

## NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of the members of Pragmatix Services Private Limited will be held on Thursday, March 18, 2021 at 3:00 p.m. through Video Conferencing (VC) and or other audio visual means (OAVM), without the in-person presence of shareholders to transact the following business:

In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) by way of circulars dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 (hereinafter referred to as “Circular”) permitted companies to hold their general meetings through video conferencing (VC) or other audio visual means (OAVM) for the year 2021. In keeping with government advisories on Covid-19 and considering the current extra-ordinary circumstances, which are not conducive to a safe conduct of the AGM with physical attendance of stakeholders, the Board of Directors has approved conduct of the 11th Annual General Meeting through Video Conferencing and other audio visual means (OAVM) (hereinafter referred to as “VC/OAVM”)

### **Ordinary Business:**

#### **1. Adoption of Financial Statements**

To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2020 together with the Report of the Board of Directors and Auditors thereon.

#### **2. Re-appointment of Mr. Sanjay Chakravarti**

To appoint director in place of Mr. Sanjay Chakravarti (Director Identification Number 05246624), who retires by rotation and, being eligible, seeks re-appointment.

By order of the Board,  
For Pragmatix Services Private Limited

Sd/-  
Anupam Kaura  
Director  
(DIN 07790067)  
Mumbai, January 28, 2021

## NOTES:

### FOR JOINING THE AGM THROUGH VC/OAVM:

1. The detailed procedure for participating in the AGM through VC/OAVM is as under:
  - i. Members will be provided with a facility to attend the AGM through Audio-visual means.
  - ii. The Meeting shall be conducted over zoom for which members would require to login to their Zoom Accounts and enter the below credentials.

Meeting URL:

Meeting ID:

Password:

- iii. Members can participate in the AGM through smart phone/laptop, however, for better experience and smooth participation, members are advised to join through a laptop connected through broadband. Please note that members connecting from mobile devices or tablets or through laptops etc connected via mobile hotspot, may experience audio/video loss due to network fluctuation. It is therefore recommended to use a stable Wi-Fi or LAN connection.
    - iv. For convenience of the members and proper conduct of AGM, members can login and join the AGM 15 minutes before the time scheduled for the AGM. Access will be open throughout the proceedings of AGM as well.
    - v. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
    - vi. Members who need assistance before or during the AGM with use of technology, may contact our IT team at [helpdeskcentral@crisil.com](mailto:helpdeskcentral@crisil.com)
2. Corporate Members are requested to send a scanned copy of a duly certified Board Resolution authorising their representative(s) to the Company, at [namrata.kotenkar@crisil.com](mailto:namrata.kotenkar@crisil.com) for participating at the AGM.
3. As physical attendance of the members is dispensed with by law for VC/OAVM facilitated AGMs, the facility of appointment of proxies by members will not be available for the Meeting.
4. Since the AGM will be held through VC/OAVM means, the Route Map is not annexed in this Notice. The Registered Office of the Company will be deemed to be the venue of the AGM

## VOTING INSTRUCTIONS

5. All members shall convey their votes by show of hands to the aforesaid resolutions as and when they are taken up at the Annual General Meeting

#### **GENERAL INSTRUCTIONS**

6. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection at the request of shareholders for which an email has to be send to [Namrata.kotenkar@crisil.com](mailto:Namrata.kotenkar@crisil.com) up to the date of this Annual General Meeting i.e. March 18, 2021.
7. The Statement setting out the details relating to the Special Business to be transacted at the Annual General Meeting pursuant to Section 102 of the Companies Act is annexed hereto. All the documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members. For this purpose an email has to be send to [Namrata.kotenkar@crisil.com](mailto:Namrata.kotenkar@crisil.com) up to the date of this Annual General Meeting i.e. March 18, 2021.
8. Pursuant to Secretarial Standard-2, the following information is furnished about the Directors proposed to be appointed / re-appointed:

## **Brief Profile of Directors**

### **1.Sanjay Chakravarti**

Mr. Sanjay Chakravarti (age 51 years) is the Chief Financial Officer of CRISIL Limited. He is a Chartered Accountant with over 26 years of extensive experience in financial management, strategy, accounting, fund management, capital raising and corporate & commercial law. He is a Chartered Accountant from The Institute of Chartered Accountants of India (ICAI).

As CFO of CRISIL Limited, he is the Global Head of Finance, Company Secretarial and Procurement for CRISIL Ltd. and its subsidiaries worldwide.

Prior to joining CRISIL, he was the CFO of Shoppers Stop Ltd, where he spent 12 years.

Mr. Chakravarti possesses diverse and multi sector experience in finance from his prior years covering banking, advertising, IT services and Retail.

Mr. Chakravarti is a Director in CRISIL subsidiaries –Coalition Development Limited, CRISIL Risk and Infrastructure Solutions Limited and Coalition Development Singapore Pte. Ltd

Mr. Chakravarti will not be paid any remuneration. He does not hold any share in the Company and is not related to any Director or Key Managerial Personnel of the Company in any way. Mr. Chakravarti has attended 3 meetings out of 4 held during the year 2020.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr. Chakravarti, is in any way, interested or concerned in this Resolution.

# FORM NO. MGT-7

[Pursuant to sub-Section(1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11of the Companies (Management and Administration) Rules, 2014]



सत्यमेव जयते

# Annual Return

Form language  English  Hindi

Refer the instruction kit for filing the form.

## I. REGISTRATION AND OTHER DETAILS

(i) \* Corporate Identification Number (CIN) of the company

U67190MH2010PTC205794

Pre-fill

Global Location Number (GLN) of the company

\* Permanent Account Number (PAN) of the company

AAFCP5883J

(ii) (a) Name of the company

PRAGMATIX SERVICES PRIVATE

(b) Registered office address

Crisil House, 3rd to 9th Floor, CTS No. 15/D,  
Central Avenue,Hiranandani Business, Powai  
Mumbai  
Mumbai City  
Maharashtra  
400075

(c) \*e-mail ID of the company

minal.bhosale@crisil.com

(d) \*Telephone number with STD code

02233423000

(e) Website

(iii) Date of Incorporation

21/07/2010

(iv)	Type of the Company	Category of the Company	Sub-category of the Company
	Private Company	Company limited by shares	Indian Non-Government company

(v) Whether company is having share capital

Yes  No

(vi) \*Whether shares listed on recognized Stock Exchange(s)

Yes  No

(vii) \*Financial year From date  (DD/MM/YYYY) To date  (DD/MM/YYYY)

(viii) \*Whether Annual general meeting (AGM) held  Yes  No

(a) If yes, date of AGM

(b) Due date of AGM

(c) Whether any extension for AGM granted  Yes  No

(f) Specify the reasons for not holding the same

AGM to be held on March 18, 2021

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

\*Number of business activities

S.No	Main Activity group code	Description of Main Activity group	Business Activity Code	Description of Business Activity	% of turnover of the company
1	J	Information and communication	J7	Data processing, hosting and related activities; web portal	100

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

\*No. of Companies for which information is to be given

S.No	Name of the company	CIN / FCRN	Holding/ Subsidiary/Associate/ Joint Venture	% of shares held
1	CRISIL LIMITED	L67120MH1987PLC042363	Holding	100

## IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

(i) \*SHARE CAPITAL

(a) Equity share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Total number of equity shares	3,500,000	3,140,000	3,140,000	3,140,000
Total amount of equity shares (in Rupees)	35,000,000	31,400,000	31,400,000	31,400,000

Number of classes

Class of Shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Number of equity shares	3,500,000	3,140,000	3,140,000	3,140,000
Nominal value per share (in rupees)	10	10	10	10
Total amount of equity shares (in rupees)	35,000,000	31,400,000	31,400,000	31,400,000

**(b) Preference share capital**

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid-up capital
Total number of preference shares	0	0	0	0
Total amount of preference shares (in rupees)	0	0	0	0

Number of classes

0

Class of shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Number of preference shares				
Nominal value per share (in rupees)				
Total amount of preference shares (in rupees)				

**(c) Unclassified share capital**

Particulars	Authorised Capital
Total amount of unclassified shares	0

**(d) Break-up of paid-up share capital**

Class of shares	Number of shares	Total nominal amount	Total Paid-up amount	Total premium
<b>Equity shares</b>				
<b>At the beginning of the year</b>	31,400,000	31,400,000	31,400,000	
<b>Increase during the year</b>	0	0	0	0
i. Public Issues	0	0	0	0
ii. Rights issue	0	0	0	0
iii. Bonus issue	0	0	0	0
iv. Private Placement/ Preferential allotment	0	0	0	0
v. ESOPs	0	0	0	0

vi. Sweat equity shares allotted	0	0	0	0
vii. Conversion of Preference share	0	0	0	0
viii. Conversion of Debentures	0	0	0	0
ix. GDRs/ADRs	0	0	0	0
x. Others, specify				
<input type="text"/>				
<b>Decrease during the year</b>	0	0	0	0
i. Buy-back of shares	0	0	0	0
ii. Shares forfeited	0	0	0	0
iii. Reduction of share capital	0	0	0	0
iv. Others, specify				
<input type="text"/>				
<b>At the end of the year</b>	31,400,000	31,400,000	31,400,000	
<b>Preference shares</b>				
<b>At the beginning of the year</b>	0	0	0	
<b>Increase during the year</b>	0	0	0	0
i. Issues of shares	0	0	0	0
ii. Re-issue of forfeited shares	0	0	0	0
iii. Others, specify				
<input type="text"/>				
<b>Decrease during the year</b>	0	0	0	0
i. Redemption of shares	0	0	0	0
ii. Shares forfeited	0	0	0	0
iii. Reduction of share capital	0	0	0	0
iv. Others, specify				
<input type="text"/>				
<b>At the end of the year</b>	0	0	0	

(ii) Details of stock split/consolidation during the year (for each class of shares)



Class of shares		(i)	(ii)	(iii)
Before split / Consolidation	Number of shares			
	Face value per share			
After split / Consolidation	Number of shares			
	Face value per share			

**(iii) Details of shares/Debentures Transfers since closure date of last financial year (or in the case of the first return at any time since the incorporation of the company) \***

Nil

[Details being provided in a CD/Digital Media]

Yes  No  Not Applicable

Separate sheet attached for details of transfers

Yes  No

Note: In case list of transfer exceeds 10, option for submission as a separate sheet attachment or submission in a CD/Digital Media may be shown.

