

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tracxn Technologies Limited

Report on the Audit of Financial Results

Opinion

1. We have audited the accompanying annual financial results of Tracxn Technologies Limited (the "Company") for the year ended March 31, 2025 and the statement of assets and liabilities as on that date and the statement of cash flows for the year ended on that date (the "financial results"), attached herewith, which are included in the accompanying 'Statement of financial results for the quarter and financial year ended March 31, 2025', 'Statement of assets and liabilities as at March 31, 2025' and 'Statement of cashflows for the year ended March 31, 2025' (together the "Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations') which has been initialled by us for identification purposes.
2. In our opinion and to the best of our information and according to the explanations given to us, the financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2025 and the statement of assets and liabilities and the statement of cash flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Results' 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N).

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Report on the Financial Results

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Board of Directors' Responsibilities for the Financial Results

4. These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Company and the statement of assets and liabilities and the statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the financial results by the Directors of the Company, as aforesaid.
5. In preparing the financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Financial Results

7. Our objectives are to obtain reasonable assurance about whether the financial results 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 the financial results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial results, 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.



Price Waterhouse Chartered Accountants LLP

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To the Board of Directors of Tracxn Technologies Limited

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- 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 the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors 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 ability of the Company 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 results 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 results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance of the Company 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.
10. 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.

Other Matter

11. The Financial Results include the results for the quarter ended March 31, 2025 being the balancing figures between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Mohan Danivas S A

Partner

Membership Number: 209136

UDIN: 25209136BMRJRG2617

Place: Bengaluru

Date: May 26, 2025

Tracxn Technologies Limited

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

Corporate Identity Number: L72200KA2012PLC065294

Phone: +91 90360 90116, Email: investor.relations@tracxn.com, Website: www.tracxn.com

STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2025

(All amount in INR. Lakhs, except earnings per share, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
Assets		
Non-current assets		
Property, plant and equipment	20.30	19.90
Intangible assets	-	-
Income tax assets (net)	622.92	547.40
Deferred tax asset (net)	566.62	2,121.14
Total non-current assets	1,209.84	2,688.44
Current assets		
Financial assets		
i. Investments	8,957.70	6,805.17
ii. Trade receivables	167.32	833.98
iii. Cash and cash equivalents	364.00	477.81
iv. Other financial assets	287.83	423.34
Other current assets	86.23	79.67
Total current assets	9,863.08	8,619.97
Total assets	11,072.92	11,308.41
Equity and liabilities		
Equity		
Equity share capital	1,064.66	1,035.41
Other equity		
Reserves and surplus	5,514.89	6,053.37
Total equity	6,579.55	7,088.78
Liabilities		
Non-current liabilities		
Employee benefit obligations	456.45	338.45
Contract liabilities	56.35	40.60
Total non-current liabilities	512.80	379.05
Current liabilities		
Financial liabilities		
i. Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises; and	15.08	4.70
(b) Total outstanding dues other than (a) above	40.85	54.27
ii. Other financial liabilities	9.56	27.08
Employee benefit obligations	217.28	243.88
Contract liabilities	3,419.02	3,136.49
Other current liabilities	278.78	374.16
Total current liabilities	3,980.57	3,840.58
Total liabilities	4,493.37	4,219.63
Total equity and liabilities	11,072.92	11,308.41

