The background of the entire page is a close-up, macro photograph of a leaf's vein structure. The veins are dark brown and form a complex, branching network. The leaf surface is a mix of light blue and green, with numerous small, bright yellow and orange spots scattered throughout, giving it a textured, almost crystalline appearance.

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for global enterprises**

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# Board of Directors



**Puneet Bhatia**, Chairman - Non Executive Director

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Puneet Bhatia is the Co-Managing Partner for TPG Capital Asia and the head of TPG Capital India. He has created and led twenty transactions for TPG Capital in India including Matrix Laboratories, Vishal Retail, the Shriram group in four of their group companies, Manipal Hospitals, and Jana Bank, UPL Corp, Sai Pharma and RR Kabel and recently in Altimetric, Grihum and in Fractal. He currently serves on most of the Board of Directors of these companies.

Prior to joining TPG in April 2002, Mr. Bhatia was Chief Executive, Private Equity Group for GE Capital India ("GE Capital"), where he was responsible for conceptualizing and creating its direct and strategic private equity investment group.



**Gavin Patterson**, Non Executive Director

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Gavin has significant international senior leadership experience and has served on boards for companies across FTSE, NASDAQ, AIM and for private equity, as well as charities and educational establishments. He has worked across airlines, business services, consumer products, software, technology, telecommunications and the third sector.

His portfolio includes chairing Elixirr plc, Beamery Inc, Kraken Technologies and Kahoot!, while also serving on the boards of Wix Inc, Ocado Group, Fractal Analytics, X3T and Malt. He acts as a Senior Advisor to Octopus Energy, Celonis, CAA, Alix Partners and Blackstone. He chairs the British-American Business Association.

He completed his executive career as President and Chief Revenue Officer at Salesforce from 2019-23. Previously, he served on the board of BT Group plc for 11 years, including six as CEO from 2013-19.



**Rohan Haldea**, Non Executive Director

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Rohan Haldea is a Partner in the Tech team and his responsibilities also include the Apax Foundation and overseeing Apax India. Rohan joined Apax in 2007 and is based in the London office. He has both led and participated in a number of key deals including Infogain, Cyderes, Coalfire Systems, Fractal Analytics, ThoughtWorks, Grupo Engineering, EVRY, GlobalLogic, iGATE, Tivit S.A., NXP and Orange Switzerland.

Prior to joining Apax, Rohan was an Associate at Bain Capital in their North American private equity division. Prior to that, Rohan was a consultant at McKinsey and Co.

Rohan holds a Bachelor of Technology in Manufacturing Sciences and Engineering from the Indian Institute of Technology, New Delhi and an MBA from Harvard Business School.



**Vivek Mohan**, Non Executive Director

Vivek Mohan is a Managing Director at TPG Capital India based in Mumbai. He has created and been involved in over 8 investments totalling over \$2bn including Fractal Analytics, Altimetrik and Jio Platforms at TPG. Prior to joining TPG in 2019, Vivek was a Vice President at TA Associates, where he headed technology coverage in South Asia. He was earlier part of investment banking teams at Morgan Stanley in Asia and Goldman Sachs in London.

Vivek was born, grew up and raised in India and has an MBA from the Indian Institute of Management (IIM), Calcutta where he was an Aditya Birla Scholar, and B.E.(Honours) in electrical engineering from the Birla Institute of Technology & Sciences, Pilani.



**Sasha Mirchandani**, Non Executive Director

Sasha Mirchandani is Founder & Managing Partner at Kæ Capital. Previously, he was at BlueRun Ventures as Managing Director for India. Before joining BlueRun Ventures he was CEO and Founder of Imercius Technologies.

Sasha sits on the Boards of Nazara Technologies Limited, HealthKart, W P Organisation (Mumbai Chapter) among others. Previously he served on the Boards of Zee Entertainment, Myntra, Tata 1Mg, Ador Welding Limited, Hathway Cable and Datacom Limited, among others.

He was inducted into their 2019 Hall of Fame as an Outstanding Angel Investor. His investments include Zetwerk, Porter, InMobi, Myntra, Tata 1Mg etc.

He completed his Business Administration from Strayer University and did his MMDP at IIM Ahmedabad.

## Board of Directors



**Karenann Terrell**, Independent Director

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Karenann Terrell is the former Chief Digital and Technology Officer for GlaxoSmithKline, overseeing IT, data, analytics, and digital transformation. Before GSK, she was CIO at Walmart (2010-2017), Baxter International, and Daimler Chrysler, and began her career at General Motors as an electrical engineer. Currently, she is a Senior Advisor for Insight Partners, LLC, a board member for public and private companies. She has received numerous accolades, including "CIO of the Year" and is leading advocate of Women in Technology. She holds an Electrical Engineering degree from Kettering University and Masters from Purdue University.



**Neelam Dhawan**, Independent Director

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Neelam is currently a Non-Executive Director at ICICI Bank Limited, Hindustan Unilever Limited, Tech Mahindra Limited, Capita PLC and Yatra Online Inc. She is also the Chairperson of Capillary Technologies, a young startup. She is on the Governing Board of IIT, Delhi. She also advises and mentors various organizations on business transformation.

Over several years, leading business journals such as Fortune, Forbes and Business Today have recognized her as one of the Most Powerful Women in Business.

Her main area of expertise is managing complex technology businesses in highly matrixed organizations. She has experience of IT transformation across multiple industries: banking and finance, telecommunications, manufacturing, health care and government.



**Janaki Akella**, Independent Director

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Janaki currently serves as an Independent Director (Chair, Business Security and Resilience committee and audit committee) on the Board of Directors of Southern Company, a public Gas and Electric Utility company and as an Independent Director (Operational risk compliance and audit committees) on the Board of Directors of Sallie Mæ, a company, offering private education loans & Education Services.

She previously held key executive roles at Google, McKinsey & Company, and Hewlett Packard. Her background includes digital transformation, strategy and operations, cloud and AI/ML based solutions and business security and sustainability. She has also been recognized as one of the Top 100 AAPI Board Members Making a Difference (Board Prospects).

Her appointment underscores Fractal's commitment to leveraging top-tier talent to drive innovation and growth. Janaki holds a Ph.D. in Electrical and Computer Engineering from Carnegie Mellon University, an M.S. from Boston University, and a B.E. (Honors) from the College of Engineering, Guindy (India).



**Srikanth Velamakanni**, Group Chief Executive and Vice Chairman, Fractal Group of companies

Srikanth is the Executive Vice Chairman of Fractal. He leads the Fractal Group of companies which includes Fractal.ai & Fractal alpha.

He serves as a member of the executive council at NASSCOM and as an Independent Director at Metro Brands, BARC India & NIIT Ltd., and as a Non-Executive Chairman at ideaForge.

He is Co-founder and Trustee of Plaksha University. Prior to Fractal, Srikanth worked with ICICI Bank & ANZ Investment Bank.

Srikanth was awarded Young Alumni Achiever’s 2018-19 by IIM Ahmedabad.

He holds a B.Tech from IIT Delhi and an MBA from IIM Ahmedabad.



**Pranay Agrawal**, Chief Executive Officer, Fractal

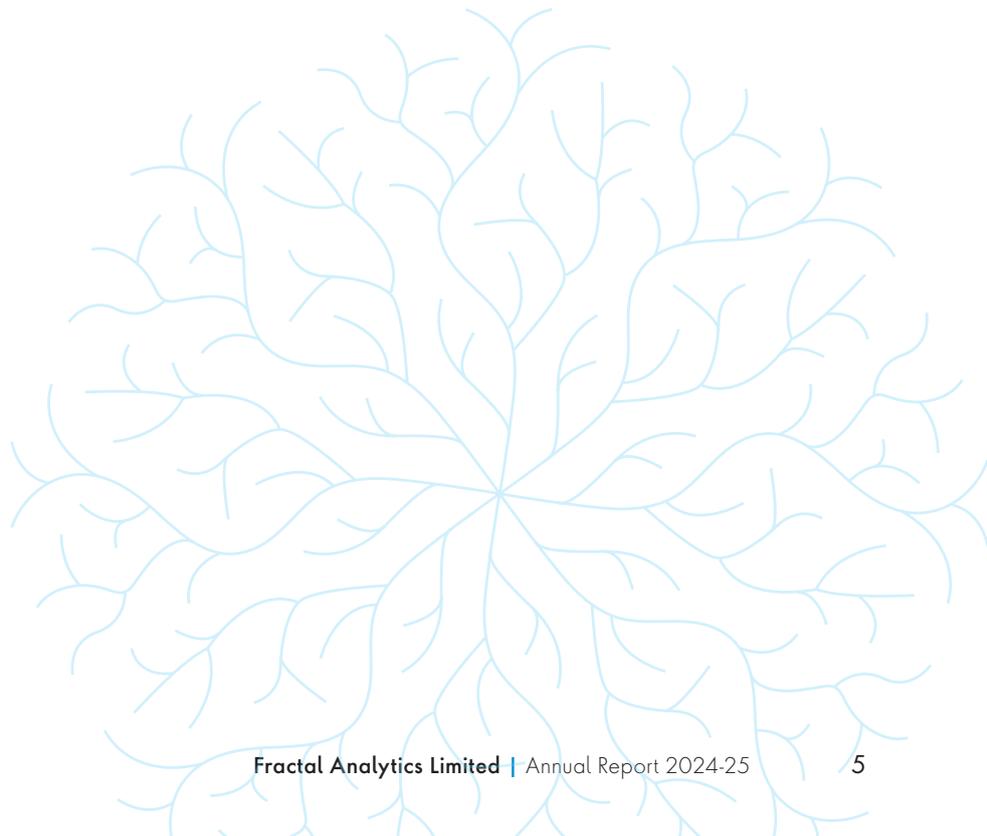
Pranay Agrawal is the CEO of Fractal.