Date of the previous annual general meeting		<input type="text"/>	
Date of registration of transfer (Date Month Year)		<input type="text"/>	
Type of transfer	<input type="text"/>	1 - Equity, 2- Preference Shares,3 - Debentures, 4 - Stock	
Number of Shares/ Debentures/ Units Transferred	<input type="text"/>	Amount per Share/ Debenture/Unit (in Rs.)	<input type="text"/>
Ledger Folio of Transferor		<input type="text"/>	
Transferor's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name
Ledger Folio of Transferee		<input type="text"/>	
Transferee's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name

Date of registration of transfer (Date Month Year) <input type="text"/>			
Type of transfer	<input type="text"/>	1 - Equity, 2- Preference Shares,3 - Debentures, 4 - Stock	
Number of Shares/ Debentures/ Units Transferred	<input type="text"/>	Amount per Share/ Debenture/Unit (in Rs.)	<input type="text"/>
Ledger Folio of Transferor		<input type="text"/>	
Transferor's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name
Ledger Folio of Transferee		<input type="text"/>	
Transferee's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name

**(iv) \*Indebtedness including debentures (Outstanding as at the end of financial year)**

Particulars	Number of units	Nominal value per unit	Total value
Non-convertible debentures	0		0
Partly convertible debentures	0		0
Fully convertible debentures	0		0
Secured Loans (including interest outstanding/accrued but not due for payment) excluding deposits			0
Unsecured Loans (including interest outstanding/accrued but not due for payment) excluding deposits			0
Deposit			0
<b>Total</b>			0

**Details of debentures**

Class of debentures	Outstanding as at the beginning of the year	Increase during the year	Decrease during the year	Outstanding as at the end of the year
Non-convertible debentures	0	0	0	0
Partly convertible debentures	0	0	0	0
Fully convertible debentures	0	0	0	0

**(v) Securities (other than shares and debentures)**

0

Type of Securities	Number of Securities	Nominal Value of each Unit	Total Nominal Value	Paid up Value of each Unit	Total Paid up Value
<b>Total</b>					

**V. \*Turnover and net worth of the company (as defined in the Companies Act, 2013)****(i) Turnover**

402,058,000

**(ii) Net worth of the Company**

173,415,000

**VI. (a) \*SHARE HOLDING PATTERN - Promoters**

S. No.	Category	Equity	Preference
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		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	
6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	3,140,000	100	0	
10.	Others	0	0	0	
	<b>Total</b>	3,140,000	100	0	0

**Total number of shareholders (promoters)**

7

**(b) \*SHARE HOLDING PATTERN - Public/Other than promoters**

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	

2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	
6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)		0	0	
10.	Others	0	0	0	
	<b>Total</b>	0	0	0	0

**Total number of shareholders (other than promoters)**

0

**Total number of shareholders (Promoters+Public/  
Other than promoters)**

7

**VII. \*NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS  
(Details, Promoters, Members (other than promoters), Debenture holders)**

Details	At the beginning of the year	At the end of the year
Promoters	7	7
Members (other than promoters)	0	0
Debenture holders	0	0

**VIII. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**(A) \*Composition of Board of Directors**

Category	Number of directors at the beginning of the year		Number of directors at the end of the year		Percentage of shares held by directors as at the end of year	
	Executive	Non-executive	Executive	Non-executive	Executive	Non-executive

<b>A. Promoter</b>	0	0	0	0	0	0
<b>B. Non-Promoter</b>	0	3	0	3	0	0
(i) Non-Independent	0	3	0	3	0	0
(ii) Independent	0	0	0	0	0	0
<b>C. Nominee Directors representing</b>	0	0	0	0	0	0
(i) Banks & FIs	0	0	0	0	0	0
(ii) Investing institutions	0	0	0	0	0	0
(iii) Government	0	0	0	0	0	0
(iv) Small share holders	0	0	0	0	0	0
(v) Others	0	0	0	0	0	0
Total	0	3	0	3	0	0

Number of Directors and Key managerial personnel (who is not director) as on the financial year end date

3

**(B) (i) \*Details of directors and Key managerial personnel as on the closure of financial year**

Name	DIN/PAN	Designation	Number of equity share(s) held	Date of cessation (after closure of financial year : If any)
AMISH PRAMODRAI M	00046254	Director	10	
ANUPAM KAURA	07790067	Director	10	
SANJAY CHAKRAVAR	05246624	Director	0	

**(ii) Particulars of change in director(s) and Key managerial personnel during the year**

0

Name	DIN/PAN	Designation at the beginning / during the financial year	Date of appointment/ change in designation/ cessation	Nature of change (Appointment/ Change in designation/ Cessation)

**IX. MEETINGS OF MEMBERS/CLASS OF MEMBERS/BOARD/COMMITTEES OF THE BOARD OF DIRECTORS**

**A. MEMBERS/CLASS /REQUISITIONED/NCLT/COURT CONVENED MEETINGS**

Number of meetings held

Type of meeting	Date of meeting	Total Number of Members entitled to attend meeting	Attendance	
			Number of members attended	% of total shareholding

## B. BOARD MEETINGS

\*Number of meetings held

4

S. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	27/01/2020	3	3	100
2	16/07/2020	3	2	66.67
3	26/10/2020	3	3	100
4	24/12/2020	3	2	66.67

## C. COMMITTEE MEETINGS

Number of meetings held

0

S. No.	Type of meeting	Date of meeting	Total Number of Members as on the date of the meeting	Attendance	
				Number of members attended	% of attendance
1					

## D. \*ATTENDANCE OF DIRECTORS

S. No.	Name of the director	Board Meetings			Committee Meetings			Whether attended AGM held on
		Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	
1	AMISH PRAM	4	3	75	0	0	0	
2	ANUPAM KAL	4	4	100	0	0	0	
3	SANJAY CHA	4	3	75	0	0	0	

## X. \*REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Nil

Number of Managing Director, Whole-time Directors and/or Manager whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1							0
	Total						

Number of CEO, CFO and Company secretary whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1							0
	Total						

Number of other directors whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1							0
	Total						

#### XI. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES

\* A. Whether the company has made compliances and disclosures in respect of applicable provisions of the Companies Act, 2013 during the year  Yes  No

B. If No, give reasons/observations

#### XII. PENALTY AND PUNISHMENT - DETAILS THEREOF

(A) DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY/DIRECTORS /OFFICERS  Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which penalised / punished	Details of penalty/ punishment	Details of appeal (if any) including present status

(B) DETAILS OF COMPOUNDING OF OFFENCES  Nil



Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which offence committed	Particulars of offence	Amount of compounding (in Rupees)

**XIII. Whether complete list of shareholders, debenture holders has been enclosed as an attachment**

Yes  No

**XIV. COMPLIANCE OF SUB-SECTION (2) OF SECTION 92, IN CASE OF LISTED COMPANIES**

In case of a listed company or a company having paid up share capital of Ten Crore rupees or more or turnover of Fifty Crore rupees or more, details of company secretary in whole time practice certifying the annual return in Form MGT-8.

Name

Whether associate or fellow

Associate  Fellow

Certificate of practice number

**I/We certify that:**

- (a) The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.
- (b) Unless otherwise expressly stated to the contrary elsewhere in this Return, the Company has complied with all the provisions of the Act during the financial year.
- (c) The company has not, since the date of the closure of the last financial year with reference to which the last return was submitted or in the case of a first return since the date of the incorporation of the company, issued any invitation to the public to subscribe for any securities of the company.
- (d) Where the annual return discloses the fact that the number of members, (except in case of a one person company), of the company exceeds two hundred, the excess consists wholly of persons who under second proviso to clause (ii) of sub-section (68) of section 2 of the Act are not to be included in reckoning the number of two hundred.

**Declaration**

I am Authorised by the Board of Directors of the company vide resolution no. ...  dated

(DD/MM/YYYY) to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

1. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
2. All the required attachments have been completely and legibly attached to this form.

**Note: Attention is also drawn to the provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively.**

**To be digitally signed by**

Director

DIN of the director

**To be digitally signed by**

Company Secretary

Company secretary in practice

Membership number

Certificate of practice number

**Attachments**

1. List of share holders, debenture holders
2. Approval letter for extension of AGM;
3. Copy of MGT-8;
4. Optional Attachment(s), if any

Attach

Attach

Attach

Attach

**List of attachments**

Shareholders-MGT\_7.pdf

Remove attachment

Modify

Check Form

Prescrutiny

Submit

**This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company**

**PRAGMATIX SERVICES PRIVATE LIMITED****List of shareholders as on December 31, 2020**

<b>Sr No</b>	<b>Name of Shareholder</b>	<b>No. of equity shares held (face value Re 10 each)</b>
1	CRISIL Limited	31,39,930
2	Gurpreet Chhatwal	20
3	Amish Mehta	10
4	Pawan Agarwal	10
5	Anupam Kaura	10
6	Subodh Rai	10
7	Venkatesh Viswanathan	10
<b>TOTAL</b>		<b>3,14,00,000</b>

**Pragmatix Services Private Limited**

A subsidiary of CRISIL

Corporate Identity Number: U67190MH2010PTC205794

Pragmatix Services Private Limited: B 307/308, 3<sup>rd</sup> floor, Everest Chambers, Andheri Kurla Road, Marol, Andheri (E), Mumbai-400059. Phone: +9122 4053 5450  
[www.crisil.com/pragmatix](http://www.crisil.com/pragmatix)

**Registered Office:** CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400076. Phone: +91 22 3342 3000 | Fax: +91 22 3342 3001  
[www.crisil.com](http://www.crisil.com)

## **Independent Auditor's Report**

### **To the Members of Pragmatix Services Private Limited**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

1. We have audited the accompanying financial statements of Pragmatix Services Private Limited ('the Company'), which comprise the Balance Sheet as at 31 December 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are included the returns for the year ended on that date audited by the branch auditors of the Company's branch located at Dubai (U.A.E.)
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the branch auditor as referred to in paragraph 10 below, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 December 2020, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

##### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') 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 and that obtained by the branch auditors, in terms of their report referred to in paragraph 10 of the Other Matter section below is sufficient and appropriate to provide a basis for our opinion.

