaded on the platform is mapped to one or more of these business models and tagged to that respective node. As of March 31, 2024, we had over 3.0 million

entities mapped across 2,700+ feeds categorized across industries, sectors, sub-sectors, geographies, affiliations and networks globally. Examples of sector feeds include Generative AI, Electric Vehicles, Cybersecurity, Enterprise Networking, Drones, Payments, Hospital Chains, etc.

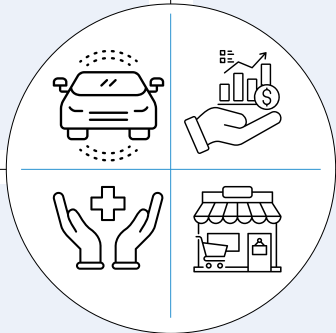


### Auto

- Electric Vehicles
- Autonomous Vehicles
- Connected Vehicles
- Auto IT
- Flying Cars
- Hyperloop
- ...& more

### Financial Services

- Internet-First Banks
- Cryptocurrencies
- Robo Advisors
- RegTech
- Internet First Insurance Platforms
- Remittance
- ...& more



### Healthcare

- Life Sciences Tech
- Assistive Tech
- Genomics
- Disease Self Management
- Chronic Disease Management
- AI in Healthcare
- ...& more

### Retail

- In Store Retail Tech
- Cross Border Commerce
- Social Commerce
- E-Commerce Enablers
- AR VR in Retail
- Video Commerce
- ...& more

#### d. Proprietary taxonomy

We provide proprietary and detailed industry taxonomy for the private market sectors and companies, with key focus on new age emerging technology sectors. Taxonomy helps map the industry, sector, sub-sector, technology and business model for the companies; and also provides a top-down map of all the sectors. Each of the 24 industries are mapped into over 2,700 sectors, and these sectors are further split into more than 56,000 taxonomy nodes. This taxonomy enhances the accuracy and granularity of data categorization,

allowing users to navigate and analyze information more effectively.

Each company covered on the platform is mapped in one or more of these taxonomy nodes. These industry taxonomy nodes are defined by a team of sector-based analysts. Every day over 3,200 companies are added onto the platform and mapped to their corresponding nodes through a mix of inputs from technology and sector-based analysts.

Alternative Lending Taxonomy	Description	# Cos Tracked	Funded	Total Funding	#IPO/Unicorns	Last 2 years # Rounds	\$M Invested	Notable Companies
Trade Finance	Lending platforms which connect businesses with banks and other lenders for a range of trade finance products	495	234	\$3.9B	4	62	\$6,25M	UnifundPlus
Credit Lines	Lending platforms which offer business credit lines	21	12	\$161M	1	1	\$9.8M	Trendo Page
Merchant Cash Advance	Lending platforms which offer merchant cash advances	131	34	\$1.4B	0	0	\$77.6M	Liberty

The screenshot also shows a dashboard with 8 industry categories: 1. Crowd Funding, 2. Insurance IT, 3. Insurance, 4. Finance & Accounting, 5. Banking Tech, 6. Travel, 7. Forex Tech, and 8. Cryptocurrency. Each category has a list of companies with details like year, location, and funding status.

#### e. High pace of data addition

We maintain a high pace of data addition to the platform ensuring continuous enrichment of our coverage everyday while helping our customers track the evolving private market landscape. Using our technology infrastructure, we are able to process massive amounts of data on the backend at a very high pace. This ensures augmentation of data on the platform for the users and enables users to have access to the latest information. In FY24, the entities profiled on the platform saw a 40% increase from 2.1 million in FY23 to 3.0 million. We added over 3,200 companies to our platform on average every day across 2,700+ feeds and 56,000+ taxonomy nodes. Similarly in other modules, we had added over 22,000 reports, over 74,000 funding and M&A transactions and over 2,000 investor profiles during FY24.

#### f. Demo and trial accounts

For platform demo and setting up a trial account, please see below:

- Product Demo Video [\[Link\]](#)
- For setting up a trial account, please sign up on the Tracxn platform [\[Link\]](#) using official email ID
- For any further queries, please mail us at [investor.relations@tracxn.com](mailto:investor.relations@tracxn.com)

### 5. BUSINESS MODEL & PRICING

Our business model is subscription-based for access to data and software, similar to many other financial data platforms. All our revenue from operations is subscription based and the business has negative working capital since our customers pay upfront for the subscription period.

The pricing of our subscription primarily depends on the number of users that the customer

subscribes to. The pricing model is similar to the seat based or license-based pricing of many public market financial data companies. Our subscription pricing tiers range from - \$6,600/year for 1 user, \$13,200/year for 3-users, \$26,400/year for 7 users, and for certain customer segments, custom packages are also available. The pricing is available in USD and INR. Besides the regular subscription plans, many customers have also subscribed for additional licenses on per user basis and additional services such as API access for automations.

Our subscription contracts typically have a payment schedule of annual fee or quarterly fee based on the customer's preferred payment frequency. In FY24, 66% of billing was annual.

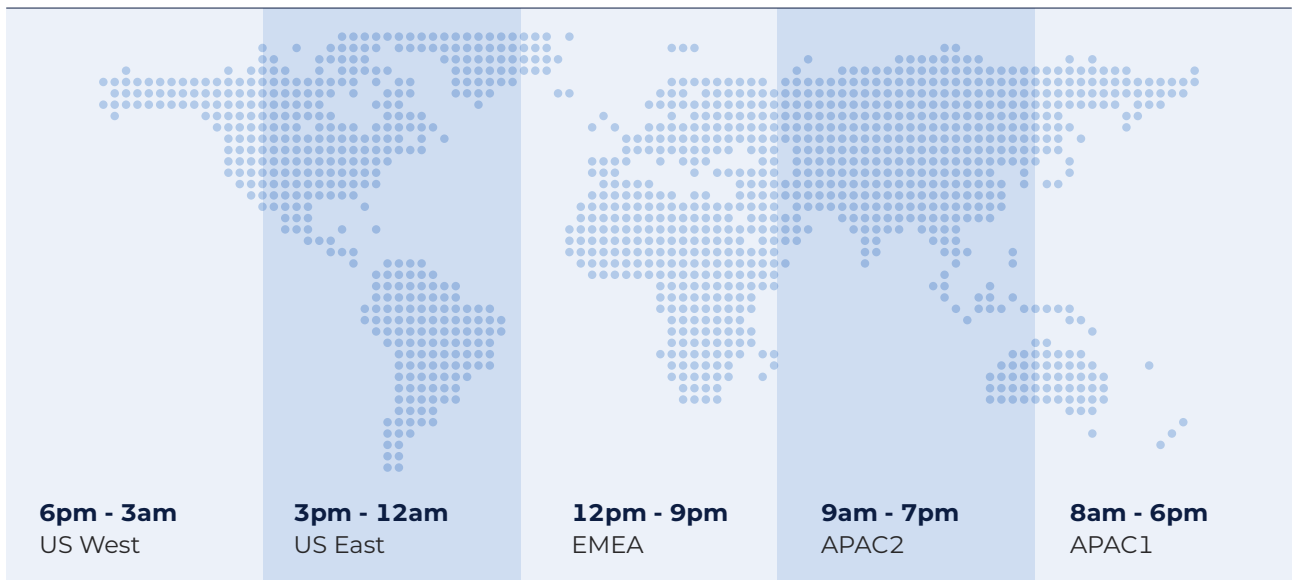
## 6. GO-TO-MARKET FUNNEL

We have customers across the globe. We have been able to achieve this using our robust go-to-market funnel:

### a. Sales team

We had an internal sales team of 139 members, as of March 31, 2024, that covered Asia-Pacific, Europe, Middle East, Africa and Americas. Our sales team, which is based out of India, works across time zones which ensures that we maintain our sales activities for around 20 hours a day to address global leads. The team manages all inbound and outbound leads through online channels for platform demonstrations, online meetings and calls.

### Inside-sales shifts spanning all time zones



Timings according to Indian Standard Time

During the year we increased our depth in sales efforts by setting up specialized sales teams for universities, private equity and startup customer segments in India. These vertical teams comprise members with relevant backgrounds, for instance the team specializing in universities and education institutes has over 20 years of combined experience in selling to these organizations. While all customers use the same platform, the different use cases and workflow requirements across various customer segments require a separate team dedicated for acquisition and expansion within each segment. This initiative which started during FY24 is helping us to address the unique needs of each customer

segment and demonstrate the value proposition which is more relevant.

Our sales operations are supported by a custom-built technology infrastructure that has been developed and is maintained by a sales enablement team. The custom infrastructure includes automated processes and systems for improving efficiency, increasing productivity, measurement of key performance indicators, CRM for lead management, automatic generation of daily work plan for each sales representative, opportunity management dashboards, central collateral repository, pipeline review and reporting dashboards.

## b. Marketing lead generation

We drive our marketing mainly through the use of digital marketing activities like SEO optimization, email marketing and social media marketing. Our primary focus is on content marketing where we have a content-driven acquisition flywheel for generating a high velocity of leads. Since we are a data company, we are able to generate a lot of content around private company data, companies in emerging sectors, reports, etc., through which we get a lot of organic traffic. In FY24, we had over 16 million organic visits across our website, which is a ~34X increase between FY20 and FY24.

To build our brand awareness, we provide data to leading media both in India and globally, to use our data and quote us as sources in their articles and news reports. In FY24, we got over 3000 press mentions in prominent media. We do negligible paid marketing since our marketing is fairly cost effective and we do not have a large digital marketing expense.

## c. Customer success

We aim to provide enterprise-grade support for our global customer base. Our customer success team focuses on customer onboarding, support, ongoing engagement initiatives and account expansion.

**Onboarding:** The customer success team provides the platform demo during onboarding, keeping in mind specific use cases of different types of customers. We also offer customized onboarding guides that enable users to start exploring the platform on their own and are focused on features relevant to the use case of the respective customer category. An account manager is assigned to every customer who supports the customer in the initial set-up, customization of the platform, resolution

of queries and is available to the customer for ongoing support.

**Support:** The support team operates across multiple time shifts to provide prompt resolution to customer queries. We have an automated ticketing system through which all queries are logged into our system and tracked for timely closure.

**Ongoing engagement initiatives:** The customer success team also conducts monthly webinars on newly launched features and modules, and does periodic touch points with customers to increase engagement.

**Upselling and account expansion:** The customer success team is responsible for the renewal and upselling within customer accounts. Our GTM funnel has the support of skilled and carefully recruited teams with 16 members in the marketing team, 139 in the sales team and 43 members in the customer success team.

Our recent growth initiatives have been covered further in the 'Strategies and Outlook' section.

## 7. KEY BUSINESS ATTRIBUTES

### a. Large, growing market and rich customer segment

The private market data industry is large with more than 1,00,000 addressable organizations across the investment industry, corporates and others. Our customer base spans these key user segments of the industry. We currently work with only a small single digit percentage of this market and the market remains largely untapped.

### Private market data is a large and expanding industry

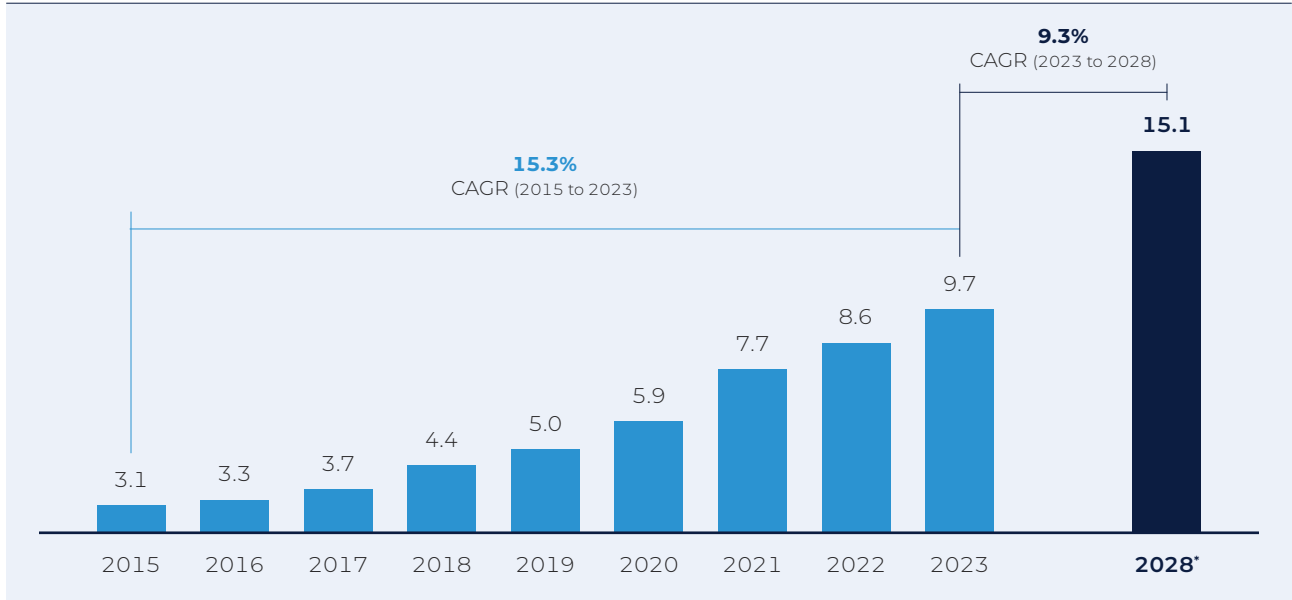
Key user segments - large & growing - ~100,000 addressable organizations\*

<b>27,506</b> Venture Capital Funds	<b>19,512</b> Private Equity Firms	<b>44,350</b> Listed Entities	<b>31,097</b> Educational Institutions	<b>2,580</b> Limited Partners
<b>11,923</b> Investment Banks	<b>7,626</b> Accelerators & Incubators	<b>28,148</b> Large Corporates	<b>1,598</b> Debt Funds	<b>250</b> Industry Bodies
<b>1,956</b> Family Offices	<b>1,149</b> Angel Networks	<b>4,278</b> Late-stage Startups	<b>250</b> Government Bodies	

In addition to the vast addressable market, the private market AUM has been growing rapidly over the years, and crossed \$9T

### Private market AUM growth

(In USD trillion)



\* Projected number  
Source: According to internal estimates.

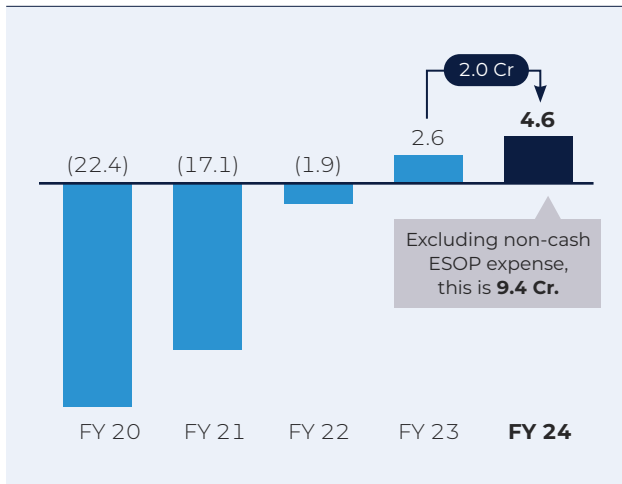
### b. High operating leverage and margin expansion

Our business enjoys high operating leverage. Post the initial investment in building the technology platform, data and workflow software, the cost to serve customers is very low and hence the business has high gross margins. The offering is productized and there is no custom servicing or development work required for each new

incoming customer. This can be observed in our relative revenue and expense growth. For instance, between FY21 to FY24, the revenue grew at a CAGR of 24% while the total expense grew only at 9%, leading to margin expansion across the last 3 years. Our EBITDA and PAT Margins have been continuously increasing for the last 3 financial years. In FY24, the EBITDA Margin expanded by 2.2% and the PAT margin expanded by 1.0% YoY.

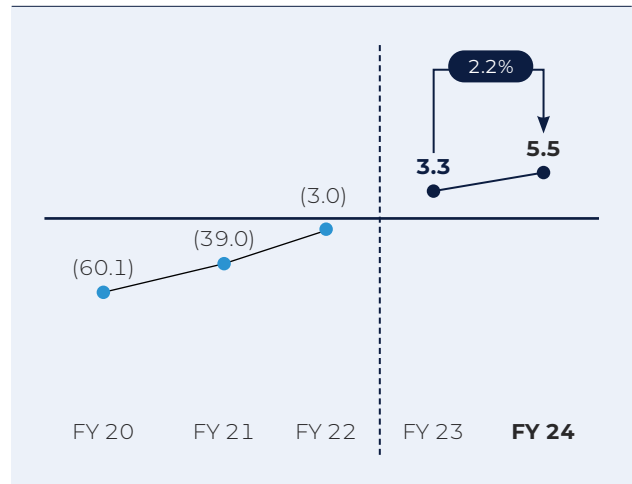
#### EBITDA<sup>1</sup>

(In ₹ Crore)



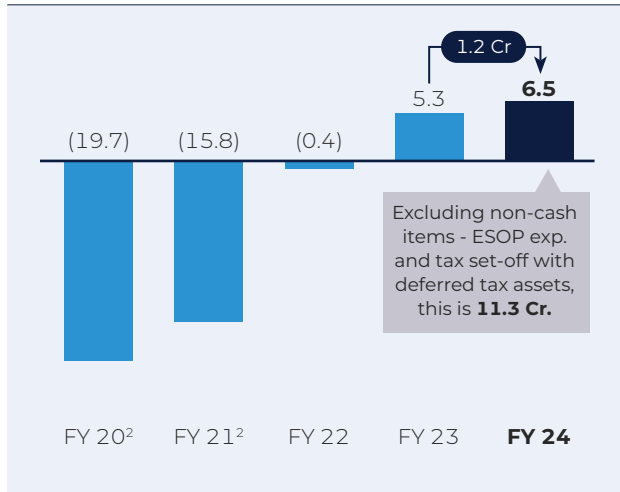
#### EBITDA Margin<sup>1</sup>

(In %)

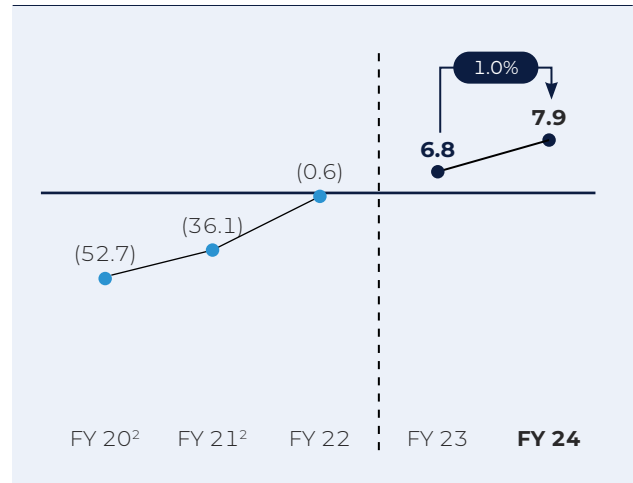


**PAT<sup>1</sup>**

(In ₹ Crore)

**PAT Margin<sup>1</sup>**

(In %)

**c. Significant India cost advantage**

We serve customers globally, with nearly 66% of our revenue coming from international customers, while our entire operations are based out of India. Hence, we enjoy a significant cost advantage because we make-in-India while selling globally. Our data-production and technology platform is built from India, while our data on private companies and markets is global. Additionally, global sales for us happens from India. This provides us with significant and long lasting cost advantages.

**d. Profitable operations and increasing free cash flow**

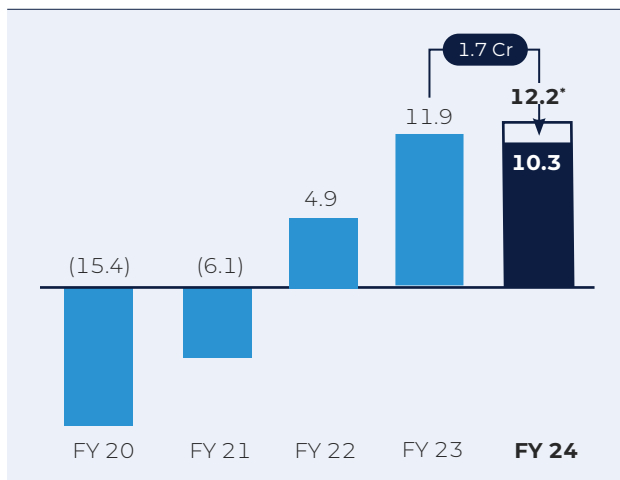
With the consistent expansion of the margins, we had a positive EBITDA of INR 4.6 crores and a positive PAT of INR 6.5 crores in FY24.

Our free cash flow was INR 10.3 Cr in FY24.

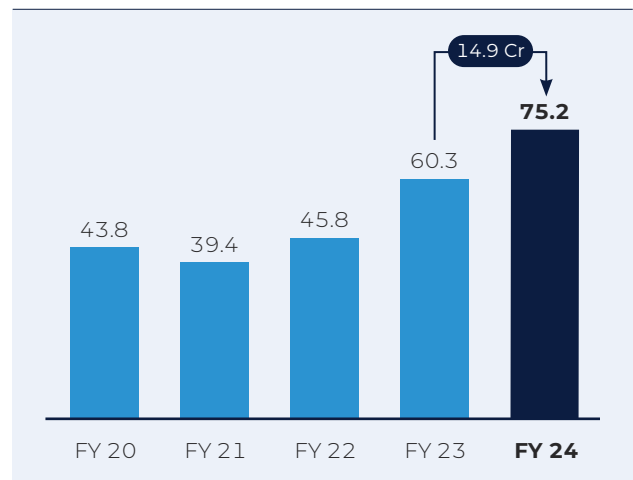
Additionally, our cash & cash equivalents have been increasing continuously and at the end of FY24 they stood at INR 75.2 Cr, a 25% increase YoY.

**FCF (Free Cash Flow)<sup>1,3</sup>**

(In ₹ Crore)

**Cash & Cash Equivalents<sup>1</sup>**

(In ₹ Crore)



<sup>1</sup> Adjusted for IPO Expense (reimbursable to the company) and Deferred tax for FY22 & FY23

<sup>2</sup> PAT adjusted for Fair Value gain/(loss) on CCPS for FY20 & FY21

<sup>3</sup> Adjusted for tax amounts received upon exercise of ESOPs, pending payment to Income Tax

\* FCF in FY23 includes Income Tax refunds, which in FY24 were received subsequent to year end. Hence adjusted FCF is provided for like-to-like comparison

#### **e. Scalable and proprietary technology platform**

Our technology and data platform have been built in-house on leading technologies and architectures. This makes it highly agile and scalable. In addition, it also employs AI based analytical concepts for capabilities like auto-extract and auto-recommendations. In addition to the central 95 member technology and product team, we additionally have automation engineering teams reporting to the various data and business units. This allows us to be very proactive in leveraging the latest advancements in technology for our data and software building.

#### **f. Low cost, content driven acquisition flywheel**

Since we are a data company, we are able to use the large amounts of data that we own to do content-based marketing which helps us in acquiring a high velocity of leads without having to spend on paid marketing. In FY24, we got a traffic of 16 million visits across all our public pages and got over 3000 press mentions in prominent news media.

#### **g. Minimal capex and debt-free**

Our business runs on a SaaS model. For an information technology based business one of the significant costs is the computer servers. At Tracxn we use cloud infrastructure for hosting our software and this helps us to dynamically manage capacity, ensuring high availability and cost efficiency. In a physical server scenario, it would require purchasing the hardware upfront for the

expected load for the next couple of quarters/ years, thus incurring a significant cost in capex. Whereas in a cloud environment, we pay only for what we use while allowing us to seamlessly adapt to changing demands.

Additionally, since we use managed office space, where the vendor provides us a turnkey office space with all furniture and fixtures, hence there are no significant costs associated with the office space.

For the above reasons, our capex requirements are minimal.

This is reflected in the value of the fixed assets on our balance sheet, which stands at INR 19.9 Lakh, along with a depreciation and amortization expense of INR 17.01 Lakh in FY24.

The company has been debt-free since its inception.

#### **h. Proven playbook of large financial data companies**

Multiple large companies have been created in the financial data markets that cumulatively have generated over \$35B revenues in a year. We have taken inspiration from these large financial data companies that have stood the test of time. Most of these companies are highly profitable companies generating large amounts of cash, and have continued growth even after decades. We believe that the private market today is how the public market data space was a few decades back and we can learn from the proven playbook of these large financial data companies that have been built for the public market investors.