He is a certified Financial Risk Manager from the Global Association of Risk Professionals and recognized as one of Analytics India Magazine’s Top 20 CEOs of Data Science Service Providers 2023.

Prior to Fractal, Pranay has also worked with financial institutions – ICICI Bank & ANZ Grindlays Bank.

Pranay was awarded Young Alumni Achiever’s 2018-19 by IIM Ahmedabad.

He holds B. Com degree from Bangalore University and a post-graduate diploma in management from IIM Ahmedabad.



# Notice

**NOTICE IS HEREBY GIVEN THAT THE 25<sup>TH</sup> ANNUAL GENERAL MEETING ('AGM') OF THE MEMBERS OF FRACTAL ANALYTICS LIMITED ('COMPANY') WILL BE HELD ON TUESDAY, JULY 15, 2025, AT 11:00 AM (IST), AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT LEVEL 7, COMMERZ II, INTERNATIONAL BUSINESS PARK, OBEROI GARDEN CITY, OFF. WESTERN EXPRESS HIGHWAY, GOREGAON (EAST), MUMBAI 400063 TO CONSIDER AND TRANSACT THE FOLLOWING BUSINESS:**

## **ORDINARY BUSINESS:**

**Item No. 1 – Adoption of Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2025, and the reports of the Board of Directors and Auditors thereon**

To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended March 31, 2025, and the reports of the Board of Directors and Auditors thereon and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**:

**“RESOLVED THAT** the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2025, along with the reports of the Board of Directors and the Auditors, as circulated to the members, be and are hereby considered and adopted.”

**Item No. 2 – Appointment of Mr. Rohan Haldea (DIN: 08335883) as a Director, liable to retire by rotation**

To appoint a director in place of Mr. Rohan Haldea (DIN: 08335883), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, seeks re-appointment and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 152 of the Companies Act, 2013, Mr. Rohan Haldea (DIN: 08335883), director, who retires by rotation and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company.

**RESOLVED FURTHER THAT** each of the Directors of the Company or Ms. Somya Agarwal, Company Secretary of the Company, be and are hereby severally authorized to certify a copy of the above resolution and issue the same to all concerned parties.”

**Item No. 3 – Appointment of Mr. Gavin Echlin Patterson (DIN: 08553630) as a Director, liable to retire by rotation**

To appoint a director in place of Mr. Gavin Echlin Patterson (DIN: 08553630), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, seeks

re-appointment and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 152 of the Companies Act, 2013, Mr. Gavin Echlin Patterson (DIN: 08553630), director, who retires by rotation and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a director of the Company.

**RESOLVED FURTHER THAT** each of the directors of the Company or Ms. Somya Agarwal, Company Secretary of the Company, be and are hereby severally authorized to certify a copy of the above resolution and issue the same to all concerned parties.”

## **SPECIAL BUSINESS:**

**Item No. 4 – To consider and approve the remuneration payable to Ms. Chetana Kumar, within the range of ₹ 1,30,00,000 per annum to ₹ 1,57,65,750 per annum for FY 2025-26 and thereafter pursuant to her appointment to office/place of profit in the Company**

To consider and approve the remuneration payable to Ms. Chetana Kumar, within the range of ₹ 1,30,00,000 per annum to ₹ 1,57,65,750 per annum (fixed + variable pay per annum) for FY 2025-26 and thereafter pursuant to her appointment to office/place of profit in the Company and to pass, with or without modification(s), the following resolution as an **ordinary resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 188 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules 2014 and other applicable provisions of the Companies Act 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members be and is hereby accorded on the remuneration payable for FY 2025-26 and thereafter, to Ms. Chetana Kumar, Head - Corporate Social Responsibility and Special Projects (spouse of Mr. Srikanth Velamakanni, Whole-time Director of the Company), within the range of ₹ 1,30,00,000 per annum to ₹ 1,57,65,750 per annum (fixed + variable pay per annum), pursuant to her appointment to office/ place of profit in the Company.

**RESOLVED FURTHER THAT** any increase in the remuneration payable to Ms. Chetana Kumar over and above the prescribed limit shall require fresh approval.

**RESOLVED FURTHER THAT** pursuant to Section 189 read with Rule 16 of the Companies (Meeting of Board and its Powers) Rules 2014 and other applicable provisions of the Companies Act 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), each of the directors of the Company, Ms. Somya Agarwal, Company Secretary of the Company and/ or Mr. Ashwath Bhat or Mr. Abhishek Rathi, authorized signatories of the Company be and are hereby

severally authorized to do the necessary entries in the register of contracts or arrangements in which directors are interested and authenticate them and do all such acts, deeds and things in accordance with applicable laws, as may be required for and on behalf of the Company pursuant to, or for giving effect to the foregoing resolution including without limitation signing, issuing and delivering a certified true copy of the foregoing resolution to any concerned persons, as may be required."

For and on behalf of Board of Directors  
of **Fractal Analytics Limited**

sd/-

**Somya Agarwal**

Company Secretary  
M No: A17336

Place: Mumbai

Date: May 21, 2025

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXIES, IN ORDER TO BE VALID, MUST BE COMPLETELY FILLED, STAMPED, SIGNED AND RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN TWENTY-FOUR (24) HOURS BEFORE THE COMMENCEMENT OF THE ENSUING ANNUAL GENERAL MEETING. THE MEMBERS ARE ALSO REQUESTED TO SHARE THE SCANNED COPY OF THE FORM AT [SOMYA.AGARWAL@FRACTAL.AI](mailto:SOMYA.AGARWAL@FRACTAL.AI)
3. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. Corporate members/ Institutional Investors who are intending to appoint their authorised representatives pursuant to Section 113 of the Companies Act, 2013

to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

5. The attendance slip for the members is annexed hereto this notice. Members should bring the attendance slips duly filled in at the meeting to avoid any inconvenience.
6. Pursuant to the Secretarial Standard-2 on "General Meetings" issued by the Institute of Company Secretaries of India (ICSI), brief resume and relevant details of the Directors proposed to be appointed at the ensuing Annual General Meeting is stated in the **Annexure** to the Notice.
7. Explanatory Statement as required to be furnished under Section 102 of the Companies Act, 2013 is annexed to this notice.
8. All documents referred to in the notice along with the Register of Directors and Key Managerial Personnel and their Shareholdings, as maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested as maintained under Section 189 of the Companies Act, 2013 will be open for inspection by the members at the registered office of the Company prior to the date of the meeting during normal business hours on working days and will also be made available for inspection at the ensuing annual general meeting.
9. Members are requested to intimate changes, if any about their name, postal address or email address, PAN, etc. to their Depository Participant ("DP") in case the shares are held in electronic form and to the Company in case shares are held in physical form immediately and enclosing the self-attested supporting documents.
10. Electronic copy of the annual report is being sent to all the members whose email ids are registered with the Company for communication purposes unless any member has requested for a hard/physical copy of the same. In case you wish to get a hard/physical copy of the annual report, you may write to the Company in advance at [secretarial@fractal.ai](mailto:secretarial@fractal.ai).
11. Members who hold shares in hard/physical form are advised to dematerialize their shareholding.
12. Route-map to the venue of the ensuing annual general meeting is enclosed at the end of the Notice.

## Annexures to the Item no. 2 & 3

Pursuant to the Secretarial Standard-2 on "General Meetings" issued by the Institute of Company Secretaries of India (ICSI), brief resume and relevant details of the Directors proposed to be appointed at the ensuing Annual General Meeting are stated below:

Name	<b>Mr. Rohan Haldea</b>	<b>Mr. Gavin Echlin Patterson</b>
DIN	08335883	08553630
Date of Birth (Age)	23 December 1978 (46 years)	6 September 1967 (57 years)
Nationality	British Citizen	British Citizen
Date of first appointment on the Board	15 February, 2019	10 September, 2019
Designation	Non- Executive Director	Non- Executive Director
Qualification	<ul style="list-style-type: none"> <li>Bachelor of Technology in Manufacturing Science and Engineering from IIT Delhi</li> <li>Master in Business Administration from Harvard University</li> </ul>	<ul style="list-style-type: none"> <li>Master of Engineering from Cambridge University</li> <li>Master of Arts from Cambridge University</li> </ul>
Experience/ Expertise	He has been associated with Apax Partners LLP since 2007 and is currently their partner.	He is currently on the board of directors of Ocado and Wix. He serves as a non-executive chairman on the board of directors of Elixirr International Plc and 'Kahoot!'. He is also Chair of the Board at Alzheimer's Research UK. Previously, he was also CEO and director on the board of BT Group Plc and President and Chief Revenue Officer at Salesforce and has also been a member on the board of British Airways Plc.
Terms and Conditions of Appointment or Re-appointment.	Re-appointment as Director of the Company, liable to retire by rotation to comply with the provisions of Section 152 of the Companies Act, 2013	Re-appointment as Director of the Company, liable to retire by rotation to comply with the provisions of Section 152 of the Companies Act, 2013
Remuneration sought to be paid	Not Applicable	Not Applicable
Remuneration last drawn	Not Applicable	Not Applicable
Number of Board Meetings attended during their tenure in the F.Y. 2024-25	05	05
Shareholding in the Company (Equity Shares of ₹ 1/- each).	Nil	61,199
List of Directorship held in other Companies (including Private Limited Companies)	<ol style="list-style-type: none"> <li>Anthracite Topco Inc</li> <li>IG Topco Corporation</li> <li>Reaper Topco Limited</li> <li>Thoughtworks Holding Inc</li> </ol>	<ol style="list-style-type: none"> <li>Tario Ventures Ltd</li> <li>Elixirr International PLC</li> <li>Mobileum</li> <li>Tario Partners Members Ltd</li> <li>WIX</li> <li>Kahoot!</li> <li>X3T</li> <li>Beamery</li> <li>Malt</li> <li>London School of Economics and Political Science</li> <li>Ocado Group PLC</li> <li>Zayo Europe Limited</li> <li>Writer EMEA Advisory Board</li> <li>Alzheimer's Research UK</li> <li>Applogic LLC</li> </ol>
Membership/ Chairmanship of Committees of other Boards	<ol style="list-style-type: none"> <li>Thoughtworks Holding Inc - Compensation and Talent Committee - Member</li> </ol>	<ol style="list-style-type: none"> <li>WIX - Compensation Committee - Member</li> <li>Elixirr International PLC - Nomination Committee - Chairperson</li> <li>Elixirr International PLC - Remuneration Committee - Chairperson</li> <li>Beamery - Compensation Committee - Member</li> <li>Ocado Group PLC - People Committee - Member</li> <li>Ocado Group PLC - Remuneration Committee - Member</li> <li>Kahoot! - Nomination and Remuneration Committee - Member</li> </ol>
Relationship with other Directors, KMP of the Company.	None	None

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 sets out all material facts relating to the business mentioned under Item 4 of the AGM Notice.