##### **Information other than the Financial Statements and Auditor's Report thereon**

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

##### **Responsibilities of Management for the Financial Statements**

5. The accompanying financial statements have been approved by the Company's Board of Directors. 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India,

including the Ind AS 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.

6. 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.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

7. 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 Standards on Auditing 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.
8. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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;

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of the Company and such branch included in the Statement, of which we are the independent auditors. For the other branch included in the Statement, which have been audited by the branch auditors, such branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. 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.

#### **Other Matter**

10. We did not audit the financial statements of one branch included in the financial statements of the Company whose financial statements reflects total assets and net assets of ₹ 1,249.47 lakhs and ₹ 1,039.78 lakhs respectively as at 31 December 2020, and the total revenues of ₹ 2,519.42 lakhs, total net profit after tax of ₹1,167.53 lakhs, total comprehensive income of ₹ 1,149.55 lakhs, and cash outflows (net) of ₹ 240.07 lakhs respectively for the year ended on that date, as considered in the financial statements. These financial statements have been audited by the branch auditors whose reports have been furnished to us by the management, and our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

Further, this one branch is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by branch auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such branches from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion on the financial statements, in so far as it relates to the balances and affairs of such branches, is based on the report of branch auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the branch auditors.

#### **Report on Other Legal and Regulatory Requirements**

11. Based on our audit and on the consideration of the reports of the branch auditors as referred to in paragraph 10 above, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
13. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditors as referred to in paragraph 10 above we report, to the extent applicable, 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 purpose of our audit of the accompanying financial statements;

- 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
- c) the report on the accounts of the branch office of the Company audited under section 143(8) of the Act by the branch auditor has been sent to us and have been properly dealt with by us in preparing this report;
- d) the financial statements dealt with by this report are in agreement with the books of account and with the return received from the branch not visited by us;
- e) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 December 2020 from being appointed as a director in terms of section 164(2) of the Act;
- g) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 December 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 28 January 2021 as per Annexure II expressed an unmodified opinion; and
- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditors as referred to in paragraph 10 above:
  - i. the Company does not have any pending litigations which would impact its financial position as at 31 December 2020.
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 December 2020;
  - 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 31 December 2020; and
  - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Sd/-

**Manish Gujral**  
Partner  
Membership No.: 105117  
UDIN:

**Place:** Mumbai  
**Date:** 28 January 2021

**Annexure II to the Independent Auditor's Report of even date to the members of Pragmatix Services Private Limited on the financial statements for the year ended 31 December 2020**

**Annexure II**

**Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the financial statements of Pragmatix Services Private Limited ('the Company') as at and for the year ended 31 December 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**Responsibilities of Management for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements**

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 Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note 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 were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 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 include 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



**Annexure II to the Independent Auditor's Report of even date to the members of Pragmatix Services Private Limited on the financial statements for the year ended 31 December 2020**

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, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 December 2020, 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 the ICAI.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Sd/-  
**Manish Gujral**  
Partner  
Membership No.: 105117  
UDIN:

Place: Mumbai  
Date : 28 January 2021

**Annexure I to the Independent Auditor's Report of even date to the members of Pragmatix Services Private Limited on the financial statements for the year ended 31 December 2020**

**Annexure I**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year, however, there is a regular program of verification once in Two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not hold any immovable properties (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i)(c) of the order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured loans to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) There are no dues in respect of income tax, goods and service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans to any financial institutions during the year. The Company has no loans or borrowings payable to bank or government and no dues payable to debenture holders during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.

**Annexure I to the Independent Auditor's Report of even date to the members of Pragmatix Services Private Limited on the financial statements for the year ended 31 December 2020**

- (xii) In our opinion, the Company is not a Nidhi company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Sd/-  
**Manish Gujral**  
Partner  
Membership No.: 105117  
UDIN:

Place: Mumbai  
Date: 28 January 2021

**Pragmatix Services Private Limited**

**Balance Sheet as at December 31, 2020**

**(Rupees in lakhs)**

Particulars	Notes	As at December 31, 2020	As at December 31, 2019
<b>Assets</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment	3A	29.06	32.00
(b) Right of use asset	3B	768.10	-
(c) Intangible assets	4	-	60.39
(d) Financial assets			
Loans	5	45.49	41.79
(e) Deferred tax assets (net)	6	142.68	135.05
(f) Tax assets	7	128.97	95.16
(g) Other non current assets	8	18.38	33.69
		<b>1,132.68</b>	<b>398.07</b>
<b>2. Current assets</b>			
(a) Financial assets			
i. Trade receivables	9	1,119.88	454.90
ii. Cash and cash equivalents	10	675.96	933.35
iii. Other bank balances	11	10.00	9.71
iv. Loans	12	4.00	11.50
v. Other financial assets	13	122.86	39.18
(b) Other current assets	14	729.51	1,055.33
		<b>2,662.21</b>	<b>2,503.97</b>
<b>Total - Assets</b>		<b>3,794.89</b>	<b>2,902.05</b>
<b>Equity and liabilities</b>			
<b>1. Equity</b>			
(a) Equity share capital	15	314.00	314.00
(b) Other equity		1,420.15	1,398.95
		<b>1,734.15</b>	<b>1,712.95</b>
<b>2. Non-current liabilities</b>			
(a) Financial liabilities			
i. Borrowings	17	-	3.92
ii. Other financial liabilities	18	572.56	3.45
(b) Provisions	19	106.35	74.43
		<b>678.91</b>	<b>81.81</b>
<b>3. Current liabilities</b>			
(a) Financial liabilities			
i. Borrowings	20	-	275.00
ii. Trade payables			
- total outstanding dues of micro enterprises and small enterprises; and	21	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		605.39	286.18
iii. Other financial liabilities	22	496.39	229.50
(b) Provisions	23	118.34	94.30
(c) Other current liabilities	24	161.71	222.32
		<b>1,381.83</b>	<b>1,107.29</b>
<b>Total - Equity and liabilities</b>		<b>3,794.89</b>	<b>2,902.05</b>
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.  
This is the Balance Sheet referred to in our audit report of even date

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors of  
Pragmatix Services Private Limited**

Sd/-  
**Manish Gujral**  
Partner  
Membership No.: 105117

Sd/-  
**Sanjay Chakravarti**  
Director  
DIN - 05246624

Sd/-  
**Amish Mehta**  
Director  
DIN - 00046254

Place: Mumbai  
Date: January 28, 2021

Place: Mumbai  
Date: January 28, 2021

**Pragmatix Services Private Limited**  
**Statement of Profit and Loss for the year ended December 31, 2020**

(Rupees in lakhs)

Particulars	Notes	Year ended December 31, 2020	Year ended December 31, 2019
<b><u>Income</u></b>			
Revenue from operations	25	4,024.58	4,804.83
Other income	26	207.73	15.32
<b>Total</b>		<b>4,232.31</b>	<b>4,820.15</b>
<b><u>Expenses</u></b>			
Employee benefits expenses	27	2,652.05	2,341.01
Finance costs	28	76.94	11.91
Depreciation and amortisation expenses	29	296.87	128.08
Other expenses	30	1,125.99	2,012.19
<b>Total</b>		<b>4,151.85</b>	<b>4,493.19</b>
<b>Profit before tax</b>		<b>80.46</b>	<b>326.96</b>
<b><u>Tax expense</u></b>			
Current tax		23.33	147.04
Deferred tax charge/(credit)	6	4.80	(18.63)
<b>Total tax expense</b>		<b>28.13</b>	<b>128.41</b>
<b>Profit after tax for the year</b>		<b>52.33</b>	<b>198.55</b>
<b><u>Other comprehensive income/(expense) (OCI)</u></b>			
<b>A. Items that will be reclassified to profit or loss</b>			
Exchange differences in translating the financial statements of a foreign operation		6.11	13.25
<b>B. Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans		(19.21)	(15.76)
Tax effect on above		4.77	4.06
<b>Total comprehensive income/(expense) for the year</b>		<b>44.00</b>	<b>200.10</b>
Earnings per share : Nominal value of ₹ 10 per share			
Basic & diluted (not annualised)	33	1.67	6.32
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

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

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors of  
Pragmatix Services Private Limited**

Sd/-  
**Manish Gujral**  
Partner  
Membership No.: 105117

Sd/-  
**Sanjay Chakravarti**  
Director  
DIN - 05246624

Sd/-  
**Amish Mehta**  
Director  
DIN - 00046254

Place: Mumbai  
Date: January 28, 2021

Place: Mumbai  
Date: January 28, 2021

**Pragmatix Services Private Limited**  
**Cash flow statement for year ended December 31, 2020**

(Rupees in lakhs)