## 8. FINANCIAL PERFORMANCE

### a. Abridged profit and loss statement

In ₹ Crore

Particulars	FY 24	FY 23
<b>Revenue from operations</b>	<b>82.77</b>	<b>78.11</b>
Other income	0.31	1.31
Other gains/(losses)	3.96	1.76
Total Income	87.04	81.18
<b>EXPENSES</b>		
Employee benefits expense	69.26	66.98
Depreciation expense	0.17	0.19
Other expenses	8.93	8.55
<b>Profit/(Loss) before exceptional items and tax</b>	<b>8.68</b>	<b>5.46</b>
Exceptional Items - IPO Expenses	0.00	(4.49)
<b>INCOME TAX EXPENSE/(CREDIT)</b>		
Current tax	0.18	0.12
Deferred Tax	2.00	(23.26)
<b>Profit/(Loss) for the year</b>	<b>6.50</b>	<b>33.09</b>
Less: Other income	0.31	1.31
Less: Other gains/(losses)	3.96	1.76
Add: Depreciation expense	0.17	0.19
Add: Current tax	0.18	0.12
Add: Deferred tax expense	2.00	(23.26)
<b>EBITDA</b>	<b>4.59</b>	<b>7.06</b>
<b>EBITDA Margin</b>	<b>5.54%</b>	<b>9.04%</b>
<b>EBITDA excl. IPO expense</b>	<b>4.59</b>	<b>2.57</b>
<b>EBITDA Margin excl. IPO expense</b>	<b>5.54%</b>	<b>3.29%</b>
<b>PAT excl IPO expense and Deferred Tax</b>	<b>6.50</b>	<b>5.34</b>
<b>PAT Margin excl. IPO expense and Deferred Tax</b>	<b>7.85%</b>	<b>6.84%</b>
<b>Total comprehensive income/(loss) for the year</b>	<b>6.08</b>	<b>33.64</b>

### b. Result of operations

#### i. Revenue from operations

Revenue from operations grew by 6% YoY from INR 78.1 crores in FY23 to INR 82.8 crores in FY24. We have seen consistent growth in our revenue

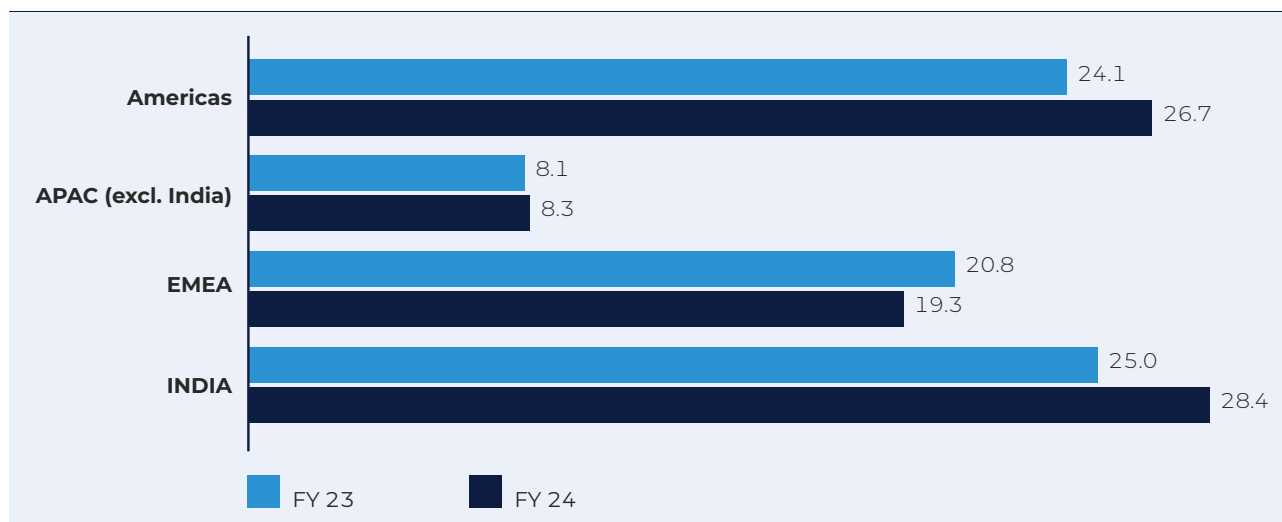
from operations despite the industry headwinds of slower investment activity in private markets, also widely known as funding winter during FY24.

In ₹ Crore

Revenue split by geography	FY23	FY24	FY24 % Contribution	FY24 % Growth
Americas	24.1	26.7	32%	11%
APAC (excl. India)	8.1	8.3	10%	2%
EMEA	20.8	19.3	23%	(7%)
India	25.0	28.4	34%	14%
<b>Total</b>	<b>78.1</b>	<b>82.8</b>	<b>100%</b>	<b>6%</b>

## Revenue Split by Geography

(In ₹ Crore)



### ii. Total expenses

The total expense increased by 3% YoY from INR 75.7 crores in FY23 to INR 78.4 crores in FY24.

Employee benefit expenses accounted for 88.4% of our total expense. This increased from INR 67.0 Cr in FY23 to INR 69.3 Cr in FY24. These expenses remained largely range bound due to rationalization of headcount on the back of efficiency focussed initiatives that we undertook during the year.

Cloud hosting charges were our second largest expense item and accounted for 3.1% of the total expense.

The remaining expenses include depreciation expense, rent expense, and remainder of other expenses. These add up to 8.5% of our total expense.

### Total expense breakup

Particulars	In ₹ Crore	
	FY 24	% Total Expense
<b>Employee Benefit Expenses</b>	<b>69.3</b>	<b>88.4%</b>
Salaries, Wages & Bonus	63.1	80.5%
Employee stock option expense	4.8	6.1%
Other Employee Benefit Expenses	1.4	1.8%
<b>Depreciation Expense</b>	<b>0.2</b>	<b>0.2%</b>
<b>Other Expenses</b>	<b>8.9</b>	<b>11.4%</b>
Cloud Hosting Charges	2.4	3.1%
Rent for Building	2.1	2.6%
Remaining Other Expenses	4.4	5.7%
<b>Total Expenses</b>	<b>78.4</b>	<b>100.0%</b>

### iii. Profitability and margin expansion

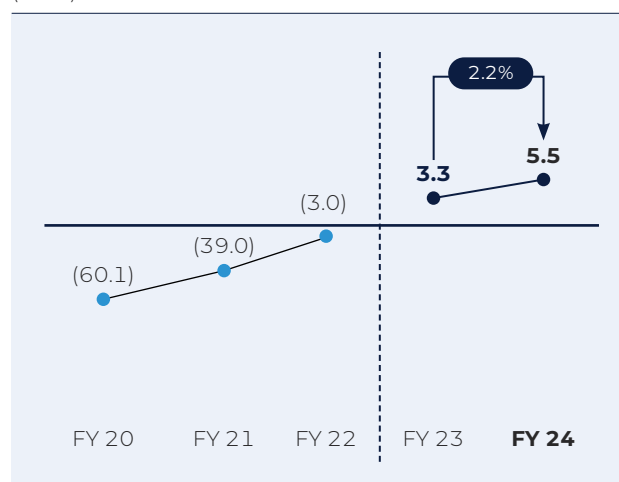
EBITDA margin expanded by 2.2% YoY from 3.3% in FY23 to 5.5% in FY24

PAT margin expanded by 1.0% YoY from 6.8% in FY23 to 7.9% in FY24

We have experienced consistent expansion of EBITDA and PAT margins historically. This is since the operating expenses do not scale as much with the growth in revenue due to the operating leverage of the SaaS business model of the company. Hence a significant portion of the additional revenue flows to the EBITDA.

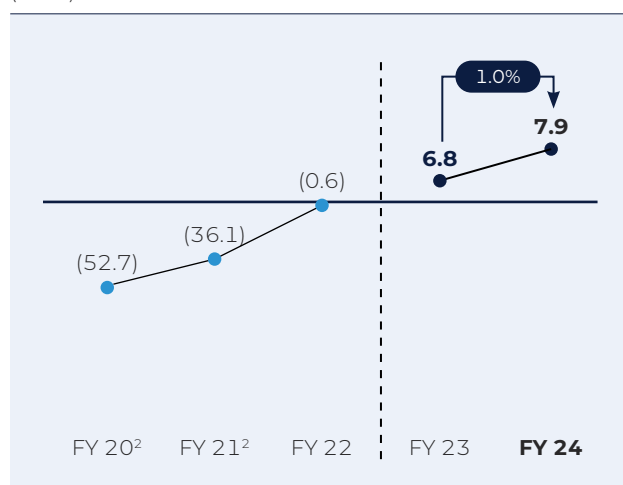
### EBITDA Margin<sup>1</sup>

(In %)



**PAT Margin<sup>1</sup>**

(In %)



<sup>1</sup> EBITDA and PAT - For the year FY23, EBITDA and PAT have been adjusted for IPO expense (reimbursable to the company) and deferred tax

<sup>2</sup> PAT adjusted for Fair Value gain/(loss) on CCPS for FY20 & FY21

**iv. Cash and Cash Flow**

Free cash flow for FY24 stood at INR 10.3 Cr in FY24.

Cash and cash equivalents<sup>1</sup> stood at INR 75.2 Cr in FY24, a 25% growth YoY from INR 60.3 Cr in FY23.

<sup>1</sup> Cash & Cash eq. : Includes Cash in bank and payment gateways + Investments & Bank deposits + Security deposit paid against IPO - Tax amounts received upon exercise of ESOPs, pending payment to Income Tax.

**Key Financial Ratios**

Particulars	FY 24	FY 23	Variance	Remarks
Current ratio	<b>2.24</b>	2.05	9.4%	NA
Return on equity (ROE)	<b>9.96%</b>	82.38%	(87.91%)	Refer note 3
Trade receivables turnover ratio	<b>9.44</b>	9.68	(2.45%)	NA
Trade payables turnover ratio	<b>12.69</b>	11.84	7.2%	NA
Net capital turnover ratio	<b>1.97</b>	2.80	(29.71%)	Refer note 4
Net profit ratio	<b>7.85%</b>	42.36%	(81.46%)	Refer note 3
Return on capital employed	<b>12.25%</b>	9.14%	34.0%	Refer note 5
Return on investment	<b>8.25%</b>	7.21%	14.5%	NA
EBITDA Margin	<b>5.54%</b>	3.29%	68.30%	Refer note 6

Notes:

- The Company did not have any debt outstanding as at March 31, 2024 and March 31, 2023. Accordingly, the debt-equity ratio and the debt service coverage ratio have not been disclosed.
- The business model of the company is services oriented hence there is no inventory. Accordingly the inventory turnover ratio is not applicable.
- Decrease is on account of recognition of deferred tax assets on carry forward business losses and recovery of IPO expenses from selling shareholders in the previous year.
- Decrease is due to increase in working capital i.e. on account of increase in current investments.
- Increase is on account of the revenue growth rate being higher than the expense growth rate and increase in fair value gains on financial assets.
- Increase is on account of the revenue growth rate being higher than the expense growth rate.

**Definition of Ratios:**

- Current ratio:** The Current Ratio is an indicator of a company's liquidity and ability to meet short-term obligations. It is calculated by dividing current assets by current liabilities, providing a measure of the company's capacity to pay off debts due within one year.
- Return on equity (ROE):** This ratio assesses the profitability of the equity invested in the company, showing how effectively the company has utilized shareholders' funds. It also indicates the percentage return generated for equity holders.

The ratio is calculated by dividing the Profit After Tax (PAT) by the average equity.

- Trade receivables turnover ratio:** The Receivables Turnover Ratio measures a company's efficiency in collecting payments from its customers, how effectively the firm manages its receivables, indicating how well the company handles the credit it extends to customers and how swiftly it collects short-term debts. This ratio is determined by dividing revenue by average trade receivables.

- **Trade payables turnover ratio:** The Trade Payables Turnover Ratio shows how many times a company has paid its creditors within a given period. It helps assess the cash needed to settle outstanding debts with suppliers. The ratio is calculated by dividing total purchases by the average trade payables.
- **Net capital turnover ratio:** The Net Capital Turnover Ratio measures a company's efficiency in utilizing its working capital. It is calculated by dividing the revenue from operations by the working capital for the same period.
- **Net profit ratio:** Net Profit Ratio is the percentage of revenue that remains as profit after all expenses, including operating costs, interest, taxes, and other expenses, have been deducted. It indicates how efficiently a company converts revenue into profit.
- **Return on capital employed:** ROCE reflects a company's management effectiveness in generating returns for both debt and equity holders. It gauges the company's profitability and how efficiently it utilizes its capital. ROCE is calculated by dividing EBIT by total capital employed which for us is total equity since we do not have any debts.
- **Return on investment:** Return on Investment (ROI) is a financial ratio that measures the benefit an investor gains relative to the cost of their investment. A higher ROI indicates a greater return on the investment. It is calculated by dividing EBIT by average total assets.
- **EBITDA Margin:** EBITDA margin measures a company's operating profit as a percentage of its revenue. This metric provides insight into how efficiently a company is generating profit from its core operations, excluding non-operating expenses and accounting decisions. For like-to-like comparison, the EBITDA Margin for FY23 has been adjusted for the one-time exceptional item of IPO expense reimbursement.

For more details, please refer to the financial statements forming part of this annual report.

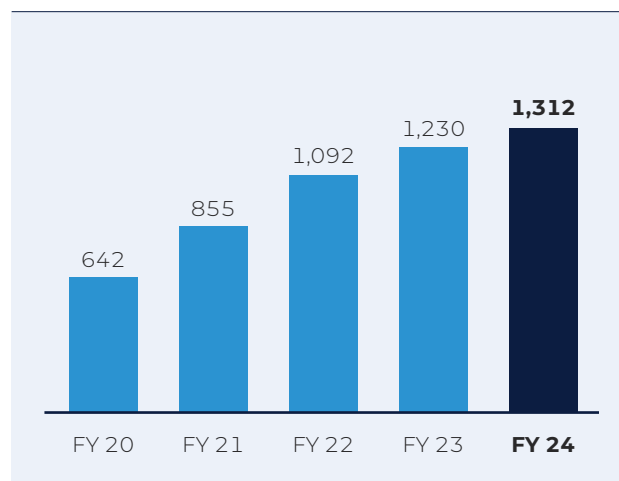
## 9. STRATEGIES AND OUTLOOK

### a. New customer acquisition

The private market continues to expand, driven by an increase in the number of private market investors and a rising allocation of capital to these markets. While this area is growing, the adoption to technology is still far behind what we typically see in the public markets. We continue to focus on reaching out to potential customers and demonstrate the technological capabilities and grow our customer base.

### Customer Accounts

(In #)



### b. Expansion from existing customers

Our pricing is based on the number of logins within each subscription. As platform adoption continues to grow, more customers are expanding their seats. We continue to focus on this aspect of our business, where different initiatives are taken to increase the adoption and find upsell opportunities. A separate team within customer success is dedicated to drive engagement initiatives. This includes increasing user-level and account-level engagement through various initiatives such as better platform education, periodic touchpoints, hero features, personalization and more.

### Cumulative number of accounts with significant revenue contribution

Revenue	FY 21	FY 22	FY 23	FY 24
INR 20L+ accounts	13	26	33	40
INR 30L+ accounts	5	11	22	23
INR 40L+ accounts	3	6	12	16

#### c. Expanding global customer base

Close to 66% of the revenue is from international customers. We have a customer base spanning over 50+ countries. The top 5 countries by number of customers as at the close of FY24 were India, United States of America, Singapore, Germany and UK. We will continue to increase the customer base in these countries and others where we believe significant growth is possible. As we continue to expand our offerings to include companies from other countries and geographies, the dataset becomes more relevant for our global customers.

#### d. Increasing value proposition of the platform

We continue to introduce new features and enhancements on the Tracxn platform to increase value to our customers. One of the key enhancements in FY24 was, launch of legal entities database which is particularly useful for Private Equity firms and late-stage investors who require detailed financial and shareholding information, aiding their due diligence process. We will continue to invest in deploying additional technologies for our platform that will enable us to scale our product offerings. In addition to new features we continue to increase the coverage of data - we added data of more than 853,000 entities, 22,000 reports, and 74,000 funding rounds and acquisition transactions in FY24.

#### e. Expansion into adjacent customer segments

There are certain additional use cases of our private market and emerging technology data which make the platform useful for other customer segments beyond investors - for example product discovery, vendor discovery, business development to name a few. These diverse sets of customer segments such as startups, universities etc. have their own specific needs which can be addressed by our platform. For instance, a Limited Partners in a fund may use our platform for fund performance data, and sales personnel rely on our platform for augmenting company information to improve their sales

outreach. By tapping into these segments, we can potentially expand our total addressable market.

#### f. Select recent growth initiatives

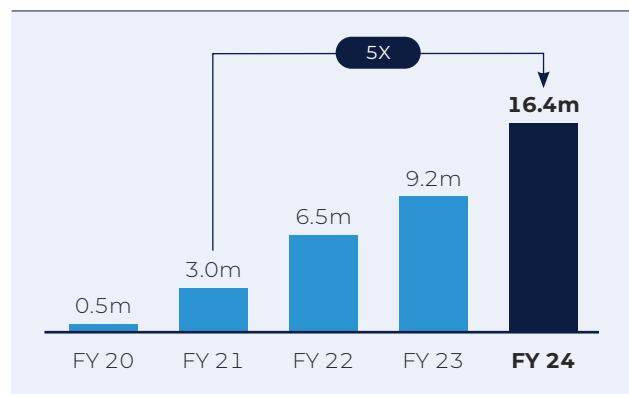
Apart from the above-mentioned strategies, we have also been working on select growth initiatives, some notable ones include

- Scaling Organic Traffic & Inbound Leads Pipeline:** Our lead generation strategy is primarily driven by content marketing through SEO. Since all content is developed in-house and tailored for our platform, we do not use paid marketing. Our marketing team generates a large set of public pages, and this efficient content-driven customer acquisition flywheel helps us to acquire a high volume of inbound leads. In FY24, our platform had over 16 million organic visits, ~5x times higher than FY21.

We expect this organic traffic to further increase, thereby increasing inbound leads pipeline.

#### Organic Search Traffic

(In Millions)



- Tracxn Lite:** We launched Tracxn Lite for PLG (Product-Led Growth) to create awareness of the richness of the platform and drive product-led growth. Under Tracxn Lite users get full platform access with certain limitations such as

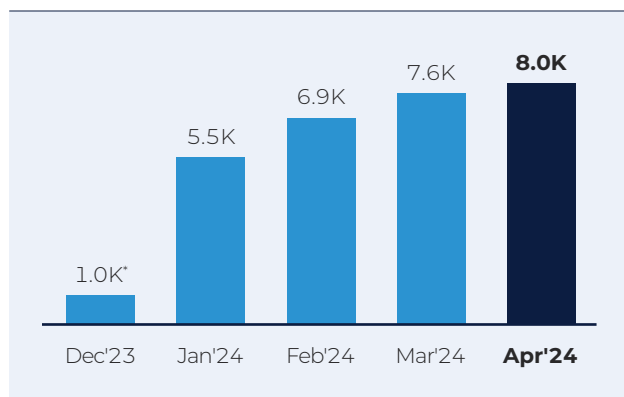
restricted daily profile views, exports and specific platform modules.

We have seen good initial traction for this initiative where within a span of 3 months, we saw 15,000+ users sign up, and monthly active users had crossed 8,000.

- **Vertical Sales Teams:** We have also set up specialized teams for select high potential customer segments such as Universities, Private Equity and Startups. Bulk of our relevant customer

### Monthly Active Users

(In #)



Note: (\*) For the partial period since the launch of Tracxn Lite in December 2023.

segments come from top universities globally and universities are a good marketing and discovery channel for us. Private Equity is a large and cash-rich segment. To better tap into this segment, in addition to a specialized sales team, we have also doubled down on the data production for the PE Customer segment. We have also seen a high volume of inbound leads from startups. Though they are served by the same platform, they have differentiated use case and workflow requirements. We have set up a separate team to focus on acquisition and expansion of customers in this segment.

- **Press mentions:** We have been increasing our reach through various media partnerships, data contributions, reports, and regular newspaper columns. In FY24, we had more than 3000 press mentions across various media
- **Increased coverage of financials and capitalization tables across countries:** We currently process data from English and more

than 35 non-English language sources which include German, French, Swedish, Korean, Dutch, Greek, Indonesian among others. We have financials of companies from over 20 countries and capitalization tables of companies from over 15 countries available on our platform. We are continuing to add more data for companies from more geographies.

- **Launched Legal Entities Database:** We launched a new Legal Entities database to facilitate diligence and similar use cases and. As of December 2023, we had about 11 million legal entities available on the platform from various geographies. This is in particular more useful for late-stage investors and we are expanding this database going ahead.

## 10. TECHNOLOGY PLATFORM & DATA ENGINES

There are millions of companies to be evaluated and tracked in private markets as compared to less than 60,000 companies which were publicly traded and had fairly structured information about them available as of the end of FY23. The data about private companies is fairly fragmented and unstructured, which makes tracking of data/disclosures for private companies very difficult.

Hence, to provide enterprise-grade information in a comprehensive, standardized and structured manner. We rely on a combination of technology and human-in-the loop systems. This makes information actionable and aids decision making for our users.

The following pointers describe the key features about how we source data, key components of our technology stack, analyst and data team engines, that we have built in-house over the past decade.

### a. Source of data

Our data on private markets includes a wide set of information spanning data on private companies, industries and sector coverage, transactions (funding, M&A), private company financials, capitalization tables, valuations, amongst others.

Our key sources of data are the following:

#### Publicly available information

This includes factual information like funding related news, founded year, office locations etc. These sources are free and this information is generally publicly available on the internet, like company home pages, blogs, news articles, social media and other secondary sources. We combine

and capture relevant factual information to be included in the company profiles after verification from various such sources. We mine information from over 770 million web domains at the backend and add over around 60 million new web domains every year. We extract and process data across these millions of pages to identify interesting companies across sectors every day.

### Proprietary data

We generate our own proprietary data using various models that we have defined, along with the assistance of our analyst team. This includes sector-based coverage, industry classification, taxonomy, understanding of company business models, among other factors. Our in-house developed taxonomy forms a key data point which is attached to the companies which are profiled on the platform. As of March 31, 2024, we have mapped over 3.0 million entities across more than 56,000 different taxonomy nodes in more than 2,700 sectors amongst more than 20 different industries. This unparalleled and well-structured depth of classification enables our customers to track companies in a more focused manner, drawing global comparables, applying niche search criteria, and facilitating prompt and effective decision-making.

### Regulatory Filings

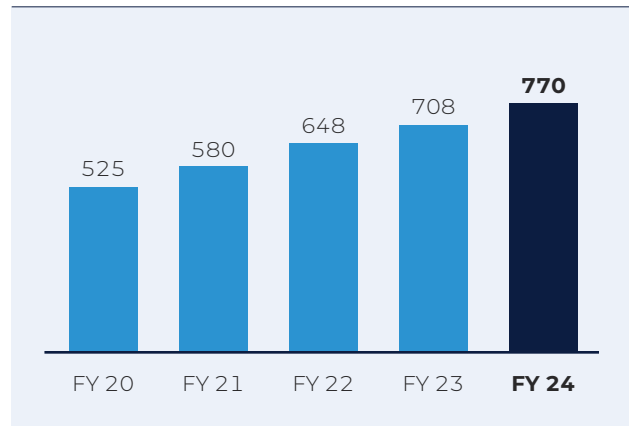
We also mine information from various regulatory filings that the private companies have to complete across various countries. These include registrar of company filings, transaction filings, labour filings, etc. These filings by companies, wherever available, are obtained from the respective registries. The information obtained through these filings is then curated and verified to get financial and shareholding data for the companies.

### b. Scalable & proprietary in-house technology platform

Our in-house technology platform has been developed keeping high performance and the massive data assimilation, processing capabilities in mind. At the back-end, the platform is scanning more than 770 million web domains for signals to identify interesting companies, and using intelligent algorithms to capture the relevant companies that are bubbled up in the queue for processing.

### Domains tracked at backend

(In Millions)



The front end of the platform is modular and based on micro frontends architecture where each module uses SPA (Single Page Application) for enhancing user experience across the platform. The frontend of the platform is responsive (adaptive to different interfaces like laptops and mobiles) and accessible on web browsers, Android and iOS applications. The backend of the platform is built using microservices based architecture, which makes it highly scalable and yet modular enough for easy maintenance without any downtime. At the core of the platform is our databases which are built over widely used and proven technologies for managing large data based business. Further, use of performance enhancing technologies like JSON Web Tokens alongside the CDNs (Content Delivery Networks) helps us to load huge amounts of data at a very fast pace, thereby reducing the load time and enhancing the user experience.

We host our servers on the leading cloud servers thereby increasing the reliability and scalability as per the demand of the business and that of our customers. We have also automated the management and utilization of our cloud resources to keep our costs under control. So while our database at backend has been increasing at a very fast pace, our cloud server costs have remained range bound.

### c. Proprietary models and human-in-the-loop for enterprise grade data

We have built proprietary models and automations for curating enterprise data across various data modules for private companies globally. Our automation models extract, parse and standardize data from multiple sources such as images, documents,

scanned portable document format or pdf using optical character recognition technology, and map relevant data to respective fields. These models are continuously developed and enhanced by the automation engineers of the respective data teams, as per specific requirements and processes. We also use automations and other internally developed models for quality assurance using a 2-layer, automated and manual, check process.

Our human-in-the-loop methodology helps to deliver high quality enterprise grade information and address the data and intelligence gaps that technology alone cannot solve yet. We have a 70+ member sector specialist team which performs the review of the system outputs, develops taxonomy, provides editor ratings and defines new report formats and data points to be covered.

In order to provide enterprise grade data, we also have data teams for addressing the data gaps and performing quality checks. They span across modules

like company profiles, funding transactions, mergers and acquisitions, company financials, capitalization tables, valuations, industries & sector coverage etc. This is very useful where the information is highly subjective and does not follow a standard pattern of dissemination.

**d. Generative Artificial Intelligence (AI)**

Technology has been a key enabler for us in building a global private market data platform. We are excited about the recent developments in artificial intelligence, particularly in generative AI, and want to be pioneers in leveraging generative AI.

We have started leveraging the power of generative AI in various workflows. Some examples include industry classification and taxonomy, discovery of competitors, valuation benchmarking, code reviews and development amongst others. We are also exploring Gen AI capabilities in our GTM funnel for sales outreach including content personalization and response review.



**11. HUMAN RESOURCES**

**a. Overview**

The Tracxn family was 720 members strong as on March 31, 2024.

Our team split as on March 31, 2024, is as follows:

Function	Number of Employees
Analysts and Data Operations	369
Product and Technology	95
Sales Marketing and Customer Success	198
Business Support	58
<b>Total</b>	<b>720</b>

### b. Equal Opportunities @ Tracxn

Tracxn strongly believes in creating equal opportunity and providing a sense of belongingness to all the employees. We are proud to share that we had 44% women workforce at the end of FY24 as of March 31, 2024.

### c. Building a High Productivity Workplace

We endeavour to build a high-productivity workplace for all our team members. Over the last few years, we have implemented multiple things across the organization to maximize efficiency, enhance collaboration, and achieve optimal results in our workplace environment.

These span across how all the leaders manage their time & calendars, to meeting structures, to using technology & IT for automation, and more. Following are some examples of these.

#### Time boxing

Our days are meticulously planned and managed through our calendar. This structured approach enables us to efficiently handle meetings and ensure that all priority tasks receive the necessary attention.

#### Written notes for each meeting item

As a standard practice, we prepare comprehensive notes that outline the key discussion points. These notes serve as a reference during the meeting, promoting clarity and focus.