### Item No. 4

#### **APPROVAL OF THE REMUNERATION PAYABLE TO MS. CHETANA KUMAR, WITHIN THE RANGE OF ₹ 1,30,00,000 PER ANNUM TO ₹ 1,57,65,750 PER ANNUM FOR FY 2025-26 AND THEREAFTER PURSUANT TO HER APPOINTMENT TO OFFICE/ PLACE OF PROFIT IN THE COMPANY**

The Members are informed that the position of Ms. Chetana Kumar (Spouse of Mr. Srikanth Velamakanni, Whole-time Director of the Company) in the Company, as a Head - Corporate Social Responsibility and Special Projects is treated as an office/place of profit under Section 188 of the Companies Act, 2013 read with relevant rules thereunder.

It is proposed that the remuneration payable to Ms. Chetana Kumar shall be within the range of ₹ 1,30,00,000 per annum to ₹ 1,57,65,750 per annum (fixed + variable pay per annum) for FY 2025-26 and thereafter.

Any payment of remuneration exceeding the above-mentioned thresholds to Ms. Chetana Kumar, shall require fresh approval.

Accordingly, the Board in its meeting held on May 20, 2025, on the basis of the recommendation of the Audit and Risk Committee at its meeting held on May 19, 2025, approved the said item, subject to the approval of the Members of the Company.

The Board hereby recommends the resolution as an Ordinary Resolution as set out in item no. 4 of the Notice for the approval of the Members of the Company.

None of the directors or their relatives, key managerial personnel or their relatives expect Mr. Srikanth Velamakanni, Whole-time director of the company and Spouse of Ms. Chetana Kumar, are in any way concerned or interested in the said resolution.

For and on behalf of Board of Directors  
of **Fractal Analytics Limited**

sd/-

**Somya Agarwal**

Company Secretary

M No: A17336

Place: Mumbai

Date: May 21, 2025

# Notice

## ATTENDANCE SLIP

Name of the Company	Fractal Analytics Limited
Registered office	Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon (East), Mumbai - 400063
CIN	U72400MH2000PLC125369
25 <sup>th</sup> Annual General Meeting - Tuesday, July 15, 2025, at 11:00 AM (IST).	

Registered Folio No.	
Client ID No.*	
DP ID No.*	
No. of Shares	

(\*Applicable for the shareholders holding shares in electronic form)

I certify that I am a member / proxy / authorized representative for the member of the Company.

I / We hereby record my / our presence at the 25<sup>th</sup> Annual General Meeting of the Company held on Tuesday, July 15, 2025, at 11:00 AM (IST) at the registered office at Level 7, Commerz II, International Business Park, Oberoi Garden City, Off W.E. Highway, Goregaon (East), Mumbai 400063.

Name/s and address of the Shareholder(s)	
Joint Holder 1 (in Block Letters)	
Joint holder 2 (in Block Letters)	
Name of the Proxy (in Block Letters)	
Signature of the Shareholder / Proxy	

NOTE: Members / Proxies are requested to bring this attendance slip with them.

**PROXY FORM**  
**Form No. MGT-11**

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Company	Fractal Analytics Limited
Registered office	Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon (East), Mumbai - 400063
CIN	U72400MH2000PLC125369
25 <sup>th</sup> Annual General Meeting - Tuesday, July 15, 2025, at 11:00 AM (IST).	
Name of the member(s):	
Registered address:	
E-mail Id:	
Folio No. / Client ID	
DP ID No.*	

(\*Applicable for the shareholders holding shares in electronic form)

I / We, being the member (s) of ..... shares of the above-named Company, hereby appoint:

Name: .....

Address: .....

E-mail Id:.....;

Signature:.....

or failing him / her

Name: .....

Address: .....

E-mail Id:.....;

Signature:.....

# Notice

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 25<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday, July 15, 2025, at 11:00 AM (IST) at Level 7, Commerz II, International Business Park, Oberoi Garden City, Off W.E. Highway, Goregaon (East), Mumbai 400063, and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Particulars
<b>Ordinary Business:</b>	
1.	Adoption of Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2025, and the reports of the Board of Directors and Auditors thereon.
2.	Appointment of Mr. Rohan Haldea as a Director, liable to retire by rotation.
3.	Appointment of Mr. Gavin Echlin Patterson as a Director, liable to retire by rotation.
<b>Special Business:</b>	
4.	Approval of the remuneration payable to Ms. Chetana Kumar, within the range of ₹ 1,30,00,000 per annum to ₹ 1,57,65,750 per annum for FY 2025-26 and thereafter pursuant to her appointment to office/ place of profit in the Company.

Signed this ..... day of....., 2025

.....  
Signature of Shareholder

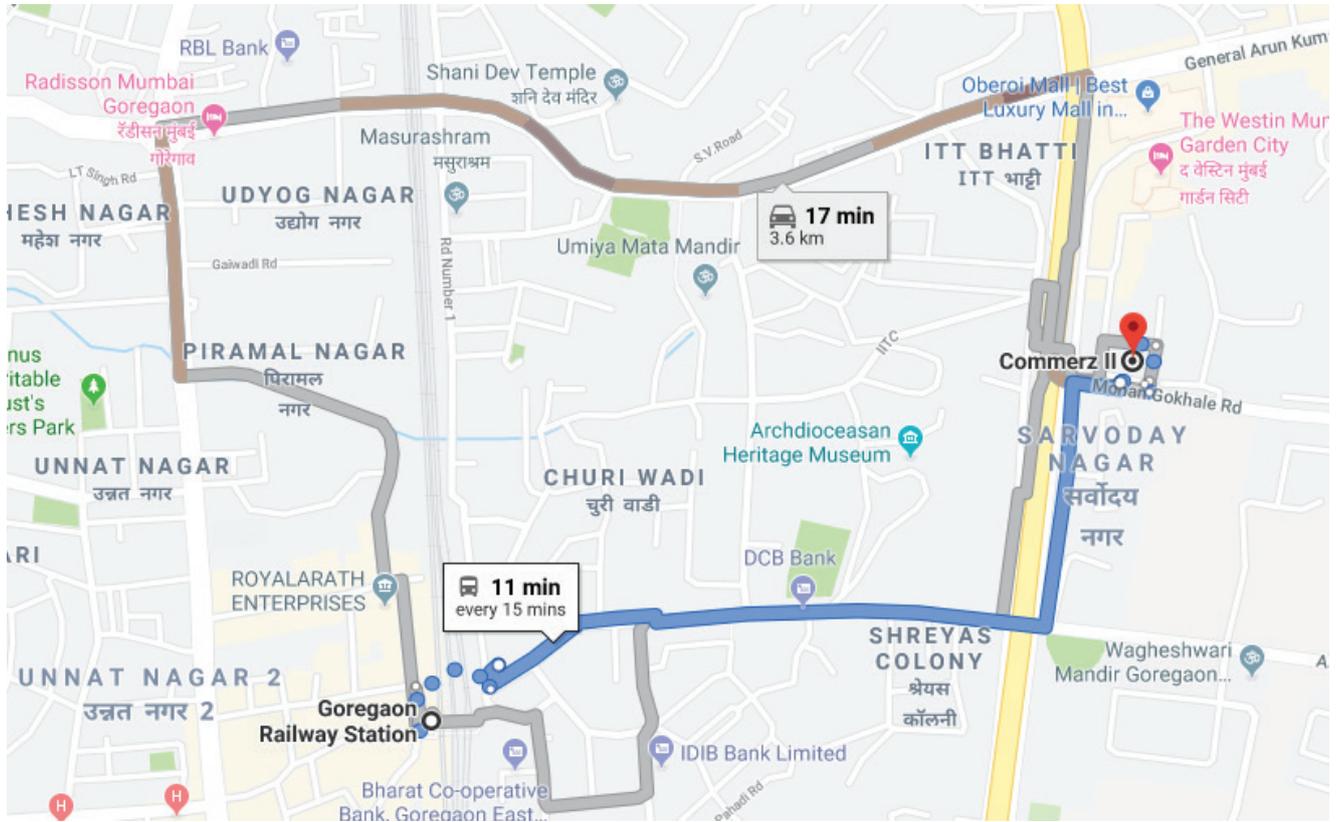


.....  
Signature of Proxy Holder(s)

## NOTE:

This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 24 hours before the commencement of the meeting. The members are also requested to share the scanned copy of the form at [somya.agarwal@fractal.ai](mailto:somya.agarwal@fractal.ai) before the commencement of the ensuing Annual General Meeting.

