

NOTICE

NOTICE is hereby given that the Twelfth Annual General Meeting of the members of Pragmatix Services Private Limited will be held on Tuesday, March 22, 2022 at 4:45 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, January 13, 2021 and December 14, 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 2022. 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 12th 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, 2021 together with the Report of the Board of Directors and Auditors thereon.

2. Re-appointment of Mr. Anupam Kaura

To appoint director in place of Mr. Anupam Kaura (Director Identification Number 07790067), who retires by rotation and, being eligible, seeks re-appointment.

3. Declaration of Dividend

To confirm the declaration and payment of interim dividend of Rs. 2 crore for the year ended December 31, 2021.

Special Business:

4. Appointment of Ms. Priti Arora as a Non-Executive Director, liable to retire by rotation

To consider, and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT Ms. Priti Arora (DIN 09421072), who was appointed as an Additional Director of the Company with effect from December 6, 2021 by the Board of Directors of the Company pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the

Company and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary for obtaining any approvals - statutory, contractual, or otherwise in relation to the above and to do all the acts, deeds, matters and things which are necessary, proper, expedient and incidental for giving effect to this resolution.”

By order of the Board,
For Pragmatix Services Private Limited

Sd/-
Sanjay Chakravarti
Director
(DIN 05246624)
Mumbai, January 27, 2022

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:

<https://crisil.zoom.us/j/98959671777?pwd=RktBLzNBYS0tMTW9LdWx4UUhyT3hIZz09>

Meeting ID: 989 5967 1777

Password: 3818924027

- 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
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 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 up to the date of this Annual General Meeting i.e. March 22, 2022.
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 up to the date of this Annual General Meeting i.e. March 22, 2022.
8. Pursuant to Secretarial Standard-2, the following information is furnished about the Directors proposed to be appointed / re-appointed:

Brief Profile of Directors

Mr. Anupam Kaura

Mr. Anupam Kaura is President Human Resources & Corporate Administration, CRISIL Limited. In his current role, he is responsible for CRISIL's talent management, leadership development, and people experience practices globally, to create an innovative, high-performance, and inclusive culture that drives customer delight. He is a member of CRISIL's Executive Committee, and a board member of multiple group companies in India, the UK, the US, Argentina, Poland, and China.

He has over 25 years of HR leadership and business partnership experience, of which 17 years have been in Banking and Insurance HR having worked in multiple HR leadership roles with Citibank NA, IDFC Bank, and AXA Business Services. Mr. Kaura started his career with PwC in Human Capital and Organization design consulting.

Mr. Kaura holds a Master's degree in Personnel Management & Industrial Relations from Tata Institute of Social Sciences, Mumbai.

Ms. Priti Arora

Priti Arora is the Chief Strategy Officer and Business Head, Global Analytical Centre (GAC), CRISIL. In her professional career of over 17 years, she has built and led large and high-performing global teams, provided value-creating solutions to global clients. She currently leads a 900-strong team that supports S&P Global Ratings Services by enhancing workflow efficiency, undertaking a range of activities that require specialised knowledge and capabilities. In her Strategy role, she is also responsible for facilitating the overall strategic direction and enterprise led initiatives in the company. She also leads the 'Innovation Lab' agenda and responsible for M&A within CRISIL. She also chairs the Diversity and Inclusion platform at CRISIL, 'Winspiration'.

Before moving to GAC in 2008, Priti led CRISIL Global Research & Analytics' Credit offshoring operations supporting global investment banks. Prior to that, she was a part of the CRISIL's Ratings team and has been the lead analyst on several high-profile Indian credits across the consumer durables, fertilisers, trading, and IT/media sectors. She also spent a year in CRISIL Ratings' Centre of Excellence (COE) where she was responsible for developing new products, refining CRISIL's credit rating criteria, and assessing ratings performance.

Priti is an Economics Honors graduate and completed her MBA degree as a gold medalist from International Management Institute.

Explanatory Statement

(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned in the accompanying Notice:

Item No. 4: Appointment of Ms. Priti Arora as a Non-Executive Director, liable to retire by rotation

Ms. Priti Arora has been appointed as an Additional Director of the Company under Section 161(1) of the Companies Act, 2013 effective from December 6, 2021 holds office up to the date of this Annual General Meeting, and is eligible for appointment as Director as provided under Article 129 of the Articles of Association of the Company.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying its intention to propose the candidature of Ms. Priti Arora for the office of Director. A brief resume of Ms. Priti Arora and other details, as required to be given pursuant to Secretarial Standard - 2, has been given elsewhere in this Notice.

The Board of Directors considers it in the interest of the Company to appoint Ms. Priti Arora as a Director. None of the Directors of the Company or their relatives, except Ms. Priti Arora, is in any way, interested or concerned in this resolution. The Board recommends the resolution set forth in item No. 4 of the notice for approval of the members.

By order of the Board,
For Pragmatix Services Private Limited

Sd/-
Sanjay Chakravarti
Director
(DIN 05246624)
Mumbai, January 27, 2022

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 (other than OPCs and Small Companies)

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
400076

(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

The AGM will be held on March 22, 2022

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

Pre-fill All

| 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 |
|---|------------------|-----------|---------|----------------------|----------------------|---------------|
| | Physical | DEMAT | Total | | | |
| Equity shares | | | | | | |
| At the beginning of the year | 0 | 3,140,000 | 3140000 | 31,400,000 | 31,400,000 | |
| Increase during the year | 0 | 0 | 0 | 0 | 0 | 0 |
| i. Public Issues | 0 | 0 | 0 | 0 | 0 | 0 |
| ii. Rights issue | 0 | 0 | 0 | 0 | 0 | 0 |
| iii. Bonus issue | 0 | 0 | 0 | 0 | 0 | 0 |
| iv. Private Placement/ Preferential allotment | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | |
|--|---|-----------|---------|------------|------------|---|
| v. ESOPs | 0 | 0 | 0 | 0 | 0 | 0 |
| vi. Sweat equity shares allotted | 0 | 0 | 0 | 0 | 0 | 0 |
| vii. Conversion of Preference share | 0 | 0 | 0 | 0 | 0 | 0 |
| viii. Conversion of Debentures | 0 | 0 | 0 | 0 | 0 | 0 |
| ix. GDRs/ADRs | 0 | 0 | 0 | 0 | 0 | 0 |
| x. Others, specify <input type="text"/> | | | | | | |
| Decrease during the year | 0 | 0 | 0 | 0 | 0 | 0 |
| i. Buy-back of shares | 0 | 0 | 0 | 0 | 0 | 0 |
| ii. Shares forfeited | 0 | 0 | 0 | 0 | 0 | 0 |
| iii. Reduction of share capital | 0 | 0 | 0 | 0 | 0 | 0 |
| iv. Others, specify <input type="text"/> | | | | | | |
| At the end of the year | 0 | 3,140,000 | 3140000 | 31,400,000 | 31,400,000 | |
| Preference shares | | | | | | |
| At the beginning of the year | 0 | 0 | 0 | 0 | 0 | |
| Increase during the year | 0 | 0 | 0 | 0 | 0 | 0 |
| i. Issues of shares | 0 | 0 | 0 | 0 | 0 | 0 |
| ii. Re-issue of forfeited shares | 0 | 0 | 0 | 0 | 0 | 0 |
| iii. Others, specify <input type="text"/> | | | | | | |
| Decrease during the year | 0 | 0 | 0 | 0 | 0 | 0 |
| i. Redemption of shares | 0 | 0 | 0 | 0 | 0 | 0 |
| ii. Shares forfeited | 0 | 0 | 0 | 0 | 0 | 0 |
| iii. Reduction of share capital | 0 | 0 | 0 | 0 | 0 | 0 |
| iv. Others, specify <input type="text"/> | | | | | | |
| At the end of the year | 0 | 0 | 0 | 0 | 0 | |

