

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

May 11, 2023

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 543638

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051.
Scrip Code: TRACXN

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held today i.e., May 11, 2023

Pursuant to Regulation 30 (read with Part A of Schedule III) and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we wish to inform you that the Board of Directors of the Company at its meeting held today, i.e. on Thursday, May 11, 2023, inter-alia, considered and approved the Audited Financial Results of the Company for the quarter and year ended March 31, 2023.

In terms of the provisions of Regulation 33 of Listing Regulations, we are enclosing herewith copy of the Audited Financial Results for the quarter and year ended March 31, 2023 along with the Auditors’ Report on Audited Financial Results received from the Statutory Auditors of the Company.

Further, pursuant to the provisions of Regulation 33(3)(d) of the Listing Regulations, a declaration of Unmodified Opinion by the Director of the Company, in respect of the Audited Financial Results of the Company for the financial year ended March 31, 2023 is also enclosed herewith as Annexure A.

The meeting of the Board of Directors commenced at 3.30 P.M. and concluded at 4.30 P.M.

Request you to kindly take the same on record.

Thanking You.

Yours faithfully,
For Tracxn Technologies Limited

Pranav Koranne
Interim Company Secretary cum Interim Compliance Officer

Encl.: A/a

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tracxn Technologies Limited
(formerly Tracxn Technologies Private Limited)

Report on the Audit of Financial Results

Opinion

1. We have audited the annual financial results of Tracxn Technologies Limited (formerly Tracxn Technologies Private Limited) (hereinafter referred to as the 'Company') for the year ended March 31, 2023 and the statement of assets and liabilities and the statement of cash flows as at and for the year ended on that date, attached herewith, 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 aforesaid 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 accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2023 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/NS00016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tracxn Technologies Limited (Formerly Tracxn Technologies Private Limited)
Report on the Financial Results

Page 2 of 3

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 these financial results that give a true and fair view of the net profit 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 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 results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial 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.
 - 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. (Refer paragraph 11 below).



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tracxn Technologies Limited (Formerly Tracxn Technologies Private Limited)
Report on the Financial Results

Page 3 of 3

- 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. 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 Matters

10. The financial results include the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year reviewed by us. The financial results for the quarter ended March 31, 2023 are neither subject to limited review nor audited by us.
11. The annual financial results dealt with by this report has been prepared for the express purpose of filing with stock exchanges on which the Company's shares are listed. These results are based on and should be read with the audited financial statements of the Company for the year ended March 31, 2023 on which we issued an unmodified audit opinion vide our report dated May 11, 2023.

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



Mohan Danivas S A

Partner

Membership Number: 209136

Unique Document Identification Number: 23209136BGXTWR3159

Place: Bengaluru

Date: May 11, 2023

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023
(All amount in Rs Lakhs, except earnings per share, unless otherwise stated)

Sl No	PARTICULARS	For the three months ended			For the year	For the year
		31.03.2023	31.12.2022	31.03.2022	ended 31.03.2023	ended 31.03.2022
		(Unaudited)	(Unaudited)	(Unaudited) (Refer note 2)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	2,033.89	2,025.40	1,714.94	7,810.57	6,345.35
	(b) Other income	24.29	24.93	29.85	131.08	109.63
	(c) Other gains/ (losses) - net	48.88	44.82	21.39	176.44	60.81
	Total income (a+b+c)	2,107.06	2,095.15	1,766.18	8,118.09	6,515.79
2	Expenses					
	(a) Employee benefits expense	1,757.77	1,698.28	1,535.45	6,698.47	5,857.10
	(b) Depreciation and amortization expense	6.56	5.77	2.61	19.03	14.57
	(c) Other expenses	206.62	247.64	196.15	854.93	679.81
	Total expenses (a+b+c)	1,970.95	1,951.69	1,734.21	7,572.43	6,551.48
3	Profit/(loss) before exceptional items and taxation (1-2)	136.11	143.46	31.97	545.66	(35.69)
4	Exceptional items - IPO Expenses (Refer note 3)	-	(477.86)	69.28	(449.08)	449.08
5	Profit/(loss) before taxation (3-4)	136.11	621.32	(37.31)	994.74	(484.77)
6	Tax expense:					
	(a) Current tax	11.55	-	-	11.55	-
	(b) Deferred tax (refer note 5)	(2,325.72)	-	-	(2,325.72)	-
	Net tax expense (a+b)	(2,314.17)	-	-	(2,314.17)	-
7	Profit/ (Loss) for the period/year (5-6)	2,450.28	621.32	(37.31)	3,308.91	(484.77)
8	Other Comprehensive Income					
	Items that will not be reclassified to profit and loss:					
	Remeasurements of defined benefit plans - gains/ (losses) (net)	53.47	12.02	11.75	73.00	(0.44)
	Tax impact on the above	(18.37)	-	-	(18.37)	-
	Total other comprehensive Income/ (loss) for the period/year	35.10	12.02	11.75	54.63	(0.44)
9	Total comprehensive income/ (loss) for the period/year (7+8)	2,485.38	633.34	(25.56)	3,363.54	(485.21)
10	Paid-up equity share capital [Face value Re. 1 per share]	1,003.10	1,003.10	1,003.10	1,003.10	1,003.10
11	Other Equity				4,965.66	1,061.01
12	Earnings per equity share (EPS)					
	(nominal value of ₹ 1/-each)					
	(a) Basic (in Rs.) (Face value of Re 1 each)*	2.44	0.62	(0.04)	3.30	(0.48)
	(b) Diluted (in Rs.) (Face value of Re 1 each)*	2.21	0.56	(0.04)	2.99	(0.48)