## ROUTE MAP FOR THE VENUE TO THE 25<sup>th</sup> ANNUAL GENERAL MEETING



### Fractal Analytics Limited

Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon (East), Mumbai-400063

# Board's Report

Dear Members,

Your Board of Directors ('the Board') hereby present the 25<sup>th</sup> Annual Report of the Company along with the Audited Financial Statements (standalone & consolidated) for the financial year ended March 31, 2025.

## Financial Performance of the Company

The Audited Financial Statements of your Company as on March 31, 2025, are prepared in accordance with the relevant applicable Indian Accounting Standards ("IndAs") and applicable provisions of the Companies Act, 2013 ("Act"). The summarized financial highlights as on March 31, 2025, is depicted below:

Particulars	Standalone		Consolidated	
	March 31, 2025 (in ₹ Million)	March 31, 2024* (in ₹ Million)	March 31, 2025 (in ₹ Million)	March 31, 2024 (in ₹ Million)
Total Income	14,905	11,972	28,162	22,419
Less: Total Expenses	13,042	11,162	25,755	22,506
<b>Profit/(Loss) before share of loss of an associate, exceptional items and tax expense</b>	<b>1,863</b>	<b>810</b>	<b>2407</b>	<b>(87)</b>
Share of (loss) of an associate			(297)	(163)
<b>Profit/(Loss) before exceptional items</b>	<b>1,863</b>	<b>810</b>	<b>2,110</b>	<b>(250)</b>
Less: Exceptional items	98	(483)	270	(55)
<b>Profit/(Loss) before tax</b>	<b>1,765</b>	<b>1,293</b>	<b>2,380</b>	<b>(305)</b>
Less: Provision for Tax	444	75	174	242
<b>Profit/(Loss) after Tax</b>	<b>1,321</b>	<b>1,218</b>	<b>2,206</b>	<b>(547)</b>
<b>Other comprehensive income/ (loss)</b>	<b>(37)</b>	<b>47</b>	<b>(50)</b>	<b>48</b>
<b>Total Comprehensive income/ (loss)</b>	<b>1,284</b>	<b>1,265</b>	<b>2,156</b>	<b>(499)</b>

\* The Company has acquired business of Senseforth AI Research Private Limited and accordingly the corresponding figures for the year ended March 31, 2024, of the standalone financial statements have been restated. For more details on the same, please refer Note no. 35 of the standalone financial statements of the Company.

## Overview of Company's Financial Performance/State of Company Affairs

At the standalone level, the total income of the Company during the financial year under review increased by 24.50% from 11,972 million in the previous financial year to 14,905 million. Profit before tax for the period under review stood at 1,765 million as against profit of 1,293 million in the previous financial year. Profit after tax for the period under review stood at 1,321 million as against profit of 1,218 million in the previous financial year.

At the consolidated level, the total income of the Company during the financial year under review increased by 25.62% from 22,419 million in the previous financial year to 28,162 million. Profit before tax stood at 2,380 million as against loss of 305 million in the previous financial year. Profit after tax stood at 2,206 million as against loss of 547 million in the previous financial year.

## Dividend

The Board believes that it is prudent to plough back the profits of your Company for its future growth, hence, the Board does not recommend any dividend for the financial year ended March 31, 2025.

## Transfer of Reserves

During the financial year under review, your Company do not propose to transfer any amount to reserves.

## Nature of Business and Changes During the year, if any

Your Company continues to provide advanced analytic services that help companies leverage data driven insights in taking informed and effective decisions by combining strengths of Artificial Intelligence, Engineering and Design along with domain expertise. As such, there was no change in the nature of business or operations of the Company during the financial year under review.

## Change in the Status of the Company

The status of the Company was changed from private to public limited company vide fresh certificate of incorporation dated May 16, 2024.

## Material Changes and Commitments, if any, Affecting the Financial Position of the Company, having occurred since the end of the year and till the date of the Report

There have been no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2024- 25 and the date of this Report.

## Company's Policy on Directors' Appointment and Remuneration Including Criteria for Determining Qualifications, Positive Attributes, Independence of a Director and other matters provided under sub-section (3) of Section 178

The Board, basis the recommendations of the Nomination and Remuneration Committee (NRC), at its meeting held on June 17, 2024, had adopted the Nomination and Remuneration Policy pursuant to the applicable provisions of Section 178(3) of the Act ; inter-alia, detailing the director's appointment, remuneration, criteria for determining qualifications, attributes, independence of a director and other matters. The said Nomination & Remuneration Policy is placed on the Company's website at <https://fractal.ai/>

## Board of Directors and Key Managerial Personnel (KMPs)

### A) Board of Directors

#### Constitution of Board of the Company

During the financial year under review, the Board was duly constituted in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company. As on March 31, 2025, the Board comprises of 10 (Ten) Directors.

#### Appointment and Resignation

During the financial year under review, changes in the composition of the Board of Directors were as follows:

- Pursuant to the terms of amended and restated Shareholders' Agreement dated December 12, 2021 read along with the amendment agreements ("SHA") thereof, and as recommended by the Nomination and Remuneration Committee, the Board on May 01, 2024, by way of a circular resolution, had approved the appointment of Mr. Sasha Gulu Mirchandani (DIN: 01179921) as an Additional Non-Executive Director of the Company w.e.f. April 26, 2024 and subsequently the Members of the Company at their 24<sup>th</sup> Annual General Meeting held on August 30, 2024, approved the appointment of Mr. Sasha Gulu Mirchandani (DIN: 01179921) as Non-Executive Director, liable to retire by rotation.
- Pursuant to the provisions of the Companies Act, 2013 (the 'Act') read with Schedule IV of the Act and in accordance with the memorandum of association and articles of association of the Company, amended and restated Shareholders' Agreement dated December 12, 2021 read along with the amendment agreements ("SHA") thereof, and as recommended by the Nomination and Remuneration Committee of the Board, the Board on July 26, 2024, by way of a circular resolution, had approved the appointment of Ms. Janaki Akella (DIN: 10680793) as an Additional Independent (Non-Executive) Director and subsequently the Members of the Company at

their 24<sup>th</sup> Annual General Meeting held on August 30, 2024, approved the appointment of Ms. Janaki Akella (DIN: 10680793) as an Independent Non-Executive director for a period of 3 (Three) consecutive years commencing from August 1, 2024 and who shall not be liable to retire by rotation. The Board are satisfied regarding the integrity, expertise and experience of Ms. Janaki Akella.

- Pursuant to the provisions of Section 196, 197, 198 and 203 of Companies Act 2013 and as recommended by the Nomination and Remuneration Committee of the Board, the Board on June 26, 2024 had approved the re-appointment of Mr. Srikanth Velamakanni (DIN: 01722758) as Whole-Time Director of the Company who was liable to retire by rotation and eligible to be reappointment and subsequently the Members of the Company at their 24<sup>th</sup> Annual General Meeting held on August 30, 2024, approved the re-appointment of Mr. Srikanth Velamakanni (DIN: 01722758) as Whole-Time Director for further period of 5 years effective from June 30, 2024 till June 29, 2029.
- Pursuant to the provisions of Section 152(6) and other applicable provisions of Companies Act 2013 and as recommended by the Nomination and Remuneration Committee of the Board, the Board on June 26, 2024 had approved the re-appointment of Mr. Pranay Agrawal (DIN: 00485739) as Director of the Company who was liable to retire by rotation and eligible to be reappointment and subsequently the Members of the Company at their 24<sup>th</sup> Annual General Meeting held on August 30, 2024, approved the re-appointment of Mr. Pranay Agrawal (DIN: 00485739) as Director.
- Mr. Anurag Sud (DIN: 09591664) who was appointed as Director of the Company, has resigned from the directorship of the Company with effect from the close of business hours of March 27, 2025, due to personal reasons. The Board took note of the same and placed on record its appreciation for the services rendered by him during his tenure on the Board.
- Mr. Gulu Mirchandani (DIN:00026664) who was appointed as Director of the Company, has resigned from the directorship of the Company with effect from the close of business hours of April 26, 2024, due to his increasing age limit and associated health issues. The Board took note of the same and placed on record its appreciation for the services rendered by him.

#### Changes in the Board composition post March 31, 2025

There were no changes in the Board composition post March 31, 2025, till signing of this report.

## Directors retiring by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Gavin Patterson (DIN: 08553630) and Mr. Rohan Haldea (DIN: 08335883), are liable to retire by rotation at the ensuing AGM and being eligible have offered their candidature for re-appointment. The Board recommends the same for approval of the Members of the Company.

As per the provisions of the Act, the Independent Directors are not liable to retire by rotation.

## B) Key Managerial Personnel

During the financial year under review, Mr. Srikanth Velamakanni (DIN: 01722758) was reappointed as Whole-Time Director for further period of 5 years effective from June 30, 2024 till June 29, 2029.

## C) Declaration of Independence

The Company has received declarations from the Independent Directors confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 along with the applicable rules framed thereunder.

The Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than commission, and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company. The Independent Directors have along with the declaration of independence under section 149(7) also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Director of the Company and the Board is satisfied of the integrity, expertise, and experience including proficiency in terms of Section 150(1) of the Companies Act, 2013 and applicable rules made thereunder.

## D) Annual Evaluation

The Board have taken note of the annual evaluation of the performance of Individual Directors, its Committees and Board at their meeting held on March 12, 2025, based on the recommendation of the Nomination and Remuneration Committee meeting held prior to it, pursuant to the provisions of the Companies Act, 2013 and evaluation policy as approved by the Board on July 25, 2023.