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
<b>A. Cash flow from operating activities :</b>		
Profit before tax	80.46	326.96
<b>Adjustments for :</b>		
Depreciation	297.32	128.08
Unrealised foreign exchange (gain) / loss	8.65	9.87
(Profit)/ loss on sale of property, plant and equipment	-	4.36
Provision for doubtful debts	4.33	6.86
Interest expenses	1.19	11.91
Interest on Lease Liability	75.75	-
Waiver of Lease Liability	(13.51)	-
Liability no longer required written back	(77.52)	-
Excess provision written back	(107.45)	-
Interest income on financial assets carried at amortised cost	(3.67)	1.72
Interest on Income tax refund	(3.01)	-
Interest on deposits	(2.57)	(5.48)
<b>Operating profit before working capital changes</b>	<b>259.97</b>	<b>484.28</b>
<b>Movements in working capital :</b>		
- (Increase)/decrease in trade receivables	(657.56)	53.96
- (Increase)/decrease in other non current assets	0.64	(10.65)
- (Increase)/decrease in other current loans	7.50	25.70
- (Increase)/decrease in other current financial assets	73.52	(105.98)
- (Increase)/decrease in other current assets	320.56	(144.95)
- (Increase)/decrease in other non current loans	(0.03)	(43.51)
- Increase/(decrease) in trade payables	225.06	(156.44)
- Increase/(decrease) in provisions	142.75	64.65
- Increase/(decrease) in other current financial liabilities	8.65	(44.02)
- Increase/(decrease) in other non current financial liabilities	(1.49)	2.30
- Increase/(decrease) in other current liabilities	(60.61)	31.14
<b>Cash generated from operations</b>	<b>318.96</b>	<b>156.48</b>
- Taxes paid	57.14	173.81
<b>Net cash (used in) / generated from operating activities - (A)</b>	<b>261.82</b>	<b>(17.33)</b>
<b>B. Cash flow from investing activities :</b>		
Purchase of property, plant and equipment (including movement in capital advances)	(14.60)	(25.27)
Proceeds from sale of property, plant and equipment	0.08	0.66
Decrease in balances held as margin money	(0.29)	(0.13)
Interest on fixed deposits	2.76	6.22
Interest on Income tax refund	3.01	-
<b>Net cash used in investing activities - (B)</b>	<b>(9.04)</b>	<b>(18.52)</b>
<b>C. Cash flow from financing activities :</b>		
Interest paid	(1.25)	(12.01)
Proceeds / (Re-payment) of short term borrowings (net)	(275.00)	275.00
Repayment of long-term borrowings	(3.92)	(4.37)
Payment of interest on lease liability	(75.75)	-
Principle repayment of lease liability	(156.74)	-
<b>Net cash (used in) / generated from financing activities - (C)</b>	<b>(512.66)</b>	<b>258.62</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(259.88)</b>	<b>222.77</b>
Cash and cash equivalents - Opening balance	933.35	702.56
Less: Exchange difference on translation of foreign currency cash and cash equivalent	2.49	8.02
Cash and cash equivalents - Closing balance (Refer note 10)	675.96	933.35
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b>(259.88)</b>	<b>222.77</b>

The accompanying notes form an integral part of the financial statements.

This is the Cash Flow Statement referred to in our audit report of even date

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors of**  
**Pragmatix Services Private Limited**

Sd/-  
**Manish Guiral**  
Partner  
Membership No.: 105117

Sd/-  
**Sanjiv Chakravarti**  
Director  
DIN - 05246624

Sd/-  
**Amish Mehta**  
Director  
DIN - 00046254

Place: Mumbai  
Date: January 28, 2021

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## **Pragmatix Services Private Limited**

### **Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020**

#### **1. Corporate information**

Pragmatix Services Private Limited ("the Company") [CIN: U67190MH2010PTC205794] is a Company limited by shares, which was incorporated in July 2010. The Company is involved in providing the software products and services in areas of business intelligence and analytics, and consulting/ implementation services.

Pragmatix Services Private Limited is a private limited company, domiciled in India. The registered office of the Company is located at CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400076.

The financial statements for the year ended December 31, 2020, were approved by the Board of Directors on January 28, 2021.

CRISIL Limited owned 100% as on December 31, 2020 of the Company's equity share capital.

#### **2. Summary of significant accounting policies**

##### **2.1 Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company has prepared the financial statements to comply in all material respects with the mandatory accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

##### **Functional and Presentation Currency**

These financial statements are presented in Indian rupees, which is the functional currency of the Company. All financial information is presented in Indian rupees.

##### **2.2 Basis of preparation**

The financial statements have been prepared under the historical cost convention on an accrual basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

##### **2.3 Use of estimates and judgments**

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions that affect the reported balances of assets and liabilities (including contingent liabilities) as at the date of the financial statements and the reported income and expenses for the years presented. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and assumptions are required in particular for:

##### **• Useful life and residual value of property, plant and equipment (PPE) and intangible assets**

Useful lives of PPE and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

##### **• Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. As actuarial valuation involves making various assumptions that may be different from the actual development in the future, Key actuarial assumptions include discount rate, trends in salary escalation, attrition and mortality rate. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

##### **• Valuation of taxes on income**

Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Uncertain tax position is with regards to items of expense or transaction that may be challenged by tax authorities. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under note 2.17.

##### **• Provisions**

Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligations) are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

## Pragmatix Services Private Limited

### Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020

#### • Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

#### **2.4 Property, Plant and Equipment (PPE)**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Amount capitalized under property, plant and equipment includes purchase price, duties and taxes, other incidental expenses incurred during the construction / installation stage. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

#### **2.5 Intangibles**

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Expenditure on development eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use.

#### **2.6 Depreciation / Amortization**

Based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given below best represent the period over which management expects to use these assets. Hence in certain class of assets, the useful lives are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation is provided on straight line method (SLM) over useful life.

Assets	Estimated useful life
Furniture and fixtures	10 Years
Office equipments	3 to 10 Years
Computers	3 Years
Vehicles	3 Years
Software	1 to 3 Years

The estimated useful lives of PPE and intangible assets as well as depreciation and amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern, if any.

#### **2.7 Impairment**

##### **a) Impairment of non-financial assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount in the statement of profit and loss. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in the prior years. An asset's recoverable amount is the higher of an asset's net selling price and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Value in use is the present value of an asset calculated by estimating its net future value including the disposal value. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful

##### **b) Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are measured at amortized cost e.g., loans, deposits, and bank balance.
- Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For all other financial assets, ECL is measured at an amount equal to the twelve month ECL unless there has been a significant increase in credit risk from the initial recognition in which case those are measured at lifetime ECL.



## **Pragmatix Services Private Limited**

### **Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020**

#### **2.8 Leases**

The Company's lease assets consists of office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset

a) Where the Company is a lessee

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

At the date of commencement of the lease, the Company recognises a right of use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The cost of the right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right of use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right of use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment.

Right of use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease payments shall include fixed payments, variable lease payments based on an index or rate, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments

Lease liability and right of use assets have been presented separately in the Balance Sheet and lease payments are classified as cash used in financing activities in the statement of cash flows.

b) Where the Company is a lessor

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases

c) Transition

The Company has adopted Ind AS 116 effective January 1, 2020, using the modified retrospective method and has applied the standard to its leases with the cumulative impact recognized on the date of initial application i.e. January 1, 2020. Accordingly, previous period information has not been restated. The lease expenses which were recognized as rent expense is now recognized as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The Company has elected not to recognize right-to-use assets and lease liabilities for short term leases (lease term of 12 months or less) and leases of low-value and has recognized the lease payments for such leases as an expense over the lease term. The transition has resulted in recognition of Right of use (ROU) assets of ₹ 987.57 lakhs and Lease Liability of ₹ 999.15 lakhs in books. The cumulative effect of applying the standard resulted in ₹ 22.80 lakhs being debited to retained earnings (net of taxes). The adoption of this standard did not have any significant impact on the profit after tax and earnings per share.

#### **2.9 Share capital**

Ordinary 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 proceeds.

#### **2.10 Fair value of financial instruments**

In determining the fair value of the financial instruments the Company uses variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine the fair value includes discounted cash flow analysis, available quoted market prices and dealer quotes. All method of accessing fair value results in general approximation of value and such value may never actually be realized. For all other financial instruments the carrying amounts approximates fair value due to short term maturity of those instruments.

**Pragmatix Services Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020**

**2.11 Financial Instruments**

**Initial recognition and measurement**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**Subsequent measurement**

**(i) Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

**(ii) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

**(iii) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**(iv) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

**(v) Derecognition of financial instruments:**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**2.12 Provision, contingent liabilities and contingent assets:**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

Contingent liabilities are disclosed for:

- (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed where an inflow of economic benefit is probable.

**2.13 Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**Pragmatix Services Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020**

**2.14 Revenue recognition**

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange of product or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following condition are satisfied:

- The performance obligations have been met;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- It is probable that the economic benefit associated with the transaction will flow to the Company; and
- it can be reliably measured and it is reasonable to expect ultimate collection

Revenue recognition is based on the terms and conditions as per the contracts entered into / understanding with the customers. All revenues from services, as rendered, are recognised when persuasive evidence of an arrangement exists, the sale price is fixed or determinable and collectability is reasonably assured and are reported net of sales incentives, discounts based on the terms of the contract and applicable indirect taxes.

On account of adoption of Ind AS 115, accrued revenue (contract asset) as at December 31, 2020 and December 31, 2019 has been considered as non financial asset and accordingly classified under other current assets.

## **Pragmatix Services Private Limited**

### **Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020**

Revenue on time and material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied overtime and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenue from maintenance contracts is recognised over the period of the contract in accordance with its terms.

Amounts received or billed in advance of services performed are recorded as unearned revenue.

Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms and is net of estimated allowance for uncertainties and provision for estimated losses.

#### **Interest income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition."

#### **Use of significant judgements in revenue recognition**

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc

Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

## **2.15 Retirement and other employee benefits**

### **Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **Defined benefit plans**

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

### **Defined contribution plans**

Retirement benefits in the form of Provident Fund is a defined contribution plan and is charge to the Statement of Profit and Loss for each period of service rendered by the employees. Excess or short of contribution is recognized as an asset or liability in the financial statement. There are no other obligations other than the contribution payable to the respective authorities.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

## **Pragmatix Services Private Limited**

### **Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020**

#### **2.16 Foreign currency transactions**

##### **Foreign currency transactions**

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing at the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognized in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

##### **Exchange difference**

Exchange gains and losses arising on settlement of foreign currency denominated monetary assets and liabilities are recognized in the statement of profit and loss.

#### **2.17 Taxes on income**

Income tax expense comprises current and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates items recognized directly in equity or in OCI.

##### **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

##### **Deferred tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

#### **2.18 Earnings per share**

Basic earnings per share are 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 year. The weighted average number of equity shares outstanding during the period is adjusted for events such as buy back, Employee Stock Option Plan (ESOP), etc. 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 Company has adopted treasury stock method to compute the new shares that can possibly be created by unexercised stock options. The net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### **2.19 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flow from operating, investing and financing activities are segregated.