ISIN of the equity shares of the company

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

0

| 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) *Debentures (Outstanding as at the end of financial year)

| Particulars | Number of units | Nominal value per unit | Total value |
|-------------------------------|-----------------|------------------------|-------------|
| Non-convertible debentures | 0 | 0 | 0 |
| Partly convertible debentures | 0 | 0 | 0 |
| Fully convertible debentures | 0 | 0 | 0 |
| Total | | | 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 |
|--------------------|----------------------|----------------------------|---------------------|----------------------------|---------------------|
| | | | | | |
| | | | | | |
| Total | | | | | |

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

(i) Turnover

509,912,000

(ii) Net worth of the Company

185,251,000

VI. (a) *SHARE HOLDING PATTERN - 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) | 3,140,000 | 100 | 0 | |
| 10. | Others | 0 | 0 | 0 | |
| | Total | 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 | 0 | |
| 10. | Others | 0 | 0 | 0 | |

| | | | | | |
|--|--------------|---|---|---|---|
| | Total | 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 |
| A. Promoter | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Non-Promoter | 0 | 3 | 0 | 3 | 0 | 0 |
| (i) Non-Independent | 0 | 3 | 0 | 3 | 0 | 0 |
| (ii) Independent | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Nominee Directors representing | 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) |
|--------------------|----------|---------------------|--------------------------------|--|
| ANUPAM KAURA | 07790067 | Director | 10 | |
| SANJAY CHAKRAVARTI | 05246624 | Director | 0 | |
| PRITI ARORA | 09421072 | Additional director | 0 | |

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

2

| 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) |
|-------------------|----------|--|---|--|
| AMISH PRAMODRAI M | 00046254 | Director | 06/12/2021 | Cessation |
| PRITI ARORA | 09421072 | Additional director | 06/12/2021 | Appointment |

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

2

| Type of meeting | Date of meeting | Total Number of Members entitled to attend meeting | Attendance | |
|--------------------------------|-----------------|--|----------------------------|-------------------------|
| | | | Number of members attended | % of total shareholding |
| Annual General Meeting | 18/03/2021 | 7 | 6 | 99.99 |
| Extra-ordinary General Meeting | 19/11/2021 | 7 | 5 | 99.99 |

B. BOARD MEETINGS

*Number of meetings held

5

| S. No. | Date of meeting | Total Number of directors associated as on the date of meeting | Attendance | |
|--------|-----------------|--|------------------------------|-----------------|
| | | | Number of directors attended | % of attendance |
| 1 | 28/01/2021 | 3 | 3 | 100 |
| 2 | 19/05/2021 | 3 | 2 | 66.67 |
| 3 | 17/08/2021 | 3 | 3 | 100 |
| 4 | 22/10/2021 | 3 | 2 | 66.67 |

| S. No. | Date of meeting | Total Number of directors associated as on the date of meeting | Attendance | |
|--------|-----------------|--|------------------------------|-----------------|
| | | | Number of directors attended | % of attendance |
| 5 | 13/12/2021 | 3 | 3 | 100 |

C. COMMITTEE MEETINGS

Number of meetings held

| 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 | |
| | | (Y/N/NA) | | | | | | |
| 1 | ANUPAM KAL | 5 | 4 | 80 | 0 | 0 | 0 | |
| 2 | SANJAY CHA | 5 | 5 | 100 | 0 | 0 | 0 | |
| 3 | PRITI ARORA | 1 | 1 | 100 | 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

Ashita Kaul

Whether associate or fellow

Associate Fellow

Certificate of practice number

6529

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

List of attachments

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, 2021**

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

Pragmatix Services Private Limited

A subsidiary of CRISIL

Corporate Identity Number: U67190MH2010PTC205794

Pragmatix Services Private Limited: B 307/308, 3rd floor, Everest Chambers, Andheri Kurla Road, Marol, Andheri (E), Mumbai-400059. Phone: +9122 4053 5450
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

Pragmatix Services Private Limited

Financial Statements for the year ended December 31, 2021

Walker ChandioK & Co LLP

11th Floor, Tower II,
One International Center,
S B Marg, Prabhadevi (W),
Mumbai - 400013
Maharashtra, India

T +91 22 6626 2699
F +91 22 6626 2601

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 2021**, 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 auditors as referred to in paragraph 11 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 2021, 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 ethical requirements that are relevant to our audit of the financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the relevant 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 auditor, in terms of their reports referred to in paragraph 11 of the Other Matter section below is sufficient and appropriate to provide a basis for our opinion.



Pragmatix Services Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

Emphasis of Matter

4. We draw attention to the matter stated in Note 41 of the accompanying financial statements which describes that the Board of Directors of the Company has approved the amalgamation of the Company with CRISIL Limited as a going concern in its meeting held on 13 December 2021. The Company has already filed necessary applications to the National Company Law Tribunal (NCLT) on 27 December 2021 and awaiting for required regulatory approvals. Our opinion is not modified in respect of this matter.

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

5. The Company's Board of Directors are responsible for the other information. The other information comprises 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

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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.
7. In preparing the financial statements, Board of Directors are 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 Board of Directors either intend 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

8. 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.



Pragmatix Services Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

9. 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; and
 - Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of the Company and such branches included in the financial statements, of which we are the independent auditors. For the other branch included in the financial statements, which have been audited by the branch auditor, such branch auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

11. 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 ₹ 888.51 lakhs and ₹ 447.59 lakhs respectively as at 31 December 2021, and the total revenues of ₹ 1,499.24 lakhs, total net profit after tax of ₹ 140.26 lakhs, total comprehensive income of ₹ 133.04 lakhs, and cash flows (net) of ₹ 6.33 lakhs respectively for the year ended on that date, as considered in the financial statements. This financial statements have been audited by the branch auditor 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, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid branch, is based solely on the report of such branch auditor.



Pragmatix Services Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

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 that respective country and which have been audited by branch auditor under generally accepted auditing standards applicable in that respective country. The Company's management has converted the financial statements of such branch from accounting principles generally accepted in that respective country 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 branch, is based on the report of branch auditor and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion above 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 auditor.

Report on Other Legal and Regulatory Requirements

12. Based on our audit and on the consideration of the reports of the branch auditors as referred to in paragraph 11 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.
13. 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.
14. 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 auditor as referred to in paragraph 11 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 branch 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 2021 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 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 27 January 2022 as per Annexure II expressed an unmodified opinion; and



Pragmatix Services Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

- 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 auditor as referred to in paragraph 11 above:
- i. the Company does not have any pending litigation which would impact its financial position as at 31 December 2021;
 - 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 2021;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 December 2021; 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 Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Sd/-

Manish Gujral
Partner
Membership No:105117

UDIN:22105117AAAAAG7708

Place: Mumbai
Date: 27 January 2022

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 2021

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 property, plant, and equipment.
- (b) The Company has a regular program of physical verification of its property, plant, and equipment under which property, plant, and equipment are verified in a phased manner over a period of (two) 2 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant, and equipment were verified during the year and 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.