The Board and the Nomination and Remuneration Committee evaluated the performances of directors of the Company, its Committees, the Chairperson and the Board as a whole on the basis of various criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc and after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

Additionally, as per Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held to review the performances of the Non-Independent Directors, Board and Committee as a whole and to also review the performance of the Chairperson of the Company.

## Number of Board and Committee Meetings, Independent Director's Meetings and General Meetings

During the financial year under review, the Board meetings, Committee meetings, Independent Directors meetings were held physically/ through videoconferencing (VC), in accordance with provisions of the Companies Act, 2013 read with applicable rules made thereunder.

The details of Board meetings, Committee meetings, Independent Directors meeting and General meetings held during the financial year under review are provided herein below:

### 1. Board Meetings:

Total no of meetings held - 5 Meetings.

Sr. No.	Date of meeting	Number of meetings
1.	June 17, 2024	Board meeting (Serial number: 01/2024-25)
2.	June 26, 2024	Board meeting (Serial number: 02/2024-25)
3.	September 04, 2024	Board meeting (Serial number: 03/2024-25)
4.	December 11, 2024	Board meeting (Serial number: 04/2024-25)
5.	March 12, 2025	Board meeting (Serial number: 05/2024-25)

The intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013.

### 2. Independent Directors' Meeting:

Total no of meetings held - 1 Meeting.

Sr. No.	Date of meeting	Number of meeting
1.	March 11, 2025	Independent Directors meeting (Serial number: 01/2024-25)

### 3. Audit and Risk Committee:

Total no of meetings held - 4 Meetings.

Sr. No.	Date of meeting	Number of meeting
1.	June 17, 2024	Audit and Risk Committee (Serial number: ARC-1/2024-25)
2.	September 04, 2024	Audit and Risk Committee (Serial number: ARC-2/2024-25)
3.	December 11, 2024	Audit and Risk Committee (Serial number: ARC-3/2024-25)
4.	March 11, 2025	Audit and Risk Committee (Serial number: ARC-4/2024-25)

### 4. Nomination and Remuneration Committee:

Total no of meetings held - 4 Meetings.

Sr. No.	Date of meeting	Number of meeting
1.	June 17, 2024	Nomination and Remuneration Committee (Serial number: NRC-1/2024-25)
2.	June 26, 2024	Nomination and Remuneration Committee (Serial number: NRC-2/2024-25)
3.	December 11, 2024	Nomination and Remuneration Committee (Serial number: NRC-3/2024-25)
4.	March 11, 2025	Nomination and Remuneration Committee (Serial number: NRC-4/2024-25)

### 5. Corporate Social Responsibility & Environmental, Social, and Governance ('CSR & ESG') Committee:

Total no of meetings held - 3 Meeting.

Sr. No.	Date of meeting	Number of meeting
1.	June 17, 2024	Corporate Social Responsibility & Environment, Social and Governance Committee (Serial number: 1/2024-25)
2.	September 03, 2024	Corporate Social Responsibility & Environment, Social and Governance Committee (Serial number: 2/2024-25)
3.	March 11, 2025	Corporate Social Responsibility & Environment, Social and Governance Committee (Serial number: 3/2024-25)

### 6. Annual General Meeting:

Sr. No.	Date of meeting	Number of meeting
1.	August 30, 2024	24 <sup>th</sup> Annual General Meeting

### 7. Extra-ordinary General Meeting:

Total no of meetings held - 3 Meeting.

Sr. No.	Date of meeting	Number of meeting
1.	October 9, 2024	01/204-25 Extra-Ordinary General Meeting
2.	February 7, 2025	02/204-25 Extra-Ordinary General Meeting
3.	March 28, 2025	03/204-25 Extra-Ordinary General Meeting

The quorum of the meetings was in accordance with the Articles of Association of the Company read with the Companies Act 2013.

The details of attendance of each Director attending the various Board/Committee meetings/ Independent Director's meetings (including attendance in person and/or through video conference facilities) are set out as '**Annexure A**' to this report.

### Constitution of Committees

Pursuant to the change in the status of the Company from a 'Private Limited' Company to 'Public Limited' there was a requirement for re-constitution of the Committees as per the provisions of the Companies Act, 2013 (the 'Act'). Accordingly, Board by way of circular resolution dated June 06, 2024 reconstituted Audit and Risk Committee (ARC), Nomination and Remuneration Committee (NRC) and Corporate Social Responsibility & Environmental, Social and Governance (CSR & ESG) Committee as per section 177, 178 & 135 respectively of the Act.

#### A. Audit and Risk Committee:

Sr. No.	Name of the Director	Category
1.	Mr. Gavin Patterson	Chairperson
2.	Ms. Neelam Dhawan	Member
3.	Ms. Karen Ann Terrell	Member

## B. Nomination and Remuneration Committee:

Sr. No.	Name of the Director	Category
1.	Ms. Karen Ann Terrell	Chairperson
2.	Ms. Neelam Dhawan	Member
3.	Mr. Rohan Haldea	Member
4.	Mr. Vivek Mohan	Member

## C. Corporate Social Responsibility & Environmental, Social, and Governance ('CSR & ESG') Committee:

Sr. No.	Name of the Director	Category
1.	Ms. Neelam Dhawan	Chairperson
2.	Mr. Srikanth Velamakanni	Member
3.	Mr. Sasha Mirchandani	Member
4.	Mr. Vivek Mohan	Member
5.	Mr. Anurag Sud*	Member

\* Mr. Anurag Sud has resigned as Director from close of business hours of March 27, 2025.

Further, the Company has also constituted 'Options Allotment Committee' for the purpose of Allotment of Equity Shares against exercised Vested options by the Employees comprising of the following directors:

## D. Options Allotment Committee:

Sr. No.	Name of the Director	Category
1.	Mr. Srikanth Velamakanni	Chairperson
2.	Mr. Pranay Agarwal	Member

## Other Disclosures

- There was no revision in the financial statements of the Company.
- Your Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

## Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your directors confirm that:

- in the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profits of the Company for the year ended on that date;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,

2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- the directors had prepared the annual financial statements on a 'going concern' basis; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## Particulars of Employees

The Company had 4491 employees on a standalone basis and 5162 employees on a consolidated basis as of March 31, 2025.

## Share Capital and Debt Structure

### Authorised Share Capital

As on March 31, 2025, the Authorised Share Capital of the Company stood at INR 44,00,00,000 (Indian Rupees Forty Four Crores Only) consisting of 38,94,00,000 (Thirty Eight Crores Ninety Four Lakhs only) equity shares of INR 1/- (Indian Rupee One only) each aggregating to INR 38,94,00,000/- (Indian Rupees Thirty Eight Crores Ninety Four Lakhs only) and 5,06,00,000 (Five Crores Six Lakhs only) Compulsorily Convertible Preference Shares of INR 1/- (Indian Rupee One only) each aggregating to INR 5,06,00,000 (Indian Rupees Five Crores Six Lakhs only).

### Notes:

During the year under review, your Company had increased the Authorised Share Capital by members approval by passing an Ordinary Resolution at Extra Ordinary General Meeting (Serial No. 01/2024-25) of the Company held on October 09, 2024, details are as follows:

- The Authorised Share Capital of the Company was increased from INR 38,73,00,000 (Indian Rupees Thirty Eight Crores Seventy Three Lakhs Only) consisting of 34,92,00,000 (Thirty Four Crores Ninety Two Lakhs) Equity Shares of INR 1/- (Indian Rupee One only) each aggregating to INR 34,92,00,000 (Indian Rupees Thirty Four Crores Ninety Two Lakhs only) and 3,81,00,000 (Three Crores Eighty One Lakhs) Compulsorily Convertible Preference Shares of INR 1/- (Indian Rupee One only) each aggregating to INR 3,81,00,000 (Indian Rupees Three Crores Eighty One Lakhs only) to INR 44,00,00,000 (Indian Rupees Forty Four Crores only) consisting of 38,94,00,000 (Thirty Eight Crores Ninety Four Lakhs) Equity Shares of INR 1/- (Indian Rupee One only) each aggregating to INR 38,94,00,000 (Indian Rupees Thirty Eight Crores Ninety Four Lakhs only) and 5,06,00,000 (Five Crores Six Lakhs) Compulsorily Convertible Preference Shares of INR 1/- (Indian Rupee One only) each aggregating to INR 5,06,00,000 (Indian Rupees Five Crores Six Lakhs only).

### Paid up Share Capital

As on March 31, 2025, the total issued and subscribed capital of the Company stood at INR 3,13,62,012 (Indian Rupees

Three Crores Thirteen Lakhs Sixty Two Thousand Twelve only) and paid-up share capital of the Company stood at INR 3,10,29,583/- (Indian Rupees Three Crores Ten Lakhs Twenty Nine Thousand Five Hundred Eighty Three only) consisting of 2,61,73,550 (Two Crores Sixty One Lakhs Seventy Three Thousand Five Hundred Fifty) Fully paid up equity shares of INR 1/- (Indian Rupee one) each & 6,64,858 (Six Lakhs Sixty Four Thousand Eight Hundred and Fifty Eight) Partly Paid up Equity shares of INR 0.50/- (Fifty Paise) each and 45,23,604 (Forty-Five Lakhs Twenty Three Thousand Six Hundred and Four) Compulsory Convertible Preference Shares of INR 1/- (Indian Rupee one) each.