#### **2.20 Segment reporting policies**

The Directors of the Company have been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. The analysis of geographical segment is based on the area in which there are major customers of the Company.

## Pragmatix Services Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020

## 3A. Property, plant and equipment

As at December 31, 2020

(Rupees in lakhs)

Particulars	Carrying value				Accumulated depreciation				Net block
	As at January 1, 2020	Additions	Deductions	As at December 31, 2020	As at January 1, 2020	For the year	Deductions	Up to December 31, 2020	As at December 31, 2020
<b>Tangible assets</b>									
Furniture and fixtures	0.80	-	-	0.80	0.03	0.08	-	0.11	0.69
Office equipments	10.57	-	-	10.57	2.49	0.92	-	3.41	7.16
Computers	60.74	14.60	1.74	73.60	37.59	16.46	1.66	52.39	21.21
Vehicles	16.00	-	-	16.00	16.00	-	-	16.00	-
<b>Total tangible assets</b>	<b>88.11</b>	<b>14.60</b>	<b>1.74</b>	<b>100.97</b>	<b>56.11</b>	<b>17.46</b>	<b>1.66</b>	<b>71.91</b>	<b>29.06</b>

As at December 31, 2019

(Rupees in lakhs)

Particulars	Carrying value				Accumulated depreciation				Net block
	As at January 1, 2019	Additions	Deductions	As at December 31, 2019	As at January 1, 2019	For the year	Deductions	Up to December 31, 2019	As at December 31, 2019
<b>Tangible assets</b>									
Furniture and fixtures	1.35	0.81	1.36	0.80	0.58	0.10	0.65	0.03	0.77
Office equipments	8.28	8.83	6.54	10.57	3.75	1.62	2.88	2.49	8.08
Computers	59.49	16.32	15.07	60.74	34.22	17.80	14.43	37.59	23.15
Vehicles	16.00	-	-	16.00	5.48	10.52	-	16.00	-
<b>Total tangible assets</b>	<b>85.12</b>	<b>25.96</b>	<b>22.97</b>	<b>88.11</b>	<b>44.03</b>	<b>30.04</b>	<b>17.96</b>	<b>56.11</b>	<b>32.00</b>

## 3B. Right of use asset

As at December 31, 2020

(Rupees in lakhs)

Particulars	Carrying value				Accumulated depreciation				Net block
	As at January 1, 2020	Additions	Deductions	As at December 31, 2020	As at January 1, 2020	For the year	Deductions	Up to December 31, 2020	As at December 31, 2020
Building (Refer note 2.8)	-	987.57	-	987.57	-	219.47	-	219.47	768.10
<b>Total</b>	<b>-</b>	<b>987.57</b>	<b>-</b>	<b>987.57</b>	<b>-</b>	<b>219.47</b>	<b>-</b>	<b>219.47</b>	<b>768.10</b>

As at December 31, 2019

(Rupees in lakhs)

Particulars	Carrying value				Accumulated depreciation				Net block
	As at January 1, 2019	Additions	Deductions	As at December 31, 2019	As at January 1, 2019	For the year	Deductions	Up to December 31, 2019	As at December 31, 2019
Building	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 4. Intangible assets

As at December 31, 2020

(Rupees in lakhs)

Particulars	Carrying value				Accumulated amortisation				Net Block
	As at January 1, 2020	Additions	Deductions	As at December 31, 2020	As at January 1, 2020	For the year	Deductions	Up to December 31, 2020	As at December 31, 2020
<b>Intangible assets</b>									
Software	545.62	-	-	545.62	485.23	60.39	-	545.62	-
<b>Total</b>	<b>545.62</b>	<b>-</b>	<b>-</b>	<b>545.62</b>	<b>485.23</b>	<b>60.39</b>	<b>-</b>	<b>545.62</b>	<b>-</b>

As at December 31, 2019

(Rupees in lakhs)

Particulars	Carrying value				Accumulated amortisation				Net Block
	As at January 1, 2019	Additions	Deductions	As at December 31, 2019	As at January 1, 2019	Additions	Deductions	Up to December 31, 2019	As at December 31, 2019
<b>Intangible assets</b>									
Software	545.62	-	-	545.62	386.69	98.54	-	485.23	60.39
<b>Total</b>	<b>545.62</b>	<b>-</b>	<b>-</b>	<b>545.62</b>	<b>386.69</b>	<b>98.54</b>	<b>-</b>	<b>485.23</b>	<b>60.39</b>

(Rupees in lakhs)

5. Loans	As at December 31, 2020	As at December 31, 2019
<b>Non-current</b>		
Security deposits	45.49	41.79
<b>Total</b>	<b>45.49</b>	<b>41.79</b>

## 6. Taxes

(Rupees in lakhs)

6a. Income tax	As at December 31, 2020	As at December 31, 2019
Current tax	23.33	147.04
Deferred tax charge/ (credit)	4.80	(18.63)
<b>Total income tax expense recognised in current year</b>	<b>28.13</b>	<b>128.41</b>

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

(Rupees in lakhs)

Particulars	As at December 31, 2020	As at December 31, 2019
Profit before tax	80.46	326.96
Enacted income tax rate in India	25.17%	25.83%
Computed expected tax expense	20.25	84.46
<b>Effect of:</b>		
Change in opening tax rates	-	18.63
Tax adjustments pertaining to earlier years	8.02	11.24
Others	(0.14)	14.08
<b>Total income tax expense recognised in the statement of profit and loss</b>	<b>28.13</b>	<b>128.41</b>

## 6b. Deferred tax

The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

As at December 31, 2020

(Rupees in lakhs)

Particulars	Opening balance	(Recognised) / credit in profit and loss	(Recognised) / credit in other comprehensive income	Retained Earnings	Closing balance
<b>Deferred tax asset on</b>					
Provision for compensated absences	21.48	4.57	-	-	26.05
Provision for bonus payable	10.61	(12.38)	-	-	(1.77)
Provision for gratuity	25.00	0.72	4.77	-	30.48
Property, plant and equipments and intangibles asset	63.45	(2.45)	-	-	61.00
Provision for doubtful debts	1.7268	(1.09)	-	-	0.64
On right to use and lease liability	-	7.64	-	7.66	15.30
Disallowance under section 40(a) of the Income Tax Act, 1961 and others	12.79	(1.81)	-	-	10.98
<b>Gross deferred tax asset</b>	<b>135.05</b>	<b>(4.80)</b>	<b>4.77</b>	<b>7.66</b>	<b>142.68</b>
<b>Gross deferred tax liability</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax asset</b>	<b>135.05</b>	<b>(4.80)</b>	<b>4.77</b>	<b>7.66</b>	<b>142.68</b>

The tax year for the Company being the year ending March 31, 2021, the tax expense for the year is the aggregate of the provision made for the three months ended March 31, 2020, and the provisions for the nine months upto December 31, 2020. The tax provision for the nine months has been arrived at using the effect tax rate for the period April 1, 2020 to March 31, 2021. The applicable Indian statutory income tax rates for fiscal year ended March 31, 2019 and March 31, 2020 is 25.17%.

As at December 31, 2019

(Rupees in lakhs)

Particulars	Opening balance	(Recognised) / credit in profit and loss	(Recognised) / credit in other comprehensive income	Closing balance
<b>Deferred tax asset on</b>				
Provision for compensated absences	11.80	9.70	-	21.50
Provision for bonus and commission	-	10.61	-	10.61
Provision for gratuity	11.26	9.67	4.06	24.99
Provision for doubtful debts	64.09	(0.66)	-	63.43
Property, plant and equipments and intangibles asset	9.96	(8.23)	-	1.73
Disallowance under section 40(a) of the Income Tax Act, 1961 and others	15.25	(2.46)	-	12.79
<b>Gross deferred tax asset</b>	<b>112.36</b>	<b>18.63</b>	<b>4.06</b>	<b>135.05</b>
<b>Gross deferred tax liability</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax asset</b>	<b>112.36</b>	<b>18.63</b>	<b>4.06</b>	<b>135.05</b>

(Rupees in lakhs)

7. Tax assets	As at December 31, 2020	As at December 31, 2019
<b>Non current</b>		
Advance taxes paid (net of provision for taxation December 31, 2020 : ₹ 502.48 lakhs December 31, 2019 : ₹ 482.40 lakhs)	128.97	95.16
<b>Total</b>	<b>128.97</b>	<b>95.16</b>



Pragmatix Services Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020

(Rupees in lakhs)		
8. Other non current assests	As at December 31, 2020	As at December 31, 2019
Prepaid expenses	-	1.16
Prepaid Rent	-	14.67
Other deposits	18.38	17.86
<b>Total</b>	<b>18.38</b>	<b>33.69</b>

(Rupees in lakhs)		
9. Trade receivables	As at December 31, 2020	As at December 31, 2019
<b>Current</b>		
<u>Unsecured, considered good, unless otherwise stated</u>		
Unsecured, considered good	1,119.88	454.90
Considered doubtful	2.52	6.86
Less : Allowance for doubtful trade receivables	(2.52)	(6.86)
<b>Total</b>	<b>1,119.88</b>	<b>454.90</b>

9.1 Trade receivables are non-interest bearing and are generally on credit terms of 30 days

(Rupees in lakhs)		
9.2 Trade receivables	As at December 31, 2020	As at December 31, 2019
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	1,119.88	454.90
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired - unsecured	2.52	6.86

(Rupees in lakhs)		
10. Cash and cash equivalents	As at December 31, 2020	As at December 31, 2019
<u>Cash and cash equivalents</u>		
Cash on hand (including forex)	-	-
Balance with banks:		
On current account (including EEFC accounts)	625.09	892.48
Deposits with original maturity of less than three months	50.87	40.87
<b>Total</b>	<b>675.96</b>	<b>933.35</b>