See accompanying notes to these financial results

* EPS as presented above is not annualised except for the years ended March 31, 2022 and March 31, 2023



**Initialed For
Identification
Purpose Only**



STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2023
(All amount in Rs Lakhs, unless otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
ASSETS		
Non-current assets		
Property, plant and equipment	36.06	26.71
Intangible assets	-	-
Current tax assets (net)	297.92	452.62
Deferred Tax Asset	2,307.35	-
Total non-current assets	2,641.33	479.33
Current assets		
Financial assets		
i. Investments	3,738.10	1,640.50
ii. Trade receivables	976.87	717.21
iii. Cash and cash equivalents	262.74	318.68
iv. Other financial assets	2,068.00	2,210.61
Other current assets	42.51	35.12
Total current assets	7,088.22	4,922.12
Total assets	9,729.55	5,401.45
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,003.10	1,003.10
Other equity		
Reserves and surplus	4,965.66	1,061.01
Total equity	5,968.76	2,064.11
LIABILITIES		
Non-current liabilities		
Employee benefit obligations	278.73	341.59
Contract liabilities	25.98	11.12
Total non-current liabilities	304.71	352.71
Current liabilities		
Financial liabilities		
i. Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises; and	7.51	0.39
(b) Total outstanding dues other than (a) above	83.00	66.09
ii. Other financial liabilities	24.52	18.62
Employee benefit obligations	186.06	161.51
Contract liabilities	2,916.35	2,543.58
Other current liabilities	238.64	194.44
Total current liabilities	3,456.08	2,984.63
Total liabilities	3,760.79	3,337.34
Total equity and liabilities	9,729.55	5,401.45