#### Clear agendas

Every meeting is accompanied by a clearly defined agenda, which is documented as a separate event in the calendar. This practice enables us to address the agenda items efficiently, leading to the timely conclusion of meetings and maintaining focus on the intended course of action.



#### Milestone/stage-based project management

Our project management approach follows a unique methodology. At every stage of a project, stakeholders synchronize, review, and update strategies based on the insights gained. We categorize the stages as Ideation (M1), Solution (M2), and Execution (M3), ensuring a systematic progression throughout the project lifecycle.

#### Automate (almost) everything

Our primary objective is to optimize internal systems and processes by leveraging automation wherever possible. We actively seek opportunities to automate

either specific parts or entire workflows. To facilitate this goal, each department maintains a dedicated automation/ technology team. For example, our HR department has its own automation team, reflecting our commitment to streamlining operations.

#### Internal IT

We have established an internal IT team to cater to our organization's technological needs. This dedicated team allows us to promptly address any IT-related issues, ensuring a swift turnaround time for problem resolution.

#### **d. Employee well-being**

##### **Health and fitness**

We strongly believe that staying healthy is one of the basic pillars of productivity and we encourage and promote the team members to maintain a healthy lifestyle. Some of the initiatives in this direction included incorporating fitness kits as part of welcome gifts for new employees, organizing yoga sessions and promoting awareness on Yoga practice, fireside chat with leaders on hacks to maintain mental wellbeing. Team members are also encouraged to share their insights into what has proven effective for their physical and mental health journeys, serving as inspiration for others.

##### **Employee engagement**

We strive to foster a strong sense of belonging within the workplace, boost employee motivation and cultivate positive sentiments toward the organization. Some of the activities that we at Tracxn conduct include department level team lunches, fun-events, contests and sports tournaments, among others.

##### **Work-life balance**

Work-life balance is a key part of a healthy and productive work environment. We encourage all teams to follow streamlined work timings and follow office timings to ensure balance and productivity. We don't encourage doing work after the office timings and avoid any work during weekends and holidays.

##### **Quality of work**

We have created feedback mechanisms to receive frequent feedback from our employees. These surveys help us to compare different departments, spot trends, observe indicators affecting specific teams, identify gaps and double down on the measures that work towards organizational growth and address any concerns at individual level.

##### **Training and skill enhancement**

We promote employee upskilling by way of efficiency driving projects, in-depth problem solving and taking additional responsibilities. This helps our employees to gain hands-on experience and develop new skills.

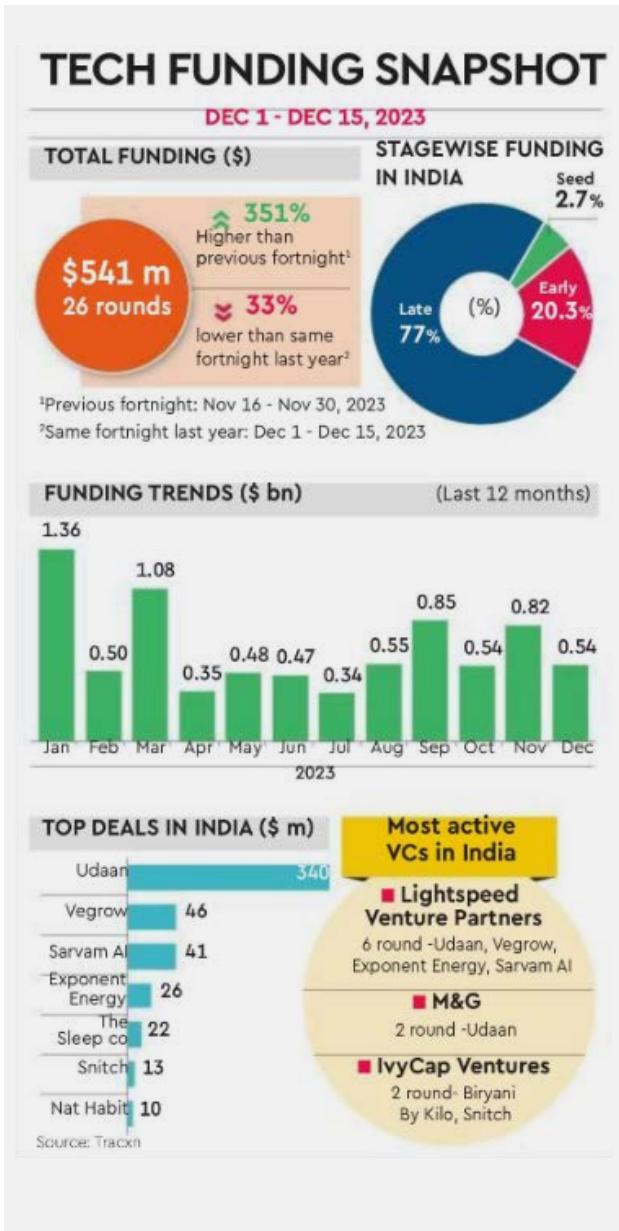
##### **Reward and recognition**

We believe in rewarding and recognizing our employees, to acknowledge and appreciate their work. It also leads to greater employee engagement

and a positive workplace. A few examples of such rewards are monthly and quarterly star performer awards, long service recognition awards, amongst others.







**Inside Tracxn's pursuit of building an iconic global data company**

Source: Business Today | November 28, 2021, 8:34 p.m.

Private market data and insights provider Tracxn's unique tech stack and low-cost; built in India for the world's growth model augurs well for the start-up ecosystem at a time when high-burn rate consumer tech ventures are facing a funding winter



**How Tracxn accelerates innovation**

Source: Business India | November 28, 2021, 8:34 p.m.

Techie duo Neha Singh and Abhishek Goyal are flying high with their business intelligence platform Tracxn Technologies



**Tracxn Listing Day | Goal is to build an iconic data providing company from India, like how Infosys is an iconic software company from India: Founders Abhishek Goyal and Neha Singh.**

Source: moneycontrol | OCTOBER 20, 2022 / 08:25 AM IST.

Tracxn Technologies, a private markets information provider, is all set to list later today, in what will be the first listing of a venture capital-backed software-as-a-service company in India this year.

### 13. RISK AND THREATS TO THE INDUSTRY AND OUR BUSINESS

1. Political, macroeconomic and demographic changes could adversely affect economic conditions globally thus impacting the private market investment industry. Such risks may impact our revenue and earnings.
2. We derive, and expect to continue to derive all of our revenues from operations from subscription by customers of our Tracxn platform. A substantial portion of our revenues is generated from existing customers and such customers may not renew or expand the use of their subscriptions after the expiration of their current subscription. If our customers do not renew or expand their subscriptions, or if they renew on less favourable terms, our future revenue and operating results may be adversely affected.
3. The market for private market data platforms is competitive and characterized by rapid changes in technology, customer requirements, industry standards and frequent new product introductions and improvements. If we are unable to anticipate or effectively react to these competitive challenges, our competitive position could weaken and could lose market share to our competitors, which could adversely affect our business, financial condition and results of operations, and we could experience a decline in our growth rate or revenue.
4. In order to gather private market data, we primarily rely on secondary sources, and there is no assurance that the information provided therein is accurate or reliable. If we are not able to obtain and maintain accurate, comprehensive, or reliable data, it could have an adverse effect on our business, results of operations, and financial condition.
5. Our success depends, in part, on our ability to expand use of our platform by customers globally and accordingly, our business is susceptible to risks associated with international operations. We expect to continue to expand our international customer base, which may include opening offices in new jurisdictions. Any additional international expansion efforts we may undertake may not be successful. We may be unable to keep up with changes in government requirements as they change from time to time. Failure to comply with these regulations could harm our business, financial condition and results of operation.
6. Any fluctuations in foreign exchange rates may have an impact on our profits generated from overseas markets. Since we have significant international sales, any fluctuations in the foreign currency exchange rates resulting from, inter alia, economic, geo-political or social factors may result in an asymmetric and disproportional impact on our profits, revenue, results of operations and cash flows.
7. Security breaches and attacks against our systems and network, and any potentially resulting breach or failure to otherwise protect personal, confidential and proprietary information, could damage our reputation and negatively impact our business, as well as materially and adversely affect our financial condition and results of operations. Our cybersecurity measures may not detect, prevent or control all attempts to compromise our systems, including distributed denial-of-service attacks, viruses, trojan horses, malicious software, break ins, phishing attacks, third party manipulation, security breaches, employee misconduct or negligence or other attacks, risks, data leakage and similar disruptions that may cause service interruptions or jeopardize the breaches, employee misconduct or negligence or other attacks, risks, data leakage and similar disruptions that may cause service interruptions or jeopardize the security of data stored in and transmitted by our systems subjecting us to legal and financial liability, reputation loss and revenue loss.
8. Failure to innovate in response to changing customer needs, new technologies and other market requirements may lead to current or prospective customers finding competing products or services more attractive. If we do not keep pace with market innovation and do our best to innovate and provide superior products and services, the demand for our platform may decline for any of these or other reasons and thus, our business, results of operations, and financial condition could be adversely affected.
9. Our future success will depend, in part, upon our ability to internally develop and implement new and competitive technologies, use leading third-party technologies effectively and respond to advances in data collection, cataloguing and curating private market information. If we fail to respond to changes in data technology competitors may be able to develop products and services that will take market share from us, and the demand for our products and services, the delivery of our products and services, or our market reputation could be adversely affected.
10. We are dependent on our Key Management Personnel and our senior management, in terms of their expertise, experience and services which helps us to execute our growth strategy and expand our business. Our failure to hire or retain senior management personnel could materially impair our ability to implement any plan for growth and expansion

11. We have experienced rapid growth in recent periods and our recent growth rates may not be indicative of our future growth. We have also encountered in the past, and expect to encounter in the future, risks and uncertainties frequently experienced by growing companies in evolving industries. If our assumptions regarding these risks and uncertainties, which we use to plan and operate our business, are incorrect or change, or if we do not address these risks successfully, our growth may be adversely impacted and our business, financial condition and results of operation would suffer.

12. Wage pressures in India may prevent us from sustaining our competitive advantage and may reduce our revenue. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition, and consequently we may need to increase the prices of our services. If we are unable to sustain or increase the number of employees as necessary or are unable to pass on such increased expenditure to our customers without losing their business to our competitors, our business, financial condition, results of operations and cash flows could be adversely affected.

13. If the market for the private market data platform develops more slowly than we expect, or platforms for data collection, curation and management do not achieve widespread adoption, or there is a reduction in demand caused by a lack of customer acceptance, technological challenges, weakening economic

conditions, security or privacy concerns, competing technologies and products, decreases in corporate spending or otherwise, it could result in decreased revenue and our business could be adversely affected.

14. Our ability to achieve significant revenue growth will depend, in large part, on our success in recruiting, training and retaining sufficient numbers of sales personnel to support our growth. Our recent hires and planned hires may not become productive as quickly as we expect, and we may be unable to hire or retain sufficient numbers of qualified individuals in the markets where we do business or plan to do business. If we are unable to hire and train a sufficient number of effective sales personnel, we are ineffective at overseeing a growing sales force, or the sales personnel we hire are otherwise unsuccessful in obtaining new customers or increasing sales to our existing customer base, our business will be adversely affected.

15. Our platform relies on the collection and use of private market information to provide effective insights to our customers and users. Changes in laws, regulations, and public perception concerning data privacy, or changes in the patterns of enforcement of existing laws and regulations, could impact our ability to efficiently gather, process, update, and/or provide some or all of the information we currently provide or the ability of our customers and users to use some or all of our products or services.

## 14. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We have robust and well-established internal control systems in place, commensurate with the size and nature of our operations. The control mechanisms are followed diligently at all levels across the Company, which helps in creating business efficiencies and streamlining our processes. We have appointed Singhvi Dev & Unni LLP, an independent CA firm, who conduct an internal audit to ensure adequacy of our internal control systems, and our compliance with applicable regulations. The Audit Committee, composed of Independent and Non-Executive Directors, periodically reviews the audit plan, findings of the internal audit, adequacy of the internal controls and monitors the implementation of the audit recommendations. Design and operating effectiveness of controls are tested by the management annually and later

audited by the statutory auditors. Controls testing is carried out as per the Guidance Note on 'Audit of Internal Financial Controls over Financial Reporting' issued by the Institute of Chartered Accountants of India (ICAI). Management also updates the control systems as per findings / changing operations and follow-up actions thereon are reported to the Audit Committee.

## 15. DISCLOSURE OF ACCOUNTING TREATMENT

The financial statements have been prepared, in accordance with Indian Accounting Standards (referred to as 'Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder as amended from time to time. The details of accounting treatment and policies form part of the Notes to the Financial Statement.

## 16. DEFINITIONS

- 1) **Customer Accounts** refers to the distinct contracts entered into by our Company with each customer, at the time of measurement. A customer account may include access for a single or multiple number of Users.
- 2) **Users** refers to the number of activated user accesses on the platform at the time of measurement and does not include bulk users like university/educational institutes accounts.
- 3) **Contract Price** is net invoicing done in a given period adjusted for unbilled revenue for the period, till the time of measurement.
- 4) **Entities Profiled** refer to the profiles published and available on the platform to the user at the time of measurement.
- 5) **PAT** refers to Profit / (Loss) for the Year, plus Exceptional Items - IPO Expenses, plus, Deferred tax.
- 6) **EBITDA** refers to Profit / (Loss) for the period, minus Other Income and Other gains / (losses) - net, plus Depreciation and Amortization Expenses, plus Finance Costs, if any, plus Income Tax Expense, plus, Exceptional items - IPO Expenses.
- 7) **Free Cash Flow** refers to Net Cash Flow from / (used in) Operating Activities, minus Capex (i.e., payments for purchase of property, plant and equipment), minus IPO Expense reimbursement plus cash outgo towards Security Deposit for listing, minus tax amounts received upon exercise of ESOPs from employees.
- 8) **Cash and Cash Equivalents** includes balance with banks, investments in liquid mutual funds, bank fixed deposits, security deposit towards listing and cash on hand, minus tax amounts received upon exercise of ESOPs from employees.
- 9) **Organic Search Traffic** - Traffic originating from an organic search result.
- 10) **Existing Customer** - An account which had also contributed to the accrued revenue prior to the given financial year / period.
- 11) **New Customer** - An account contributing to the accrued revenue for the first time in the given financial year/ period.
- 12) **Headcount** - Number of employees as on the close of business hours.

# Board's Report

Dear Members,

The Board of Directors ("the Board") of your Company is pleased to present the 12th Annual Report of Tracxn Technologies Limited (hereinafter referred as "Company" / "Tracxn") along with the Audited Financial Statements for the financial year ("FY") ended March 31, 2024 (hereinafter referred as "FY 2023-24", "FY24" or "during the year").

## 1. FINANCIAL HIGHLIGHTS

The key highlights of the financial results of your Company for the financial year ended March 31, 2024 are as follows:

(In ₹ Lakhs, except for per share data)

Particulars	FY 2023-24	FY 2022-23
<b>Revenue from Operations</b>	<b>8277.05</b>	<b>7810.57</b>
Other Income	30.93	131.08
Other Gains/(Losses) – Net	395.69	176.44
<b>Total Income</b>	<b>8703.67</b>	<b>8118.09</b>
Less: Total Expenses excluding Depreciation	7818.37	7553.40
Less: Depreciation	17.01	19.03
<b>Profit / (Loss): before Exceptional Items &amp; Tax</b>	<b>868.29</b>	<b>545.66</b>
Less: Exceptional Items <sup>1</sup>	0.00	(449.08)
<b>Profit / (Loss) before Tax</b>	<b>868.29</b>	<b>994.74</b>
Less: Current Income Tax	17.68	11.55
Less: Deferred Tax <sup>2</sup>	200.47	(2325.72)
<b>Profit / (Loss) for the Year</b>	<b>650.14</b>	<b>3308.91</b>
Add: Other Comprehensive Income / (Loss)	(42.40)	54.63
<b>Total Comprehensive Income / (Loss) for the Year</b>	<b>607.74</b>	<b>3363.54</b>
Profit / (Loss) per share (Basic)	0.61	3.30
Profit / (Loss) per share (Diluted)	0.61	2.99

### Notes:

1. Reimbursement of IPO expenses from selling shareholders
2. In FY23, deferred tax includes, first time recognition of deferred tax assets on unused tax losses

Please note that your Company does not have any subsidiaries. Therefore, the financial statements of your Company are prepared only for one entity and are on a standalone basis.

The annual Audited Financial Statements for the financial year ended March 31, 2024 have been prepared in accordance with the applicable provisions of the Companies Act 2013 ("the Act"), Indian Accounting Standards ('IND AS') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI Listing Regulations"].

The Board of Directors review the operations of your Company as a whole, as one single segment. Accordingly, there are no separate reportable segments.

## 2. REVIEW OF OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS

Your Company is a leading private market intelligence platform providing data & software for the private markets globally. The customer segment of your Company includes private market investors & investment banks (venture capital funds, private equity funds, investment banks); and M&A, corporate development, and innovation teams at large corporations, including many Fortune 500 companies. Nearly 66% of the revenue of your Company is from international customer base, spanning over 50 countries. The business follows a SaaS model similar to many established companies in this space that provide public market financial data. This business model has a high operating leverage, since post the initial

investment in the technology and data platform, the cost to serve incremental customers is very low. This has resulted in a steady margin expansion across the last three financial years. The business is asset-light and has been debt free since inception.

For FY24 your Company recorded EBITDA, PAT and free cash flow of ₹458.68 Lakhs, ₹650.14 Lakhs and ₹1,027.05 Lakhs respectively, against corresponding FY23 numbers<sup>3</sup> of ₹257.17 Lakhs, ₹534.11 Lakhs and ₹1,192.78 Lakhs respectively.

Please note that for like to like comparison, FY 23 numbers have adjusted for one-off items: (a) reimbursement of IPO expenses from selling shareholders, and (b) first time recognition of deferred tax assets on unused tax losses.

More details on the operational and financial performance of your Company are provided in the Management Discussion & Analysis Report, which forms a part of the Annual Report.

### 3. TRANSFER TO RESERVES AND DIVIDEND

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), your Company adopted the Dividend Distribution Policy setting out the broad principles for guiding the Board and the management in matters relating to declaration and distribution of dividend, and the same is available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>.

Shares issued/allotted during the financial year 2023-24 are detailed below.

S.No.	Date of Allotment	Mode of issue/allotment	No. of shares allotted	Amount (in ₹)
1.	June 05, 2023	Employee Stock Options Exercised	466,117	466,117
2.	July 07, 2023	Employee Stock Options Exercised	672,711	672,711
3.	August 09, 2023	Employee Stock Options Exercised	268,296	268,296
4.	September 08, 2023	Employee Stock Options Exercised	566,716	566,716
5.	October 09, 2023	Employee Stock Options Exercised	205,212	205,212
6.	November 09, 2023	Employee Stock Options Exercised	323,714	323,714
7.	December 06, 2023	Employee Stock Options Exercised	390,285	390,285
8.	January 16, 2024	Employee Stock Options Exercised	73,635	73,635
9.	February 07, 2024	Employee Stock Options Exercised	96,926	96,926
10.	March 05, 2024	Employee Stock Options Exercised	167,304	167,304
<b>Total</b>			<b>32,30,916</b>	<b>32,30,916</b>

The Board of Directors, after considering the relevant factors and in line with your Company's Dividend Distribution Policy, has not recommended any dividend for the year FY24. Accordingly, no amounts are proposed to be transferred to the reserve.

### 4. SHARE CAPITAL

#### (i) Authorised Share Capital

The Authorised Share Capital of your Company as on March 31, 2024, was ₹12,00,00,000 (Rupees Twelve Crores only) consisting of 12,00,00,000 equity shares of Re 1 (Rupee One only) each. During the year under review, there was no change in the Authorised Share Capital of your Company.

#### (ii) Paid-Up Capital

During the year, the change in issued, subscribed and paid up share capital of your Company was as follows:

Particulars	No. of shares	Amount (in ₹)
Issued, Subscribed and Paid up Share Capital at the beginning of the financial year 2023-24	10,03,10,185	10,03,10,185
Shares issued/allotted during the financial year 2023-24	32,30,916	32,30,916
Issued, Subscribed and Paid-up Share Capital at the end of the financial year 2023-24	10,35,41,101	10,35,41,101

After closure of the reporting period, your Company has issued/allotted Equity Shares as per the following details:

S.No.	Date of Allotment	Mode of issue/allotment	No. of shares allotted	Amount (in ₹)
1.	April 13, 2024	Employee Stock Options Exercised	317,228	317,228
2.	May 08, 2024	Employee Stock Options Exercised	45,200	45,200
3.	June 07, 2024	Employee Stock Options Exercised	205,716	205,716
4.	July 06, 2024	Employee Stock Options Exercised	360,086	360,086
5.	August 05, 2024	Employee Stock Options Exercised	99,707	99,707
<b>Total</b>			<b>10,27,937</b>	<b>10,27,937</b>

### (iii) Alteration of Memorandum of Association (MOA) & Articles of Association (AOA)

No alterations were done during the financial year 2023-24 in the MOA and AOA of your Company.

### (iv) Employees' Stock Option Plan

Your Company has one (1) employee stock option plan, the Tracxn Employee Stock Option Plan 2016 ("ESOP 2016"), which was ratified by shareholders subsequent to the IPO, via Postal Ballot, on 21st January, 2023, in accordance with Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEBSE Regulations").

ESOP 2016 is in compliance with the SEBI (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021. A certificate from the Secretarial Auditors of your Company, BMP & Co. LLP, under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEBSE Regulations") is available on the website of your Company at <https://w.tracxn.com/investor-relations/shareholder-services#annual-general-meeting>.

A statement containing the relevant disclosures pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, and Regulation 14 of the SEBI SBEBSE Regulations for the financial year ended on March 31, 2024 can be accessed on the website of your Company at <https://w.tracxn.com/investor-relations/shareholder-services#annual-general-meeting>.

## 5. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF YOUR COMPANY

There were no material changes affecting the financial position of your Company between

the end of the financial year under review and the date of this report, other than issue of equity shares, as detailed in Section 4 above.

## 6. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of your Company during the year.

## 7. PUBLIC DEPOSITS

During the year under review, your Company has neither invited nor accepted any deposits from the public falling within the preview of Section 73 and 76 of the Act read with the Companies (Acceptance of Deposits) Rule, 2014. Further, no amount on account of principal or interest on deposits from the public was outstanding as on March 31, 2024.

## 8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company has an appropriate mix of directors on its Board. As of March 31, 2024, the Board of Directors of your Company comprised two (2) Executive Directors, including one (1) woman Executive Director, and four (4) Independent Directors, including one (1) woman Independent Director. The composition of the Board of your Company is in conformity with Regulation 17 of SEBI Listing Regulations and Section 149 of the Companies Act, 2013.

All Directors are eminent individuals with proven track records, and their detailed backgrounds are provided in the Corporate Overview section forming part of this Annual Report.

None of the Directors are disqualified as specified under Section 164 of the Act.

The list of directors and Key Managerial Personnel as on March 31, 2024 are as follows:

S. No.	Name	Designation	Date of Appointment	Date of Cessation
1	Neha Singh	Chairperson and Managing Director	June 14, 2016	NA
2	Abhishek Goyal	Vice-Chairman and Executive Director	January 02, 2013	NA
3	Brij Bhushan	Independent Director	August 06, 2021	NA
4	Nishant Verman	Independent Director	August 06, 2021	NA
5	Payal Goel	Independent Director	August 06, 2021	NA
6	Rohit Jain	Independent Director	August 06, 2021	NA
7	Prashant Chandra	Chief Financial Officer	August 02, 2021	NA
8	Megha Tibrewal	Company Secretary and Compliance Officer	August 01, 2023	May 20, 2024

### Appointments and Re-appointment to the Board

The Board, at its meeting held on August 01, 2023 and based on the recommendation of Nomination and Remuneration Committee ("NRC"), approved the re-appointment of Neha Singh (DIN: 05331824), Chairperson and Managing Director of your Company, who was liable to retire by rotation at the previous Annual General Meeting ("AGM") and being eligible, offered herself for re-appointment. The re-appointment was approved by the Members at the AGM held on September 27, 2023.

### Cessation(s)

Mr. Vivek Kumar Mathur, Nominee Director of Elevation Capital V Limited resigned due to personal reasons from the Board from close of business hours of April 21, 2023. Mr. Vivek Kumar Mathur has confirmed that there were no material reasons for his resignation. The Board places on record its appreciation for Mr. Vivek Kumar Mathur for his invaluable contribution and guidance during his tenure.

### Changes in Key Managerial Personnel:

During the year under review, upon Ms. Megha Tibrewal resuming her work post her maternity leave, Mr. Pranav Koranne resigned from his position as Interim Company Secretary cum Interim Compliance Officer of your Company as at the close of business hours on July 31, 2023, and Megha Tibrewal was re-appointed as the Company Secretary and Compliance Officer of your Company on August 01, 2023.

Post the year under review, Ms. Megha Tibrewal resigned from her position as Company Secretary and Compliance Officer of your Company on May 20, 2024, due to her maternity

leave, and Ms. Surabhi Pasari was appointed as the Company Secretary and Compliance Officer on May 20, 2024

## 9. DIRECTORS RETIRING BY ROTATION

Pursuant to the provisions of Section 152(6) of the Act, Mr. Abhishek Goyal (DIN: 00423410), Vice Chairman and Executive Director of your Company, is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment. In compliance with Secretarial Standards-2, the brief resume, expertise, and other details of Mr. Abhishek Goyal is given in the notice convening the AGM. Based on the recommendations of the Nomination and Remuneration Committee of your Company, the Board recommends his reappointment as Director at the ensuing AGM.

## 10. INDEPENDENT DIRECTORS' DECLARATION

Your Company has received necessary declarations from each Independent Director that they satisfy the criteria of independence laid down under the provisions of Section 149 of the Act and Regulation 16 of SEBI Listing Regulations. The Board is of the opinion that no circumstances have arisen till the date of this report which may affect their status as Independent Directors of your Company.

The Board is satisfied with the integrity, expertise, experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 of the Act together with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent

Directors of your Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

During the year, none of the Independent Directors resigned from the Board.