### Allotments made during the financial year

During the financial year under review, the Company had allotted 5,20,619 Equity Shares of face value of INR 1 (Indian Rupee One Only) each at par/ premium, as the case may be, to the eligible employees of the Company and/or its' subsidiaries on exercising the vested stock options under the 2007 Fractal Employees Stock Option Plan ("2007 ESOP Plan"), Fractal Analytics Limited Time Based Key Employee Stock Incentive Plan 2019 ("Time Based MIP 2019"), Fractal Analytics Limited Performance Based Key Employee Stock Incentive Plan 2019

("Performance Based MIP 2019"), 2019 Fractal Employees Stock Option Plan ("Fractal ESOP 2019 Plan").

### Debt Structure

During the financial year under review, your Company had neither issued any debentures nor availed any secured loans.

### Deposits

During the financial year under review, your Company had not accepted any deposits pursuant to the provisions of Section 73 and 76 of the Companies Act, 2013 read with applicable rules made thereunder. As the Company had not accepted any deposits, there were no amount remaining unpaid or unclaimed as on March 31, 2025.

### Particulars of Loans, Guarantees, Security and Investments

The particulars of the investments made/ loan given/ security or guarantee provided by your Company to/in its Indian/Foreign subsidiaries forms a part of notes to the financial statements and is a part of the Annual Report.

## Subsidiaries and Associates and Performance / Financial Position of Subsidiaries/Associates

The details of Company's direct subsidiaries/associate as on March 31, 2025, are as follows:

Sr. No.	Name of the Company	Country of Incorporation	Wholly owned subsidiary/ Subsidiary/Associate
1.	Fractal Private Limited	Singapore	Wholly owned subsidiary
2.	Fractal Analytics Inc.	United States of America	Wholly owned subsidiary
3.	Final Mile Consultants Private Limited*	India	Wholly owned subsidiary
4.	Eugenie Technologies Private Limited*	India	Wholly owned subsidiary
5.	Senseforth AI Research Private Limited*	India	Wholly owned subsidiary
6.	Neal Analytics Services Private Limited*	India	Wholly owned subsidiary
7.	Fractal Alpha Private Limited *	India	Wholly owned subsidiary
8.	Cuddle Artificial Intelligence Private Limited*	India	Wholly owned Subsidiary
9.	Theremin AI Solutions Private Limited*	India	Subsidiary
10.	Analytics Vidhya Educon Private Limited	India	Subsidiary
11.	Qure.ai Technologies Private Limited	India	Associate

Following are the step-down subsidiaries of the Company as on March 31, 2025:

Sr. No.	Name of the Company	Country of incorporation	Parent Company
1.	Fractal Analytics UK Limited	United Kingdom	Fractal Analytics Inc., USA
2.	Fractal Analytics (Canada) Inc.	Canada	Fractal Private Limited, Singapore
3.	Fractal Analytics (Switzerland) GmbH	Switzerland	Fractal Private Limited, Singapore
4.	Fractal Analytics Germany GmbH	Germany	Fractal Private Limited, Singapore
5.	Fractal Analytics Netherland B.V.	Amsterdam	Fractal Private Limited, Singapore
6.	Limited Liability Company "Symphony (Ukraine)"	Ukraine	Fractal Private Limited, Singapore
7.	Fractal Analytics Australia Pty Ltd.	Australia New South Wales (Sydney)	Fractal Private Limited, Singapore
8.	Fractal Analytics Malaysia SDN BHD#	Malaysia	Fractal Private Limited, Singapore
9.	Fractal Analytics (Shanghai) Limited	China	Fractal Private Limited, Singapore
10.	Fractal Analytics Sweden AB#	Sweden	Fractal Private Limited, Singapore
11.	Fractal LLC-FZ	Meydan Free Zone, UAE	Fractal Private Limited, Singapore

# Board's Report

Sr. No.	Name of the Company	Country of incorporation	Parent Company
12.	Fractal AI Limited <sup>^</sup>	Abu Dhabi Global Market, Abu Dhabi, UAE	Fractal Private Limited, Singapore
13.	Final Mile Consulting LLC	Delaware	Fractal Analytics Inc., USA
14.	Theremin Multi Strategy Fund LLP	India	Theremin AI Solutions Private Limited
15.	Senseforth, Inc. (USA)	United States of America	Fractal Analytics Inc., USA
16.	Asper.AI Inc (USA)	United States of America	Fractal Analytics Inc., USA
17.	Asper.AI Limited	United Kingdom.	Asper.AI Inc, USA
18.	Asper. AI Technologies Private Limited	India	Asper.AI Inc, USA
19.	Fractal Frontiers, Inc (USA)	United States of America	Fractal Alpha Private Limited
20.	Eugenie.ai Inc (USA)	Delaware	Fractal Analytics Inc., USA
21.	Analytics Vidhya Inc (USA)	United States of America	Analytics Vidhya Educon Private Limited

\* First Motion Application for the Merger of Cuddle Artificial Intelligence Private Limited, Final Mile Consultants Private Limited, Neal Analytics Services Private Limited, Theremin Ai Solutions Private Limited, Fractal Alpha Private Limited and Eugenie Technologies Private Limited with Senseforth AI Research Private Limited, is filed on January 30, 2025.

#Fractal Analytics Sweden and Fractal Analytics Malaysia SDN BHD are under dissolution

<sup>^</sup> Fractal AI Limited has been incorporated on June 26, 2024.

During the financial year, the following changes occurred in the subsidiary companies:

1. Fractal Japan KK has been dissolved with effect from July 31, 2024.
2. Cuddle.ai Inc (Delaware) has been dissolved with effect from March 31, 2024. Subsequently, a certificate of withdrawal was obtained from SECRETARY OF STATE, COMMONWEALTH OF KENTUCKY on July 1, 2024, and Department of Treasury, State of New York, has issued tax clearance certificate on March 5, 2025.
3. Neal Analytics, LLC ('Neal US') - Neal Analytics LLC (Neal US) has been merged with Fractal Analytics Inc. (Fractal US), pursuant to filing and approvals from relevant authority in New York and Washington. Effective date of merger: New York - April 9, 2024 and Washington - April 29, 2024.

During the financial year, the Board have reviewed the affairs of the subsidiaries and in accordance with Section 129(3) of the Companies Act, 2013, have prepared consolidated financial statements of the Company, which forms part of this Annual Report. Further, the statement containing the salient features of the financial statements of the Company's subsidiaries pursuant to the first proviso to sub-section (3) of Section 129, is annexed to this report in the prescribed Form AOC-1 as '**Annexure B**'.

The Company has no joint venture within the meaning of Section 2(6) of the Companies Act, 2013. No company ceased to be subsidiary or joint venture or associate of your Company as on March 31, 2025.

The Company has obtained a certificate from the Statutory Auditors certifying that the Company is in compliance with FEMA Regulations with respect to downstream investments

made in its wholly owned subsidiary Company as operating during the year under review.

## Annual Return

The provision to attach extract of the annual return with the Board's Report in Form No. MGT - 9 has been omitted vide MCA Circular dated March 5, 2021 by amending Rule 12 of the Companies (Management and Administration) Rules, 2014. However, Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Company is required to upload its Annual Return on its website.

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company in Form MGT-7 for FY 2024-25, is available on the Company's website at <https://fractal.ai/>

## Particulars of Contracts or Arrangements with Related Parties

The details of the related party transactions, as per applicable accounting standards, form a part of the Notes to the financial statements and have been provided in the Annual Report. The contracts / arrangements / transactions entered into by the Company, during the financial year with related parties, if any, were in ordinary course of business and on arm's length basis.

The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed to this report in the prescribed Form AOC-2 as '**Annexure C**'.

## Loan from Directors or from their relatives

Your Company has not borrowed any funds from its directors or from any of their relatives during the year under review.

### Fractal Employee Stock Option Plan (Fractal ESOP) and Time-Based Key Employee Stock Incentive Plan 2019 & Performance Based Key Employee Stock Incentive Plan 2019 ('MIP Plans')

During the financial year under review, the Board on January 31, 2025, and the Shareholders on February 07, 2025, approved the increase in the existing ESOP pool under 2019 Fractal Employees Stock Option Plan ("Fractal ESOP 2019 Plan") pursuant to transfer of 83,838 options from Time-Based MIP 2019 and 2,12,820 options from Performance Based MIP 2019 (collectively 'MIP Plans').

Further, the Board on March 12, 2025 and the Shareholders on March 28, 2025 approved the increase in ESOP Pool under the Fractal ESOP 2019 Plan by an addition of 7,52,046 options.

Pursuant to the provisions of Rule 12 of the Companies (Share capital and Debentures) Rules, 2014 the information relating to options granted by the Company pursuant to Fractal ESOP 2019 Plan and MIP Plans during the financial year under review and other particulars with regard to stock options are set out in 'Annexure D' to this report.

Also, the Board & Members approved the termination of MIP Plans.

### Enterprise Risk Management Policy

Your Company recognizes that risk is an integral part of any business and is committed to managing the risks in a proactive and efficient manner. The risk culture of your Company involves risk identification and appropriate time bound initiatives to mitigate risk with the objective of balancing risks with returns. Hence, to achieve the business objectives of predictability and stability in earnings, Risk Management Policy for Fractal was formulated and was approved by the Board.

Further, considering Company's future growth prospects, strategic plans and its business objectives, the Board of Directors of your Company, basis the recommendation of Audit and Risk Management Committee at its meeting held on September 09, 2022, had renamed the Risk Management Policy as Enterprise Risk Management Policy (ERM) and aligned the same with global ERM Standards leading ERM Practices and SEBI Listing Obligation and Disclosure Requirements (LODR) Regulations. Further, on November 09, 2023, the Board of your Company, basis the recommendation of Audit and Risk Management Committee had revised the ERM policy to incorporate the changes in relation to the composition of Risk Management Operating Committee (RMOC).