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025
(All amount in INR. Lakhs, except earnings per share, unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cash flow from operating activities:		
Net profit before income tax	662.19	868.29
Adjustment for:		
Depreciation and amortization expense	11.36	17.01
Net (gain)/ loss on disposal of Property, plant and equipment	-	0.22
Net gains on sale of investments	(158.13)	(41.42)
Net fair value gains on financial assets measured at fair value through profit or loss	(420.67)	(363.76)
Interest on income tax refund	(10.91)	-
Interest income from bank deposits measured at amortised cost	(12.30)	(28.83)
Employee stock option expense	464.26	476.64
Bad debts written off	41.47	21.98
(Reversal)/allowance for expected credit loss (net)	(24.24)	6.28
Unrealised exchange difference (net)	(0.64)	2.09
Operating profit before working capital changes	552.39	958.50
Adjustment for:		
(Increase)/ decrease in trade receivables	647.80	117.31
(Increase)/ decrease in other financial assets	146.59	(48.93)
(Increase)/ decrease in other assets	(6.56)	(37.17)
Increase / (decrease) in trade payables	(3.04)	(31.55)
Increase / (decrease) in contract liabilities	298.28	234.76
Increase / (decrease) in employee benefit obligations	25.55	60.87
Increase / (decrease) in other financial liabilities	(17.52)	2.55
Increase / (decrease) in other liabilities	(95.38)	135.52
Cash generation from operations	1,548.11	1,391.86
Income taxes paid (net of refunds received, including interest thereon)	(121.03)	(267.17)
Net cash flow from/ (used in) operating activities	1,427.08	1,124.69
Cash flow from investing activities:		
Payments for purchase of property, plant and equipment	(11.77)	(4.00)
Proceeds from sale of property, plant and equipment	-	2.93
Funds redeemed / (Invested) in bank deposits (net)	(11.08)	1,693.59
Proceeds from sale of investments	7,374.66	5,911.00
Payments for purchase of investments in mutual funds	(8,948.38)	(8,573.00)
Interest received	23.21	28.83
Net cash inflow / (outflow) from investing activities	(1,573.36)	(940.65)
Cash flow from financing activities:		
Application money received for exercise of stock options	25.92	35.64
Application money pending allotment	4.28	-
Net cash inflow / (outflow) from financing activities	30.20	35.64
Net increase/ (decrease) in cash and cash equivalents	(116.08)	219.68
Cash and cash equivalents as at beginning of the year	477.81	262.74
Effects of exchange rate changes on cash and cash equivalents	2.27	(4.61)
Cash and cash equivalents as at end of the year	364.00	477.81
Cash and cash equivalents comprise of [refer note 6(c)]:		
Cash on hand	0.02	0.01
Balances with payment gateway accounts	-	5.87
Balance with banks		
In current accounts	267.24	342.37
In exchange earners foreign currency (EEFC) accounts	96.74	129.56
Total	364.00	477.81

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STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND FINANCIAL YEAR ENDED MARCH 31, 2025
(All amount in INR. Lakhs, except earnings per share, unless otherwise stated)

Sl No	PARTICULARS	Quarter ended	Quarter ended	Quarter ended	For the year	For the year
		March 31, 2025 (Refer note - 4)	December 31, 2024	March 31, 2024 (Refer note - 4)	ended March 31, 2025	ended March 31, 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	2,114.07	2,139.31	2,031.54	8,446.73	8,277.05
	(b) Other Income	2.72	4.90	2.63	27.93	30.93
	(c) Other gains - net	155.23	145.32	122.88	562.27	395.69
	Total income (a+b+c)	2,272.02	2,289.53	2,157.05	9,036.93	8,703.67
2	Expenses					
	(a) Employee benefits expense	1,936.44	1,863.51	1,777.66	7,387.39	6,925.84
	(b) Depreciation and amortization expense	3.53	3.82	4.14	11.36	17.01
	(c) Other expenses	259.25	231.06	186.59	975.99	892.53
	Total expenses (a+b+c)	2,199.22	2,098.39	1,968.39	8,374.74	7,835.38
3	Profit before taxation (1-2)	72.80	191.14	188.66	662.19	868.29
4	Tax expense:					
	(a) Current tax	23.66	8.59	4.63	45.51	17.68
	(b) Deferred tax expense/(benefit) (Refer note 3)	807.09	40.56	41.52	1,571.09	200.47
	Net tax expense/(benefit) (a+b)	830.75	49.15	46.15	1,616.60	218.15
5	(Loss)/profit for the period/year (3-4)	(757.95)	141.99	142.51	(954.41)	650.14
6	Other Comprehensive Income					
	Items that will not be reclassified to profit and loss:					
	Remeasurements of defined benefit plans - gains/ (losses) (net)	(17.29)	2.65	(13.01)	(65.85)	(56.66)
	Tax impact on the above	4.35	(0.67)	3.27	16.57	14.26
	Total other comprehensive Income for the period/year	(12.94)	1.98	(9.74)	(49.28)	(42.40)
7	Total comprehensive income for the period/year (5+6)	(770.89)	143.97	132.77	(1,003.69)	607.74
8	Paid-up equity share capital [Face value Re. 1 per share]	1,064.66	1,057.92	1,035.41	1,064.66	1,035.41
9	Reserves (excluding revaluation reserve) as shown in the audited balance sheet				5,514.89	6,053.37
10	Earnings per equity share (EPS) (nominal value of ₹ 1/-each) (not annualised) (Refer note 7)					
	(a) Basic (in Rs.) (Face value of Re 1 each)*	(0.71)	0.13	0.13	(0.89)	0.61
	(b) Diluted (in Rs.) (Face value of Re 1 each)*	(0.71)	0.13	0.13	(0.89)	0.61