The Independent Directors of your Company had no pecuniary relationship or transactions during the year with your Company, other than fixed remuneration and sitting fees, as detailed in Corporate Governance Report forming part of this report.

### **11. ANNUAL EVALUATION OF PERFORMANCE BY THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board, its Committees and individual Directors.

The evaluation was conducted via a questionnaire containing qualitative questions, with responses provided on a rating scale. Evaluation was based on criteria such as the composition of the Board and its Committees, their functioning, communication between the Board, its Committees and the management of the Company, and performance of the Directors and Chairperson of the Board based on their participation in effective decision making and their leadership abilities.

The Independent Directors also held a separate meeting during the financial year, to evaluate the performance of the Board as a whole, the Non-Independent Directors and the chairperson of the Board.

### **12. BOARD AND COMMITTEE MEETINGS**

The Board met 4 (four) times during the year under review. The details of the meetings are disclosed in the Corporate Governance Report forming part of this Annual Report.

The Board has constituted 4 (four) committees in compliance with the Companies Act, 2013 and SEBI Listing Regulations; the Audit Committee, the Corporate Social Responsibility Committee, the Nomination and Remuneration Committee, and the Stakeholders' Relationship Committee.

The details with respect to the composition, number of meetings held, and terms of reference for each committee are given in the Corporate Governance Report forming part of this Annual Report.

### **13. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(3)(c) of the Act, the Directors hereby confirm and state that:

- a) in the preparation of the annual financial statements for the financial year ended March 31, 2024, the applicable accounting standards had been followed and no material departures have been made for the same;
- b) they have 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 your Company at the end of the financial year ended on March 31, 2024 and of the profit of your Company for the period ended March 31, 2024;
- c) they have 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 your Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts for the year ended March 31, 2024 on a going concern basis;
- e) they have laid down internal financial controls and the same have been followed by your Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

### **14. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND**

## SENIOR MANAGEMENT PERSONNEL

The Nomination and Remuneration Policy of your Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178, is available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>

The salient features covered in the policy are:

- Criteria for appointment, removal and retirement of Directors and Managerial Personnel including the qualification and diversity requirements, their term and their evaluations
- Policy for remuneration to Executive Directors, Non-Executive / Independent Directors and Managerial Personnel
- Familiarisation programmes to be conducted for Directors

## 15. RISK MANAGEMENT

Risk Management Committee as required under Regulation 21 of SEBI Listing Regulations and applicable to top 1000 companies, determined on the basis of market capitalization at the end of FY24 is not applicable for your Company. Your Company has devised and adopted a Risk Management Policy and implemented a mechanism for risk assessment and management. The policy provides for identification of possible risks associated with the business of your Company, assessment of the same at regular intervals and taking appropriate measures and controls to manage, mitigate and handle them. The key categories of risk jotted down in the policy are Reputation and Competition, Legal and Compliance, Economic and Operational, Storage of data, Security and Fraud, Strategic, Taxation and Financial and Human Resource that may potentially affect the working of your Company. The policy is available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>

## 16. VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Your Company has adopted a Whistle Blower Policy and has established necessary

vigil mechanisms for Directors and employees in confirmation with Section 177(9) of the Act. The policy is available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>.

The policy provides a mechanism, which ensures adequate safeguard to employees and Directors from any victimisation on raising concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statement and reports, and so on. The employees of your Company have the right/ option to report their concern/ grievance to the Chairperson of the Audit Committee.

No complaints were received by your Company under the Whistle Blower Policy during FY 2023-24.

## 17. ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act 2013, a copy of the annual return is available on the website of your Company at <https://w.tracxn.com/investor-relations/shareholder-services#annual-general-meeting>.

## 18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, there were no loans, guarantees or investments made under Section 186 of the Companies Act, 2013.

## 19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Your Company has adopted a policy on Related Party Transactions under Regulation 23(1) of SEBI Listing Regulations, which is available on the website of your Company at

<https://w.tracxn.com/investor-relations/corporate-governance/policies>.

During the year under review, your Company did not enter into any contracts or arrangements with related parties pursuant to Section 188(1) of the Act read with the relevant rule and no material related party transactions were entered into. Accordingly, the disclosure of related party transactions as required under section 134(3)(h) of the Act in form AOC-2 is not applicable to

your Company for FY 2023-24 and hence does not form part of this report.

In terms of Regulation 23 of the SEBI Listing Regulations, your Company submits details of related party transactions on a consolidated basis as per the specified format to the stock exchanges on a half-yearly basis.

## **20. PARTICULARS OF EMPLOYEES AND REMUNERATION**

Disclosure pertaining to remuneration and other details as required under Section 197 (12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's Report as Annexure 2.

## **21. HUMAN RESOURCES AND EMPLOYEE RELATIONS**

The number of employees in your Company as at the end of financial year 2023-24 was 720 including the executive directors.

A number of initiatives aimed at improving productivity and well-being of employees have been implemented over the past few years. These are described in detail in the Management Discussion and Analysis Report forming part of this Annual Report.

## **22. SUBSIDIARY, ASSOCIATE COMPANIES, JOINT VENTURES AND CONSOLIDATED FINANCIAL STATEMENTS**

Your Company has no subsidiaries, joint ventures or associate companies as of March 31, 2024 and during the year under review no company became/ceased to be subsidiary or associate or joint venture of your Company. Accordingly, the statement containing salient features of financials of subsidiaries pursuant to Section 129 of the Act read with Rule 5 and 8(1) of the Companies (Accounts) Rules, 2014 in Form AOC-1, is not applicable to your Company.

## **23. STATUTORY AUDITORS AND STATUTORY AUDITOR'S REPORT**

M/s. Price Waterhouse Chartered Accountants, LLP Bengaluru (Firm Registration No. 012754N/N500016) were re-appointed as Statutory Auditors of your Company at the 9th Annual General Meeting for a term of five (5) consecutive years from the conclusion of 9th

AGM of Company till the conclusion of its AGM for the FY 2025-26. Your Company has received their eligibility certificate confirming that they are not disqualified from continuing as Auditors of your Company.

The report of the Statutory Auditors forms part of the Annual Report for FY24, and does not contain any qualification, reservation, adverse remark. Further, the statutory auditors have made the following remark in their report:

*Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account, of which one accounting software has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. Based on our procedures performed, we did not notice any instance of the audit trail feature being tampered with respect to such software. With respect to a billing software (cloud based) maintained by a third party service provider and used for certain business process, where service organisation's auditor's report does not cover audit trail, we are unable to comment whether the audit trail feature of the aforesaid software was enabled and operated throughout the year and therefore the question of our commenting on whether the audit trail feature was tampered with does not arise.*

## **24. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT**

Pursuant to Section 204 of the Act, your Company had appointed M/s. BMP & Co. LLP, Company Secretaries, as its Secretarial Auditors to undertake the Secretarial Audit of your Company for the financial year 2023-24. The Secretarial Audit Report in the prescribed Form No. MR-3 is attached as Annexure 1 to the Board's Report.

There are no qualifications or observations or adverse remarks or disclaimer of the Secretarial Auditors in their report.

Pursuant to circular No. CIR/ CFD/ CMD1/ 27/ 2019 dated February 8, 2019, issued by Securities and Exchange Board of India, your Company has obtained Annual Secretarial Compliance Report for the year 2023-24, from M/s. BMP & Co. LLP, Practising Company Secretaries on compliance with applicable SEBI Regulations and circulars / guidelines

issued thereunder. A copy of the certificate was submitted to the Stock Exchanges on May 23, 2024.

## 25. MAINTENANCE OF COST RECORDS

During the period under review, provisions of Rule 8(5)(ix) of The Companies (Accounts) Rules, 2014 read with Section 148(1) and rule 3 and 4 of The Companies (Cost Records and Audit) Rules, 2014 are not applicable to your Company.

## 26. INTERNAL AUDITORS

Your Company at its Board Meeting held on November 02, 2023, appointed M/s. Singhvi Dev & Unni LLP, Chartered Accountants, having Firm Registration Number S200358, as Internal Auditors of your Company for financial year 2023-24, pursuant to provisions of Section 138 of the Companies Act, 2013. The findings of the Internal Audit report are submitted to the Audit Committee on a periodic basis and corrective actions are taken by the respective functional teams as per suggestions of the Internal Auditor and Audit Committee.

## 27. REPORTING OF FRAUDS BY AUDITORS

During the year under review, no instances of fraud were reported by the Statutory Auditors, the Internal Auditors or the Secretarial Auditor to the Audit Committee, the Board, or to the Central Government, under Section 143(12) of the Act.

## 28. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has established internal financial controls by way of policies and procedures that are commensurate with the size of its operations, and these are operating effectively and adequately. These policies and procedures are designed to ensure efficient conduct of your Company's business, safe keeping of its assets, prevention and detection of frauds and errors, optimal utilization of resources, accurate and reliable maintenance of the books of accounts, timely and reliable preparation of financial information, and adherence to compliance.

The Internal Auditors of your Company have performed a detailed evaluation of the adequacy and effectiveness of the internal control systems, and their reports were reviewed and discussed

in the Audit Committee meetings and shared with the Statutory Auditors.

## 29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for FY24, as stipulated under Regulation 34 read with Schedule V of the SEBI Listing Regulations, is provided separately forming part of this Annual Report.

## 30. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report for FY24, as stipulated under Regulation 34 read with Schedule V of the SEBI Listing Regulations, is provided separately forming part of this Annual Report.

## 31. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report as required under Regulation 34(2)(f) of SEBI Listing Regulations, applicable to top 1000 companies determined on the basis of market capitalization at the end of FY24, is not applicable for your Company.

## 32. 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 orders were passed by the regulators or courts or tribunals which impact the going concern status of your Company.

## 33. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, your Company has adopted a Corporate Social Responsibility Policy, which is available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>.

The salient features covered in the policy are:

- Composition of the CSR Committee and governance structure of CSR activities

- Operating framework for conducting CSR activities, which includes the amount to be spent, the activities that it may be spent on, and the monitoring and disclosure frameworks

For FY 2023-24, your Company does not fulfil the criteria prescribed in Section 135(1) of the Companies Act, 2013 for mandatory CSR spend. Therefore, your Company was not mandatorily required to undertake any CSR activities.

### 34. POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION,

Details of complaints pertaining to sexual harassment that were filed are as follows:

No of complaints pending resolution as at beginning of FY 23-24	No of complaints received during FY 23-24	No of complaints resolved during FY 23-24	No of complaints pending resolution as at end of FY 23-24
0	1	1	0

### 35. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

#### (A) Conservation of Energy

Your Company does not have any plants or machinery, and the business of your Company inherently involves very low energy usage. Nevertheless, your Company consciously makes efforts towards conservation of energy in its operations.

Several ongoing measures have been adopted to promote sustainability and efficiency within operations. Some of these initiatives are remote and hybrid working facilities for certain roles, which reduces the overall energy consumption not only in the office spaces, but also via reduced transportation requirements. The Company has also minimised the use of packaged drinking water, contributing to the reduction of plastic waste. Efforts have been made to optimize the use of electrical equipment, such as the implementation of localized air conditioners, use of LED lighting across its office space. The office spaces have been designed with low-height ceilings to improve the efficiency of air conditioning systems. Your Company has also an open-air cafeteria given the year round pleasant weather conditions in Bengaluru, which further reduces the need for extensive HVAC requirements. The Company ensures

#### PROHIBITION AND REDRESSAL) ACT, 2013

Your Company places great emphasis on fostering an environment that is free from any form of harassment or discrimination, and has adopted a zero-tolerance policy towards sexual harassment. Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

that e-waste is disposed of responsibly through authorized recyclers, adhering to environmental regulations and promoting sustainable practices.

#### (B) Technology Absorption, Research And Development

##### (i) The efforts made towards technology absorption, benefits derived like product improvement, cost reduction, product development or import substitution

As a SaaS Company, technology is at the core of our operations. Your Company is constantly in the process of integrating and effectively utilizing new technologies to improve operations, product offerings, and overall business performance. Your Company actively keeps a lookout and stays abreast of technological advancements, particularly in areas like Generative AI, Cyber Security, and other emerging fields that are crucial to maintaining our competitive edge. We actively leverage a variety of technologies such as AWS, React.js, Next.js, Astro.js, HAProxy, Mongo, Kafka, Elasticsearch, Redis, and SpringBoot, and other products such as Intercom, Google Analytics and Webflow among others, to continuously improve our platform, user experience, and backend tech infrastructure. Together these

enable us to build a robust and scalable system that meets the evolving needs of our customers. Some other efforts in this direction include implementation of a no-code solution for internal use by our Product & Marketing teams for building multiple customer facing web pages including the Investor Relation pages, the Customers & Offerings pages, which allows for near real-time changes and experimentation; use of both open-source AI models as well as proprietary models like Open AI's GPT4 to improve our user experience in areas such as better search functionality with intelligent recommendations or sector discovery; API sandboxes to help our users test our APIs and build custom workflows using the data, such as enabling internal research and sourcing workflows; automated optimizations of our server usage to reduce cloud costs;

and various automation projects across our internal operations to improve productivity and efficiency.

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

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

**(iii) The expenditure incurred on Research and Development:**

Your 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 your 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:

(in ₹ Lakhs)		
Particulars	2023-24	2022-23
Inflow	5,473.32	5,305.81
Outflow	49.66	28.33

**36. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS**

Your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India. The Secretarial Audit Report for FY24 is attached as Annexure 1 to this Board Report.

**37. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 ("IBC") DURING THE YEAR ALONG WITH ITS STATUS AS AT THE END OF FINANCIAL YEAR**

No applications were made and no such proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

**38. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT**

**AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

Your Company has not availed any loan from any bank or financial institution. Hence, this valuation report is not applicable.

**39. PREVENTION OF INSIDER TRADING**

Your Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and is available on the website of your Company at [www.tracxn.com/investor-relations/corporate-governance/policies](http://www.tracxn.com/investor-relations/corporate-governance/policies).

Compliance with the Code of Conduct is closely monitored, and violations, if any, are reported to the Audit Committee at regular intervals.

#### 40. OTHER DISCLOSURES

Additional disclosures as on March 31, 2024, in terms of the applicable provisions of the Act and SEBI Listing Regulations,;

- No equity shares with differential rights as to dividend, voting or otherwise have been issued.
- No sweat equity shares have been issued.
- No buyback of shares have been undertaken.
- No amount or shares were required to be transferred to the Investor Education and Protection Fund.
- The entire share capital of your Company has been dematerialized.

Date: August 30, 2024  
Place: Bengaluru

#### 41. ACKNOWLEDGEMENT

The Board places on record its appreciation for the contribution made by all the employees towards the growth and success of your Company and extends its sincere appreciation to the Company's customers, vendors, bankers, consultants, the Government of India and the State Government, and the regulatory and statutory authorities for their support.

The Board is deeply grateful to all the members of the Company for entrusting their confidence and faith in us.

By order of the Board of Directors  
For **Tracxn Technologies Limited**

**Neha Singh**  
Chairperson and Managing Director  
DIN: 05331824

## Annexure 1 Secretarial Audit Report

### Form MR-3

### SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31st MARCH 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Tracxn Technologies Limited  
CIN: L72200KA2012PLC065294  
L-248, 2nd Floor 17th Cross,  
Sector 6, HSR Layout,  
Bengaluru-560102

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tracxn Technologies Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31st March 2024 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there Under;
- iii. The Depositories Act, 1996 and the Regulations and byelaws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable as Company has not issued debt securities during the year under review;
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client; - Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable as the

Company has not delisted/proposed to delist its equity shares from any stock exchange during the financial year under review;

- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- Not applicable as the Company has not bought back / proposed to buyback any of its securities during the financial year under review.
- vi. The Company has identified the following laws as specifically applicable to the Company:
  1. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
  2. The Information Technology Act, 2000;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive

Directors and Independent Directors. The changes in the compositions of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- ii. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- iv. Based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and
- v. As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

For **BMP & Co. LLP**,  
Company Secretaries

**CS Biswajit Ghosh**

Designated Partner

FCS No.: 8750 CP. No.: 8239

Peer Review Certificate No. 736/2020

Firm Registration Number: L2017KR003200

Place: Bengaluru

Date: August 30, 2024

UDIN: F008750F001083912

This report to be read with our letter of event date which is annexed as Annexure A and forms an integral part of this report.

**'Annexure A'**

To,  
The Members,  
Tracxn Technologies Limited  
CIN: L72200KA2012PLC065294  
L-248, 2nd Floor 17th Cross,  
Sector 6, HSR Layout  
Bengaluru-560102  
Karnataka

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary/Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.
8. We further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **BMP & Co. LLP,**  
Company Secretaries

**CS Biswajit Ghosh**

Designated Partner

FCS No.: 8750 CP. No.: 8239

Peer Review Certificate No. 736/2020

Firm Registration Number: L2017KR003200

Place: Bengaluru  
Date: August 30, 2024  
UDIN: F008750F001083912

**Details of Remuneration**

As required under section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**I. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-24 is as under:**

Sr. No.	Name of Director / KMP	Designation	Remuneration of Director / KMP for the Financial Year 2023-24 (₹ in Lakhs)	% increase in Remuneration in the Financial Year 2023-24 (₹ in Lakhs)	Ratio of Remuneration of each Director to median remuneration of the employees
1	Ms. Neha Singh <sup>1</sup>	Chairperson and Managing Director	6.45	(85.66)%	1.78
2	Mr. Abhishek Goyal <sup>1</sup>	Vice Chairperson and Executive Director	6.46	(0.62)%	1.78
3	Mr. Brij Bhushan <sup>2</sup>	Independent Director	16.00	(16.88)%	4.42
4	Mr. Nishant Verman <sup>2</sup>	Independent Director	14.50	0.00%	4.01
5	Ms. Payal Goel <sup>2</sup>	Independent Director	13.50	(6.90)%	3.73
6	Mr. Rohit Jain <sup>2</sup>	Independent Director	15.25	(12.86)%	4.21
7	Mr. Prashant Chandra <sup>3</sup>	Chief Financial Officer	114.62	37.37%	
8	Ms. Megha Tibrewal <sup>3,4</sup>	Company Secretary and Compliance Officer	10.41	NA	
9	Mr. Pranav Koranne <sup>3,4</sup>	Interim Company Secretary cum Interim Compliance Officer	7.43	NA	

**Notes:**

- Includes fixed salary and retiral benefits
- Includes fixed annual fee and sitting fees as per your Company's Terms and Conditions of Appointment of Independent Directors
- Includes fixed salary, retiral benefits, and perquisites, including the perquisite value on the exercise of stock options, if any, determined in accordance with the provisions of the Income-tax Act, 1961.
- Remuneration of Ms. Megha Tibrewal and Mr. Pranav Koranne are reported for the respective periods in which they were KMPs. Therefore, the remuneration is not comparable to the previous year, and hence the percentage increase in remuneration is not provided.

**II. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, during the Financial Year 2023-24:**

Kindly refer Point I above.

**III. The percentage increase in the median remuneration of employees during the Financial Year 2023-24:**

In the Financial Year 2023-24, there was an increase of 32.43% in the median remuneration of employees of your Company.

**IV. The number of permanent employees on the rolls of Company:**

There were 720 permanent employees on the rolls of your Company as on March 31, 2024, including the Executive Directors.

**V. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average increase in remuneration to the Directors and KMPs in FY 2023-24 was (14.78%)<sup>5</sup>. The average increase in remuneration to employees other than Directors and KMPs in FY 2023-24 was 23.08%<sup>5</sup>.

**Notes:**

5. Determined on the basis of remuneration, excluding perquisite value upon the exercise of stock options.

**VI. Affirmation that the remuneration paid to the Directors, KMPs, and other Employees is as per the remuneration policy of the Company:**

It is hereby affirmed that the remuneration paid is as per the remuneration policy of your Company.

**VII. (a) Top ten employees in terms of remuneration drawn during the year and Employees with remuneration drawn during the year of Rs. One crore two lakhs or more**

**(b) Employees employed for part of the financial year with remuneration drawn during the year of Rs. Eight lakhs fifty thousand or more per month**

**(c) Employees who were in receipt of aggregate remuneration in that year at a rate which is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by themselves or along with their spouse and dependent children, not less than two percent of the equity shares of the Company**

The statement as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 containing the aforesaid details, will be available to shareholders upon specific request made by writing to the Company at [compliance-officer@tracxn.com](mailto:compliance-officer@tracxn.com)

# Corporate Governance Report

## I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company's philosophy on corporate governance is to create and conduct sustainable growing business with highest standards of integrity, transparency and accountability, maximize stakeholders' value while duly complying with all applicable laws and regulations. Your Company firmly believes that Corporate Governance is critical to the success of its business and its governance practices are reflected in its strategy, plan, culture, policies and relationship with stakeholders. Your Company's Corporate Governance philosophy has been further strengthened through Code of Conduct for Prevention of Insider Trading, Code on Fair Disclosure and Legitimate Purpose. Your Company has in place relevant information security policies that ensure proper utilisation of IT resources. All members of the senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may give rise to potential conflict with the interest of your Company. The Corporate Governance Report for FY 2023-24 is prepared in accordance with Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended up to date read with relevant provision of the Companies Act, 2013 ("the Act") & the Rules framed thereunder, is given below. As at March 31, 2024, your Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46 of Listing Regulations, as applicable, with regard to corporate governance.

## II. BOARD OF DIRECTORS

As on March 31, 2024, your Company's Board of Directors comprised of 6 (six) Directors including 2 (two) Executive Directors, and 4 (four) Non-Executive Independent Directors. The Chairperson of the Board is an Executive Director, and the number of Non-Executive-Independent Directors is more than one-half of the total number of Directors. The profile of Directors can be found on the website of your Company at <https://w.tracxn.com/>

[investor-relations/corporate-governance/board-of-directors](#)

During the year under review, Mr. Vivek Kumar Mathur, Nominee Director of Elevation Capital V Limited, resigned due to personal reasons from the Board from close of business hours of April 21, 2023. Mr. Vivek Kumar Mathur has confirmed that there were no material reasons for his resignation.

As per the provisions of Section 152 and other applicable provisions of the Act & the Rules made thereunder and in terms of the Articles of Association of the Company, Ms. Neha Singh (DIN - 05331824) who was liable to retire by rotation at the Annual General Meeting ("AGM") of the Company held on September 27, 2023 had offered herself for re-appointment. The Board of Directors of the Company, after considering the relevant experience, expertise and integrity and recommendations of the Nomination and Remuneration Committee ("NRC"), recommended to the shareholders the re-appointment of Ms. Neha Singh (DIN - 05331824) as a director, liable to retire by rotation. The said re-appointment was approved by the shareholders with requisite majority at the AGM of the Company held on September 27, 2023.

The composition of the Board is in conformity with provisions of Regulation 17 of the SEBI Listing Regulations and Section 149 of the Act.

- None of the Directors on the Board holds directorships in more than 20 (twenty) Indian Companies including 10 (ten) public companies.
- None of the Directors on the Board is a member of more than 10 (ten) Board Committees and Chairperson of more than 5 (five) Board Committees across all public companies in which he/she is a Director.
- Further, as per Regulation 17A of the SEBI Listing Regulations, 2015, none of the Directors hold Directorship in more than 7 listed entities and none of the Independent Directors are Whole Time Directors / Managing Directors in any listed entity, and neither do they serve as an Independent Director in more than 7 listed entities.

- Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024, have been made by the Directors.
- Neha Singh and Abhishek Goyal, who are Executive Directors of your Company, are married to each other. Other than this, none of the Directors are related to each other.
- Neha Singh, the Managing Director does not serve as an Independent Director in any listed company.
- All the Non-Independent Directors, including the Managing Director are liable to retire by rotation.
- Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.
- Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.
- Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed their enrolment in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.
- Your Company has issued formal letters of appointment to the Independent Directors at the time of appointment which, inter alia, explains the roles, responsibilities and duties to be undertaken by him/her as an Independent Director of your Company. As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of Independent Directors including their role, responsibility and duties are available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>.
- During the year under review, the Board met 4 times i.e. on May 11, 2023, August 01, 2023, November 02, 2023 and January 31, 2024. The necessary quorum was present for all the meetings held during the FY 23-24. The maximum gap between any two meetings did not exceed 120 days.
- The names and categories of the directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2024 are given herein below.

Name of the Director and DIN	Category of Directors	No. of Directorships in other Public Companies	No. of Committee memberships held in other Public Companies <sup>1</sup>		Directorship in other listed entities <sup>2</sup>		No and % of equity shares held in the Company as at March 31, 2024
			Chairperson	Member	Name of the entity	Category of Directorship	
Ms. Neha Singh <sup>3</sup> (05331824)	Executive Director (Chairperson and Managing Director)	-	-	-	-	-	1,78,81,529 (17.27%)
Mr. Abhishek Goyal <sup>3</sup> (00423410)	Vice-Chairman and Executive Director	-	-	-	-	-	1,82,20,266 (17.60%)
Mr. Brij Bhushan (03624436)	Non-Executive Independent Director	-	-	-	-	-	-

Name of the Director and DIN	Category of Directors	No. of Directorships in other Public Companies	No. of Committee memberships held in other Public Companies <sup>1</sup>		Directorship in other listed entities <sup>2</sup>		No and % of equity shares held in the Company as at March 31, 2024
			Chairperson	Member	Name of the entity	Category of Directorship	
Mr. Nishant Verman (05128414)	Non-Executive Independent Director	-	-	-	-	-	3,683 (0.004%)
Ms. Payal Goel (09196284)	Non-Executive Independent Director	-	-	-	-	-	-
Mr. Rohit Jain (06876642)	Non-Executive Independent Director	-	-	-	-	-	-

No Director of your Company holds any convertible instruments issued by your Company. Further, except for remuneration, sitting fees and reimbursement of expenses, your Company does not have any pecuniary relationship with any of the Directors and has not entered into any transaction, material or otherwise, with them.