Pragmatix Services Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

Annexure I (Contd)

- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (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.
- (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 an 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 Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Sd/-

Manish Gujral
Partner
Membership No:105117

UDIN:22105117AAAAAG7708

Place: Mumbai
Date: 27 January 2022

Pragmatix Services Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

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 2021

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 2021**, 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. 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



Annexure II (Contd)

necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 December 2021, 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 Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Sd/-

Manish Gujral
Partner
Membership No:105117

UDIN:22105117AAAAAG7708

Place: Mumbai
Date: 27 January 2022

Pragmatix Services Private Limited

Balance Sheet as at December 31, 2021

(Rupees in lakhs)

| Particulars | Notes | As at December 31, 2021 | As at December 31, 2020 |
|--|-------|----------------------------|----------------------------|
| Assets | | | |
| I. Non-current assets | | | |
| (a) Property, plant and equipment | 3A | 76.81 | 29.06 |
| (b) Right of use asset | 3B | - | 768.10 |
| (c) Intangible assets | 4 | - | - |
| (d) Financial assets | | | |
| i. Loans | 5 | 1.11 | 45.49 |
| (e) Deferred tax assets (net) | 6 | 159.53 | 142.68 |
| (f) Tax assets | 7 | - | 128.97 |
| (g) Other non current assets | 8 | 18.90 | 18.38 |
| | | 256.35 | 1,132.68 |
| 2. Current assets | | | |
| (a) Financial assets | | | |
| i. Trade receivables | 9 | 1,258.46 | 1,119.88 |
| ii. Cash and cash equivalents | 10 | 568.07 | 675.96 |
| iii. Other bank balances | 11 | 10.16 | 10.00 |
| iv. Loans | 12 | 4.55 | 4.00 |
| v. Other financial assets | 13 | 28.35 | 122.86 |
| (b) Other current assets | 14 | 1,534.80 | 729.51 |
| | | 3,404.39 | 2,662.21 |
| Total - Assets | | 3,660.74 | 3,794.89 |
| Equity and liabilities | | | |
| 1. Equity | | | |
| (a) Equity share capital | 15 | 314.00 | 314.00 |
| (b) Other equity | 16 | 1,538.51 | 1,420.15 |
| | | 1,852.51 | 1,734.15 |
| 2. Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| i. Other financial liabilities | 17 | 13.54 | 572.56 |
| (b) Provisions | 18 | 105.95 | 106.35 |
| | | 119.49 | 678.91 |
| 3. Current liabilities | | | |
| (a) Financial liabilities | | | |
| i. Trade payables | | | |
| - total outstanding dues of micro enterprises and small enterprises; and | 20 | - | - |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 20 | 908.02 | 605.39 |
| ii. Other financial liabilities | 21 | 292.64 | 496.39 |
| (b) Provisions | 22 | 147.40 | 118.34 |
| (c) Other current liabilities | 23 | 332.96 | 161.71 |
| (d) Tax liabilities | 7 | 7.72 | - |
| | | 1,688.74 | 1,381.83 |
| Total - Equity and liabilities | | 3,660.74 | 3,794.89 |
| 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 Chandiook & 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
Place: Mumbai

Sd/-
Anupam Kaura
Director
DIN - 07790067
Place: Mumbai

Place: Mumbai
Date: January 27, 2022



Date: January 27, 2022



Pragmatix Services Private Limited
Statement of Profit and Loss for the year ended December 31, 2021

(Rupees in lakhs)

| Particulars | Notes | Year ended December 31, 2021 | Year ended December 31, 2020 |
|---|-------|---------------------------------|---------------------------------|
| Income | | | |
| Revenue from operations | 24 | 5,099.12 | 4,024.58 |
| Other income | 25 | 101.15 | 207.73 |
| Total | | 5,200.27 | 4,232.31 |
| Expenses | | | |
| Employee benefits expenses | 26 | 2,772.79 | 2,652.05 |
| Finance costs | 27 | 18.23 | 76.94 |
| Depreciation and amortisation expenses | 28 | 129.69 | 296.87 |
| Other expenses | 29 | 1,889.37 | 1,125.99 |
| Total | | 4,810.08 | 4,151.85 |
| Profit before tax | | 390.19 | 80.46 |
| Tax expense | | | |
| Current tax | | 133.44 | 23.33 |
| Deferred tax charge/(credit) | 6 | (16.78) | 4.80 |
| Total tax expense | | 116.66 | 28.13 |
| Profit after tax for the year | | 273.53 | 52.33 |
| Other comprehensive income(OCI) | | | |
| A. Items that will be reclassified to profit or loss | | | |
| Exchange differences in translating the financial statements of a foreign operation | | 45.03 | 6.11 |
| B. Items that will not be reclassified to profit or loss | | | |
| Remeasurements of the defined benefit plans | | (0.27) | (19.21) |
| Tax effect on above | | 0.07 | 4.77 |
| Total comprehensive income for the year | | 318.36 | 44.00 |
| Earnings per share : Nominal value of Rupees 10 per share | | | |
| Basic & diluted | 32 | 8.71 | 1.67 |
| 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 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



Place: Mumbai
Date: January 27, 2022

Sd/-
Sanjay Chakravarti
Director
DIN - 05246624
Place: Mumbai

Sd/-
Anupam Kaura
Director
DIN - 07790067
Place: Mumbai

Date: January 27, 2022



Pragmatix Services Private Limited
Cash flow statement for year ended December 31, 2021

(Rupees in lakhs)

| Particulars | Year ended December 31, 2021 | Year ended December 31, 2020 |
|---|---------------------------------|---------------------------------|
| A. Cash flow from operating activities : | | |
| Profit before tax | 390.19 | 80.46 |
| Adjustments for : | | |
| Depreciation and amortisation expenses | 129.87 | 297.32 |
| Unrealised foreign exchange loss | 13.48 | 8.65 |
| Profit on sale of property, plant and equipment | (1.11) | - |
| Provision for doubtful debts | 23.13 | 4.33 |
| Interest expenses | 0.30 | 1.19 |
| Interest on lease liability | 17.93 | 75.75 |
| Waiver of lease liability | (72.64) | (13.51) |
| Liability no longer required written back | - | (77.52) |
| Excess provision written back | (7.83) | (107.45) |
| Interest income on financial assets carried at amortised cost | (1.98) | (3.67) |
| Interest on Income tax refund | (15.42) | (3.01) |
| Interest on deposits | (2.17) | (2.57) |
| Operating profit before working capital changes | 473.75 | 259.97 |
| Movements in working capital : | | |
| - (Increase)/decrease in trade receivables | (153.64) | (657.56) |
| - (Increase)/decrease in other non current assets | (0.52) | 0.64 |
| - (Increase)/decrease in other current loans | (0.55) | 7.50 |
| - (Increase)/decrease in other current financial assets | 105.66 | 73.52 |
| - (Increase)/decrease in other current assets | (805.29) | 320.56 |
| - (Increase)/decrease in other non current loans | 46.36 | (0.03) |
| - Increase/(decrease) in trade payables | 282.35 | 225.06 |
| - Increase/(decrease) in provisions | 36.76 | 142.75 |
| - Increase/(decrease) in other current financial liabilities | 54.55 | 8.65 |
| - Increase/(decrease) in other non current financial liabilities | 11.58 | (1.49) |
| - Increase/(decrease) in other current liabilities | 171.25 | (60.61) |
| Cash generated from operations | 222.26 | 318.96 |
| - Taxes paid | (3.25) | 57.14 |
| Net cash generated from operating activities - (A) | 225.51 | 261.82 |
| B. Cash flow from investing activities : | | |
| Purchase of property, plant and equipment | (69.06) | (14.60) |
| Proceeds from sale of property, plant and equipment | 1.22 | 0.08 |
| Decrease in balances held as margin money | (0.16) | (0.29) |
| Interest on fixed deposits | 2.16 | 2.76 |
| Interest on Income tax refund | 15.42 | 3.01 |
| Net cash used in investing activities - (B) | (50.42) | (9.04) |
| C. Cash flow from financing activities : | | |
| Interest paid | (0.30) | (1.25) |
| Re-payment of short term borrowings (net) | - | (275.00) |
| Repayment of long-term borrowings | - | (3.92) |
| Payment of lease liability | (128.03) | (232.49) |
| Dividend Paid | (200.00) | - |
| Net cash used in financing activities - (C) | (328.33) | (512.66) |
| Net decrease in cash and cash equivalents (A+B+C) | (153.24) | (259.88) |
| Cash and cash equivalents - Opening balance | 675.96 | 933.35 |
| Less: Exchange difference on translation of foreign currency cash and cash equivalent | 45.35 | 2.49 |
| Cash and cash equivalents - Closing balance (Refer note 10) | 568.07 | 675.96 |
| Net decrease in cash and cash equivalents | (153.24) | (259.88) |