### Anti-Bribery and Anti-Corruption Policy

Your Company practices a zero-tolerance approach to bribery and corruption and is committed to act professionally and fairly in all its business dealings and relationships and in implementing and enforcing effective systems to counter bribery and corruption in any form. Your Company mandates compliance with all applicable anti-bribery and anti-corruption laws in all locations and jurisdictions in which it operates. Accordingly,

your Company has formulated and designed the Anti-Bribery and Anti-Corruption Policy to provide a framework for ensuring compliance with various legislations governing bribery and corruption globally and provide guidance on the standards of behaviour to which everyone must adhere to. The said Policy has been framed as per the industry standard and also finalised and approved on the recommendations of the Audit and Risk Committee. The purpose of this policy is to provide guidance to the Company's directors, officers, employees, agents, consultants, and other third-party representatives to ensure compliance with the Prevention of Corruption Act, 1988 of India, U.S. Foreign Corrupt Practices Act of 1977, U.K. Bribery Act 2010, as amended, and other anti-corruption and anti-bribery laws and regulations applicable in the jurisdictions in which the Company does business.

### Whistle Blower Policy

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013, the Board of your Company has framed the Whistle Blower Policy & Vigil Mechanism for Directors and Employees of the Company. The said Policy has been framed as per the industry standard and also finalised and approved on the recommendations of the Audit and Risk Committee. Accordingly, this Whistle-blower Policy & Vigil Mechanism (the "Policy") has been formulated with a view to provide a mechanism for directors and employees of Fractal to provide an avenue for, raising concerns in accordance with this policy and reporting any allegations of misconduct or noncompliance in an anonymous and confidential way and prohibits retaliation against anyone who, in good faith, makes a report or provides assistance.

During the year under review, there were 11 complaints and the 11 were resolved.

New cases received	Clubbed Cases	Total Issue raised	Resolved	Cases received before April 2024 and resolved post April 2024	Open
11	2	9	11	1	0

### Internal Financial Control System and its Adequacy

Your Company has adequate system of internal financial control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the management. Your Company is following all the applicable accounting standards for properly maintaining the books of accounts and reporting financial statements. To further monitor and evaluate adequacy & effectiveness of the internal control systems, your Company conducts internal audit from time to time and take requisite corrective actions, as required, based on the reviews of the internal auditor's report.

## Voting Rights Not Exercised Directly by Employees

Not applicable.

## Internal Audit

The Board at its meeting held on June 17, 2024, recommended the re-appointment of M/s. PricewaterhouseCoopers Services LLP, Chartered Accountants and also the appointment of M/s. Ernst and Young LLP (EY), as Internal Auditors of the Company for a period of 3 years i.e. from financial year 2024-25 to financial year 2026-27. For the period under review, the Internal auditor had submitted their report to the Audit and Risk Committee at periodic intervals. Significant audit observations and corrective actions thereon are presented to the Audit and Risk Committee. The main thrust of internal audit was to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practice in the industry.

## Statutory Auditors and Auditor's Report

M/s. B S R & Co. LLP, Chartered Accountants were re-appointed as Statutory Auditors of your Company at 24<sup>th</sup> Annual General Meeting held on August 30, 2024, for a term of five consecutive years to hold office from the conclusion of the said AGM until the conclusion of 29<sup>th</sup> Annual General Meeting of the Company.

There are no qualifications, reservations, adverse remarks or disclaimers made by M/s. B S R & Co. LLP, Statutory Auditors in their Report for FY 2024-25. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the financial year under review. The observations made in the Report under Section 143(3) of the Companies Act, 2013 read with Clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 are self-explanatory and do not call for any further comments.

## Details In Respect of frauds reported by Auditors Under Sub-Section (12) of Section 143 other than those which are reportable to the Central Government:

Pursuant to Section 143(12) of the Companies Act, 2013, during the financial year under review there were no frauds reported by the Auditors of the Company.

## Secretarial Auditor

Your Company's status changed to a public limited company w.e.f. May 16, 2024 and accordingly the Company was mandated by the provisions of Companies Act 2013 to appoint a secretarial auditor for FY 2024-25.

The Board at its meeting held on December 11, 2024, appointed M/s. MMJB & Associates LLP as Secretarial Auditor for the financial year 2024-25.

The Secretarial Audit Report issued by M/s. MMJB & Associates, LLP is enclosed as **Annexure E** and forms part of the Board report.

## Maintenance of Cost Records

The provisions of Section 148(1) of the Companies Act, 2013 relating to maintenance of cost records do not apply to your Company considering the nature of services provided by your company

## Conservation of Energy and Environment Protection

In its operations, Fractal conscientiously investigates every possible path for integrating sustainable resources in its operations. During the reviewed period, we have strived to conserve energy and safeguard the environment.

### 1. Indoor Air Quality monitoring and purification:

Fractal has implemented an advanced indoor air quality (IAQ) monitoring system across our largest offices (Mumbai, Bengaluru & Gurugram) in India, which constitutes to about 82% of Fractal's operated and managed workspace. This system leverages IAQ sensors to monitor key parameters such as PM2.5, PM10, CO2, VOCs, temperature, and humidity in real-time. To improve air quality, air handling units (AHUs) are mounted with low-pressure drop MERV 13/14 filters, achieving up to better indoor air quality compared to outdoor conditions. Real-time air quality data is displayed across office premises as required, enhancing transparency and awareness. Additionally, standalone air purification units with filtration, UVGI, active oxidation technology, and IoT-enabled controls further reduce particulate matter and microbial loads while displaying real-time IAQ parameters. This innovative solution reflects our dedication to sustainability, employee well-being, and a healthier indoor environment.

### 2. HVAC and its refrigerant:

Fractal is identifying energy-efficient HVAC systems for all office locations. This transition to more efficient systems is expected to reduce energy consumption significantly, contributing to both environmental benefits and cost savings. Furthermore, the Company is actively replacing air conditioning & water-cooling units that use high global warming potential (GWP) refrigerants with more environmentally friendly alternatives.

This has been implemented at Fractal's new offices where refrigerator with low GWP and water dispensers without cold water option (without refrigerant) were procured which marks our commitment towards reducing emissions under scope 1.

### 3. Energy efficiency & LEED certification:

Green Power is purchased for 100 % of the electricity consumed and directly billed to Fractal at the Mumbai office, and for Bengaluru office(s), all consumptions i.e. Fractal's office's electricity & HVAC usage, and electricity used for common building facility is sourced from a Green Power source. The decision by Fractal to source green power for its 2 largest offices is an important step towards reducing GHG emission impact on the environment. By doing so, we have been able to decrease our carbon footprint by more than 90% under indirect emissions scope.

Fractal practices sustainable procurement practices by choosing eco-labelled electronic and electrical equipment that meet high energy efficiency standards, such as BEE Star Rating, EPEAT, and ENERGY STAR. By prioritizing energy efficiency in its procurement choices, the Company is able to further minimize its environmental impact and improve operational efficiency.

Two of the Fractal's largest workplaces are LEED Gold certified. Through these efforts, Fractal demonstrates how addressing environmental risks and opportunities is not only about regulatory compliance but also about enhancing the Company's overall resilience. Fractal's new workplaces coming up for occupancy in May 2025 are also designed to achieve LEED Gold & WELL Platinum certifications.

- 4. Water and energy remote monitoring:** By implementing remote monitoring systems for utility monitoring, we will be able to enhance our ability to optimize resource consumption and reduce inefficiencies. This not only lowers operational costs but also significantly contributes to our environmental responsibility by minimizing energy.

We have initiated the floor level water monitoring POC at Bengaluru office and it is currently under observation. These water meters are invasive/inline type water-meters. At certain offices we may face the issue of acquiring the permission for the invasive water-meter, hence we are simultaneously exploring the non-invasive water-meters and will be conducting the POC to check its efficacy vis-à-vis conventional water-meter.

- 5. EV charging station at Bengaluru office parking:** We are currently exploring options to establish EV charging stations in the parking areas of our Bengaluru facilities. EV charging station is forward-thinking initiative that promotes the use of clean energy and supports the transition to electric mobility. This initiative is designed to encourage usage of EV's and support employees who own electric vehicles by providing a convenient and accessible charging solution during work hours. Furthermore, it reflects our commitment to sustainability and aims to encourage greater adoption of electric vehicles among our workforce, contributing to a greener, more environmentally responsible future. As per our strategic planning, we will be converting some of the Bengaluru office parking spaces to have EV charging facility with a mix of level-1 and level-2 charging options, subject to feasibility.
- 6. Converting existing fleets to EVs:** We are working towards transitioning 100% of our night drop cabs to electric vehicles in the next 2 fiscals based on the cost impact analysis. The current EV fleet for our night transport is around 33% managed total fleet. This move demonstrates our long-term strategy to align with global sustainability

objectives. It reflects both strong governance and environmental leadership in reducing our carbon impact.

- 7. Streamlining and centralizing e-waste disposal policies:** By centralizing and standardizing our e-waste disposal processes, we ensure that hazardous materials are handled responsibly and ethically, reducing environmental harm. This initiative not only demonstrates our commitment to environmental stewardship but also strengthens our governance framework by ensuring compliance with global waste management standards.

- 8. Achieving excellence in environmental management with ISO 14001**

#### Enhanced Environmental Stewardship:

The adoption of ISO 14001 has empowered our organization to systematically manage and mitigate environmental impacts, reinforcing our commitment to sustainability.

#### Regulatory Alignment:

ISO 14001 ensures adherence to all relevant environmental regulations, reducing compliance risks and fostering a proactive approach to legal obligations.

#### Improved Resource Efficiency:

By optimizing the use of resources such as energy and water, we have achieved significant cost savings while minimizing our ecological footprint.