- For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.
- Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.
- Ms. Neha Singh and Mr. Abhishek Goyal are promoters of your Company
- Mr. Vivek Kumar Mathur, Non-Executive Nominee Director, resigned w.e.f. close of business hours of April 21, 2023, due to personal reasons

#### Attendance of Directors at the Board Meetings and Annual General Meeting (AGM) held during the FY 2023-24:

Name of the Directors	Category	Board Meetings held	Board Meetings attended	Whether Attended last AGM
Neha Singh	Executive Director (Chairperson and Managing Director)	4	4	Yes
Abhishek Goyal	Executive Director	4	4	Yes
Brij Bhushan	Non-Executive Independent Director	4	4	Yes
Nishant Verman	Non-Executive Independent Director	4	4	-
Payal Goel	Non-Executive Independent Director	4	2	-
Rohit Jain	Non-Executive Independent Director	4	4	Yes
Vivek Kumar Mathur	Non-Executive Nominee Director	-	-	-

#### Independent Directors

The Board comprises four Independent Directors as on March 31, 2024. The tenure of all Independent Directors is in accordance with the Companies Act, 2013, and SEBI Listing Regulations.

Your Company has received necessary declarations from each Independent Director that they satisfy the criteria of independence laid down under the provisions of Section 149 of the Act and Regulation 16 of SEBI Listing Regulations. The Board is of the opinion that no circumstances have arisen till the date of this report which may affect their status as Independent Directors of your Company.

None of the Independent Directors resigned before the expiry of their tenure during FY 2023-24.

### Familiarization Programme for Independent Directors

Newly appointed directors are taken through an induction and familiarization program including the presentation and interactive session with the Managing Director and CEO, Executive Director, other Functional Heads on your Company's operations and strategy. The details of the Familiarisation programme of the Independent Directors as required under Regulation 25(7) and Regulations 46 of SEBI Listing Regulations are available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>.

### Director skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions

The Directors of your Company bring a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The following are the core skills, expertise and competencies identified for effective functioning of the Board and the names of directors who have such skills/expertise/competence:

Sr. No	Nature of skills/ Expertise/ competencies of Directors	Particulars
1	Business expertise	Experience of global business dynamics, understanding of various geographical markets, cultures, people and regulatory frameworks.
2	Management and Leadership Skills	Strong leadership experience, understanding of business process and operations, strategic thinking, developing and driving the vision of your Company.
3	Corporate Strategy & planning	Ability to scan and analyse the business trends, experience to guide and provide strategic directions to the management team, and driving change with the objective of growth.
4	Finance & Accounts/Audit	Ability to read and understand financial statements, understand the audit process, ability to drive your Company to benchmark with best practices in various procedural areas of finance function.
5	Governance & Risk	Knowledge of statutory compliances, developing governance practices, driving business ethics and values so as to protect interests of stakeholders, understanding and overseeing various risks facing your Company and ensure that appropriate policies and procedures are in place.
6	Technology & Innovation	An appreciation of emerging trends in product design and development, research, disruptions in technology and in business models.
7	Diversity	Practical experience in using diversity to build stronger businesses, understanding of the needs of diverse stakeholders.

The eligibility of a person to be appointed as a Director of your Company is dependent on whether the person possesses the requisite skill sets identified by the Board as mentioned above and whether the person is a proven leader in running a business that is relevant to your Company's business or is a proven academician in the field relevant to your Company's business. Your Company's business runs across different industry verticals, geographical markets and is global in nature. The Directors so appointed, based on the recommendation of the Nomination and Remuneration Committee, are drawn from diverse backgrounds and possess special skills with regard to the industries/fields from where they come.

Name of Director	Skills						
	Business expertise	Management and Leadership Skills	Corporate Strategy & Planning	Finance & Accounts/ Audit	Governance and Risk	Technology and Innovation	Sales and Marketing Exposure
Mr. Abhishek Goyal	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Neha Singh	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Name of Director	Skills						
	Business expertise	Management and Leadership Skills	Corporate Strategy & Planning	Finance & Accounts/Audit	Governance and Risk	Technology and Innovation	Sales and Marketing Exposure
Mr. Brij Bhushan	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Rohit Jain	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Nishant Verma	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Payal Goel	Yes	Yes	Yes	Yes	Yes	Yes	Yes

### III. COMMITTEES OF THE BOARD

The Board has constituted various Committees with an optimum representation of its members and with specific terms of reference in accordance with the Act and the SEBI Listing Regulations. The objective is to focus effectively on the issues and ensure expedient resolution of the diverse matters. The Board has constituted the below mentioned mandatory committees:

- 1) Audit Committee
- 2) Nomination & Remuneration Committee
- 3) Stakeholders' Relationship Committee and
- 4) Corporate Social Responsibility (CSR) Committee

The Committees are represented by a combination of Executive Directors and

Independent Directors of your Company. These Committees play an important role in the overall Management of various affairs and governance of your Company. The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The recommendations of the Committee(s) are submitted to the Board for information or approval.

During the year, all recommendations of the Committee(s) on matters where such a recommendation is mandatorily required, were duly considered and approved by the Board. The minutes of proceedings of Committee meetings are circulated to the respective Committee Members and placed before the Board for noting.

#### Audit Committee

The Audit Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act.

#### Composition of the Committee and Meetings attended by each member:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Mr. Rohit Jain	Chairperson	Independent Director	4	4
Mr. Brij Bhushan	Member	Independent Director	4	4
Ms. Payal Goel	Member	Independent Director	4	3
Ms. Neha Singh	Member	Executive Director	4	4

#### Number of meetings

During the year under review, the Audit Committee met 4 (four) times on May 11, 2023, August 01, 2023, November 02, 2023 and January 31, 2024.

Your Company invites its executives as it considers appropriate, and representatives of the statutory auditors, internal auditors, and secretarial auditors, are present at the Audit Committee meetings. The Company Secretary acts as the Secretary to the Audit Committee.

#### Terms of reference

The Audit Committee shall be responsible for, among other things, as may be required by the stock exchange(s) from time to time, the following:

##### A. Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference

- (2) to seek information from any employee
- (3) to obtain outside legal or other professional advice; and
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

#### B. Role of Audit Committee

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to Tracxn Technologies Limited (the "Company") to ensure that the financial statements are correct, sufficient and credible
- (2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors
- (4) formulation of a policy on related party transactions, which shall include materiality of related party transactions
- (5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given
- (6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
- d. Significant adjustments made in the financial statements arising out of audit findings, if any.
- e. Compliance with listing and other legal requirements relating to financial statements
- f. Disclosure of any related party transactions; and
- g. Modified opinion(s) in the draft audit report.
- (7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval
- (8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
- (9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process
- (10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed

**Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

- (11) scrutiny of inter-corporate loans and investments
- (12) valuation of undertakings or assets of the Company, wherever it is necessary
- (13) evaluation of internal financial controls and risk management systems
- (14) reviewing, with the management, performance of statutory and internal

- auditors, adequacy of the internal control systems
- (15) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- (16) discussion with internal auditors of any significant findings and follow up there on
- (17) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- (18) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- (19) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services
- (20) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- (21) reviewing the functioning of the whistle blower mechanism
- (22) monitoring the end use of funds raised through public offers and related matters
- (23) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases
- (24) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate
- (25) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision; and
- (26) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

### Nomination & Remuneration Committee

The Nomination & Remuneration Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act

#### Composition of the Committee and Meetings attended by each member:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Ms. Payal Goel	Chairperson	Independent Director	3	3
Mr. Brij Bhushan	Member	Independent Director	3	3
Mr. Nishant Verma	Member	Independent Director	3	2

During the year under review, the Nomination & Remuneration Committee met 3 times i.e. May 09, 2023, July 31, 2023 and September 01, 2023.

#### Terms of reference:

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”).

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
2. Formulation of criteria for evaluation of independent directors and the Board
  3. Devising a policy on Board diversity
  4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director)
  5. Analysing, monitoring and reviewing various human resource and compensation matters
  6. Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
  7. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors
  8. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary
  9. Reviewing and approving the Company's compensation strategy from time to time

in the context of the then current Indian market in accordance with applicable laws

10. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable
11. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
12. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

#### **Performance evaluation criteria for Independent Directors**

The performance evaluation criteria for Independent Directors is determined by the Nomination & Remuneration Committee. An indicative list of factors on which evaluation was carried out includes knowledge and qualifications, participation and decision making by a director, leadership abilities, maintenance of confidentiality and independence of behaviour and judgement.

#### **Remuneration Policy**

Pursuant to provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder, the Board has adopted a Policy on criteria for appointment of Directors, Key Managerial Personnel, Senior Management and fixing their remuneration.

The Nomination and Remuneration Policy which includes the criteria of making payments to non-executive directors is available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>

#### Service contracts, Notice Period and Severance Fees

As per Company policies, the notice period for resignation by the Executive Directors is 1 month. There is no separate provision for severance fees payable to the Executive Directors.

Additionally, none of the Directors are eligible for any stock options.

#### Details of remuneration paid for the year ended March 31, 2024

Based on the recommendation of the Nomination & Remuneration Committee, all decisions relating to the remuneration of Directors are taken by the Board in accordance with the Shareholders' approval. Details of remuneration paid to Executive and

Non- Executive Directors for the Financial Year ended March 31, 2024 is provided hereinafter:

#### i. Managing Director and Executive Director

Name	Fixed Salary (₹ in lakhs)	Benefits, perquisites and allowances (in lakhs)	Total (₹ in lakhs)
Ms. Neha Singh	6.00	0.45	6.45
Mr. Abhishek Goyal	6.00	0.46	6.46

#### ii. Non-Executive Directors

Name of the Directors	Sitting Fees (₹ in lakhs)	Fixed Remuneration (₹ in lakhs)
Mr. Brij Bhushan	6.00	10.00
Mr. Nishant Verman	4.50	10.00
Ms. Payal Goel	3.50	10.00
Mr. Rohit Jain	5.25	10.00

#### Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by our Board, in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act.

#### Composition of the committee and meetings attended by each member

Name of the Director	Position	Category	No of meetings held	No. of meetings attended
Mr. Brij Bhushan	Chairperson	Independent Director	1	1
Ms. Neha Singh	Member	Executive Director	1	1
Mr. Rohit Jain	Member	Independent Director	1	1

During the period under review, the Stakeholders' Relationship Committee met once on March 21, 2024.

#### Terms of reference

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, nonreceipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints.
- review of measures taken for effective exercise of voting rights by shareholders.
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities.
- Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and rematerialisation of shares, split and issue of duplicate/ consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time.
- review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures

for overall improvement in the quality of investor services.

6. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
7. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the

Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

#### Name, Designation and Address of Compliance Officer

The details of the Compliance Officer as on the date of this report are as follows:

Surabhi Pasari  
Company Secretary and Compliance Officer  
2nd Floor, L-248 17th Cross, Sector-6,  
HSR layout Bangalore – 560 102  
Contact: 9036090116  
E-mail: compliance-officer@tracxn.com

#### Details of Investor Complaints Received and Redressed During FY 2023-24:

No of complaints pending as at start of FY 23-24	No of complaints received during FY 23-24	No of complaints disposed off during FY 23-24	No of complaints pending as at end of FY 23-24
0	1	1	0

#### Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee was constituted in line with the provisions of Section 135 of the Act.

#### Composition of the committee and meetings attended by each member:

Name of the Director	Position	Category	No of meetings held	No. of meetings attended
Ms. Neha Singh	Chairperson	Executive Director	NA	NA
Mr. Abhishek Goyal	Member	Executive Director	NA	NA
Mr. Nishant Verma	Member	Independent Director	NA	NA

For FY 2023-24, your Company was not mandatorily required to undertake CSR activities and spend any amount thereby, as it did not fulfill the criteria prescribed in Section 135(1) of the Companies Act, 2013. Therefore, no meetings of the CSR Committee were held during the Financial Year 23-24.

#### Terms of reference

- a. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board
- b. identify corporate social responsibility policy partners and corporate social responsibility policy programmes
- c. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company
- d. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities
- e. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
- f. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time, and

- g. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

#### Risk Management Committee:

The Risk Management Committee is not applicable to your Company as the Company is not yet in the top 1000 listed entities, determined on the basis of market capitalization as at March 31, 2024.

#### Particulars of Senior Management Personnel

Name	Designation	Date of Appointment	Date of Cessation
Mr. Prashant Chandra	Chief Financial Officer	August 02, 2021	-
Mr. Pranav Koranne	Interim Company Secretary cum Interim Compliance Officer	February 08, 2023	July 31, 2023*
Ms. Megha Tibrewal	Company Secretary and Compliance Officer	August 01, 2023*	May 20, 2024**
Ms. Surabhi Pasari	Company Secretary and Compliance Officer	May 20, 2024**	-
Mr. Amit Agarwal	Chief Operating Officer	August 02, 2021	-
Mr. Bhaskar Sharma	Chief Product Officer	August 02, 2021	-
Mr. Neeraj Chopra	Chief Technology Officer	August 02, 2021	-

\* Upon Ms. Megha Tibrewal resuming her work post maternity leave, Mr. Pranav Koranne resigned from his position as Interim Company Secretary cum Interim Compliance Officer of your Company as at the close of business hours on July 31, 2023. Ms. Megha Tibrewal was re-appointed as the Company Secretary and Compliance Officer of your Company on August 01, 2023

\*\* Ms. Megha Tibrewal resigned from her position as Company Secretary and Compliance Officer of your Company on May 20, 2024, due to her maternity leave, and Ms. Surabhi Pasari was appointed as the Company Secretary and Compliance Officer on May 20, 2024

#### GENERAL BODY MEETINGS:

##### Annual General Meeting (AGM)

Particulars	FY 2022-23	FY 2021-22	FY 2020-21
Date	September 27, 2023	September 15, 2022	August 10, 2021
Time	5: 00 PM	12:00 PM	9:00 AM
Venue	Held through Video Conferencing/Other Audio Visual Means pursuant to MCA Circulars	2nd Floor, L-248, 17th Cross, Sector-6, HSR Layout, Bangalore 560102	2nd Floor, L-248, 17th Cross, Sector-6, HSR Layout, Bangalore 560102
Special Resolutions	-	Approval of the amendment of articles of association of the company	-

#### Extraordinary General Meetings and Postal Ballots

No Extra-Ordinary General Meetings were convened during the financial year 2023-24

Further, no resolutions were passed by postal ballot during FY 2023-24.

#### Details of special resolution proposed to be conducted through postal ballot:

Currently there are no foreseen matters for which a Special resolution may be passed through a postal ballot. Special Resolution by way of a postal ballot, if required to be passed in the future, will be decided at that relevant time and accordingly, would be communicated to the shareholders.

#### MEANS OF COMMUNICATION

##### Website

Your Company maintains a website, <https://w.tracxn.com/investor-relations>, where the financial results, presentations to investors and analysts, video recordings and transcripts of earnings calls, policies of your Company, and all disclosures mandated under SEBI Listing Regulations are available.

### Financial Results and Newspaper Publications

The financial results of your Company are submitted to the Stock Exchanges on their respective websites, and are also uploaded on your Company's website.

The quarterly and annual results of your Company are published in English and Regional (Kannada) newspapers, i.e., Financial Express and Vishwavani. The financial results for the quarter ended June 30, 2023 were published on August 03, 2023, for the quarter and half-year ended September 30, 2023, on November 04, 2023, for the quarter and nine months ended December 31, 2023, on February 02, 2024, and for the quarter and year ended March 31, 2024, on May 22, 2024.

### Official News Releases, Earning Calls & Presentations to Institutional Investors/ Analysts

Your Company organizes earnings calls with investors and analysts after the announcement of its financial results. The presentation, transcripts and video recordings of the earnings calls are submitted to the Stock Exchanges, and are also uploaded on the website of your Company at <https://w.tracxn.com/investor-relations/quarterly-results>. Any official press/news releases will also be submitted to the Stock Exchanges and will be uploaded on the website of your Company.

### Email

Your Company has a dedicated email ID for investor communications, investor.relations@tracxn.com.

### GENERAL SHAREHOLDER INFORMATION

The Corporate Identity Number (CIN) allotted to your Company by the Ministry of Corporate Affairs (MCA) is L72200KA2012PLC065294

Annual General Meeting for FY 2023-24

AGM date, time and venue	Date: Thursday, September 26, 2024 Time: 05:00 PM Venue: Meeting is being conducted through VC/OAVM pursuant to the MCA General Circulars dated May 05, 2020 read with general circulars dated April 08, 2020, April 13, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022, December 28, 2022 and September 25, 2023. For details, please refer to the Notice of the AGM. As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of the AGM.
Financial Year	April 01, 2023 to March 31, 2024
Dividend Payment Date	Your Company's Board has not recommended any dividends for FY 2023-24.
Date of Book closure	Not applicable
Registered Office and address for correspondence	L-248, 2nd Floor 17th Cross, Sector 6, HSR Layout, Bengaluru Karnataka 560102
Name and Address of Stock Exchanges where Company's securities are listed	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India Scrip Code: TRACXN  BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India Scrip Code: 543280
Stock Code	NSE – TRACXN BSE – 543638

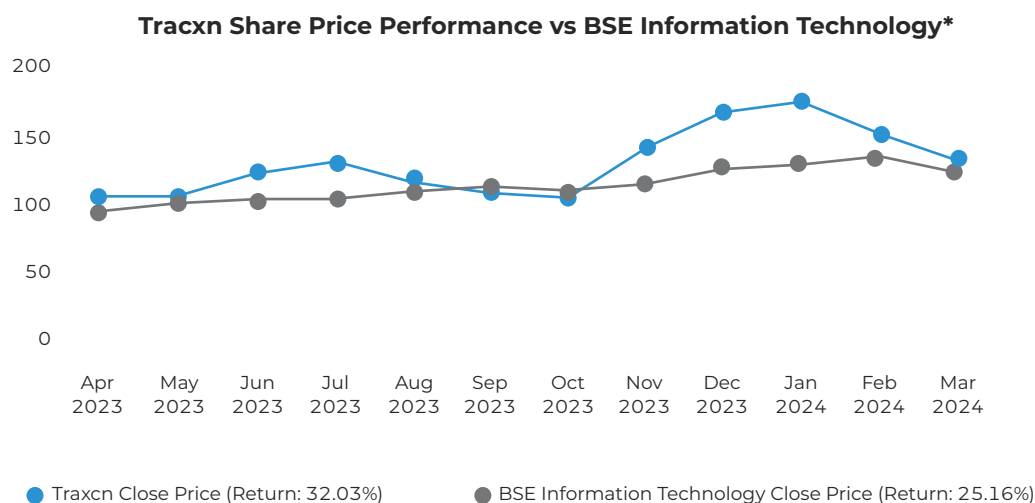
Listing fees	The necessary annual listing fees have been duly paid to both the Stock Exchanges i.e. NSE and BSE
Registrar and Share Transfer Agents (RTA)	Link Intime India Pvt Ltd C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083 Ph: +91 8108116767 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>

### Market Price Data

Month	BSE			NSE		
	High	Low	Total volume	High	Low	Total volume
April 2023	72.70	65.11	17,16,201	72.90	65.20	84,50,681
May 2023	72.00	64.90	14,06,516	72.20	64.90	1,18,52,899
June 2023	85.85	66.80	21,74,224	85.90	66.75	2,09,64,927
July 2023	96.47	80.21	20,22,746	96.50	80.80	1,71,93,830
August 2023	87.60	72.50	11,12,828	87.50	72.45	1,10,45,889
September 2023	78.75	71.05	4,98,366	79.30	71.25	53,20,106
October 2023	78.50	66.38	29,83,791	78.50	66.30	1,98,76,312
November 2023	97.30	69.00	48,88,214	97.35	69.00	6,56,42,543
December 2023	118.50	85.25	1,52,83,505	118.60	85.20	15,00,33,364
January 2024	124.15	104.45	96,28,944	124.20	104.60	7,88,01,245
February 2024	113.80	95.25	42,70,495	112.45	95.10	4,25,46,081
March 2024	100.34	77.00	31,09,348	100.40	77.00	2,01,58,742

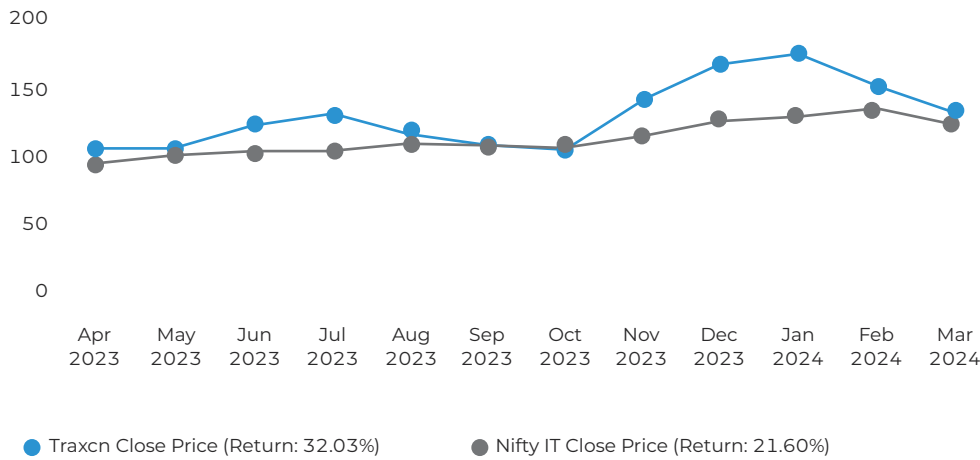
### Performance of the share price of the Company

Performance of your Company's equity shares (closing share price on last trading day of each month) on NSE in comparison to S&P BSE Information Technology and Nifty IT indices during the financial year ended March 31, 2024 are as follows:



\*Close price as on the last trading day of the month

### Tracxn Share Price Performance vs Nifty IT\*



\*Close price as on the last trading day of the month

Note: The share price of Tracxn Technologies Limited and index values of BSE Information Technology and Nifty IT have been indexed to 100 based on the closing values of FY23.

For reference, the closing values of FY23 and FY24 are given below:

	FY23 Closing	FY24 Closing
Tracxn Share Price	Rs 65.10	Rs 85.95
BSE Information Technology Index	28,478.99	35,644.77
Nifty IT Index	28,698.60	34,898.15

#### In case the Securities are suspended from Trading, the Board's Report shall explain the Reason thereof

Not applicable

compulsorily in dematerialized form, and as such, transfer of shares is not permitted in physical form.

Shareholders may please note that instructions regarding change of address, bank details, email address, nomination and power of attorney should be given directly to the Depository Participant (DP).

#### Share Transfer System and Nomination Facility

As of March 31, 2024, all shares of your Company are held in dematerialized form. The shares of your Company are traded on the stock exchanges

#### Number of Shares held in Physical Form

As on March 31, 2024, no shares were held in physical form.

#### Shareholding as on March 31, 2024

Range	Number of shareholders	% of total shareholders	Total shares for the range	% of issued capital
1 to 500	74,256	84.34	93,91,961	9.07
501 to 1000	6,823	7.75	55,48,194	5.36
1001 to 2000	3,308	3.76	50,67,715	4.89
2001 to 3000	1,298	1.47	33,33,201	3.22
3001 to 4000	607	0.69	21,85,484	2.11
4001 to 5000	530	0.60	25,27,622	2.44
5001 to 10000	697	0.79	52,70,563	5.09
10001 and above	527	0.60	7,02,16,361	67.82
<b>Total</b>	<b>88,046</b>	<b>100</b>	<b>10,35,41,101</b>	<b>100</b>

### Categories of equity shareholding as on March 31, 2024

Category	Number of equity shares held	Percentage of holding (%)
Promoters and Promoter Group	3,61,01,795	34.87
Mutual Funds	44,74,708	4.32
Non Resident	25,12,229	2.43
Key Managerial Personnel	13,11,667	1.27
Alternate Investment Fund	21,06,504	2.03
Foreign Portfolio Investors	28,11,991	2.71
Foreign Company	868,087	0.84
Resident Individuals holding share capital upto 2 Lakhs	4,02,96,850	38.92
Resident Individual holding share capital in excess of 2 Lakhs	61,44,192	5.93
Body Corporates	45,11,679	4.36
Others	24,01,399	2.32
<b>Grand Total</b>	<b>103,541,101</b>	<b>100</b>

### Top ten equity shareholders of the Company as on March 31, 2024

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage of holding
1	Abhishek Goyal	1,82,20,266	17.60
2	Neha Singh	1,78,81,529	17.27
3	Florida Retirement System - Timesquare Capital Management, LLC	21,99,192	2.12
4	Franklin India Smaller Companies Fund	20,00,000	1.93
5	Mukul Mahavir Agrawal	20,00,000	1.93
6	Prashant Chandra	13,11,368	1.27
7	Nita Goyal	12,63,096	1.22
8	Kotak Pioneer Fund	12,50,045	1.21
9	Prazim Trading And Investment Co. Pvt. Ltd.	8,97,338	0.87
10	Perpetuity Health To Wealth (H2W) Rising Fund	7,60,000	0.73

#### Dematerialization of shares and liquidity

As of March 31, 2024, 100% of your Company's shares are held in dematerialized form, with both National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). All shares of your company are liquid and traded in normal volume on BSE and NSE. All the shares held by Promoters are in dematerialised form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to your Company's shares is INE0HMF01019. None of the securities of your Company are suspended from trading. The number of shares held with each depository as at March 31, 2024 are as under:

Depository	Number of shares	% of total equity
NSDL	7,17,65,197	69.31%
CDSL	3,17,75,904	30.69%
<b>Total</b>	<b>10,35,41,101</b>	<b>100%</b>

#### Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

Your Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2024, your Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

#### Commodity price risk or foreign exchange risk and hedging activities

Your Company does not deal with any commodities. For details of foreign exchange risk, please refer to the Management Discussion and Analysis Report. Your Company does not have any hedging activities.

#### Equity shares in the suspense account

Your Company does not have any equity shares in the suspense account.

### Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund

Your Company does not have any instances of transferring any amount to the Investor Education and Provident Fund.

### Green Initiative

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' undertaken by MCA, Government of India, enabling electronic delivery of documents including the Annual Report to shareholders at their e-mail address as registered with their Depository Participants/Registrar & Share Transfer Agent. Shareholders who have not registered their e-mail addresses are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned Depository Participants.

### Plant Location

Since your Company provides services, your Company does not have any manufacturing plant. It operates from its Registered Office in Bengaluru, India.