(Rupees in lakhs)		
11. Other bank balances	As at December 31, 2020	As at December 31, 2019
<u>Deposits with maturity more than three months and less than 12 months</u>		
– Balance with bank held as margin money	10.00	9.71
<b>Total</b>	<b>10.00</b>	<b>9.71</b>

(Rupees in lakhs)		
12. Loans	As at December 31, 2020	As at December 31, 2019
<b>Current</b>		
<u>Unsecured, considered good, unless otherwise stated</u>		
Loans to employees	4.00	11.50
<b>Total</b>	<b>4.00</b>	<b>11.50</b>

(Rupees in lakhs)		
12.1 Loans	As at December 31, 2020	As at December 31, 2019
Loans considered good - secured	-	-
Loans receivables considered good - unsecured	4.00	11.50
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-

**Pragmatix Services Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020**

(Rupees in lakhs)		
13. Other financial assets	As at December 31, 2020	As at December 31, 2019
<b>Current</b>		
Unsecured, considered good, unless otherwise stated		
Accrued interest on fixed deposits	0.05	0.24
Receivable from related parties (Refer note 34)	113.61	30.83
Others	9.20	8.11
<b>Total</b>	<b>122.86</b>	<b>39.18</b>

(Rupees in lakhs)		
14. Other current assests	As at December 31, 2020	As at December 31, 2019
<b>Current</b>		
Prepaid expenses	39.52	41.08
Prepaid Rent	-	4.20
Accrued revenue (Refer note 14.1)	670.09	562.62
Balance with government authorities	-	391.75
Advance to supplier and employee	19.90	55.68
<b>Total</b>	<b>729.51</b>	<b>1,055.33</b>

14.1 The balance lying in 'Accrued revenue ' as at December 31, 2019 is fully recognised as revenue during the current year.

(Rupees in lakhs)		
15. Share capital	As at December 31, 2020 Rupees in lakhs	As at December 31, 2019 Rupees in lakhs
Authorised Capital: 3,500,000 Equity Shares of ₹ 10 each (3,500,000 equity shares of ₹ 10 each as on December 31, 2019)	350.00	350.00
Issued, Subscribed and Paid Up: 3,140,000 Equity Shares of ₹ 10 each fully paid up (3,140,000 equity shares of ₹ 10 each as on December 31, 2019)	314.00	314.00
<b>Total</b>	<b>314.00</b>	<b>314.00</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the year**

*Equity shares*

Particulars	As at December 31, 2020	
	Rupees in lakhs	Nos.
At the beginning of the year (face value of ₹10 per share)	314.00	3,140,000
Outstanding at the end of the year	<b>314.00</b>	<b>3,140,000</b>
Particulars	As at December 31, 2019	
	Rupees in lakhs	Nos.
At the beginning of the year (face value of ₹10 per share)	314.00	3,140,000
Outstanding at the end of the year	<b>314.00</b>	<b>3,140,000</b>

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of fully paid equity shares is entitled to one vote per share. The partly paid shares are entitled for proportionate voting rights and dividend to the extent of amount paid up.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Equity shares held by holding Company**

(Rupees in lakhs)		
Particulars	As at December 31, 2020	As at December 31, 2019
3,140,000 Equity Shares of ₹10 are held by CRISIL Limited, Holding Company (3,140,000 equity shares of ₹ 10 as on December 31, 2019)	314.00	314.00

**Pragmatix Services Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020**

**(d) Details of shareholders holding more than 5% equity shares**

Name of the shareholder	As at December 31, 2020	
	% holding	Nos.
CRISIL Limited, Holding Company	100%	3,140,000

Name of the shareholder	As at December 31, 2019	
	% holding	Nos.
CRISIL Limited, Holding Company	100%	3,140,000

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**(e) Bonus shares/ buy back/shares for consideration other than cash issued during past five years:**

- (i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash - Nil
- (ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil
- (iii) Aggregate number and class of shares bought back - Nil

**(f) Capital Management**

The Company is predominantly equity financed and continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to its stakeholders. The Company has ensured a balance between earning adequate returns on treasury asset and need to cover financial and business risk. The Company actively monitors its portfolio and has a policy in place for investing surplus funds. The Company has arrangements with the holding Company to support any temporary funding requirements.

Particulars	(Rupees in lakhs)	
	As at December 31, 2020	As at December 31, 2019
Total debt	-	283.73
Total equity plus total debt	314.00	597.73
<b>Total debt to equity ratio (gearing ratio)</b>	-	0.47

**16. Nature and purpose of reserves**

**Retained earnings**

Retained earnings represent the cumulative profit / (loss) of the Company and the effects of measurements of defined benefit obligation routed through other comprehensive income (OCI)

**Securities premium**

The amount received in excess of face value of the equity shares is recognised in securities premium. The Company may issue fully paid up bonus shares to its members out of the security premium reserve account and can use this reserve for buy back of shares.

**Other comprehensive income (OCI)**

Other comprehensive income includes currency fluctuation reserve.

**Currency fluctuation reserve**

Exchange difference relating to the translation of the results and net assets of the Company's foreign operations from its respective functional currencies to the Company's functional currency is recognised directly in other comprehensive income and accumulated in the currency fluctuation reserve.

17. Long term borrowings	(Rupees in lakhs)	
	As at December 31, 2020	As at December 31, 2019
<b>Secured</b>		
<b>Vehicle loans from Non-banking financial companies (NBFCs)</b>		
9.63% Kotak Mahindra Prime Limited	-	8.73
<b>Subtotal</b>	-	<b>8.73</b>
Less : Current maturities of long-term borrowings (Refer note 22)	-	4.81
<b>Total</b>	-	<b>3.92</b>

**Nature of security and terms of repayment for secured borrowings**

**Nature of security**

Vehicle loans from NBFCs are secured by hypothecation of vehicles purchased against the loan.

**Terms of repayments**

Name of NBFCs	Equated monthly installments for each vehicle	No. of equated monthly installments outstanding as on December 31, 2020
Kotak Mahindra Prime Limited (No. of vehicles: 1)	-	-

**Pragmatix Services Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020**

<b>Terms of repayments</b>		<b>(Rupees in lakhs)</b>	
<b>Name of NBFCS</b>	<b>Equated monthly installments for each vehicle</b>	<b>No. of equated monthly installments outstanding as on December 31, 2019</b>	
Kotak Mahindra Prime Limited (No. of vehicles: 1)	0.45	21	

<b>(Rupees in lakhs)</b>		
<b>18. Other financial liabilities</b>	<b>As at December 31, 2020</b>	<b>As at December 31, 2019</b>
<b>Non-current</b>		
Employee related payables	1.96	3.45
Lease liability	570.60	-
<b>Total</b>	<b>572.56</b>	<b>3.45</b>

<b>(Rupees in lakhs)</b>		
<b>19. Provisions</b>	<b>As at December 31, 2020</b>	<b>As at December 31, 2019</b>
<b>Non-current</b>		
Provision for gratuity (Refer note 37)	106.35	74.43
<b>Total</b>	<b>106.35</b>	<b>74.43</b>

<b>(Rupees in lakhs)</b>		
<b>20. Borrowings</b>	<b>As at December 31, 2020</b>	<b>As at December 31, 2019</b>
Loan from related party	-	275.00
<b>Total</b>	<b>-</b>	<b>275.00</b>

20.1 The Company had taken an unsecured loan from its holding company during the previous year which was repayable on demand and bearing an interest rate of ICICI Bank Limited 6 months MCLR rates (as at December 31, 2019 rate 8.20%) on the principal amount of loan outstanding each day which has been repaid in the current year.

<b>(Rupees in lakhs)</b>		
<b>21. Trade payables</b>	<b>As at December 31, 2020</b>	<b>As at December 31, 2019</b>
Total outstanding dues of micro and small enterprises (Refer note 21.1)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	605.39	286.18
<b>Total</b>	<b>605.39</b>	<b>286.18</b>

21.1 The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have been on the basis of information available with the Company.

<b>(Rupees in lakhs)</b>		
<b>Particulars</b>	<b>As at December 31, 2020</b>	<b>As at December 31, 2019</b>
-The principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting period.	-	-
-The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during accounting period.	-	-
-The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
-The amount of interest accrued and remaining unpaid at the end of accounting period; and	-	-
-Interest accrued and remaining unpaid as at period end	-	-
-The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status its suppliers.

**Pragmatix Services Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020**

(Rupees in lakhs)		
22. Other financial liabilities	As at December 31, 2020	As at December 31, 2019
<b>Current</b>		
Employee related payables	235.81	220.25
Interest accrued and due	-	0.06
Current maturities of long term borrowings (Refer note 17)	-	4.81
Other payables	2.28	4.38
Lease liability	258.30	-
<b>Total</b>	<b>496.39</b>	<b>229.50</b>

(Rupees in lakhs)		
23. Provisions	As at December 31, 2020	As at December 31, 2019
<b>Current</b>		
Provision for gratuity (Refer note 37)	14.81	8.96
Provision for compensated absences (Refer note 37)	103.53	85.34
<b>Total</b>	<b>118.34</b>	<b>94.30</b>

(Rupees in lakhs)		
24. Other current liabilities	As at December 31, 2020	As at December 31, 2019
<b>Current</b>		
Unearned revenue (Refer note 24.1)	82.77	44.16
Statutory liabilities	78.94	178.16
<b>Total</b>	<b>161.71</b>	<b>222.32</b>

24.1 The balance lying in 'Unearned revenue' as at December 31, 2019 is fully recognised as revenue during the current year.

(Rupees in lakhs)		
25. Revenue from operations	Year ended December 31, 2020	Year ended December 31, 2019
Income from risk management services	4,024.58	4,804.83
<b>Total</b>	<b>4,024.58</b>	<b>4,804.83</b>

**Disaggregated revenue information**

The company disaggregates revenue from contracts with customers by geographical market. (Refer note 36)

The company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has right to consideration that corresponds directly with the value of entity's performance completed to date.