See accompanying notes to these financial results

* EPS as presented above is not annualised except for the years ended March 31, 2024 and March 31, 2025



Notes:

- 1 The Statement of Financial Results for the quarter and financial year ended March 31, 2025, Statement of Assets and Liabilities as at March 31, 2025 and the Statement of Cash Flows for the year ended March 31, 2025 have been prepared in accordance with the recognition and measurement principles laid down in the applicable accounting standard prescribed under Section 133 of Companies Act, 2013, and other accounting principles generally accepted in India, read with the relevant rules issued thereunder and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").
- 2 The Company has, at various grant dates issued ESOPs to its employees at an exercise price equal to the face value of the Company's share, which were approved by the Nomination and Remuneration Committee and the Board of Directors. For the quarter ended March 31, 2025, an amount of INR 129.75 Lakhs (March 31, 2024: INR. 160.92 Lakhs) has been recorded as employee stock option expense based on requirements in Ind AS 102, 'Share-based payments'. The ESOPs granted and outstanding as at March 31, 2025, aggregates to 4,666,558 (March 31, 2024: 7,196,976).
- 3 As at March 31, 2025 the management has reassessed the recoverability of deferred tax assets on carry forward business losses based on the availability of future taxable profits and has reversed deferred tax assets amounting to Rs.813.60 Lakhs during the quarter ended March 31, 2025. Reversal of such deferred tax assets for the year aggregates to Rs.1448.67 Lakhs.
- 4 The figures for the quarter ended March 31, 2025 and March 31, 2024 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures upto the third quarter of the respective financial years which were subjected to review by the statutory auditors.
- 5 The Company's operations relate to only one reportable segment viz Platform Subscription. Accordingly, no separate disclosure of segment information is required.
- 6 The Statement of Financial Results for the quarter and financial year ended March 31, 2025, Statement of Assets and Liabilities as at March 31, 2025 and the Statement of Cash Flows for the year ended March 31, 2025 were reviewed and recommended by the Audit Committee of the Board and subsequently approved by the Board of Directors at their respective meetings held on May 26, 2025.
- 7 Potentially issuable equity shares, on account of Share Options issued to employees, that could potentially dilute basic earnings per share, are not included in the calculation of diluted earnings per share if they are anti-dilutive for the period presented.
- 8 The Company does not have any subsidiary / associate / joint venture company(ies).
- 9 The Investors can visit the company's website www.trackn.com for updated information.

For and on behalf of the Board of Directors

Neha Singh
Neha Singh
Managing Director



Place: Bengaluru
Date: 26 May 2025