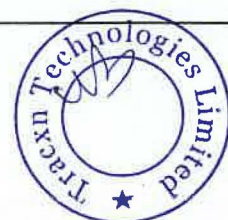


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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023
(All amount in Rs Lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash Flow from Operating Activities:		
Net Profit / (Loss) before Income Tax	994.74	(484.77)
Adjustment for:		
Depreciation expense	19.03	14.57
Net (gain)/ loss on disposal of Property, plant and equipment	(0.48)	1.69
Net gains on sale of investments	(97.44)	(45.61)
Net fair value gains on financial assets measured at fair value through profit or loss	(47.76)	(9.14)
Interest on income tax refund	(27.96)	-
Interest income from bank deposits measured at amortised cost	(102.47)	(105.76)
Employee stock option expense	541.12	327.00
Bad debts written off	74.61	-
Impairment loss/(reversal) on financial assets - net	(43.46)	40.43
Unrealised foreign exchange gain/(loss) (net)	(6.86)	4.60
Operating Profit / (Loss) before working capital changes	1,303.07	(256.99)
Adjustment for:		
(Increase)/ decrease in trade receivables	(289.45)	(192.16)
(Increase)/ decrease in other financial assets	(157.79)	(0.20)
(Increase)/ decrease in other assets	(7.39)	(12.13)
Increase / (decrease) in trade payables	24.04	(75.09)
Increase / (decrease) in contract liabilities	387.63	604.18
Increase / (decrease) in employee benefit obligations	34.70	94.34
Increase / (decrease) in other financial liabilities	5.90	4.41
Increase / (decrease) in other liabilities	44.20	85.50
Cash generation from Operations	1,344.91	251.85
Income taxes paid (net of refunds received, including interest thereon)	171.10	(195.99)
Net Cash Flow from Operating Activities	1,516.01	55.86
Cash Flow from Investing Activities:		
Payments for purchase of property, plant and equipment	(31.24)	(16.22)
Proceeds from sale of property, plant and equipment	3.34	-
Funds (invested in)/ redeemed from bank deposits	300.40	(95.19)
Proceeds from sale of investments	7,293.58	6,641.93
Payments for purchase of investments in mutual funds	(9,246.00)	(6,552.00)
Interest received	102.47	105.76
Net cash inflow / (outflow) from investing activities	(1,577.44)	84.28
Cash Flow from Financing Activities:		
Net cash inflow from financing activities	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	(61.44)	140.14
Cash and Cash Equivalents as at beginning of the year	318.68	180.08
Effects of exchange rate changes on cash and cash equivalents	5.50	(1.54)
Cash and Cash Equivalents as at end of the year	262.74	318.68
Cash and cash equivalents comprise of:		
Cash on Hand	0.01	0.20
Balance with banks		
In current accounts	143.03	167.74
In Exchange Earners foreign Currency (EEFC) accounts	119.70	150.75
Total	262.74	318.68



Notes:

- 1 The Statement of Financial Results for the quarter and year ended March 31, 2023 has been prepared in accordance with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India, read with 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 numbers for the quarter ended March 31, 2022 are as furnished by the management and have not been subject to review by the statutory auditors.
- 3 The transaction costs aggregating to Rs 477.86 lakhs incurred upto September 30, 2022 with respect to the IPO of the Company were recognised as an expense upto that date. During the quarter ended December 31, 2022, pursuant to successful completion of the IPO, these expenses were recovered from the selling shareholders.
- 4 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, 2023, an amount of Rs. 154.41 Lakhs (March 31, 2022: Rs. 119.30 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, 2023, aggregates to 9,720,193 (March 31, 2022: 9,544,472).
- 5 During the quarter, management has assessed and recognised deferred tax assets on carry forward business losses based on availability of future taxable profits. Management will continue to assess the recoverability of such deferred tax assets periodically.
- 6 The Company's operations relate to only one reportable segment viz Platform Subscription. Accordingly, no separate disclosure of segment information is required.
- 7 The figures for the quarter ended March 31, 2023 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 current financial year which were subjected to review by the statutory auditors.
- 8 The above statement of financial results, statement of assets and liabilities and statement of cash flows was 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 11, 2023.
- 9 The Company changed its name to Tracxn Technologies Limited (formerly Tracxn Technologies Private Limited) after its conversion to a Public Limited Company pursuant to a fresh certificate of Incorporation dated July 28, 2021 issued by the Registrar of Companies, Bangalore.
- 10 Figures for the previous periods have been regrouped and / or reclassified wherever necessary to conform with the current period presentation for the purpose of comparability.

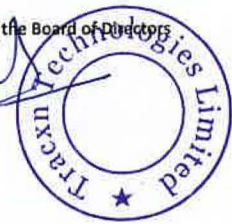
Place: Bengaluru
Date: May 11, 2023



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Identification
Purpose Only**

For and on behalf of the Board of Directors

Neha Singh
Managing Director



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

Annexure A

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 543638

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051.
Scrip Code: TRACXN

Dear Sir/Madam,

Sub: Declaration pursuant to the provisions of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in respect of the Audited Financial Results of the Company for the financial year ended March 31, 2023.

Pursuant to second proviso to Regulation 33 (3) (d) of the Listing Regulations, we hereby declare that Statutory Auditors of the Company, M/s. Price Waterhouse LLP have issued the Auditors' report on Audited Financial Results of the Company for the Financial year ended March 31, 2023 **with unmodified opinion.**

Request you to kindly take the same on record.

Thanking You.

Yours faithfully,
For Tracxn Technologies Limited



Neha Singh
Managing Director
DIN: 05331824