### Address for correspondence

For any assistance regarding share transfers, transmissions, change of address or any other query relating to shares, the investor can write to Registrar and Share Transfer Agent or Company at the below mentioned address:

### Registrar and Share Transfer Agent

Link Intime India Pvt Ltd  
C-101, 247 Park, LBS Marg,  
Vikhroli (West), Mumbai 400 083  
Ph: +91 8108116767  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### Tracxn Technologies Limited

L-248, 2nd Floor 17th Cross, Sector 6,  
HSR Layout, Bengaluru  
Karnataka 560 102  
[compliance-officer@tracxn.com](mailto:compliance-officer@tracxn.com)

### Credit Rating

Your Company has not issued any securities/instruments for which credit rating is required.

## OTHER DISCLOSURES

### a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

During the financial year ended March 31, 2024, there were no materially significant related party transactions that had potential conflict with the interest of your Company. The policy on dealing with related party transactions is available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>.

### b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

There were no instances of non-compliance and no penalty or strictures were imposed on your Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets.

### c. Dividend Distribution Policy

The Dividend Distribution Policy of your Company is available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>.

### d. Vigil Mechanism/Whistle-Blower Policy

Your Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism as required under Regulation 22 of the SEBI (LODR) Regulations, the details of which have been provided in the Board's Report. Your Company affirms that no personnel has been denied access to the Audit Committee. The said policy is available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>.

### e. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

Your Company has complied with all the mandatory requirements under the SEBI Listing Regulations. Further, your Company has also adopted the following discretionary

requirements specified in Part E of Schedule II of the SEBI Listing Regulations:

- Your Company's financial statements have unmodified opinions
- Internal auditor of the Company reports directly to the Audit Committee

**f. Material Subsidiary Companies and Policy on Related Party Transactions**

As on date your Company has no subsidiaries. The Policy for Determination of Material Subsidiaries and Policy on Related Party Transactions are available on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>.

**g. Disclosure of Commodity price risks and commodity hedging activities**

Your Company does not deal in commodities and hence the disclosure pursuant to SEBI Listing Regulations is not applicable.

**h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

**k. Disclosures as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Your Company has in place a gender neutral Anti-Sexual Harassment Policy at workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the applicable rules, the details of which have been provided in the Boards' Report.

No of complaints pending resolution as at beginning of FY 23-24	No of complaints received during FY 23-24	No of complaints resolved during FY 23-24	No of complaints pending resolution as at end of FY 23-24
0	1	1	0

**l. Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested**

During the Financial Year ended March 31, 2024, there are no loans or advances provided by your Company and its subsidiaries to firms/companies in which directors are interested.

**m. Auditors' Remuneration**

The total fees paid by your Company to its statutory auditors for all audit related activities in FY 2023-24 was ₹ 31 lakhs.

During the financial year ended March 31, 2024, there were no funds raised through preferential allotment or qualified institutions placement. Thus disclosure of utilization of such funds raised pursuant to Regulation 32(7A) of SEBI Listing Regulations is not applicable to your Company.

**i. Certificate from Practicing Company Secretary on Non-Disqualification of Directors**

Your Company has obtained a certificate from M/s BMP & Co. LLP, Practicing Company Secretaries that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority in accordance with SEBI (LODR) Regulations. Copy of the Certificate is attached as Annexure 3.

**j. Recommendation of Committees**

During the financial year ended March 31, 2024, the Board of Directors of your Company had accepted the recommendation of all the committees of the Board, which were mandatorily required.

**n. Disclosures of certain types of agreements binding listed entities**

There are no agreements impacting management or control of your Company or imposing any restrictions or creating any liability upon your Company in accordance with Schedule V read with Clause 5A of Schedule III of SEBI Listing Regulations, 2015.

**o. Code of Conduct**

The Board has laid down a Code of Conduct to be complied with all the Board Members

and Senior Management Personnel of your Company. An affirmation of compliance with the code is received from them on an annual basis. The Code is also hosted on the website of your Company at <https://w.tracxn.com/investor-relations/corporate-governance/policies>. A declaration signed by the Managing Director stating that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management is provided as Annexure 1 to this report.

**p. MD/ CFO Certification**

The Managing Director and Chief Financial Officer have issued a certificate pursuant to Regulation 17(8) of SEBI Listing Regulations, 2015 certifying that the financial statements as on March 31, 2024 do not contain any materially untrue statement and these statements represent a true and fair view of your Company's affairs. This Certificate is provided as Annexure 2 to this report.

By order of the Board of Directors  
For Tracxn Technologies Limited

**Neha Singh**

Chairperson and Managing Director  
DIN: 05331824

Place: Bengaluru

Date: August 30, 2024

**q. Certificate on Compliance of Corporate Governance**

Pursuant to Schedule V Part E of SEBI Listing Regulations, 2015, a certificate from, M/s BMP & Co. LLP, Practicing Company Secretaries certifying the compliance by your Company with the provisions of the Corporate Governance is provided as Annexure 4 to this report.

**r. Non-Compliance of Regulations Relating to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any**

Your Company has complied with and disclosed all the mandatory corporate governance requirements stipulated under Regulation 17 to 27 and clause (b) to (i) of subregulation (2) of Regulation 46 of SEBI Listing Regulations. There are no non-compliances of any requirement of corporate governance report and all the required disclosures are made to stock exchanges and other regulatory bodies as and when required.

**Abhishek Goyal**

Executive Director  
DIN: 00423410

## **Annexure 1**

### **MD's Declaration to Compliance of Code of Conduct**

This is to confirm that the Company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel and the same is available under the Corporate Governance section on the Company's website.

I confirm that the Company has, in respect of the financial year ended March 31, 2024, received from the Members of the Board and the Senior Management team of the Company a declaration of compliance with the Code of Conduct as applicable to them.

Place: Bengaluru  
Date : July 31, 2024

**Neha Singh**  
Chairperson and Managing Director  
DIN: 05331824

## Annexure 2

### MD and CFO Certification

Certificate under Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Board of Directors,  
Tracxn Technologies Limited

We, Neha Singh, Managing Director (MD) and Prashant Chandra, Chief Financial Officer (CFO) of Tracxn Technologies Limited ("the Company") to the best of our knowledge and belief, certify that:

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2024 and that these statements:
- do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit committee that:
- there has been no significant change in internal control over financial reporting during the financial year ended March 31, 2024;
  - there has been no significant change in accounting policies during the financial year ended March 31, 2024 and
  - there has been no instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having significant role in the Company's internal control systems over financial reporting.

**Neha Singh**

Chairperson and Managing Director  
Place: Bengaluru  
Date: May 20, 2024

**Prashant Chandra**

Chief Financial Officer  
Place: Bengaluru  
Date: May 20, 2024

### Annexure 3

#### Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Tracxn Technologies Limited**  
CIN: L72200KA2012PLC065294  
L-248, 2nd Floor, 17th Cross, Sector 6,  
HSR Layout, Bengaluru -560102

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Tracxn Technologies Limited having CIN - L72200KA2012PLC065294 and having registered office at L-248, 2nd Floor 17th Cross, Sector 6, HSR Layout, Bengaluru -560102 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl No.	Name of the Director	DIN	Designation
1	Mr. Abhishek Goyal	00423410	Executive Director
2	Mr. Brij Bhushan	03624436	Non-Executive - Independent Director
3	Mr. Nishant Verma	05128414	Non-Executive - Independent Director
4	Mr. Vivek Kumar Mathur*	03581311	Non-Executive - Nominee Director
5	Ms. Neha Singh	05331824	Executive Director, Chairperson related to Promoter, Managing Director
6	Mr. Rohit Jain	06876642	Non-Executive - Independent Director
7	Ms. Payal Goel	09196284	Non-Executive - Independent Director

\*Mr. Vivek Kumar Mathur has resigned on April 22, 2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **BMP & Co. LLP**,  
Company Secretaries

**CS Biswajit Ghosh**  
Designated Partner

Place: Bengaluru  
Date: August 30, 2024  
UDIN: F008750F001083835

FCS No.: 8750 CP. No.: 8239  
Peer Review Certificate No. 736/2020  
Firm Registration Number: L2017KR003200

## Annexure 4

### Auditors' Certificate Regarding Compliance of Conditions of Corporate Governance

To,  
The Members of  
**Tracxn Technologies Limited**  
CIN: L72200KA2012PLC065294  
L-248, 2nd Floor, 17th Cross, Sector 6,  
HSR Layout, Bengaluru - 560102

We have examined the compliance of conditions of Corporate Governance by Tracxn Technologies Limited ("the Company") having CIN: L72200KA2012PLC065294, for the purpose of certifying of the Corporate Governance under Regulation 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the period April 01, 2023, to March 31, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **BMP & Co. LLP**,  
Company Secretaries

**CS Biswajit Ghosh**  
Designated Partner

FCS No.: 8750 CP. No.: 8239

Peer Review Certificate No. 736/2020

Firm Registration Number: L2017KR003200

Place: Bengaluru  
Date: August 30, 2024  
UDIN: F008750F001083747

# Independent Auditor's Report

To the Members of Tracxn Technologies Limited

## Report on the Audit of the Financial Statements

### Opinion

1. We have audited the accompanying financial statements of Tracxn Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information 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, 2024, and total comprehensive income (comprising of profit 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.

### Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Appropriateness of revenue recognition on sale of services

##### Note 15 (Revenue from operations) of the financial statements.

The Company's revenue principally comprises sale of services from Subscription revenue. Revenue from the sale of services is recognised 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'.

We have identified the recognition of revenue as a key audit matter specifically in terms of the risk of error in the timing and amount of revenue recognised. The subscriptions sold are generally non-cancellable. However, based on customary business practices followed by the Company, refunds are issued to customers on case-to-case basis on cancellation. The Company estimates the provision for such cancellations and recognises revenues net of such provision. Revenue recognition is determined to be an area involving significant risk in line with the requirements of Standards of Auditing and requires significant auditor attention.

Considering the above-mentioned factors, appropriateness of revenue recognition has been considered as a key audit matter.

#### How our audit addressed the key audit matter

Our key audit procedures around revenue recognition included, and not limited to, the following:

- Understood and evaluated the design and tested the operating effectiveness of key manual controls relating to revenue recognition;

- Read the Company's revenue recognition accounting policy and evaluated the appropriateness of the company's revenue recognition accounting policy with respect to principles of Ind AS 115 'Revenue from Contracts with Customers';
- Tested reconciliation items between sales register and general ledger;
- Tested sales transactions on a sample basis by examining the underlying documents which inter- alia included sales invoices and related terms and conditions to assess whether revenue was recognised appropriately;
- Evaluated the contract terms for selected samples of customer contract and recalculated the revenue including amount disclosed as deferred revenue to determine appropriateness of the revenue recognised;
- Tested the timing of recognition of revenue including performing cut-off procedures to determine whether revenue is recognised appropriately over a period of time based on satisfaction of performance obligation.;
- Tested reconciliation of deferred revenue to determine whether the revenue has been recognised in the appropriate financial period;
- Tested unusual journal entries if any posted under revenue general ledgers; and
- Evaluated the appropriateness and adequacy of disclosures made in the financial statements in respect of revenue recognition with the applicable accounting standards.

Based on the procedures performed above, we did not note any significant exceptions in the management assessment of revenue recognition for sale of services.

### **Appropriateness of Assessment of recoverability of Deferred Tax Assets ("DTA") on tax losses**

#### **(Refer note 8 to the financial statements.)**

The Company has recognised DTA of INR 2,048.88 lakhs on business losses carried forward from the earlier years in the income tax return to the extent it is recoverable based on the Company's projected probable taxable profits in the forthcoming years.

DTA has been recognised on the basis of the Company's assessment of availability of future probably taxable profit to be able to utilise such tax losses. The recoverability of the DTA depends upon factors such as the projected probable taxable profits of business, the period considered for such projections, the rate at which those profits will be taxed, the period over which the tax losses will be available for recovery and the likely outcome of disputes pending with the tax authorities if any. The carrying amount of deferred tax assets is reviewed at the end of each reporting period.

The assessment of recoverability of DTA is considered a key audit matter as significant estimates and judgement are required by the Company's Management in the preparation of forecasts of future probable taxable profits based on the underlying business plans.

#### **How our audit addressed the key audit matter**

Our audit procedures, which involved applying materiality and sampling techniques, included the following:

- Evaluating the design and testing of the operating effectiveness of Company's controls relating to taxation and the assessment of carrying amount of DTA relating to unabsorbed tax losses.
- Evaluating whether the unabsorbed losses, on which deferred tax asset is recognised, has been assessed by the tax authorities and is available for utilisation in accordance with the provisions of Income- tax Act, 1961.
- Assessing the appropriateness of tax rate applied to the taxable profit forecasts.
- Reviewing the Company's accounting policy in respect of recognizing deferred tax asset on tax losses
- Assessing the reasonableness of the period of projections used in the deferred tax asset recoverability assessment.
- Obtaining the future taxable income projections prepared by the management and evaluating the judgements and assumptions made by the management in determining the projected future taxable income for reasonableness and performing sensitivity analysis on the key assumptions.

- Assessing the adequacy of disclosures made in the financial statements with regard to deferred taxes.

Based on the above procedures performed, our testing did not identify any significant exceptions with respect to the reasonableness of the assumptions and estimates used by the management in assessing the recoverability of DTA recognised in respect of tax losses as at year end.

### Other Information

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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. When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

- The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

- 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

- 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.
- As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - 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.
10. 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.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with

them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other legal and regulatory requirements**

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. 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, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the period April 01, 2023 to August 29, 2023 and except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive

income, the Statement of Changes in Equity and the 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, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 28 to the financial statements;
  - ii. The Company was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any derivative contracts as at March 31, 2024.
  - 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, 2024.

- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Note 35(xi)(A) to the financial statements];
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Note 35(xi)(B) to the financial statements]; and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account, of which one accounting software has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. Based on our procedures performed, we did not notice any instance of the audit trail feature being tampered with respect to such software. With respect to a billing software (cloud based) maintained by a third party service provider and used for certain business process, where service organisation's auditor's report does not cover audit trail, we are unable to comment whether the audit trail feature of the aforesaid software was enabled and operated throughout the year and therefore the question of our commenting on whether the audit trail feature was tampered with does not arise.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

**Mohan Danivas S A**

Partner

Membership Number: 209136

UDIN: 24209136BKFNEO8549

Place: Bengaluru

Date: May 20, 2024

## Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Tracxn Technologies Limited on the financial statements for the year ended March 31, 2024

### Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Tracxn Technologies Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable

assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

### Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made

only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future

periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

#### **Mohan Danivas S A**

Partner  
Membership Number: 209136  
UDIN: 24209136BKFNEO8549

Place: Bengaluru  
Date: May 20, 2024

## Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Tracxn Technologies Limited on the financial statements as of and for the year ended March 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.  
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The Company does not own any immovable properties (Refer Note 4 to the financial statements). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the 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 Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in 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. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

- vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax (tax deducted at source), though there has been a slight delay in a few cases, and is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) The particulars of statutory dues referred to in sub clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lakhs)	Amount paid under protest (Rs. In lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	Rs. 22.71	Rs. 22.71*	FY 2013-14	Assessing Officer
Income Tax Act, 1961	Income Tax	Rs. 8.42	Rs. 8.42**	FY 2017-18	Assessing Officer
Income Tax Act, 1961	Income Tax	Rs. 5.51	Rs. 5.51**	FY 2021-22	Assessing Officer

\* Includes Rs. 3.4 lakhs paid under protest and Rs. 19.31 lakhs adjusted from the refund receivable for the financial year ended March 31, 2018.

\*\* Includes Rs. 13.93 lakhs adjusted from the refund receivable for the financial year ended March 31, 2023.

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- xi. (a) 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, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the

audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

**Mohan Danivas S A**

Partner

Membership Number: 209136

UDIN: 24209136BKFNEO8549

Place: Bengaluru

Date: May 20, 2024

# Balance Sheet

CIN: L72200KA2012PLC065294

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

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	19.90	36.06
Intangible assets	5	-	-
Income tax assets (net)	7	547.40	297.92
Deferred tax asset	8	2,121.14	2,307.35
<b>Total non-current assets</b>		<b>2,688.44</b>	<b>2,641.33</b>
<b>Current assets</b>			
Financial assets			
i. Investments	6(a)	6,805.17	3,738.10
ii. Trade receivables	6(b)	833.98	976.87
iii. Cash and cash equivalents	6(c)	477.81	262.74
iv. Other financial assets	6(d)	423.34	2,068.00
Other current assets	9	79.67	42.51
<b>Total current assets</b>		<b>8,619.97</b>	<b>7,088.22</b>
<b>Total assets</b>		<b>11,308.41</b>	<b>9,729.55</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	10(a)	1,035.41	1,003.10
<b>Other equity</b>			
Reserves and surplus	10(b)	6,053.37	4,965.66
<b>Total equity</b>		<b>7,088.78</b>	<b>5,968.76</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Employee benefit obligations	12	338.45	278.73
Contract liabilities	13	40.60	25.98
<b>Total non-current liabilities</b>		<b>379.05</b>	<b>304.71</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises; and	11(a)	4.70	7.51
(b) Total outstanding dues other than (a) above	11(a)	54.27	83.00
ii. Other financial liabilities	11(b)	27.08	24.52
Employee benefit obligations	12	243.88	186.06
Contract liabilities	13	3,136.49	2,916.35
Other current liabilities	14	374.16	238.64
<b>Total current liabilities</b>		<b>3,840.58</b>	<b>3,456.08</b>
<b>Total liabilities</b>		<b>4,219.63</b>	<b>3,760.79</b>
<b>Total equity and liabilities</b>		<b>11,308.41</b>	<b>9,729.55</b>

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

For and on behalf of the Board of Directors of  
**Tracxn Technologies Limited**

**Neha Singh**  
Managing Director  
DIN: 05331824

**Abhishek Goyal**  
Director  
DIN: 00423410

**Prashant Chandra**  
Chief Financial Officer

**Surabhi Pasari**  
Company Secretary  
M. No. F11215

Place: Bengaluru  
Date: 20 May 2024

Place: Bengaluru  
Date: 20 May 2024

Place: Bengaluru  
Date: 20 May 2024

# Statement of Profit and Loss

CIN: L72200KA2012PLC065294

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

Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
<b>Income</b>			
Revenue from operations	15	<b>8,277.05</b>	7,810.57
Other income	16 (a)	<b>30.93</b>	131.08
Other gains - net	16 (b)	<b>395.69</b>	176.44
<b>Total income</b>		<b>8,703.67</b>	<b>8,118.09</b>
<b>Expenses</b>			
Employee benefits expense	17	<b>6,925.84</b>	6,698.47
Depreciation and amortization expense	18	<b>17.01</b>	19.03
Other expenses	19	<b>892.53</b>	854.93
<b>Total expenses</b>		<b>7,835.38</b>	<b>7,572.43</b>
<b>Profit before exceptional items and tax</b>		<b>868.29</b>	<b>545.66</b>
Exceptional items - IPO expenses	20	-	(449.08)
<b>Profit before tax</b>		<b>868.29</b>	<b>994.74</b>
Income tax expense/(credit):			
- Current tax	21	<b>17.68</b>	11.55
- Deferred tax	21	<b>200.47</b>	(2,325.72)
<b>Profit for the year</b>		<b>650.14</b>	<b>3,308.91</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
- Gain/ (loss) on remeasurement of post employment benefit obligations	12	<b>(56.66)</b>	73.00
- Income tax relating to above		<b>14.26</b>	(18.37)
<b>Other comprehensive income for the year, net of tax</b>		<b>(42.40)</b>	<b>54.63</b>
<b>Total comprehensive income for the year</b>		<b>607.74</b>	<b>3,363.54</b>
<b>Earnings per equity share [nominal value per share: INR 1 (2023: INR 1)]</b>	30		
Basic earnings per share		<b>0.61</b>	3.30
Diluted earnings per share		<b>0.61</b>	2.99

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: 20 May 2024

For and on behalf of the Board of Directors of  
**Tracxn Technologies Limited**

**Neha Singh**  
Managing Director  
DIN: 05331824

**Prashant Chandra**  
Chief Financial Officer

Place: Bengaluru  
Date: 20 May 2024

**Abhishek Goyal**  
Director  
DIN: 00423410

**Surabhi Pasari**  
Company Secretary  
M. No. F11215

Place: Bengaluru  
Date: 20 May 2024

# Statement of Cash Flows

CIN: L72200KA2012PLC065294

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

Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
<b>Cash flow from operating activities:</b>			
<b>Net profit before income tax</b>		<b>868.29</b>	994.74
<b>Adjustment for:</b>			
Depreciation expense	18	<b>17.01</b>	19.03
Net (gain)/ loss on disposal of Property, plant and equipment	16(b)	<b>0.22</b>	(0.48)
Net gains on sale of investments	16(b)	<b>(41.42)</b>	(97.44)
Net fair value gains on financial assets measured at fair value through profit or loss	16(b)	<b>(363.76)</b>	(47.76)
Interest on income tax refund	16(a)	-	(27.96)
Interest income from bank deposits measured at amortised cost	16(a)	<b>(28.83)</b>	(102.47)
Employee stock option expense	17	<b>476.64</b>	541.11
Bad debts written off	19	<b>21.98</b>	74.61
(Reversal)/allowance for expected credit loss (net)	19	<b>6.28</b>	(43.46)
Unrealised exchange difference (net)		<b>2.09</b>	(6.86)
<b>Operating profit before working capital changes</b>		<b>958.50</b>	<b>1,303.07</b>
<b>Adjustment for:</b>			
(Increase)/ decrease in trade receivables		<b>117.31</b>	(289.45)
(Increase)/ decrease in other financial assets		<b>(48.93)</b>	(157.79)
(Increase)/ decrease in other assets		<b>(37.17)</b>	(7.39)
Increase / (decrease) in trade payables		<b>(31.55)</b>	24.04
Increase / (decrease) in contract liabilities		<b>234.76</b>	387.63
Increase / (decrease) in employee benefit obligations		<b>60.87</b>	34.70
Increase / (decrease) in other financial liabilities		<b>2.55</b>	5.90
Increase / (decrease) in other liabilities		<b>135.52</b>	44.20
<b>Cash generation from operations</b>		<b>1,391.86</b>	<b>1,344.91</b>
Income taxes paid (net of refunds received, including interest thereon)		<b>(267.17)</b>	171.10
<b>Net cash flow from/ (used in) operating activities</b>		<b>1,124.69</b>	<b>1,516.01</b>
<b>Cash flow from investing activities:</b>			
Payments for purchase of property, plant and equipment		<b>(4.00)</b>	(31.24)
Proceeds from sale of property, plant and equipment		<b>2.93</b>	3.34
Funds redeemed / (invested) in bank deposits (net)		<b>1,693.59</b>	300.40
Proceeds from sale of investments		<b>5,911.00</b>	7,293.58
Payments for purchase of investments in mutual funds		<b>(8,573.00)</b>	(9,246.00)
Interest received		<b>28.83</b>	102.47
<b>Net cash inflow / (outflow) from investing activities</b>		<b>(940.65)</b>	<b>(1,577.45)</b>

# Statement of Cash Flows

CIN: L72200KA2012PLC065294

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

Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
<b>Cash flow from financing activities:</b>			
Application money received for exercise of stock options		35.64	-
<b>Net cash inflow/(outflow) from financing activities</b>		<b>35.64</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>219.68</b>	<b>(61.44)</b>
<b>Cash and cash equivalents as at beginning of the year</b>	7(c)	<b>262.74</b>	<b>318.68</b>
Effects of exchange rate changes on cash and cash equivalents		(4.61)	5.50
<b>Cash and cash equivalents as at end of the year</b>	7(c)	<b>477.81</b>	<b>262.74</b>
<b>Cash and cash equivalents comprise of [refer note 7(c)]:</b>			
Cash on hand		0.01	0.01
Balances with payment gateway accounts		5.87	-
Balance with banks			
In current accounts		342.37	143.03
In exchange earners foreign currency (EEFC) accounts		129.56	119.70
<b>Total</b>		<b>477.81</b>	<b>262.74</b>

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: 20 May 2024

For and on behalf of the Board of Directors of  
**Tracxn Technologies Limited**

**Neha Singh**  
Managing Director  
DIN: 05331824

**Prashant Chandra**  
Chief Financial Officer

Place: Bengaluru  
Date: 20 May 2024

**Abhishek Goyal**  
Director  
DIN: 00423410

**Surabhi Pasari**  
Company Secretary  
M. No. F11215

Place: Bengaluru  
Date: 20 May 2024

# Statement of Changes in Equity

CIN: L72200KA2012PLC065294

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

## A. Equity share capital:

Particulars	Notes	Amount
<b>As at 1 April 2022</b>		<b>1,003.10</b>
Changes during the year	10(a)	-
<b>As at 31 March 2023</b>		<b>1,003.10</b>
Changes during the year	10(a)	32.31
<b>As at 31 March 2024</b>		<b>1,035.41</b>

## B. Other equity

Particulars	Securities premium	Employee stock option reserve	Retained earnings	Share application money	Total other equity
<b>As at 01 April 2022</b>	<b>10,315.49</b>	<b>2,506.30</b>	<b>(11,760.78)</b>	-	<b>1,061.01</b>
Profit for the year	-	-	3,308.91	-	3,308.91
Other comprehensive income	-	-	54.63	-	54.63
<b>Total comprehensive income for the year</b>	-	-	<b>3,363.54</b>	-	<b>3,363.54</b>
Employee stock option expense for the year	-	541.11	-	-	541.11
<b>Balance as at 31 March 2023</b>	<b>10,315.49</b>	<b>3,047.41</b>	<b>(8,397.24)</b>	-	<b>4,965.66</b>
Profit for the year	-	-	650.14	-	650.14
Other comprehensive income	-	-	(42.40)	-	(42.40)
<b>Total comprehensive income for the year</b>	-	-	<b>607.74</b>	-	<b>607.74</b>
Employee stock option expense for the year	-	476.64	-	-	476.64
Application money received for exercise of stock options	-	-	-	35.64	35.64
Changes during the year consequent to exercise of stock options	1,115.65	(1,115.65)	-	(32.31)	(32.31)
<b>Balance as at 31 March 2024</b>	<b>11,431.14</b>	<b>2,408.40</b>	<b>(7,789.50)</b>	<b>3.33</b>	<b>6,053.37</b>

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: 20 May 2024

For and on behalf of the Board of Directors of  
**Tracxn Technologies Limited**

**Neha Singh**  
Managing Director  
DIN: 05331824

**Prashant Chandra**  
Chief Financial Officer

Place: Bengaluru  
Date: 20 May 2024

**Abhishek Goyal**  
Director  
DIN: 00423410

**Surabhi Pasari**  
Company Secretary  
M. No. F11215

Place: Bengaluru  
Date: 20 May 2024

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

## 1 General information

Tracxn Technologies Limited (the "Company") was incorporated as a private limited Company on 11 August 2012 under the provisions of the Companies Act 1956. The Company 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.