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/-
Mañish Gujral
Partner
Membership No.: 105117

Sd/-
Sanjay Chakravarti
Director
DIN - 05246624
Place: Mumbai

Sd/-
Anupam Kaura
Director
DIN - 07790067
Place: Mumbai

Place: Mumbai
Date: January 27, 2022

Date: January 27, 2022



Pragmatix Services Private Limited
Statement of Changes in Equity for the year ended December 31, 2021

| (Rupees in lakhs) | | |
|-------------------------------|---|---------------------------------|
| A. Equity share capital | | |
| Balance as at January 1, 2020 | Changes in equity share capital during year ended December 31, 2021 (Refer note 15) | Balance as at December 31, 2021 |
| 314.00 | - | 314.00 |

| (Rupees in lakhs) | | |
|-------------------------------|---|---------------------------------|
| Balance as at January 1, 2020 | Changes in equity share capital during year ended December 31, 2020 (Refer note 15) | Balance as at December 31, 2020 |
| 314.00 | - | 314.00 |

| (Rupees in lakhs) | | | | |
|---|----------------------|----------------------------|------------------------------|----------|
| Particulars | Reserves and surplus | | Other comprehensive income | Total |
| | Retained earnings | Securities premium reserve | Currency translation reserve | |
| Balance as at January 1, 2021 | 695.54 | 715.05 | 9.56 | 1,420.15 |
| Profit for the year | 273.53 | - | - | 273.53 |
| Interim dividend | (200.00) | - | - | (200.00) |
| Other comprehensive income for the year | (0.20) | - | 45.03 | 44.83 |
| Balance as at December 31, 2021 | 768.87 | 715.05 | 54.59 | 1,538.51 |

| (Rupees in lakhs) | | | | |
|--|----------------------|----------------------------|------------------------------|----------|
| Particulars | Reserves and Surplus | | Other comprehensive income | Total |
| | Retained earnings | Securities premium reserve | Currency translation reserve | |
| Balance as at January 1, 2020 | 680.45 | 715.05 | 3.45 | 1,398.95 |
| Profit for the year | 52.33 | - | - | 52.33 |
| Transitional impact of implementation of Ind AS 116 'Leases' | (22.80) | - | - | (22.80) |
| Other comprehensive income for the year | (14.44) | - | 6.11 | (8.33) |
| Balance as at December 31, 2020 | 695.54 | 715.05 | 9.56 | 1,420.15 |

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

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

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 01076N/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
Place: Mumbai

Sd/-
Anupam Kaura
Director
DIN - 07790067
Place: Mumbai

Place: Mumbai
Date: January 27, 2022



Date: January 27, 2022



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, 2021

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, 2021, were approved by the Board of Directors on January 27, 2022.

CRISIL Limited owned 100% as on December 31, 2021 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 intangibles 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, 2021

• 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) has 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:

- a) Financial assets that are measured at amortized cost e.g., loans, deposits, and bank balance.
- b) 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, 2021

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. The Company recognises lease payments received under operating leases as income over the lease term on a straight line basis.

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.

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 with in 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.

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, 2021 and December 31, 2020 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, 2021

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.

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 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.



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, 2021

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 un-exercised 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.

2.21 Recent accounting pronouncement

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from financial year April 1, 2021. The amendments will be applicable for the Company w.e.f. January 1, 2022.



3A. Property, plant and equipment

(Rupees in lakhs)

| Particulars | Carrying value | | | Accumulated depreciation | | | | Net block | |
|------------------------------|--------------------------|--------------|--------------|----------------------------|--------------------------|--------------|--------------|----------------------------|----------------------------|
| | As at January 1, 2021 | Additions | Deductions | As at December 31, 2021 | As at January 1, 2021 | For the year | Deductions | Up to December 31, 2021 | As at December 31, 2021 |
| Tangible assets | | | | | | | | | |
| Furniture and fixtures | 0.80 | - | - | 0.80 | 0.11 | 0.08 | - | 0.19 | 0.61 |
| Office equipments | 10.57 | - | - | 10.57 | 3.41 | 0.92 | - | 4.33 | 6.24 |
| Computers | 73.60 | 69.06 | 27.97 | 114.69 | 52.39 | 20.20 | 27.86 | 44.73 | 69.96 |
| Vehicles | 16.00 | - | - | 16.00 | 16.00 | - | - | 16.00 | - |
| Total tangible assets | 100.97 | 69.06 | 27.97 | 142.06 | 71.91 | 21.20 | 27.86 | 65.25 | 76.81 |

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 |
| Tangible assets | | | | | | | | | |
| 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 | - |
| Total tangible assets | 88.11 | 14.60 | 1.74 | 100.97 | 56.11 | 17.46 | 1.66 | 71.91 | 29.06 |

3B. Right of use asset

(Rupees in lakhs)

As at December 31, 2021

| Particulars | Carrying value | | | Accumulated depreciation | | | | Net block | |
|---------------------------|--------------------------|-----------|---------------|----------------------------|--------------------------|---------------|---------------|----------------------------|----------------------------|
| | As at January 1, 2021 | Additions | Deductions | As at December 31, 2021 | As at January 1, 2021 | For the year | Deductions | Up to December 31, 2021 | As at December 31, 2021 |
| Building (Refer note 2.8) | 987.57 | - | 987.57 | - | 219.47 | 108.67 | 328.14 | - | - |
| Total | 987.57 | - | 987.57 | - | 219.47 | 108.67 | 328.14 | - | - |

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 | - | 987.57 | - | 987.57 | - | 219.47 | - | 219.47 | 768.10 |
| Total | - | 987.57 | - | 987.57 | - | 219.47 | - | 219.47 | 768.10 |

4. Intangible assets

(Rupees in lakhs)

As at December 31, 2021

| Particulars | Carrying value | | | Accumulated amortisation | | | | Net Block | |
|--------------------------|--------------------------|-----------|------------|----------------------------|--------------------------|--------------|------------|----------------------------|----------------------------|
| | As at January 1, 2021 | Additions | Deductions | As at December 31, 2021 | As at January 1, 2021 | For the year | Deductions | Up to December 31, 2021 | As at December 31, 2021 |
| Intangible assets | | | | | | | | | |
| Software | 545.62 | - | - | 545.62 | 545.62 | - | - | 545.62 | - |
| Total | 545.62 | - | - | 545.62 | 545.62 | - | - | 545.62 | - |