(Rupees in lakhs)		
26. Other income	Year ended December 31, 2020	Year ended December 31, 2019
Interest income on		
- Fixed deposits	2.57	5.48
- Income tax refund	3.01	8.12
- Financial assets carried at amortised cost	3.67	1.72
Excess provision written back	107.45	-
Liability no longer required written back	77.52	-
Miscellaneous income	13.51	-
<b>Total</b>	<b>207.73</b>	<b>15.32</b>

(Rupees in lakhs)		
27. Employee benefits expenses	Year ended December 31, 2020	Year ended December 31, 2019
Salaries, wages and bonus	2,444.13	2,138.85
Share based payment to employees (Refer note 42)	49.56	62.37
Contribution to provident and other funds (Refer note 37)	46.96	41.81
Gratuity (Refer note 37)	34.75	31.46
Staff welfare expenses	76.65	66.52
<b>Total</b>	<b>2,652.05</b>	<b>2,341.01</b>

**Pragmatix Services Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2020**

**(Rupees in lakhs)**

<b>28. Finance cost</b>	<b>Year ended December 31, 2020</b>	<b>Year ended December 31, 2019</b>
Interest on		
- Vehicle loans	0.46	1.08
- Loan from CRISIL Limited	0.73	1.50
- Income tax	-	9.33
- Interest on lease liability	75.75	-
<b>Total</b>	<b>76.94</b>	<b>11.91</b>

**(Rupees in lakhs)**

<b>29. Depreciation and amortisation</b>	<b>Year ended December 31, 2020</b>	<b>Year ended December 31, 2019</b>
Depreciation and amortisation on tangible and intangible assets ( Refer Note 3A, 3B & 4)	297.32	128.58
Reimbursement of common depreciation recovered from group company	(0.45)	(0.50)
<b>Total</b>	<b>296.87</b>	<b>128.08</b>

**(Rupees in lakhs)**

<b>30. Other expenses</b>	<b>Year ended December 31, 2020</b>	<b>Year ended December 31, 2019</b>
Printing and stationery	0.11	0.23
Conveyance and travelling	48.93	199.17
Commission expenses	0.33	0.36
Foreign exchange loss	6.84	7.91
Professional fees	105.84	502.91
Software purchase & maintenance expenses	13.73	12.54
Provision for doubtful debt / Bad debts written off	4.33	6.86
Auditors' remuneration (Refer note 35)	9.76	10.20
Recruitment expenses	18.96	3.52
Loss on sale of fixed asset	-	4.36
Data centre expenses	165.47	193.51
Repairs and maintenance	17.33	87.09
Electricity	0.39	18.10
Communication expenses	69.76	55.31
Insurance	2.05	0.06
Rent (Refer note 39)	24.13	302.65
Rates and taxes	0.03	0.01
Miscellaneous expenses	16.95	8.13
Add : Allocation of overhead expense by group company	621.05	599.27
<b>Total</b>	<b>1,125.99</b>	<b>2,012.19</b>

**31 Financial risk management**

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarized in Note 31.4. The main types of risks are market risk, (foreign currency exchange rate risk and interest rate risk), business and credit risks and liquidity risk. The Company has in place a robust risk management policy with overall governance and oversight from the Board of Directors. Risk assessment is conducted periodically and the Company has a mechanism to identify, assess, mitigate and monitor various risks to key business objectives.

The policies for managing specific risk are summarized below:-

**31.1 Market risk**

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market price. Such changes may result from changes in foreign currency exchange rates, interest rates and other market changes. The Company's exposure to market risk is mainly due to foreign exchange rates and interest rates.

**Foreign currency exchange rate risk**

The Company's exposure to market risk includes changes in foreign exchange rates. Most of the Company's transactions are carried out in INR. Exposures to currency exchange rates arise from the Company's overseas sales and purchases, which are primarily denominated in US dollars (USD) and AED.

Following is the currency profile of non-derivative financial assets and financial liabilities:

Particulars	As at December 31, 2020		As at December 31, 2020	
	Foreign currency in lakhs		Rupees in lakhs	
	Assets	Liabilities	Assets	Liabilities
USD	19.57	1.37	1,437.06	100.85
AED	-	0.67	-	13.37

Particulars	As at December 31, 2019		As at December 31, 2019	
	Foreign currency in lakhs		Rupees in lakhs	
	Assets	Liabilities	Assets	Liabilities
USD	20.71	0.34	1,477.97	23.97
AED	-	0.62	-	12.07

For the year ended December 31, 2020, every 5% increase/decrease of the respective foreign currencies compared to functional currency of the Company would impact operating margins by (+/-) ₹ 66.14 lakhs (+/- 26.83%). For the year ended December 31, 2019, operating margins would increase/decrease by (+/-) ₹ 72.09 lakhs (+/- 15.96%). Exposure to foreign currency exchange rate vary during the year depending upon the volume of overseas transactions. None the less, the analysis above is considered to be representative of the Company's exposure to currency risk.

**Interest rate risks**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's total debt obligations with floating interest rates.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit/loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	(Rupees in lakhs)	
	31-Dec-20	31-Dec-19
Increase in basis points	50 basis points	50 basis points
Effect on profit before tax, decrease by	0.00	0.04
Decrease in basis points	50 basis points	50 basis points
Effect on profit before tax, increase by	0.00	0.04

**31.2 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. For the Company, liquidity risk arises from obligations on account of financial liabilities - trade payables and other financial liabilities.

**Liquidity risk management**

The Company continues to maintain adequate amount of liquidity/treasury to meet strategic and growth objectives. The Company has ensured a balance between earning adequate returns on liquidity/treasury assets and the need to cover financial and business risks. The Company's treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. The short term treasury position of the Company is given below:

(Rupees in lakhs)		
Particulars	As at December 31, 2020	As at December 31, 2019
Trade receivables	1,119.88	454.90
Cash and cash equivalents	675.96	933.35
Other bank balances	10.00	9.71
Loans	4.00	11.50
Other financial assets	122.86	110.64
<b>Total</b>	<b>1,932.70</b>	<b>1,520.10</b>

Financial liabilities maturing within one year:

(Rupees in lakhs)		
Particulars	As at December 31, 2020	As at December 31, 2019
Short term borrowing	-	275.00
Trade payables	605.39	357.64
Others financial liabilities	496.39	229.50
<b>Total</b>	<b>1,101.78</b>	<b>862.14</b>

Financial liabilities maturing after one year:

(Rupees in lakhs)		
Particulars	As at December 31, 2020	As at December 31, 2019
Long term borrowing	-	3.92
Others financial liabilities	572.56	3.45
<b>Total</b>	<b>572.56</b>	<b>7.37</b>

**31.3 Business and Credit risks**

To address the risk of dependence on a few large clients and a few sectors in the business segments, the Company has actively sought to diversify its client base and industry segments. Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to this risk for receivables from customers. To manage credit risk, the Company periodically assesses the financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company uses a provision margin to compute the expected credit loss allowance for trade receivable. Bank balances are held with only high rated banks. Trade receivables are monitored on periodic basis for any non-recoverability of the dues.

(Rupees in lakhs)		
Receivables	As at December 31, 2020	As at December 31, 2019
<= 6 months	1,116.07	444.66
> 6 months but <= 1 year	3.99	10.24
> 1 year	2.34	6.86
Provision for doubtful receivables	(2.52)	(6.86)



## 31.4 Financial Instruments

The carrying value and fair value of financial instruments by categories as at December 31, 2020 are as follows:

Particulars	Amortized cost	Financial assets/liabilities at FVTPL		Financial assets/liabilities at FVTOCI		Derivative instruments in hedging relationship	Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory			
(Rupees in lakhs)								
<b>Assets</b>								
Cash and cash equivalents	675.96	-	-	-	-	-	675.96	675.96
Other bank balances	10.00	-	-	-	-	-	10.00	10.00
Loans	49.49	-	-	-	-	-	49.49	49.49
Trade receivables	1,119.88	-	-	-	-	-	1,119.88	1,119.88
Other financial assets	122.86	-	-	-	-	-	122.86	122.86
<b>Total</b>	<b>1,978.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,978.19</b>	<b>1,978.19</b>
<b>Liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
Trade payables	605.39	-	-	-	-	-	605.39	605.39
Other financial liabilities	1,068.95	-	-	-	-	-	1,068.95	1,068.95
<b>Total</b>	<b>1,674.34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,674.34</b>	<b>1,674.34</b>

The carrying value and fair value of financial instruments by categories as at December 31, 2019 are as follows:

Particulars	Amortized cost	Financial assets/liabilities at FVTPL		Financial assets/liabilities at FVTOCI		Derivative instruments in hedging relationship	Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory			
(Rupees in lakhs)								
<b>Assets</b>								
Cash and cash equivalents	933.35	-	-	-	-	-	933.35	933.35
Other bank balances	9.71	-	-	-	-	-	9.71	9.71
Loans	53.29	-	-	-	-	-	53.29	53.29
Trade receivables	454.90	-	-	-	-	-	454.90	454.90
Other financial assets	110.64	-	-	-	-	-	110.64	110.64
<b>Total</b>	<b>1,561.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,561.89</b>	<b>1,561.89</b>
<b>Liabilities</b>								
Borrowings	283.73	-	-	-	-	-	283.73	283.73
Trade payables	357.64	-	-	-	-	-	357.64	357.64
Other financial liabilities	224.69	-	-	-	-	-	224.69	224.69
<b>Total</b>	<b>866.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>866.06</b>	<b>866.06</b>

**Fair value hierarchy**

For financial reporting purpose, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value

Particulars	(Rupees in lakhs)					
	As at December 31, 2020			As at December 31, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value:	-	-	-	-	-	-
Forward contracts receivable	-	-	-	-	-	-

**32. Details of capital commitments and contingent liabilities are as under:**

Particulars	(Rupees in lakhs)	
	As at December 31, 2020	As at December 31, 2019
<b>1. Contingent liabilities</b>		
a) Bank guarantee given by bank on behalf of the Company	10.00	9.71
b) <u>Provident Fund</u>		
Based on the judgement by the Honorable Supreme Court dated 28 February 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Company with respect to timing and the components of its compensation structure. In absence of further clarification, the Company has been legally advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any.		