The Company offers a market intelligence platform 'Tracxn' on a subscription basis to global customer base; to provide comprehensive private company data for deal sourcing, M&A opportunities, deal diligence, private market analysis and tracking emerging themes."

## 2 Basis of preparation

### i) Compliance with Indian accounting standards (Ind AS)

The financial statements comply in all material aspects with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under Section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting standards) Rules, 2015, as amended] and other related 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

### iii) New and amended standards adopted

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amended certain accounting standards, (see below) and are effective 1 April 2023:

- (i) Disclosure of accounting policies - amendments to Ind AS 1

- (ii) Definition of accounting estimates - amendments to Ind AS 8
- (iii) Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the company's accounting policy already complies with the now mandatory treatment."

### iv) New and amended standards issued but not yet effective

MCA notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards as applicable to the Company.

### v) Operating cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 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

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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.

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.

The areas involving critical estimates and judgments are:

- i) Defined benefit obligations - Refer Note 12
- ii) Recognition and measurement of deferred tax - Refer Note 8
- iii) Impairment of trade receivables - Refer Note 23A

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## 4 Property, plant and equipment

### Accounting policies

All items of property, plant and equipment are stated at historical cost less accumulated depreciation.

### 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, if any, over their useful life estimated as follows:

#### Management estimate of useful life

Computer equipments: 3 years

Furniture and fittings: 10 years

Office equipments: 5 years

#### Useful life as per Schedule II

Computer equipments: 3 years

Furniture and fittings: 10 years

Office equipments: 5 years

See note 34.10 for the other accounting policies relevant to Property, Plant and Equipment.

Particulars	Gross block			Depreciation		Net block	
	As at 1 April 2023	Additions	Disposals	As at 31 March 2024	For the year	Disposals	As at 31 March 2024
Computer equipments	235.10	4.00	63.10	176.00	16.59	59.95	18.82
Furniture and Fittings	1.20	-	-	1.20	0.29	-	0.84
Office equipments	3.32	-	-	3.32	0.13	-	0.24
<b>Carrying amount</b>	<b>239.62</b>	<b>4.00</b>	<b>63.10</b>	<b>180.52</b>	<b>17.01</b>	<b>59.95</b>	<b>19.90</b>

Particulars	Gross block			Depreciation		Net block	
	As at 1 April 2022	Additions	Disposals	As at 31 March 2023	For the year	Disposals	As at 31 March 2023
Computer equipments	262.37	30.04	57.31	235.10	18.81	54.45	34.56
Furniture and Fittings	-	1.20	-	1.20	0.07	-	1.13
Office equipments	3.32	-	-	3.32	0.15	-	0.37
<b>Carrying amount</b>	<b>265.69</b>	<b>31.24</b>	<b>57.31</b>	<b>239.62</b>	<b>19.03</b>	<b>54.45</b>	<b>36.06</b>

Note:

- The Company does not own any immovable property in the current year or in the previous year.
- There is no capital work in progress as at the year end or as at the previous year end.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## 5 Intangible assets

Particulars	Gross block			Depreciation		Net block	
	As at 1 April 2023	Additions	Disposals	As at 31 March 2024	For the year	Disposals	As at 31 March 2024
Tracxn software platform	26.46	-	-	26.46	-	-	26.46
<b>Carrying amount</b>	<b>26.46</b>	-	-	<b>26.46</b>	-	-	<b>26.46</b>

Particulars	Gross block			Depreciation		Net block	
	As at 1 April 2022	Additions	Disposals	As at 31 March 2023	For the year	Disposals	As at 31 March 2023
Tracxn software platform	26.46	-	-	26.46	-	-	26.46
<b>Carrying amount</b>	<b>26.46</b>	-	-	<b>26.46</b>	-	-	<b>26.46</b>

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## 6 Financials assets

### Accounting policies

- i. Classification of financial assets at amortised cost:

The Company classifies its financial assets at amortised cost only if the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cashflows that are solely payments of principal and interest.

Financial assets classified at amortised cost comprise of trade receivables and other financial assets.

- ii. Classification of financial assets at fair value through profit and loss:

The Company classifies investments in mutual funds at fair value through profit and loss.

See note 34.5 and 34.6 for the other accounting policies relevant to Financial Assets.

### 6(a) Current investments

Particulars	31 March 2024	31 March 2023
Investment in mutual funds at fair value through profit and loss (quoted)		
SBI Life Liquid Fund Growth Units 61,733 (2023: Nil)	<b>2,312.33</b>	-
HDFC Liquid Funds Growth Units 45,134 (2023: 45,134)	<b>2,120.37</b>	1,978.68
ICICI Prudential Liquid Funds Growth Units 532,101 (2023: 532,101)	<b>1,885.64</b>	1,759.42
Axis Liquid Funds Growth Units 18,273 (2023: Nil)	<b>486.83</b>	-
<b>Total current investments</b>	<b>6,805.17</b>	<b>3,738.10</b>
Aggregate amount of quoted investments and market value thereof	<b>6,805.17</b>	3,738.10
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

### 6(b) Trade receivables

#### Accounting policies

Trade receivables are amounts due from customers for services rendered in the ordinary course of business and reflects company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is conditional only upon passage of time. Revenue in excess of billings is recorded as unbilled revenue and is classified as a financial asset as only the passage of time is required before the payment is due.

For trade receivables, the company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of receivables.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

Particulars	31 March 2024	31 March 2023
Trade receivables from contract with customers – billed	<b>812.64</b>	978.26
Trade receivables from contract with customers – unbilled	<b>48.02</b>	19.01
Less: Loss allowance	<b>(26.68)</b>	(20.40)
<b>Total trade receivables</b>	<b>833.98</b>	<b>976.87</b>
Current portion	<b>833.98</b>	976.87
Non-current portion	-	-

Particulars	31 March 2024	31 March 2023
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	<b>860.66</b>	997.27
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
<b>Total</b>	<b>860.66</b>	<b>997.27</b>
Loss allowance	<b>(26.68)</b>	(20.40)
<b>Total trade receivables</b>	<b>833.98</b>	<b>976.87</b>

## Trade receivables, excluding loss allowance, ageing schedule as at 31 March 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivables considered good	<b>48.02</b>	<b>476.26</b>	<b>268.72</b>	<b>59.38</b>	<b>8.28</b>	-	-	<b>860.66</b>
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>48.02</b>	<b>476.26</b>	<b>268.72</b>	<b>59.38</b>	<b>8.28</b>	-	-	<b>860.66</b>

## Trade receivables, excluding loss allowance, ageing schedule as at 31 March 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivables considered good	<b>19.01</b>	<b>560.13</b>	<b>404.10</b>	<b>14.03</b>	-	-	-	<b>997.27</b>
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>19.01</b>	<b>560.13</b>	<b>404.10</b>	<b>14.03</b>	-	-	-	<b>997.27</b>

Note: The company does not have any disputed trade receivables as at the end of the current or previous reporting period.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## 6(c) Cash and cash equivalents

Particulars	31 March 2024	31 March 2023
Balances with bank:		
- in current accounts	342.37	143.03
- in Exchange earners foreign currency (EEFC) accounts	129.56	119.70
Cash on hand	0.01	0.01
Balances with payment gateway accounts (payments pending to be settled by the payment gateways.)	5.87	-
<b>Total cash and cash equivalents</b>	<b>477.81</b>	<b>262.74</b>

## 6(d) Other financial assets

Particulars	31 March 2024	31 March 2023
(Unsecured, considered good, unless otherwise stated)		
<b>Current:</b>		
Bank deposits (refer notes below)	182.67	1,876.26
Security deposits	189.04	191.16
Other receivables	51.63	0.58
<b>Total other financial assets</b>	<b>423.34</b>	<b>2,068.00</b>

Notes:

- Bank deposits (current) represents deposits with original maturity more than 12 months but realisable within the next 12 months.
- Held as lien by bank against bank guarantees issued to National Stock Exchange INR 154.69 (2023: INR 154.69).

## 7 Income tax assets (net)

Particulars	31 March 2024	31 March 2023
Advance tax [net of provision for tax INR 29.23 (2023: 11.55)]*	547.40	297.92
<b>Total income tax assets (net)</b>	<b>547.40</b>	<b>297.92</b>

\*Includes amounts paid under protest INR 3.40 (2023: INR 3.40)

## 8 Deferred tax asset

Deferred tax assets comprises of temporary differences attributable to the following:

Particulars	31 March 2024	31 March 2023
Deferred tax assets:		
Carry forwarded business loss	2,048.88	2,174.26
Employee benefit obligations	146.56	116.98
Provisions	26.48	25.47
Property, plant and equipment	2.79	2.66
<b>Total (A)</b>	<b>2,224.71</b>	<b>2,319.37</b>
Deferred tax liabilities:		
Fair value gains on financial assets	(103.57)	(12.02)
<b>Total (B)</b>	<b>(103.57)</b>	<b>(12.02)</b>
<b>Deferred tax asset (net) (A)-(B)</b>	<b>2,121.14</b>	<b>2,307.35</b>

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

Particulars	Tax losses	Defined benefits obligations	Provisions	Property, plant & equipment	Fair value gains on financial assets	Total
<b>Balance as at 1 April 2022</b>	-	-	-	-	-	-
(Charged) / credited to:						
- Profit and loss	2,174.26	135.35	25.47	2.66	(12.02)	2,325.72
- Other comprehensive income	-	(18.37)	-	-	-	(18.37)
<b>Balance as at 31 March 2023</b>	<b>2,174.26</b>	<b>116.98</b>	<b>25.47</b>	<b>2.66</b>	<b>(12.02)</b>	<b>2,307.35</b>
(Charged) / credited to:						
- Profit and loss	(125.38)	15.32	1.01	0.13	(91.55)	(200.47)
- Other comprehensive income	-	14.26	-	-	-	14.26
<b>Balance as at 31 March 2024</b>	<b>2,048.88</b>	<b>146.56</b>	<b>26.48</b>	<b>2.79</b>	<b>(103.57)</b>	<b>2,121.14</b>

## Notes:

- The deferred tax balance above has been arrived at by applying the tax rate of 25.168% being the rate substantively enacted as at 31 March 2024 and 31 March 2023.
- During the previous year, the Company had recognised deferred tax assets on carried forward tax losses based on an assessment performed by the management. The management has reassessed the recoverability of such deferred tax assets as at 31 March 2024 and concluded that the deferred tax assets on such losses will be fully recoverable. The carry forward business losses have an expiry period ranging from 1-5 years as at the reporting date as per the local tax regulations. The key assumption used in such business plans and budgets pertains to revenue growth rate. A decrease in the revenue growth rate by around 20% is not likely to impact the carrying value of the deferred tax asset on tax losses.

## 9 Other assets

Particulars	31 March 2024	31 March 2023
<b>Current:</b>		
Prepaid expenses	<b>46.47</b>	22.75
Balance with government authorities	<b>8.76</b>	-
Balance in prepaid corporate cards	<b>4.84</b>	8.78
Advance to vendors	<b>7.04</b>	10.98
Recoverable from employees	<b>12.56</b>	-
<b>Total other assets</b>	<b>79.67</b>	<b>42.51</b>

## 10 Share capital and other equity

### 10(a) Equity share capital

#### i) Authorised equity share capital

Particulars	Number of shares	Amount
<b>As at 1 April 2022</b>	<b>109,500,000</b>	<b>1,095.00</b>
Changes during the year	10,500,000	105.00
<b>As at 31 March 2023</b>	<b>120,000,000</b>	<b>1,200.00</b>
Changes during the year	-	-
<b>As at 31 March 2024</b>	<b>120,000,000</b>	<b>1,200.00</b>

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## ii) Movements in equity share capital

Issued, subscribed and paid-up:

Particulars	Number of shares	Amount
<b>As at 1 April 2022</b>	<b>100,310,185</b>	<b>1,003.10</b>
Bonus shares issued during the year	-	-
<b>As at 31 March 2023</b>	<b>100,310,185</b>	<b>1,003.10</b>
Changes during the period due to allotment of equity shares on ESOP exercises	3,230,916	32.31
<b>As at 31 March 2024</b>	<b>103,541,101</b>	<b>1,035.41</b>

## iii) Rights, preferences and restrictions attached to shares:

Equity shares:

The Company has one class of equity shares having par value of INR 1.00 per share. Each holder of equity share is entitled for one vote per share held.

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.

Each equity shareholder is entitled to dividend as and when the proposed by the Board of Directors, subject to approval of shareholders (except in the case of interim dividend) at the ensuing annual general meeting.

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

Particulars	31 March 2024		31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Number of equity shares :				
Neha Singh	<b>17,881,729</b>	<b>17.27</b>	17,879,529	17.82
Abhishek Goyal	<b>18,220,266</b>	<b>17.60</b>	17,879,529	17.82
Elevation Capital V Limited (formerly SAIF Partners India V Limited)	-	-	10,980,884	10.95
Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	-	-	7,618,268	7.59

## v) Promoters' shareholdings

As at 31 March 2024

Promoter name	No of shares	Percentage of total shares (Equity)	Percentage of change during the year (Equity)
Neha Singh	17,881,729	17.27%	0.01%
Abhishek Goyal	18,220,266	17.60%	1.91%
<b>Total</b>	<b>36,101,995</b>	<b>34.87%</b>	<b>0.96%</b>

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

As at 31 March 2023

Promoter name	No of shares	Percentage of total shares (Equity)	Percentage of change during the year (Equity)
Neha Singh	17,879,529	17.82%	(30.00%)
Abhishek Goyal	17,879,529	17.82%	(30.00%)
<b>Total</b>	<b>35,759,058</b>	<b>35.65%</b>	<b>(30.00%)</b>

vi) Shares reserved for issue under options and contracts:

Refer Note 25 for details of shares to be issued under the employee stock option plan.

vii) Aggregate number of bonus shares issued, shares bought back and share issued for consideration other than cash during the year of five years immediately preceding the reporting date i.e. 31 March 2024:

(a) The Company has issued 98,417,540 equity shares as bonus shares during the year ended 31 March 2022.

(b) The Company has not issued any shares pursuant to contract(s) without payment being received in cash and has not bought back shares during the period of five years immediately preceding the reporting date.

viii) Consequent to the approval of the shareholders of the Company in their meeting held on 29 June 2022, the Company has reclassified its authorised preference share capital of 10,50,000 shares of Rs. 10 each to its authorised equity share capital resulting in an increase by 10,50,000 shares of Re.1 each.

## 10(b) Reserves and surplus

Particulars	31 March 2024	31 March 2023
Securities premium account	<b>11,431.14</b>	10,315.49
Employee stock option reserve	<b>2,408.40</b>	3,047.41
Retained earnings	<b>(7,789.50)</b>	(8,397.24)
Share application money	<b>3.33</b>	-
<b>Total reserves and surplus</b>	<b>6,053.37</b>	<b>4,965.66</b>

### (i) Securities premium account

Particulars	31 March 2024	31 March 2023
Opening balance	<b>10,315.49</b>	10,315.49
Changes during the year on account of exercise of stock options	<b>1,115.65</b>	-
<b>Closing balance</b>	<b>11,431.14</b>	<b>10,315.49</b>

### (ii) Employee stock option reserve

Particulars	31 March 2024	31 March 2023
Opening balance	<b>3,047.41</b>	2,506.30
Employee stock option expense for the year	<b>476.64</b>	541.11
Changes during the year on account of exercise of stock options	<b>(1,115.65)</b>	-
<b>Closing balance</b>	<b>2,408.40</b>	<b>3,047.41</b>

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## (iii) Retained earnings

Particulars	31 March 2024	31 March 2023
Opening balance	(8,397.24)	(11,760.78)
Net profit for the year	650.14	3,308.91
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(42.40)	54.63
<b>Closing balance</b>	<b>(7,789.50)</b>	<b>(8,397.24)</b>

## (iv) Share application money

Particulars	31 March 2024	31 March 2023
Opening balance	-	-
Add: Application money received for exercise of stock option	35.64	-
Less: Changes during the year consequent to issue of shares	(32.31)	-
<b>Closing balance</b>	<b>3.33</b>	<b>-</b>

### Nature and purpose of reserves:

#### Securities premium account

Securities premium is used to record the premium received on issue of shares. 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 (net of exercise price) issued to employees under Tracxn Employee Stock Option Plan 2016. Refer note 25 for more details.

#### Share application money

This represents the total amount received by the company towards exercise of stock options pending allotment.

## 11 Financial liabilities

### (a) Trade payables

Particulars	31 March 2024	31 March 2023
Trade payables: micro and small enterprises (MSME) [refer note 33]	4.70	7.51
Trade payables: others	54.27	83.00
<b>Total trade payables</b>	<b>58.97</b>	<b>90.51</b>

### Trade Payables ageing schedule as at 31 March 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from the due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	-	3.86	-	0.84	-	4.70
Others	49.35	-	4.92	-	-	-	54.27
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>49.35</b>	<b>-</b>	<b>8.78</b>	<b>-</b>	<b>0.84</b>	<b>-</b>	<b>58.97</b>

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## Trade Payables ageing schedule as at 31 March 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from the due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	-	6.67	0.84	-	-	7.51
Others	76.87	-	6.13	-	-	-	83.00
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>76.87</b>	<b>-</b>	<b>12.80</b>	<b>0.84</b>	<b>-</b>	<b>-</b>	<b>90.51</b>

## (b) Other financial liabilities

Particulars	31 March 2024	31 March 2023
<b>Current:</b>		
Employees benefits payable	13.35	24.52
Payable to independent directors	13.73	-
<b>Total other financial liabilities</b>	<b>27.08</b>	<b>24.52</b>

## 12 Employee benefit obligations

Particulars	31 March 2024		31 March 2023	
	Current	Non-current	Current	Non-current
Compensated absences [Refer note (i) below]	148.08	-	123.85	-
Gratuity [Refer note (ii) below]	95.80	338.45	62.21	278.73
<b>Total employee benefit obligations</b>	<b>243.88</b>	<b>338.45</b>	<b>186.06</b>	<b>278.73</b>

### 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 2024	31 March 2023
Leave obligations not expected to be settled within the next 12 months	126.16	105.27

### 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.

Liability is actuarially valued and recognised in the books at each reporting date by the Company. The gratuity plan of the Company is not funded.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

Particulars	31 March 2024	31 March 2023
<b>A) Present value of defined benefit obligation</b>		
Obligations at the beginning of the year	340.94	375.28
Current service cost	58.34	50.12
Interest cost	24.88	25.56
Benefits paid	(46.57)	(37.02)
Remeasurement (gains)/ losses		
arising from changes in demographic assumptions.	1.50	(36.85)
arising from changes in financial assumptions.	7.89	(73.49)
arising from changes in experience adjustments.	47.27	37.34
<b>Obligations at the end of the year</b>	<b>434.25</b>	<b>340.94</b>
<b>B) Net (asset)/ liability:</b>		
Present value of defined benefit obligation	434.25	340.94
Fair value of plan assets	-	-
Net (asset)/obligation	434.25	340.94
<b>C) Expenses recognised in Statement of Profit and Loss</b>		
Current service cost	58.34	50.12
Interest cost	24.88	25.56
Interest income	-	-
<b>Total amount recognised in the Statement of Profit and Loss</b>	<b>83.22</b>	<b>75.68</b>
<b>D) Amounts recognised in Other Comprehensive Income</b>		
(Gains)/losses arising from changes in		
- return on plan assets	-	-
- demographic assumptions	1.50	(36.85)
- financial assumptions	7.89	(73.49)
- experience adjustments	47.27	37.34
<b>Total amount recognised in Other Comprehensive Income</b>	<b>56.66</b>	<b>(73.00)</b>
<b>Total amount recognised in Total Comprehensive Income (C+D)</b>	<b>139.88</b>	<b>2.68</b>
<b>E) Actuarial assumptions</b>		
Discount rate per annum (Key)	7.18%	7.30%
Salary escalation rate (Key)	6-18%	6-18%
Withdrawal rate (Key)	27-36%	22-38%
Mortality rate (Non-key)	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
<b>F) Expected contribution in next year*</b>	<b>350.00</b>	-
<b>G) Reconciliation of amounts in Balance Sheet</b>		
Net defined benefit liability/ (asset) at the beginning of the year	340.94	375.28
Defined benefit cost included in statement of profit and loss	83.22	75.68
Total remeasurements included in other comprehensive income	56.66	(73.00)
Benefits paid	(46.57)	(37.02)
<b>Net defined benefit liability (asset) at the end of the year</b>	<b>434.25</b>	<b>340.94</b>

\*During the year, the Company has registered a trust to fund its gratuity obligation. The amount above represents the contribution that the Company expects to make to the trust during the next financial year.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## 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 5 year (2023: 5 year) 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 (DBO) to changes in the principal assumptions is as under:

Changes in assumption	Change in DBO	Impact on DBO	
		Gratuity	
		31 March 2024	31 March 2023
		Amount	Amount
<b>Discount rate</b>			
a. Increase by 50 basis points	Decrease by	<b>(5.77)</b>	(5.23)
b. Decrease by 50 basis points	Increase by	<b>5.96</b>	5.41
<b>Withdrawal rate</b>			
a. Increase by 100 basis points	Decrease by	<b>(3.11)</b>	(2.94)
b. Decrease by 100 basis points	Increase by	<b>3.17</b>	2.96
<b>Salary escalation rate</b>			
a. Increase by 100 basis points	Increase by	<b>8.17</b>	6.97
b. Decrease by 100 basis points	Decrease by	<b>(8.13)</b>	(6.98)

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.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 5 years (2023: 7 years). The expected benefit payments are as follows:

Changes in assumption	Gratuity	
	31 March 2024	31 March 2023
	Amount	Amount
Expected future cash flows [Undiscounted]		
Year 1	95.81	62.21
Year 2	86.84	65.25
Year 3	74.30	59.15
Year 4	65.58	50.23
Year 5	53.25	42.83
5 years and above	167.89	166.51

## 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 wages 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 180.45 (2023: INR 197.54) for Provident fund contributions and INR 6.75 (2023: INR 16.32) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss.

## 13 Contract liabilities

Particulars	31 March 2024		31 March 2023	
	Current	Non-current	Current	Non-current
Deferred revenue	3,130.01	40.60	2,914.13	25.98
Advance from customers	6.48	-	2.22	-
<b>Total contract liabilities</b>	<b>3,136.49</b>	<b>40.60</b>	<b>2,916.35</b>	<b>25.98</b>

### 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 2024	31 March 2023
Sale of services	2,916.35	2,543.58

- b) There was no revenue recognised from performance obligations satisfied in previous year.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

- c) The movement in contract liability (deferred revenue and Advances received from customers) is as follows:

Particulars	31 March 2024		31 March 2023	
	Deferred revenue	Advance from customers	Deferred revenue	Advance from customers
<b>Balance as at the beginning of the year</b>	<b>2,940.11</b>	<b>2.22</b>	<b>2,549.99</b>	<b>4.72</b>
Less: Revenue accrued during the year	(2,914.13)	(2.22)	(2,538.87)	(4.72)
Add: Invoicing in excess of earned revenue during the year	<b>3,144.63</b>	-	2,928.99	-
Add: Advances received during the year	-	<b>6.48</b>	-	2.22
<b>Balance as at the end of the year</b>	<b>3,170.61</b>	<b>6.48</b>	<b>2,940.11</b>	<b>2.22</b>

- d) As at 31 March 2024, the aggregate amount of the transaction price allocated to the remaining performance obligations is INR 3,177.09 (2023: INR 2,942.33). Out of this, the Company expects to recognize revenue of INR 3,136.49 (2023: INR 2,916.35) within the next one year and the remaining in the year after that.

## 14 Other liabilities

Particulars	31 March 2024	31 March 2023
<b>Current:</b>		
Statutory dues	<b>295.63</b>	156.87
Ex-gratia employee benefits	<b>18.04</b>	54.44
Refund liabilities [refer note (i) below]	<b>60.49</b>	26.39
IPO related expenses	-	0.94
<b>Total other liabilities</b>	<b>374.16</b>	<b>238.64</b>

### Note

- i) The Company recognises a refund liability, based on management estimates, for the revenue recognized but likely to be cancelled in the subsequent period.

## 15 Revenue from operations

### Accounting policies

#### (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, net of goods and services tax, that reflects the consideration entitled in exchange for those services and when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. 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'.

The invoicing for the services is done upfront irrespective of the duration of the subscription with a general credit term of 10-30 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.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## (ii) Refund liabilities

The Company recognises a refund liability for the revenue recognized but likely to be cancelled in the subsequent period. The company estimates the expected cancellations based on acknowledgements from customers or platform usage data.