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 |
| Intangible assets | | | | | | | | | |
| Software | 545.62 | - | - | 545.62 | 485.23 | 60.39 | - | 545.62 | - |
| Total | 545.62 | - | - | 545.62 | 485.23 | 60.39 | - | 545.62 | - |



(Rupees in lakhs)

| 5. Loans | As at December 31, 2021 | As at December 31, 2020 |
|--------------------|-------------------------|-------------------------|
| Non-current | | |
| Security deposits | 1.11 | 45.49 |
| Total | 1.11 | 45.49 |

(Rupees in lakhs)

| 6a. Income tax | As at December 31, 2021 | As at December 31, 2020 |
|--|-------------------------|-------------------------|
| Current tax | 133.44 | 23.33 |
| Deferred tax charge/ (credit) | (16.78) | 4.80 |
| Total income tax expense recognised in current year | 116.66 | 28.13 |

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, 2021 | As at December 31, 2020 |
|--|-------------------------|-------------------------|
| Profit before tax | 390.19 | 80.46 |
| Enacted income tax rate in India | 25.17% | 25.17% |
| Computed expected tax expense | 98.21 | 20.25 |
| Effect of: | | |
| Change in opening tax rates | - | - |
| Tax adjustments pertaining to earlier years | 9.83 | 8.02 |
| Others | 8.62 | (0.14) |
| Total income tax expense recognised in the statement of profit and loss | 116.66 | 28.13 |

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, 2021

(Rupees in lakhs)

| Particulars | Opening balance | (Recognised) / credit in profit and loss | (Recognised) / credit in other comprehensive income | Retained Earnings | Closing balance |
|---|-----------------|--|---|-------------------|-----------------|
| Deferred tax asset on | | | | | |
| Provision for compensated absences | 26.05 | 6.46 | - | - | 32.51 |
| Provision for bonus payable | (1.77) | 26.03 | - | - | 24.26 |
| Provision for gratuity | 30.49 | (2.19) | 0.07 | - | 28.37 |
| Property, plant and equipment's and intangibles asset | 61.00 | (10.45) | - | - | 50.55 |
| Provision for doubtful debts | 0.63 | 5.23 | - | - | 5.86 |
| On right to use and lease liability | 15.30 | (7.64) | - | - | 7.66 |
| On service tax payable and others | 10.98 | (0.66) | - | - | 10.32 |
| Gross deferred tax asset | 142.68 | 16.78 | 0.07 | - | 159.53 |
| Gross deferred tax liability | - | - | - | - | - |
| Net deferred tax asset | 142.68 | 16.78 | 0.07 | - | 159.53 |

The tax year for the Company being the year ending March 31, 2022, the tax expense for the year is the aggregate of the provision made for the three months ended March 31, 2021, and the provisions for the nine months up to December 31, 2021. The tax provision for the nine months has been arrived at using the effect tax rate for the period April 1, 2021 to March 31, 2022. The applicable Indian statutory income tax rates for fiscal year ended March 31, 2021 and March 31, 2022 is 25.17%.

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 |
|---|-----------------|--|---|-------------------|-----------------|
| Deferred tax asset on | | | | | |
| 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 | - | 30.49 |
| Property, plant and equipment's and intangibles asset | 63.45 | (2.45) | - | - | 61.00 |
| Provision for doubtful debts | 1.72 | (1.09) | - | - | 0.63 |
| On right to use and lease liability | - | 7.64 | - | 7.66 | 15.30 |
| On service tax payable and others | 12.79 | (1.81) | - | - | 10.98 |
| Gross deferred tax asset | 135.05 | (4.80) | 4.77 | 7.66 | 142.68 |
| Gross deferred tax liability | - | - | - | - | - |
| Net deferred tax asset | 135.05 | (4.80) | 4.77 | 7.66 | 142.68 |

(Rupees in lakhs)

| 7. Tax assets | As at December 31, 2021 | As at December 31, 2020 |
|--|-------------------------|-------------------------|
| Non current | | |
| Advance taxes paid (net of provision for taxation December 31, 2021 : Rupees 646.17 lakhs December 31, 2020 : Rupees 502.48 lakhs) | (7.72) | 128.97 |
| Total | (7.72) | 128.97 |



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, 2021

(Rupees in lakhs)

| 8. Other non current assets | As at December 31, 2021 | As at December 31, 2020 |
|-----------------------------|----------------------------|----------------------------|
| Other deposits | 18.90 | 18.38 |
| Total | 18.90 | 18.38 |

(Rupees in lakhs)

| 9. Trade receivables | As at December 31, 2021 | As at December 31, 2020 |
|--|----------------------------|----------------------------|
| Current | | |
| <u>Unsecured, considered good, unless otherwise stated</u> | | |
| Unsecured, considered good (Refer note 33) | 1,258.46 | 1,119.88 |
| Considered doubtful | 23.31 | 2.52 |
| Less : Allowance for doubtful trade receivables | (23.31) | (2.52) |
| Total | 1,258.46 | 1,119.88 |

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, 2021 | As at December 31, 2020 |
|---|----------------------------|----------------------------|
| Trade receivables considered good - unsecured | 1,258.46 | 1,119.88 |
| Trade receivables - credit impaired - unsecured | 23.31 | 2.52 |

(Rupees in lakhs)

| 10. Cash and cash equivalents | As at December 31, 2021 | As at December 31, 2020 |
|---|----------------------------|----------------------------|
| <u>Cash and cash equivalents</u> | | |
| Balance with banks: | | |
| On current account (including EEFC accounts) | 506.29 | 625.09 |
| Deposits with original maturity of less than three months | 61.78 | 50.87 |
| Total | 568.07 | 675.96 |

(Rupees in lakhs)

| 11. Other bank balances | As at December 31, 2021 | As at December 31, 2020 |
|---|----------------------------|----------------------------|
| <u>Deposits with original maturity more than three months and less than 12 months</u> | | |
| - Balance with bank held as margin money | 10.16 | 10.00 |
| Total | 10.16 | 10.00 |

(Rupees in lakhs)

| 12. Loans | As at December 31, 2021 | As at December 31, 2020 |
|--|----------------------------|----------------------------|
| Current | | |
| <u>Unsecured, considered good, unless otherwise stated</u> | | |
| Loans to employees | 4.55 | 4.00 |
| Total | 4.55 | 4.00 |

(Rupees in lakhs)

| 12.1 Loans | As at December 31, 2021 | As at December 31, 2020 |
|---|----------------------------|----------------------------|
| Loans receivables considered good - unsecured | 4.55 | 4.00 |

(Rupees in lakhs)

| 13. Other financial assets | As at December 31, 2021 | As at December 31, 2020 |
|--|----------------------------|----------------------------|
| Current | | |
| <u>Unsecured, considered good, unless otherwise stated</u> | | |
| Accrued interest on fixed deposits | 0.06 | 0.05 |
| Receivable from related parties (Refer note 33) | 22.50 | 113.61 |
| Others | 5.79 | 9.20 |
| Total | 28.35 | 122.86 |



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, 2021

(Rupees in lakhs)

| 14. Other current assets | As at December 31, 2021 | As at December 31, 2020 |
|-------------------------------------|----------------------------|----------------------------|
| Current | | |
| Prepaid expenses | 41.25 | 39.52 |
| Accrued revenue (Refer note 14.1) | 1,390.39 | 670.09 |
| Balance with government authorities | 101.00 | - |
| Advance to supplier and employee | 2.16 | 19.90 |
| Total | 1,534.80 | 729.51 |

14.1 The balance lying in 'Accrued revenue' as at December 31, 2020 is fully recognised as revenue during the current year.