**33. Earnings per share (basic and diluted)**

Particulars	Year ended	
	December 31, 2020	December 31, 2019
Net profit (loss) after tax attributable to equity shareholders (Rupees in lakhs)	52.33	198.55
Weighted average number of shares outstanding during the period (Nos.)	3,140,000	3,140,000
<b>Basic and diluted earning per share (₹) (not annualised)</b>	<b>1.67</b>	<b>6.32</b>

**34. Related party disclosures**

List of related parties	Relationship
<b>Related parties where control exists</b>	
S&P Global Inc.	The Ultimate Holding Company
CRISIL Limited	Holding Company
<b>Other related parties*</b>	
CRISIL Irevna US LLC	Fellow subsidiary
CRISIL Risk and Infrastructure Company Limited	Fellow subsidiary
<b>Key Managerial Personnel</b>	
Mr. Amish Mehta	Director
Mr. Anupam Kaura	Director
Mr. Sanjay Chakravarti	Director

\*To the extent transactions have actually taken place

## Transactions with related parties

Name of the related party	Nature of transaction / outstanding balances	(Rupees in lakhs)	
		Year ended December 31, 2020	Year ended December 31, 2019
CRISIL Limited	Professional services rendered	-	1.50
	Reimbursement of expense paid	96.84	258.26
	Reimbursement of expense paid - ESOP	49.56	62.37
	Share of overhead expenses	532.31	599.27
	Purchase of fixed assets	0.08	4.14
	Management support charges	-	72.00
	Interest charge on loan taken	0.73	1.50
	Loan taken	-	485.00
	Repayment of loan	275.00	210.00
	Transfer of employee related liability	6.48	7.05
	Interest on loan payable	-	0.06
	Loan outstanding	-	275.00
	Amount receivable (net)	-	27.67
	Amount payable	396.08	-
CRISIL Irevna US LLC	Professional fees paid	-	307.83
	Liability no longer required written back	77.52	-
	Amount payable to Irevna US	-	23.97
	Professional services rendered by PSPL	13.07	-
	Amount receivable	113.55	-
CRISIL Risk and Infrastructure Solution Limited	Purchase of fixed assets	-	2.11
	Sale of fixed assets	-	0.54
	Transfer of employee related liability	-	18.57
	Expenses recovered	4.92	1.13
	Reimbursement of expense paid	253.61	62.45
	Amount receivable	0.05	3.16
	Amount payable	49.28	35.94

**35. Auditors' Remuneration**

(Rupees in lakhs)

Particulars	Year ended	
	December 31, 2020	December 31, 2019
Audit fees	8.00	8.00
Tax audit fees	1.50	-
In any other matter:		
Other services	-	2.00
Out of pocket expenses	0.26	0.20
<b>Total</b>	<b>9.76</b>	<b>10.20</b>

**36. Segment Reporting**

The Company is engaged in the business of providing advisory services. The following table shows the distribution of the Company's revenue and total assets by geographical region.

(Rupees in lakhs)

Particulars	Year ended December 31, 2020		Year ended December 31, 2019	
	Revenue	Total assets	Revenue	Total assets
India	1,911.41	2,363.40	877.11	1,361.71
North America	149.68	266.56	315.37	132.37
Asia other than India and Dubai	62.41	52.57	94.74	6.05
Dubai	1,901.08	840.71	3,517.61	1,243.17
<b>Total</b>	<b>4,024.58</b>	<b>3,523.24</b>	<b>4,804.83</b>	<b>2,743.30</b>

One customer of the Company contributed to more than 10% of the revenue of the Company. The revenue in respect of the above customer is ₹ 2167.38 (December 31, 2019 ₹ 3317.15)

Total asset for the purpose of geographical segment does not include deferred tax asset and tax asset.

**37. Gratuity and other post employment benefits plans**

(i) In accordance with the Payment of Gratuity Act, 1972 Pragmatix Services Private Limited provides for gratuity, a defined benefit retirement plan covering eligible employees (completed continuous services of five years or more) of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment at fifteen days salary of an amount based on the respective employee's salary and tenure of employment with the Company.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and amounts recognised in the balance sheet for the respective plans.

**Statement of Profit and Loss:**

Net employee benefit expense (recognised in Personnel expenses and other comprehensive income)

(Rupees in lakhs)

Particulars	As at December 31, 2020	As at December 31, 2020
Current service cost	30.17	25.06
Interest cost on defined benefit obligation	4.14	2.78
Re-measurement actuarial gain/(loss) recognised in OCI	19.21	15.76
Adjustment	0.44	3.62
<b>Net gratuity benefit expense</b>	<b>53.96</b>	<b>47.22</b>
<b>Assumptions</b>		
Interest rate	6.80%	7.10%
Salary increase	10% for first 4 years starting 2020 7% thereafter	10% for first 4 years starting 2019 7% thereafter

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at December 31, 2020 Rupees in lakhs	As at December 31, 2019 Rupees in lakhs
Opening defined benefit obligation	53.59	27.89
Opening defined benefit obligation in respect of Dubai branch	29.80	18.10
Current service cost	30.17	25.06
Interest cost	4.14	2.78
Benefits paid	(8.62)	(4.75)
Acquisitions (credit)/ cost	(6.93)	(1.94)
Actuarial (gain)/loss - experience	3.72	11.27
Actuarial (gain)/loss - financial assumptions	15.29	4.49
Foreign Currency conversion	-	0.49
<b>Closing defined benefit obligation</b>	<b>121.16</b>	<b>83.39</b>

## Expected benefit payments for the year ending

Particulars	Rupees in lakhs
December 31, 2021	14.93
December 31, 2022	18.54
December 31, 2023	21.12
December 31, 2024	24.33
December 31, 2025	25.43
December 31, 2026 to December 31, 2030	122.57

The principal assumptions used in determining gratuity for

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
Discount rate - India	6.80%	6.80%
Discount rate - Dubai	3.70%	3.70%
<b>Service years</b>	<b>Rates</b>	<b>Rates</b>
Service < 5	20.00%	20.00%
Service => 5	10.00%	10.00%

The actuarial assumptions for the determination of defined benefit obligations are discount rate and salary escalation rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, holding all other assumptions constant.

Discount rate	Rupees in lakhs
Effect on DBO due to 0.5% increase in Discount rate	(4.04)
Effect on DBO due to 0.5% decrease in Discount rate	4.19

Salary escalation rate	Rupees in lakhs
Effect on DBO due to 0.5% increase in Salary escalation rate	4.21
Effect on DBO due to 0.5% decrease in Salary escalation rate	(4.10)

## (ii) Other benefits

The Company has recognized the following amounts in the statement of profit and loss:

Particulars	(Rupees in lakhs)	
	Year Ended December 31, 2020	Year ended December 31, 2019
Contribution to provident and other funds	46.96	41.81

(iii) The expenses for compensated absences have been recognised in the same manner as gratuity and a provision of ₹103.49 lakhs has been made as at December 31, 2020 (₹ 85.34 lakhs as at December 31, 2019).

## 38. Intangible assets

Personnel expenses to the extent of ₹ NIL (December 31, 2019 ₹ NIL ) is considered for capitalization as intangible assets.

## 39. Operating lease

39.1 The following is the movement in lease liabilities

Particulars	(Rupees in lakhs)	
	Year ended	
Balance at the January 1, 2020	-	
Additions (transitional impact on adoption of Ind AS 116)	999.15	
Add: Interest recognised during the year	75.75	
Less: Waiver of lease payment	13.51	
Less: Payment made	232.49	
<b>Balance at the December 31, 2020</b>	<b>828.90</b>	

39.2 The table below provides details regarding the contractual maturities of lease liabilities as at 31 December 2020 on an undiscounted basis

Particulars	(Rupees in lakhs)	
	Year ended	
Less than one year	262.71	
One to five years	701.85	
More than five years	-	
<b>Total</b>	<b>964.56</b>	

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short term leases was ₹ 24.13 lakhs for the year ended December 31, 2020

Effective 1 January 2020, the Company has adopted Ind AS 116, Leases and has recognised interest on lease liability of ₹ 75.75 lakhs under finance costs. (Refer note 4)

The aggregate depreciation on ROU assets has been included under depreciation expense in the Statement of Profit and Loss.

**40. Unhedged foreign currency**

The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise are as follows:

Particulares	As at December 31, 2020 Foreign currency in lakhs		As at December 31, 2020 Rupees in lakhs	
	Assets	Liabilities	Assets	Liabilities
Currency				
USD	19.57	1.37	1,437.06	100.85
AED	-	0.67	-	13.37

Particulares	As at December 31, 2019 Foreign currency in lakhs		As at December 31, 2019 Rupees in lakhs	
	Assets	Liabilities	Assets	Liabilities
Currency				
USD	20.71	0.34	1,477.95	23.97
AED	-	0.62	-	12.07

41. The National Company Law Tribunal vide their order dated April 4, 2019 has allowed the Company to follow the financial year beginning from January 1, 2019 as followed by its Holding Company, with effect from January 1, 2019, for statutory financial statements under the Companies Act, 2013 requirements.

42. Shared based payments to employee represents the Employee stock options granted by the holding Company to the employees of the Company.

43. The Company has considered internal and external information and has performed sensitivity analyses based on current estimates, in assessing the recoverability of receivables, unbilled revenues, intangible assets, other financial assets (including cash liquidity), and the profitability of the Company. Whilst the situation continues to be extremely dynamic, at present the Company does not see any material impact on the above. However, the actual impact of the pandemic on the Company's financial performance may differ from what is estimated, and the Company continues to monitor changes to future economic conditions

44. Previous year's figures have been regrouped where necessary to conform to current year classification.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

Sd/-  
**Manish Gujral**  
Partner  
Membership No.: 105117

Place: Mumbai  
Date: January 28, 2021

**For and on behalf of the Board of Directors of Pragmatix Services**

Sd/-  
**Sanjay Chakravarti**  
Director  
DIN - 05246624

Sd/-  
**Amish Mehta**  
Director  
DIN - 00046254

Place: Mumbai  
Date: January 28, 2021