## (iii) 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. Refer Note 13.

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

Particulars	31 March 2024	31 March 2023
<b>Sale of services:</b>		
Income from sale of subscription services	8,277.05	7,810.57
<b>Total revenue from operations</b>	<b>8,277.05</b>	<b>7,810.57</b>

### 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 2024	31 March 2023
Contract price	8,545.91	8,195.29
Adjusted for:		
Movement in contract liabilities	(234.76)	(387.63)
Movement in refund liabilities	(34.10)	2.92
<b>Closing balance</b>	<b>8,277.05</b>	<b>7,810.57</b>

## 16 Other income and other gains/(losses)

### (a) Other income

Particulars	31 March 2024	31 March 2023
Interest income from bank deposits measured at amoritised cost	28.83	102.47
Interest on income tax refund	-	27.96
Miscellaneous income	2.10	0.65
<b>Total other income</b>	<b>30.93</b>	<b>131.08</b>

### (b) Other gains - net

Particulars	31 March 2024	31 March 2023
Net gain/(loss) on disposal of property, plant and equipment	(0.22)	0.48
Net gains on sale of investments	41.42	97.44
Net fair value gains on financial assets measured at fair value through profit or loss	363.76	47.76
Foreign exchange gain/(loss) (net)	(9.27)	30.76
<b>Total other gains - net</b>	<b>395.69</b>	<b>176.44</b>

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## 17 Employee benefits expense

Particulars	31 March 2024	31 March 2023
Salaries, wages & bonus	<b>6,122.33</b>	5,792.66
Contribution to provident and other funds [refer note 12(b)]	<b>187.50</b>	214.21
Employee stock option expense	<b>476.64</b>	541.11
Gratuity expenses [refer note 12(a)]	<b>83.22</b>	75.68
Staff welfare expenses	<b>56.15</b>	74.81
<b>Total employee benefits expense</b>	<b>6,925.84</b>	<b>6,698.47</b>

## 18 Depreciation and amortization expense

Particulars	31 March 2024	31 March 2023
Depreciation on property, plant and equipment	<b>17.01</b>	19.03
<b>Total depreciation and amortization expense</b>	<b>17.01</b>	<b>19.03</b>

## 19 Other expenses

### Accounting policies

Lease payments - 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.

See note 34.4 for the other accounting policies relevant to Lease payments.

Particulars	31 March 2024	31 March 2023
Cloud hosting charges	<b>242.49</b>	249.73
Rent	<b>206.09</b>	178.91
Data extraction charges	<b>64.99</b>	41.27
Professional and consultancy fees	<b>64.82</b>	67.55
Information technologies expenses (including software license)	<b>59.24</b>	57.40
Director remuneration (refer note 27)	<b>40.00</b>	40.00
Marketing expenses	<b>32.51</b>	24.89
Payment to auditors [refer note below]	<b>32.36</b>	24.50
Bank and payment gateway charges	<b>29.82</b>	30.15
Repairs and maintenance	<b>24.80</b>	13.08
Bad debts written off	<b>21.98</b>	74.61
Rates and taxes	<b>20.04</b>	26.04
Director sitting fees (refer note 27)	<b>19.25</b>	25.75
Other office expenses	<b>8.51</b>	7.87
Recruitment expenses	<b>8.22</b>	13.86
(Reversal)/allowance for expected credit loss (net) (refer note 23)	<b>6.28</b>	(43.46)
Travelling and conveyance	<b>5.40</b>	18.97
Miscellaneous expenses	<b>5.73</b>	3.81
<b>Total other expenses</b>	<b>892.53</b>	<b>854.93</b>

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## Note: Details of payment to auditors

Particulars	31 March 2024	31 March 2023
<b>Payment to auditors*</b>		
<b>As auditor:</b>		
Audit fee	30.00	23.50
Tax audit fee	1.00	1.00
Out of pocket expenses	1.36	-
<b>Total payments to auditors</b>	<b>32.36</b>	<b>24.50</b>

\* The above does not include payables relating to the audit services towards IPO amounting to INR Nil (2023: 81) as it was part of IPO expenses recovered (Refer note 20).

## 20 Exceptional items

Particulars	31 March 2024	31 March 2023
IPO expenses	-	(449.08)
<b>Total IPO expenses</b>	<b>-</b>	<b>(449.08)</b>

The transaction costs with respect to the initial public offer (IPO) of the Company, which were initially borne by the Company were recognised as an expense. During the year ended 31 March 2023, upon successful completion of IPO, these expenses have been fully recovered from the selling shareholders.

## 21 Income tax expense

Particulars	31 March 2024	31 March 2023
<b>(a) Income tax expense</b>		
<b>Current tax</b>		
Current tax for the year	17.68	11.55
<b>Total current tax expense</b>	<b>17.68</b>	<b>11.55</b>
<b>Deferred tax</b>		
Decrease/(increase) in deferred tax assets	108.92	(2,337.74)
(Decrease)/increase in deferred tax liabilities	91.55	12.02
<b>Total deferred tax expense/(benefit)</b>	<b>200.47</b>	<b>(2,325.72)</b>
<b>Income tax expense</b>	<b>218.15</b>	<b>(2,314.17)</b>

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

Particulars	31 March 2024	31 March 2023
Profit before income tax expense	868.29	994.74
Tax at the Indian tax rate of 25.168% (2023: 25.168%)	218.53	250.36
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
IPO expenses (recovery)	-	(113.02)
Others	(0.38)	2.76
Previously unrecognised tax losses now utilised to reduce current tax expense	-	(113.15)
Previously unrecognised deferred tax asset created during the current year	-	(2,341.12)
<b>Income tax expense</b>	<b>218.15</b>	<b>(2,314.17)</b>

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## 22 Fair value measurements

### A. Financial instruments by category

Particulars	Level	As at 31 March 2024		As at 31 March 2023	
		Amortised cost	FVTPL	Amortised cost	FVTPL
<b>Financial assets</b>					
Investments	1	-	<b>6,805.17</b>		3,738.10
Trade receivables	3	<b>833.98</b>	-	976.87	-
Cash and cash equivalents		<b>477.81</b>	-	262.74	-
Other financial assets					
- Bank deposits		<b>182.67</b>	-	1,876.26	-
- Security deposits	3	<b>189.04</b>	-	191.16	-
- Other receivables	3	<b>51.63</b>	-	0.58	-
<b>Total financial assets</b>		<b>1,735.13</b>	<b>6,805.17</b>	<b>3,307.61</b>	<b>3,738.10</b>
<b>Financial liabilities</b>					
Trade payables	3	<b>58.97</b>	-	90.51	-
Other financial liabilities	3	<b>27.08</b>	-	24.52	-
<b>Total financial liabilities</b>		<b>86.06</b>	-	<b>115.03</b>	-

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.

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 process and techniques:

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The fair value of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

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

The carrying amounts of trade receivables, 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 amount are equal to the fair values.

## 23 Financial risk management

The Company's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. 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	Periodic review of aging for trade receivables
Liquidity risk	Trade payables and other financial liabilities	Cash outflow 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		Increased focus on a) advance export billing b) limiting the accumulation of foreign exchange
Market risk - security prices	Investments in mutual funds	Sensitivity analysis	Investing only in liquid funds of reputed AMC with sizeable AUMs and investment in debt based funds

### A. Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers located in various countries. Credit risk is managed by the Company through continuously monitoring of the outstanding receivables.

#### (i) Loss allowance as at March 31, 2024 and March 31, 2023 was determined as follows for trade receivables under the simplified approach

Particulars	Not due	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days	Total
<b>As at 31 March 2024</b>							
Gross carrying amount - trade receivables (see note below)	519.61	193.60	13.21	15.99	6.74	1.27	750.42
Expected loss rate	1.52%	1.60%	23.39%	43.51%	64.62%	100.00%	
Expected credit loss - trade receivables	7.90	3.10	3.09	6.96	4.36	1.27	26.68
Carrying amount of trade receivables (net of ECL)	<b>511.71</b>	<b>190.50</b>	<b>10.12</b>	<b>9.03</b>	<b>2.38</b>	<b>-</b>	<b>723.74</b>

Note: Excluding receivables of Rs.110.24L on which refund liabilities are recognised.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

Particulars	Not due	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days	Total
<b>As at 31 March 2023</b>							
Gross carrying amount - trade receivables (see note below)	579.14	334.16	18.69	5.38	-	-	937.37
Expected loss rate	1.37%	1.42%	24.64%	48.05%	-	-	
Expected credit loss - trade receivables	8.47	4.73	4.61	2.59	-	-	20.40
Carrying amount of trade receivables (net of ECL)	<b>570.67</b>	<b>329.43</b>	<b>14.08</b>	<b>2.79</b>	-	-	<b>916.97</b>

Note: Excluding receivables of Rs.59.90L on which refund liabilities are recognised.

## (ii) Reconciliation of expected credit loss for trade receivables under simplified approach

Particulars	Trade receivables
<b>Loss allowance as on 1 April 2022</b>	<b>63.86</b>
Increase in loss allowance	31.15
Loss allowance reversed on account of receivables written off	(74.61)
<b>Loss allowance as on 31 March 2023</b>	<b>20.40</b>
Increase in loss allowance	14.50
Loss allowance reversed on account of receivables written off	(8.22)
<b>Loss allowance as on 31 March 2024</b>	<b>26.68</b>

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

The Company is also exposed to credit risk in respect of cash and cash equivalents, deposits with banks and investment in mutual funds. As a policy, the Company places its cash and cash equivalents and deposits with well established banks and financial institutions. Management has evaluated and determined expected credit loss for cash and cash equivalents, deposits with banks, security deposits and other financial assets to be insignificant.

## B. Liquidity risk

Liquidity risk is a risk that the Company may not be able to meet its financial obligations associated with its financial liabilities on a timely basis through:

- Primary source - cash and cash equivalents i.e. cash generated from operations,
- Secondary source - mutual fund investments and bank deposits (liquid investments realisable in short term).

A material and sustained shortfall in cash flows generated from operation could expose the company to liquidity risk. The company manages the liquidity risk by monitoring rolling cash flow forecasts and maturity profiles of its financial assets and liabilities."

- Maturities of 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.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## 31 March 2024

Contractual maturities of financial liabilities	Less than one year	Between 1 and 2 years	Between 2 and 5 years	Total
<b>Non-derivatives</b>				
Trade payables	58.97	-	-	58.97
Other financial liabilities	27.08	-	-	27.08
<b>Total liabilities</b>	<b>86.05</b>	<b>-</b>	<b>-</b>	<b>86.05</b>

## 31 March 2023

Contractual maturities of financial liabilities	Less than one year	Between 1 and 2 years	Between 2 and 5 years	Total
<b>Non-derivatives</b>				
Trade payables	90.51	-	-	90.51
Other financial liabilities	24.52	-	-	24.52
<b>Total liabilities</b>	<b>115.03</b>	<b>-</b>	<b>-</b>	<b>115.03</b>

## C. Market risk

### (i) Foreign currency risk

Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The company is exposed to foreign exchange currency risk arising from foreign currency transactions primarily with respect to United States Dollar (USD) which are not hedged. The risk is measured through sensitivity analysis of probable movement in exchange rate as at the reporting period.

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

Particulars	Amount In INR	
	31 March 2024	31 March 2023
<b>Financial assets</b>		
USD		
Trade receivables	429.87	608.28
Bank balance in EEFC accounts	129.56	119.70
EUR		
Trade receivables	19.23	12.57
GBP		
Trade receivables	10.01	0.99
<b>Total financial assets</b>	<b>588.67</b>	<b>741.54</b>
<b>Financial liabilities</b>		
USD		
Trade payables	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>
<b>Net exposure to exchange risk*</b>	<b>588.67</b>	<b>741.54</b>

### Sensitivity

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments and the impact is shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

Particulars	Impact on profit before tax and equity	
	31 March 2024	31 March 2023
<b>USD sensitivity</b>		
INR/USD - increase by 1% (2023:1%)	<b>5.59</b>	7.28
INR/USD - decrease by 1% (2023:1%)	<b>(5.59)</b>	(7.28)
<b>EUR sensitivity</b>		
INR/EUR - increase by 1% (2023:1%)	<b>0.19</b>	0.13
INR/EUR - decrease by 1% (2023:1%)	<b>(0.19)</b>	(0.13)
<b>GBP sensitivity</b>		
INR/GBP - increase by 1% (2023:1%)	<b>0.10</b>	0.01
INR/GBP - decrease by 1% (2023:1%)	<b>(0.10)</b>	(0.01)

## (ii) Market price risk

### a) Exposure

The Company's exposure to price risk arises from investments held by the Company and classified in the Balance Sheet at fair value through profit or loss. To manage its price risk arising from investments in debt mutual funds, the Company diversifies its portfolio.

### b) Sensitivity

The table below summarizes the impact of increase/decrease of the index on the company's equity and profit for the year. The analysis is based on the assumption that the NAV increases by 5% or decreases by 5% with all other variables held constant.

Particulars	Impact on profit before tax and on equity	
	31 March 2024	31 March 2023
NAV- increase 5% (2023: 5%)	<b>340.26</b>	186.90
NAV- decrease 5% (2023: 5%)	<b>(340.26)</b>	(186.90)

## 24 Capital management

The Company's objectives when managing capital are to:

- (i) Safeguard their ability to continue as a going concern, so that they can provide returns to shareholders and benefits for other stakeholders, and
- (ii) Maintain an optimal capital structure to reduce cost of capital.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company manages its capital structure and makes adjustments to the capital structure in light of changes in economic conditions and future business prospects as and when required.

The Company does not have access to any borrowings and undrawn facilities. However, the Company has sufficient cash and investments to meet the liquidity requirements.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

The gearing ratios are as follows:

Particulars	31 March 2024	31 March 2023
Borrowings	-	-
Lease liabilities	-	-
Cash and cash equivalents	477.81	262.74
<b>Net debt</b>	-	-
<b>Total equity</b>	<b>7,088.78</b>	<b>5,968.76</b>
Net debt to equity ratio	-	-

The net debt to equity ratio of the company is nil (2023: nil)

## 25 Employee stock option 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 5th 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 1,21,52,582 shares. These options shall vest not less than one year and not more than 4 years from the date of grant of such options.

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

Particulars	31 March 2024		31 March 2023	
	Number	Average exercise price per share option (INR)	Number	Average exercise price per share option (INR)
<b>Opening balance</b>	<b>9,720,193</b>	<b>1</b>	<b>9,544,472</b>	
Granted during the year	1,215,973	1	794,434	1
Forfeited during the year	(508,274)	1	(618,713)	1
Exercised during the year	(3,230,916)	1	-	1
<b>Closing balance</b>	<b>7,196,976</b>	<b>1</b>	<b>9,720,193</b>	<b>1</b>
<b>Vested and exercisable</b>	<b>5,222,698</b>	<b>1</b>	<b>7,668,052</b>	<b>1</b>
<b>Options available for grant (including forfeitures)</b>	<b>1,724,690</b>		<b>2,432,389</b>	

The weighted average remaining contractual life for options outstanding at the end of the period is 4.6 years (2023: 6.63 years)

The weighted average fair value of options granted as at grant date during the year ended 31 March 2024 was INR 77.80 per option (2023: INR 68.32). 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 included:

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

Assumptions	31 March 2024	31 March 2023
Expected term (in years) (see note below)	<b>2.5 years</b>	10 years
Risk-free interest rate	<b>6.94%</b>	7.22%
Expected volatility	<b>50.69%</b>	33.28%
Dividend yield	<b>0%</b>	0%

Note: Expected term for the year ended March 31, 2024 is considered basis the assumption that employees will exercise the options immediately upon vesting.

## Employee stock option expense

Particulars	31 March 2024	31 March 2023
Employee stock option expense	<b>476.64</b>	541.11
<b>Total employee stock option expense</b>	<b>476.64</b>	541.11

## 26 Segment reporting

### a) Description of segments and principal activities

The company generates revenues from subscription to the 'Tracxn' platform, with the operating results regularly reviewed by the Company's chief operating decision maker(s), i.e. the Board of Directors to make decisions about resource allocation and performance assessment for 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 2024	31 March 2023
<b>Geographical segment *</b>		
India	<b>2,843.91</b>	2,504.76
United States of America	<b>2,440.99</b>	2,086.13
Other countries	<b>2,992.15</b>	3,219.68
<b>Total</b>	<b>8,277.05</b>	<b>7,810.57</b>

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

### (c) Information about major customers

No single customer contributed 10 per cent or more of the Company's revenues.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## 27 Related party transactions

### A. Names of related parties and nature of relationship:

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 (Resigned on 21st April 2023) Ravi Chandra Adusumali (Resigned on 15th November 2022)
Independent Directors	Brij Bhushan Payal Goel Nishant Verman Rohit Jain
Chief Financial Officer (CFO)	Prashant Chandra
b) Entity having significant influence over the Company	Elevation Capital V Limited (Upto 21st April 2023)* (formerly SAIF Partners India V Limited)
c) Entity under common control of Elevation Capital V Limited	Elevation Company Limited (Upto 21st April 2023)*
d) Employee benefit trusts of the Company	Tracxn Employees' Group Gratuity Scheme (w.e.f 15th March 2024)*

\*No transactions during the year

### B. Transactions with related parties (refer notes below)

Particulars	31 March 2024	31 March 2023
Short-term employee benefits		
- Neha Singh	6.24	44.78
- Abhishek Goyal	6.24	6.28
- Prashant Chandra	92.24	83.22
Post-employment benefits		
- Neha Singh	0.33	(18.26)
- Abhishek Goyal	0.24	(0.35)
- Prashant Chandra	0.75	4.05
Employee stock option expense		
- Prashant Chandra	20.69	33.71

Notes:-

The above excludes the expenses incurred in the ordinary course of business through prepaid corporate credit cards issued to whole time directors and CFO.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## C. Transactions with independent directors

Particulars	31 March 2024		31 March 2023	
	Sitting fee	Fixed remunerations	Sitting fee	Fixed remunerations
Brij Bhushan	6.00	10.00	9.25	10.00
Payal Goel	3.50	10.00	4.50	10.00
Nishant Verman	4.50	10.00	4.50	10.00
Rohit Jain	5.25	10.00	7.50	10.00

## D. Payable to independent directors (refer note below):

Particulars	31 March 2024	31 March 2023
Brij Bhushan	3.60	2.63
Payal Goel	3.38	2.48
Nishant Verman	3.15	3.15
Rohit Jain	3.60	3.60

**Note:** Net of tax deducted at source

## E. Other transactions

Subscription sale to Elevation Company Limited amounting INR Nil (2023: INR 13.62L)

## 28 Contingent liabilities

The Company has the following contingent liabilities:

Particulars	31 March 2024	31 March 2023
Claims against the company not acknowledged as debt		
Income tax matters (Refer Note (a) below)	31.79	31.79
<b>Total contingent liabilities</b>	<b>31.79</b>	<b>31.79</b>

- 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 89.03 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. Demand amount is adjusted against refund for the financial year 2017-18 vide order dated 18 September 2019.
- 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.

## 29 Commitments

Capital commitments

There were no capital commitments as at the end of current/previous reporting period.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## 30 Earnings per share (EPS):

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

Particulars	31 March 2024	31 March 2023
Basic earning per share (In INR)	0.61	3.30
Diluted earning per share (In INR)	0.61	2.99

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

Particulars	31 March 2024	31 March 2023
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (see note below)	106,865,101	100,310,185
Adjustments for calculation of diluted earnings per share:		
Employee stock options	314,376	10,401,118
<b>Weighted average number of equity shares and potential equity shares used as denominator in calculating diluted earnings per share</b>	<b>107,179,477</b>	<b>110,711,303</b>

Note: Includes weighted average stock options vested but not exercised.

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

Particulars	31 March 2024	31 March 2023
Profit after tax attributable to equity holders of the Company	650.14	3,308.91

## 31 Ratios

The following are analytical ratios for the year ended 31 March 2024 and 31 March 2023.

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	Variance	Reasons for variance in excess of 25%
Current ratio	Total current assets	Total current liabilities	2.24	2.05	9.4%	NA
Return on equity (ROE)	Net profits after taxes	Average shareholder's equity	9.96%	82.38%	(87.91%)	Refer note 3
Trade receivables turnover ratio	Contract price	Average trade receivables	9.44	9.68	(2.45%)	NA
Trade payables turnover ratio	Purchases of services and other expenses	Average trade payables	12.69	11.84	7.2%	NA
Net capital turnover ratio	Revenue from operations	Average working capital	1.97	2.80	(29.71%)	Refer note 4
Net profit ratio	Net profits after taxes	Revenue from operations	7.85%	42.36%	(81.46%)	Refer note 3
Return on capital employed	Profit before exceptional items and tax	Capital employed#	12.25%	9.14%	34.0%	Refer note 5
Return on investment	Profit before exceptional items and tax	Average total assets	8.25%	7.21%	14.5%	NA

# Capital employed = Tangible net worth + Total debt + Deferred tax liability

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

## Notes:

1. The Company did not have any debt outstanding as at 31 March 2024 and 31 March 2023. Accordingly, the debt-equity ratio and the debt service coverage ratio have not been disclosed.
2. The business model of the company is services oriented hence there is no inventory. Accordingly the inventory turnover ratio is not applicable.
3. Decrease is on account of recognition of deferred tax assets on carry forward business losses and recovery of IPO expenses from selling shareholders in the previous year.
4. Decrease is due to increase in working capital i.e. on account of increase in current investments.
5. Increase is on account of the revenue growth rate being higher than the expense growth rate and increase in fair value gains on financial assets.

## 32 Leases

The Company has taken office premises on lease. Rental contracts are typically made for 1 to 3 years, and extendable for further periods upon mutual agreement. The notice period for such leases is 2-3 months where either party can terminate the lease without any significant penalty or loss. Extension options have not been included in the lease term as exercising this option is currently not reasonably certain. Accordingly, the Company has elected to treat such leases as short term leases and taken an exemption from recognition of right-of-use assets and related lease liabilities in accordance with Ind AS 116.

### i) Amounts recognised in the Statement of Profit and Loss

Particulars	Note	31 March 2024	31 March 2023
Expenses relating to short-term leases (included in other expenses)	19	206.09	178.91

- ii) Total cash outflow for leases for the year ended 31 March 2024 was INR 206.09 (2023: INR 178.91)

## 33 Dues to micro and small enterprises

Sr No	Particulars	31 March 2024	31 March 2023
(i)	a. Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.65	7.41
	b. Interest due thereon remaining unpaid on year end.	0.05	0.10
(ii)	The amount of interest paid by the buyer under the terms of section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during entire accounting year.		
	a. Delayed payments of principal amount paid beyond the appointed date during the entire accounting year.	0.59	2.91
	b. Interest actually paid under section 16 of the Act, during the entire accounting year.	0.02	0.09
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006.	-	-

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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

Sr No	Particulars	31 March 2024	31 March 2023
(iv)	The amount of interest accrued and remaining unpaid as at year end		
	a. Total interest accrued during the year	0.07	0.18
	b. Total interest remaining unpaid, out of the above as at year end.	0.05	0.10
(v)	The amount of further interest due and payable even in the succeeding years until such date when the interest due as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development Act, 2006.	0.15	0.10

## 34 Other accounting policies

Other than the Material Accounting Policies given, this note provides a list of other accounting policies adopted in the preparation of these financial statements. The Accounting Policies have been consistently applied to all the years presented, unless otherwise stated.

### 34.1 Segment reporting

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

Refer note 26 for segment information presented.

### 34.2 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 on a net basis within other gains/ (losses).

### 34.3 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

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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.

## 34.4 Leases

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.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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.

## 34.5 Financial instruments

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets (excluding trade receivables which do not contain significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

## 34.6 Investments and other financial assets

### A) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on entity's business model for managing the financial assets and the contractual terms of the cash flow. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### B) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the financial asset.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

## C) Subsequent measurement

### i) 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.

### ii) Fair Value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss and recognised under other income/ other expenses. Interest income from these financial assets is included in other income using the effective interest rate method.

### iii) Fair value through profit and loss (FVPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

## D) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortised cost. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable information including that which is forward-looking.

The losses arising from impairment are recognized in the Statement of Profit and Loss.

## E) Derecognition

A financial asset is derecognized only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

## F) 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.

## 34.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments (excluding investment in debt mutual funds e.g. liquid funds which are shown separately as 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 changes in value.

## 34.8 Financial liabilities

### A) Classification

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

### B) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method unless at initial recognition, they are classified as fair value through profit or loss.

### C) Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

## 34.9 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.

## 34.10 Property, plant and equipment

Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

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.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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 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).

## 34.11 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.

## 34.12 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets under development are tested for impairment on an annual basis. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that have suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 34.13 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.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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.

## 34.14 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.

### 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 at the end of the reporting period by an independent actuary using the projected unit credit method.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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 reporting 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."

## 34.15 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

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

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.

## 34.16 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.

The transaction costs incurred with respect to the IPO of the Company is recognised as an asset to the extent considered recoverable from the selling shareholders. Remaining costs attributable to listing of existing shares is recognised in profit or loss.

## 34.17 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.

## 34.18 Exceptional items

When an item of income or expense within Statement of profit and loss from ordinary activity is of such size, nature or incidence that its disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

## 34.19 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as permitted by Schedule III of Companies Act, 2013, unless otherwise stated. Amounts mentioned as "0.00" in the financial statements denote amounts rounded off, being less than rupees five thousand.

## 35 Additional regulatory information

### (i) Details of benami property held

No proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

### (ii) Borrowing secured against current assets

The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions.

### (iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

**(iv) Relationship with struck off companies**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**(v) Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**(vi) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(vii) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**(viii) Valuation of property plant and equipment, intangible asset and investment property**

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year

**(ix) Core investment companies (CIC)**

The Company is not a core investment company (CIC) as defined in the regulations made by the Reserve Bank of India. The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group.

**(x) Compliance with number of layers of companies**

The Company has not made any investments and hence compliance with respect to number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017 is not applicable.

**(xi) Utilisation of borrowed funds and share premium**

(A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

# Notes to Financial Statements

CIN: L72200KA2012PLC065294

As of and for the Year Ended March 31, 2024

## (xii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**36** The Company maintains backup of certain books and records on third party sites. However those servers are not physically located in India. From Aug 30, 2023, the company has implemented a process to additionally maintain daily backup of data stored on such sites on company's servers physically located in India.

**37** These financial statements are approved for issue by Company's Board of Directors on 20 May 2024.

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

**Mohan Danivas S A**  
Partner  
Membership Number: 209136

Place: Bengaluru  
Date: 20 May 2024

For and on behalf of the Board of Directors of  
**Tracxn Technologies Limited**

**Neha Singh**  
Managing Director  
DIN: 05331824

**Prashant Chandra**  
Chief Financial Officer

Place: Bengaluru  
Date: 20 May 2024

**Abhishek Goyal**  
Director  
DIN: 00423410

**Surabhi Pasari**  
Company Secretary  
M. No. F11215

Place: Bengaluru  
Date: 20 May 2024



**TRACXN TECHNOLOGIES LIMITED**

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

[www.tracxn.com](http://www.tracxn.com)