(Rupees in lakhs)

| 15. Share capital | As at December 31, 2021 Rupees in lakhs | As at December 31, 2020 Rupees in lakhs |
|--|---|---|
| Authorised Capital: 35,00,000 Equity Shares of Rupees 10 each (35,00,000 equity shares of Rupees 10 each as on December 31, 2020) | 350.00 | 350.00 |
| Issued, Subscribed and Paid Up: 31,40,000 Equity Shares of Rupees 10 each fully paid up (31,40,000 equity shares of Rupees 10 each as on December 31, 2020) | 314.00 | 314.00 |
| Total | 314.00 | 314.00 |

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

Equity shares

| Particulars | As at December 31, 2021 | |
|--|-------------------------|------------------|
| | Rupees in lakhs | Nos. |
| At the beginning of the year (face value of Rupees 10 per share) | 314.00 | 31,40,000 |
| Outstanding at the end of the year | 314.00 | 31,40,000 |
| Particulars | As at December 31, 2020 | |
| | Rupees in lakhs | Nos. |
| At the beginning of the year (face value of Rupees 10 per share) | 314.00 | 31,40,000 |
| Outstanding at the end of the year | 314.00 | 31,40,000 |

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rupees 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, 2021 | As at December 31, 2020 |
|---|----------------------------|----------------------------|
| 31,40,000 Equity Shares of Rupees 10 are held by CRISIL Limited, Holding Company (31,40,000 equity shares of Rupees 10 as on December 31, 2020) | 314.00 | 314.00 |

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

| Name of the shareholder | As at December 31, 2021 | |
|---------------------------------|-------------------------|-----------|
| | % holding | Nos. |
| CRISIL Limited, Holding Company | 100% | 31,40,000 |
| Name of the shareholder | As at December 31, 2020 | |
| | % holding | Nos. |
| CRISIL Limited, Holding Company | 100% | 31,40,000 |

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.



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, 2021****(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.

(Rupees in lakhs)

| Particulars | As at December 31, 2021 | As at December 31, 2020 |
|---|----------------------------|----------------------------|
| Total debt | - | - |
| Total equity plus total debt | 314.00 | 314.00 |
| Total debt to equity ratio (gearing ratio) | - | - |

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.

(Rupees in lakhs)

| 17. Other financial liabilities | As at December 31, 2021 | As at December 31, 2020 |
|---------------------------------|----------------------------|----------------------------|
| Non-current | | |
| Employee related payables | 13.54 | 1.96 |
| Lease liability | - | 570.60 |
| Total | 13.54 | 572.56 |

(Rupees in lakhs)

| 18. Provisions | As at December 31, 2021 | As at December 31, 2020 |
|--|----------------------------|----------------------------|
| Non-current | | |
| Provision for gratuity (Refer note 36) | 105.95 | 106.35 |
| Total | 105.95 | 106.35 |



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, 2021

(Rupees in lakhs)

| 19. Borrowings | As at December 31, 2021 | As at December 31, 2020 |
|---|----------------------------|----------------------------|
| Loan from related party (Refer note 33) | - | - |
| Total | - | - |

19.1 The Company has taken an unsecured loan from its holding company during the current year which was repayable on demand and bearing an interest rate of ICICI Bank Limited 6 months MCLR rates (as at December 31, 2021 rate 7.20%) on the principal amount of loan outstanding each day. It has been repaid in the current year.

(Rupees in lakhs)

| 20. Trade payables | As at December 31, 2021 | As at December 31, 2020 |
|--|----------------------------|----------------------------|
| Total outstanding dues of micro and small enterprises (Refer note 20.1) | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 908.02 | 605.39 |
| Total | 908.02 | 605.39 |

20.1 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.

(Rupees in lakhs)

| Particulars | As at December 31, 2021 | As at December 31, 2020 |
|--|----------------------------|----------------------------|
| -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.

(Rupees in lakhs)

| 21. Other financial liabilities | As at December 31, 2021 | As at December 31, 2020 |
|---------------------------------|----------------------------|----------------------------|
| Current | | |
| Employee related payables | 291.77 | 235.81 |
| Other payables | 0.87 | 2.28 |
| Lease liability | - | 258.30 |
| Total | 292.64 | 496.39 |

(Rupees in lakhs)

| 22. Provisions | As at December 31, 2021 | As at December 31, 2020 |
|--|----------------------------|----------------------------|
| Current | | |
| Provision for gratuity (Refer note 36) | 18.23 | 14.81 |
| Provision for compensated absences (Refer note 36) | 129.17 | 103.53 |
| Total | 147.40 | 118.34 |

(Rupees in lakhs)

| 23. Other current liabilities | As at December 31, 2021 | As at December 31, 2020 |
|------------------------------------|----------------------------|----------------------------|
| Current | | |
| Unearned revenue (Refer note 23.1) | 243.56 | 82.77 |
| Statutory liabilities | 89.40 | 78.94 |
| Total | 332.96 | 161.71 |

23.1 The balance lying in 'Unearned revenue' as at December 31, 2020 is fully recognised as revenue during the current year.



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, 2021

(Rupees in lakhs)

| 24. Revenue from operations | Year ended December 31, 2021 | Year ended December 31, 2020 |
|--------------------------------------|---------------------------------|---------------------------------|
| Income from risk management services | 5,099.12 | 4,024.58 |
| Total | 5,099.12 | 4,024.58 |

Disaggregated revenue information

The company disaggregates revenue from contracts with customers by geographical market. (Refer note 35)

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)

| 25. Other income | Year ended December 31, 2021 | Year ended December 31, 2020 |
|---|---------------------------------|---------------------------------|
| Interest income on | | |
| - Fixed deposits | 2.17 | 2.57 |
| - Income tax refund | 15.42 | 3.01 |
| - Financial assets carried at amortised cost | 1.98 | 3.67 |
| Profit on sale of property, plant and equipment | 1.11 | - |
| Excess provision written back | 7.83 | 107.45 |
| Liability no longer required written back | - | 77.52 |
| Waiver of lease liability | 72.64 | 13.51 |
| Total | 101.15 | 207.73 |

(Rupees in lakhs)

| 26. Employee benefits expenses | Year ended December 31, 2021 | Year ended December 31, 2020 |
|---|---------------------------------|---------------------------------|
| Salaries, wages and bonus | 2,575.82 | 2,444.13 |
| Share based payment to employees (Refer note 40) | 30.61 | 49.56 |
| Contribution to provident and other funds (Refer note 36) | 51.81 | 46.96 |
| Gratuity (Refer note 36) | 47.12 | 34.75 |
| Staff welfare expenses | 67.43 | 76.65 |
| Total | 2,772.79 | 2,652.05 |

(Rupees in lakhs)

| 27. Finance cost | Year ended December 31, 2021 | Year ended December 31, 2020 |
|-------------------------------|---------------------------------|---------------------------------|
| Interest on | | |
| - Vehicle loans | - | 0.46 |
| - Loan from CRISIL Limited | 0.30 | 0.73 |
| - Interest on lease liability | 17.93 | 75.75 |
| Total | 18.23 | 76.94 |

(Rupees in lakhs)

| 28. Depreciation and amortisation | Year ended December 31, 2021 | Year ended December 31, 2020 |
|---|---------------------------------|---------------------------------|
| Depreciation and amortisation on tangible and intangible assets (Refer Note 3A, 3B & 4) | 129.87 | 297.32 |
| Reimbursement of common depreciation recovered from group company | (0.18) | (0.45) |
| Total | 129.69 | 296.87 |



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, 2021

(Rupees in lakhs)

| 29. Other expenses | Year ended | Year ended |
|---|-------------------|-------------------|
| | December 31, 2021 | December 31, 2020 |
| Printing and stationery | 0.04 | 0.11 |
| Conveyance and travelling | 39.92 | 48.93 |
| Commission expenses | 0.46 | 0.33 |
| Foreign exchange loss | 13.29 | 6.84 |
| Professional fees | 737.59 | 105.84 |
| Software purchase & maintenance expenses | 49.10 | 13.73 |
| Provision for doubtful debt / Bad debts written off | 23.13 | 4.33 |
| Donation | 0.02 | - |
| Auditors' remuneration (Refer note 34) | 10.55 | 9.76 |
| Recruitment expenses | 1.21 | 18.96 |
| Data center expenses | 124.83 | 165.47 |
| Repairs and maintenance | 6.72 | 17.33 |
| Electricity | 0.24 | 0.39 |
| Communication expenses | 73.16 | 69.76 |
| Insurance | 1.43 | 2.05 |
| Rent (Refer note 38) | 116.39 | 24.13 |
| Rates and taxes | 0.33 | 0.03 |
| Miscellaneous expenses | 22.82 | 16.95 |
| Add : Allocation of overhead expense by group company | 668.14 | 621.05 |
| Total | 1,889.37 | 1,125.99 |



30 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 30.4. 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:-

30.1 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, 2021 | | As at December 31, 2021 | |
|-------------|---------------------------|-------------|-------------------------|-------------|
| | Foreign currency in lakhs | | Rupees in lakhs | |
| | Assets | Liabilities | Assets | Liabilities |
| USD | 23.64 | 0.00 | 1,764.60 | 0.06 |

| 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 |

For the year ended December 31, 2021, every 5% increase/decrease of the respective foreign currencies compared to functional currency of the Company would impact operating margins by (+/-) Rupees 0.88 lakhs (+/- .20%). For the year ended December 31, 2020, operating margins would increase/decrease by (+/-) Rupees 66.14 lakhs (+/- 26.83%). 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) | |
|--|-------------------------|-------------------------|
| | As at December 31, 2021 | As at December 31, 2020 |
| 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 |

30.2 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, 2021 | As at December 31, 2020 |
|---------------------------|-------------------------|-------------------------|
| Trade receivables | 1,258.46 | 1,119.88 |
| Cash and cash equivalents | 568.07 | 675.96 |
| Other bank balances | 10.16 | 10.00 |
| Loans | 4.55 | 4.00 |
| Other financial assets | 28.35 | 122.86 |
| Total | 1,869.59 | 1,932.70 |

Financial liabilities maturing within one year:

(Rupees in lakhs)

| Particulars | As at December 31, 2021 | As at December 31, 2020 |
|------------------------------|-------------------------|-------------------------|
| Trade payables | 908.02 | 605.39 |
| Others financial liabilities | 292.64 | 496.39 |
| Total | 1,200.66 | 1,101.78 |

Financial liabilities maturing after one year:

(Rupees in lakhs)

| Particulars | As at December 31, 2021 | As at December 31, 2020 |
|------------------------------|-------------------------|-------------------------|
| Others financial liabilities | 13.54 | 572.56 |
| Total | 13.54 | 572.56 |

30.3 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, 2021 | As at December 31, 2020 |
|------------------------------------|-------------------------|-------------------------|
| <= 6 months | 1,204.23 | 1,116.07 |
| > 6 months but <= 1 year | 38.37 | 3.99 |
| > 1 year | 39.16 | 2.34 |
| Provision for doubtful receivables | (23.31) | (2.52) |



30.4 Financial Instruments

The carrying value and fair value of financial instruments by categories as at December 31, 2021 are as follows:

(Rupees in lakhs)

| 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 | | | |
| Assets | | | | | | | | |
| Cash and cash equivalents | 568.07 | - | - | - | - | - | 568.07 | 568.07 |
| Other bank balances | 10.16 | - | - | - | - | - | 10.16 | 10.16 |
| Loans | 5.66 | - | - | - | - | - | 5.66 | 5.66 |
| Trade receivables | 1,258.46 | - | - | - | - | - | 1,258.46 | 1,258.46 |
| Other financial assets | 28.35 | - | - | - | - | - | 28.35 | 28.35 |
| Total | 1,870.70 | - | - | - | - | - | 1,870.70 | 1,870.70 |
| Liabilities | | | | | | | | |
| Trade payables | 908.02 | - | - | - | - | - | 908.02 | 908.02 |
| Other financial liabilities | 306.18 | - | - | - | - | - | 306.18 | 306.18 |
| Total | 1,214.20 | - | - | - | - | - | 1,214.20 | 1,214.20 |

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

(Rupees in lakhs)

| 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 | | | |
| Assets | | | | | | | | |
| 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 |
| Total | 1,978.19 | - | - | - | - | - | 1,978.19 | 1,978.19 |
| Liabilities | | | | | | | | |
| Trade payables | 605.39 | - | - | - | - | - | 605.39 | 605.39 |
| Other financial liabilities | 1,068.95 | - | - | - | - | - | 1,068.95 | 1,068.95 |
| Total | 1,674.34 | - | - | - | - | - | 1,674.34 | 1,674.34 |

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

(Rupees in lakhs)

| Particulars | As at December 31, 2021 | | | As at December 31, 2020 | | |
|--|-------------------------|---------|---------|-------------------------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| Financial assets measured at fair value: | - | - | - | - | - | - |
| Forward contracts receivable | - | - | - | - | - | - |



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

| Particulars | (Rupees in lakhs) | |
|---|----------------------------|----------------------------|
| | As at December 31, 2021 | As at December 31, 2020 |
| I. Contingent liabilities | | |
| a) Bank guarantee given by bank on behalf of the Company | 10.16 | 10.00 |
| b) Provident Fund | | |
| 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. | | |

32. Earnings per share (basic and diluted)

| Particulars | Year ended December 31, 2021 | Year ended December 31, 2020 |
|---|---------------------------------|---------------------------------|
| Net profit (loss) after tax attributable to equity shareholders (Rupees in lakhs) | 273.53 | 52.33 |
| Weighted average number of shares outstanding during the period (Nos.) | 31,40,000 | 31,40,000 |
| Basic and diluted earning per share (Rupees) (not annualised) | 8.71 | 1.67 |

33. Related party disclosures

| List of related parties | Relationship |
|--|---|
| Related parties where control exists | |
| S&P Global Inc. | The Ultimate Holding Company |
| CRISIL Limited | Holding Company |
| Other related parties* | |
| CRISIL Irevna US LLC | Fellow subsidiary |
| CRISIL Risk and Infrastructure Company Limited | Fellow subsidiary |
| Key Managerial Personnel | |
| Mr. Anupam Kaura | Director |
| Mr. Sanjay Chakravarti | Director |
| Mr. Amish Mehta | Director (up to December 6, 2021) |
| Ms. Priti Arora | Additional Director (w.e.f. December 6, 2021) |

*To the extent transactions have actually taken place

| Transactions with related parties | | (Rupees in lakhs) | |
|---|--|---------------------------------|---------------------------------|
| Name of the related party | Nature of transaction / outstanding balances | Year ended December 31, 2021 | Year ended December 31, 2020 |
| CRISIL Limited | Professional services rendered | 129.36 | - |
| | Reimbursement of expense paid | 305.84 | 96.84 |
| | Reimbursement of expense (ESOS) paid | 30.61 | 49.56 |
| | Share of overhead expenses | 614.74 | 532.31 |
| | Purchase of property, plant and equipment | - | 0.08 |
| | Interest charge on loan taken | 0.30 | 0.73 |
| | Loan taken | 50.00 | - |
| | Repayment of loan | 50.00 | 275.00 |
| | Transfer of employee related liability | 32.71 | 6.48 |
| | Dividend Paid | 200.00 | - |
| | Amount payable | 453.03 | 396.08 |
| CRISIL Irevna US LLC | Liability no longer required written back | - | 77.52 |
| | Professional services rendered by PSPL | 34.19 | 13.07 |
| | Amount receivable | 3.49 | 113.55 |
| CRISIL Risk and Infrastructure Solution Limited | Reimbursement of resource cost | 364.15 | - |
| | Expenses recovered | 2.61 | 4.92 |
| | Reimbursement of expense paid | 220.67 | 253.61 |
| | Amount receivable | 240.65 | 0.05 |
| | Amount payable | 19.01 | 49.28 |

34. Auditors' Remuneration

| Particulars | (Rupees in lakhs) | |
|------------------------|---------------------------------|---------------------------------|
| | Year ended December 31, 2021 | Year ended December 31, 2020 |
| Audit fees | 9.00 | 8.00 |
| Tax audit fees | 1.50 | 1.50 |
| In any other matter: | | |
| Out of pocket expenses | 0.05 | 0.26 |
| Total | 10.55 | 9.76 |



35. 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.

| Particulars | (Rupees in lakhs) | | | |
|---------------------------------|-------------------|-----------------|-------------------|-----------------|
| | December 31, 2021 | | December 31, 2020 | |
| | Revenue | Total assets | Revenue | Total assets |
| India | 2,602.42 | 1,385.89 | 1,150.95 | 2,363.40 |
| North America | 73.03 | 122.82 | 149.68 | 266.56 |
| Asia other than India and Dubai | 53.88 | 1,103.69 | 62.41 | 52.57 |
| Dubai | 2,369.79 | 888.81 | 2,661.54 | 840.71 |
| Total | 5,099.12 | 3,501.21 | 4,024.58 | 3,523.24 |

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 Rupees 2043.77 lakhs (December 31, 2020 Rupees 2167.38 lakhs)

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

36. 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 summaries 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)

| Particulars | (Rupees in lakhs) | |
|--|--|--|
| | As at December 31, 2021 | As at December 31, 2020 |
| Current service cost | 30.48 | 30.17 |
| Interest cost on defined benefit obligation | 4.68 | 4.14 |
| Re-measurement actuarial gain/(loss) recognised in OCI | 0.27 | 19.21 |
| Adjustment | 11.96 | 0.44 |
| Net gratuity benefit expense | 47.39 | 53.96 |
| Assumptions | | |
| Interest rate | 6.20% | 6.80% |
| Salary increase | 10% for first 4 years starting 2022 7% thereafter | 10% for first 4 years starting 2021 7% thereafter |

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

| Particulars | As at | As at |
|---|-------------------|-------------------|
| | December 31, 2021 | December 31, 2020 |
| | Rupees in lakhs | Rupees in lakhs |
| Opening defined benefit obligation | 62.91 | 53.59 |
| Opening defined benefit obligation in respect of Dubai branch | 59.23 | 29.80 |
| Current service cost | 30.48 | 30.17 |
| Interest cost | 4.68 | 4.14 |
| Benefits paid | (19.32) | (8.62) |
| Acquisitions (credit)/ cost | (14.03) | (6.93) |
| Actuarial (gain)/loss - experience | 9.49 | 3.72 |
| Actuarial (gain)/loss - financial assumptions | (9.26) | 15.29 |
| Closing defined benefit obligation | 124.18 | 121.16 |

Expected benefit payments for the year ending

| Particulars | Rupees in lakhs |
|--|-----------------|
| December 31, 2022 | 18.55 |
| December 31, 2023 | 21.70 |
| December 31, 2024 | 24.49 |
| December 31, 2025 | 25.15 |
| December 31, 2026 | 26.22 |
| December 31, 2027 to December 31, 2031 | 159.85 |

The principal assumptions used in determining gratuity for

| Particulars | Year ended | Year ended |
|-----------------------|-------------------|-------------------|
| | December 31, 2021 | December 31, 2020 |
| Discount rate - India | 6.20% | 6.80% |
| Discount rate - Dubai | 2.90% | 3.70% |
| Service years | Rates | Rates |
| 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 | (3.70) |
| Effect on DBO due to 0.5% decrease in Discount rate | 3.95 |

| Salary escalation rate | Rupees in lakhs |
|--|-----------------|
| Effect on DBO due to 0.5% increase in Salary escalation rate | 3.97 |
| Effect on DBO due to 0.5% decrease in Salary escalation rate | (3.83) |

(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, 2021 | Year ended December 31, 2020 |
| Contribution to provident and other funds | 51.81 | 46.96 |

(iii) The expenses for compensated absences have been recognised in the same manner as gratuity and a provision of Rupees 129.17 lakhs has been made as at December 31, 2021 (Rupees 103.49 lakhs as at December 31, 2020).

37. 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.

38. Operating lease

38.1 The following is the movement in lease liabilities

| Particulars | (Rupees in lakhs) | |
|---|----------------------------|----------------------------|
| | As at December 31, 2021 | As at December 31, 2020 |
| Balance at the January 1, 2021 | 828.90 | - |
| Additions (transitional impact on adoption of Ind AS 116) | - | 999.15 |
| Add: Interest recognised during the year | 17.93 | 75.75 |
| Less: Waiver of lease payment | - | 13.51 |
| Less: Payment made | 128.03 | 232.49 |
| Less: Deduction | 718.80 | - |
| Balance at the December 31, 2021 | - | 828.90 |

38.2 The table below provides details regarding the contractual maturities of lease liabilities as at 31 December 2021 on an undiscounted basis

| Particulars | (Rupees in lakhs) | |
|----------------------|-------------------|--|
| | Year ended | |
| Less than one year | 3.54 | |
| One to five years | - | |
| More than five years | - | |
| Total | 3.54 | |

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 Rupees 116.39 lakhs for the year ended December 31, 2021 and Rupees 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 Rupees 17.93 lakhs for the year ended December 31, 2021 and Rupees 75.75 lakhs for the year ended December 31, 2020 under finance costs. (Refer note 27)

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

39. Unhedged foreign currency

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

| Particulars | As at December 31, 2021 Foreign currency in lakhs | | As at December 31, 2021 Rupees in lakhs | |
|-----------------|--|-------------|--|-------------|
| | Assets | Liabilities | Assets | Liabilities |
| Currency USD | 23.64 | 0.00 | 1,764.60 | 0.06 |

| Particulars | 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 |

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

41. The management of the Company has approved arrangement for amalgamation of the Company ("Transferor Company") as a going concern with the CRISIL Limited (the "Transferee Company") in its meeting held on December 13, 2021. Following the closing of the aforesaid filings and obtaining necessary approvals from various regulatory authorities, the amalgamated entity will continue its operations under the name of "CRISIL Limited". The Company has already filed necessary applications to the National Company Law Tribunal (NCLT) on December 27, 2021 for the underlying scheme and awaiting required regulatory approvals.



42. 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 Chandiook & Co LLP

Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-

Manish Gujral
Partner
Membership No.: 105117

Place: Mumbai
Date: January 27, 2022



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

Sd/-

Sanjay Chakravarti
Director
DIN - 05246624
Place: Mumbai

Date: January 27, 2022

Sd/-

Anupam Kaura
Director
DIN - 07790067
Place: Mumbai