#### Effective Waste Management:

The framework has facilitated the implementation of robust waste reduction and recycling initiatives, driving sustainable practices across operations.

#### Enhanced Stakeholder Trust:

Demonstrating compliance with internationally recognized environmental standards has Strengthened our reputation and credibility with clients, employees, and other stakeholders.

#### Proactive Risk Mitigation:

ISO 14001 has enabled us to identify and address potential environmental risks effectively, ensuring a safer and more resilient operational environment.

#### Culture of Continuous Improvement:

The implementation has fostered a culture of sustainability and innovation, driving ongoing enhancements to our environmental performance. The integration of ISO 14001 into our organizational practices underscores our dedication to Environmental excellence, delivering measurable operational, reputational, and sustainability outcomes.

Also, we have taken 45001 certificate to enhance health and safety at our offices.

We also intent to take TRUE (Total Resource Use and Efficiency) certification in FY2025-26. This is third-party zero waste certification program that recognizes and promotes facilities, events, and construction projects that strive to minimize waste and maximize resource efficiency.

It focuses on diverting solid waste from landfills, incineration, and the environment, aiming for a circular economy.

### Technology Absorption

Your company has adopted a **Zero Trust** and **SASE-based architecture** and, as part of the overall security enhancement, has implemented the following capabilities:

#### Digital Experience Monitoring

A digital experience monitoring solution is used to assess how employees connect to internal systems—whether from the office, home, or remote locations. It provides real-time insights into connectivity and performance issues across devices, networks, or applications to enable faster issue resolution and maintain high productivity.

#### Immutable Backup Repository

A secure backup solution is in place to automatically protect critical business data across on-premises and cloud environments. It ensures fast recovery in case of disruptions, mitigates risks from data loss or cyber threats, and supports business resilience and compliance.

#### Endpoint Backup Solution

Endpoint data is protected through an automated and encrypted backup platform. This ensures secure storage of data from employee devices, especially remote users, maintaining regulatory compliance and business continuity.

#### Secure File Transfer

A secure file transfer platform enables the organization to share large or sensitive files efficiently and safely. It supports encrypted and trackable transfers to external clients and internal teams, improving operational efficiency and data protection.

#### Centralized Log Management

A centralized logging and security event monitoring solution has been deployed to improve threat detection, user activity monitoring, and compliance adherence through real-time insights and analytics.

#### Automated Patch Management

An automated platform manages patching across all enterprise systems and third-party applications. It ensures timely updates, minimizes security gaps, and maintains business continuity with minimal operational impact.

### Vulnerability Assessment

A vulnerability management tool is used to identify and remediate security weaknesses across systems and applications. It supports proactive defence, compliance readiness, and overall risk reduction through regular automated scans.

### Endpoint Privilege Management

Privileged access on endpoint devices is tightly controlled, allowing users to perform their roles without unnecessary admin rights. This reduces exposure to threats like ransomware and ensures secure and compliant device usage.

### Endpoint Detection and Response (EDR)

An advanced EDR platform has been deployed to protect endpoints and servers from both external and internal cyber threats. It leverages threat intelligence and AI/ML features to provide real-time detection and response.

### Security Incident and Event Monitoring (SIEM)

A next-generation SIEM system enhances the ability to detect, investigate, and respond to security threats. It uses analytics-driven insights to improve visibility and strengthen SOC operations efficiency.

### Cloud Access Security Broker (CASB)

A CASB solution is in place to control data access and enforce policies across cloud services and websites. It monitors data uploads, detects credential misuse, and prevents leakage of sensitive information across SaaS and IaaS environments.

### Zero Trust Network Access (ZTNA)

ZTNA has been implemented on endpoint devices to enforce access based on identity, device, and context. It follows a least-privilege model, providing secure, segmented access to internal resources.

### Internet Access Control

A cloud-based internet gateway has been configured on all endpoints to manage and monitor internet usage. It protects against harmful sites and enables role-based access control for users across business functions and client projects.

### Email Security

An AI-driven email security platform protects users against phishing and other malicious emails. It features behavioral analysis, sandboxing, impersonation detection, and allows users to report threats for faster incident response.

### Data Loss Prevention

A data loss prevention system monitors data movement across endpoints and email, preventing unauthorized access, transfer, or leakage of sensitive business information. It helps safeguard intellectual property and personal data.

### Cloud Security Posture Management

A cloud infrastructure security governance tool helps monitor security configurations and detect compliance gaps. It provides

visibility across cloud environments and supports continuous security improvement.

### Backup and Restoration

A comprehensive backup solution protects on-premise and cloud-hosted production environments. Daily, weekly, and monthly backups are scheduled to meet business continuity and restoration objectives.

### Infrastructure Monitoring

A unified monitoring platform provides real-time visibility across the hybrid infrastructure. It includes dashboards, application performance tracking, alerting, and automated responses to minimize downtime and service disruptions.

### Web Application Firewall

A web application firewall is deployed in front of key systems to inspect incoming traffic and block threats. It helps protect public-facing applications from various types of cyber-attacks.

### Privileged Access Management

Privileged access management solutions are used to secure and monitor access to critical systems. This includes oversight of administrative actions across servers, applications, and endpoints to reduce the risk of misuse or breaches.

### Configuration & Endpoint Management

Configuration and endpoint management platforms have been implemented to manage Windows and Mac devices. These tools support software deployment, application control, and device compliance across the organization.

## Foreign Exchange Earnings and Outgo

As of March 31, 2025, the Company's total foreign exchange earnings are INR 10,68,70,87,295.74 and total foreign exchange out flow is INR 21,90,829. The details of the foreign exchange earnings and outgo for the year under review and previous year are as under:

#### Earnings in Foreign Currency:

Particulars	March 31, 2025 (₹ in Million)	March 31, 2024 (₹ in Million)
Income from consultancy	1,808	1,310
Inter Company Sales	8,879	8,488
Third Party Product Sales	-	-
<b>Total</b>	<b>10,687</b>	<b>9,798</b>

#### Expenditure incurred in Foreign Currency:

Particulars	March 31, 2025 (₹ in Million)	March 31, 2024 (₹ in Million)
Remuneration & Allowances to Employees for On-site Work.	-	NIL
Professional Fees	2.19	13.29
Others	-	18.13
<b>Total</b>	<b>2.19</b>	<b>31.42</b>

## Value of Goods Imported on Cost, Insurance and Freight (CIF) basis in respect of:

Particulars	March 31, 2025 (₹ in Million)	March 31, 2024 (₹ in Million)
Capital Goods	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

## Significant Events during the Financial Year and After Balance Sheet Date, if any

- During the financial year under review the following corporate actions has taken place for subsidiaries of the Company:
  - As on March 4, 2024, and June 17, 2024, the Board for the sake of simplification of the group structure (thereby reducing administrative cost and multiplicity of legal and regulatory compliances), passed resolution for restructuring of specific entities/business within the group. Pursuant to the same, First Motion Application for the Restructuring of 1. Cuddle Artificial Intelligence Private Limited, 2. Final Mile Consultants Private Limited, 3. Neal Analytics Services Private Limited, 4. Theremin AI Solutions Private Limited, 5. Fractal Alpha Private Limited, and 6. Eugenie Technologies Private Limited with Senseforth AI Research Private Limited was filed on January 30, 2025, and First Motion Order was received on March 20, 2025.
  - Cuddle.ai Inc (Delaware) has been dissolved with effect from March 31, 2024. Subsequently, a certificate of withdrawal was obtained from SECRETARY OF STATE, COMMONWEALTH OF KENTUCKY on July 1, 2024, and Department of Treasury, State of New York, has issued tax clearance certificate on March 5, 2025.
  - Effective May 16, 2024, the status of the Company was changed from a Private Limited Company to Public Unlisted Company. As a result of this change, all subsidiaries of the Company are considered Deemed Public Companies with effect from May 16, 2024. Accordingly, all necessary compliances applicable to Deemed Public Companies have been duly undertaken by the subsidiaries.
  - Fractal AI Limited (Abu Dhabi), wholly owned subsidiary of Fractal Private Limited (Singapore) has been incorporated in Abu Dhabi Global Market (ADGM) with effect from June 26, 2024.
  - Fractal Analytics Inc. (Poland Branch) has been de-registered with effect from March 05, 2025.
  - Fractal Japan KK has been dissolved with effect from July 31, 2024.
- The following corporate actions have taken place for subsidiaries of the Company post March 31, 2025 and prior to the report date:

## Board's Report

- a. The Second Motion Application has been filed on April 30, 2025.
- b. The partners of Theremin Multi Strategy Fund LLP resolved in its meeting held on Monday, April 21, 2025, to make an application to Registrar, for striking off the name of the LLP from the Register of LLP.

### Corporate Social Responsibility (“CSR”)

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, your Company has framed a policy on CSR and constituted a Corporate Social Responsibility and Environmental, Social, and Governance (CSR & ESG) committee and has framed a policy on CSR. The Board vide Circulation resolution dated June 17, 2024 approved the amendments to the existing Corporate Social Responsibility & Environmental, Social, and Governance ('CSR & ESG') Policy to align it with the extant CSR regulations under Companies Act, 2013. Post the amendment a fourth CSR thrust area was included in the CSR Policy.

The CSR policy is available on the website of the Company at <https://fractal.ai/csr/>. The ESG policy of the Company is also available on the website of the Company at [ESG-Policy-.pdf](#)

- Fractal’s Corporate Social Responsibility (CSR) philosophy centers around making a positive impact on people, the planet that we share and the communities that Fractal is honored to operate in. Fractal CSR thrust areas include - i) enhancing equitable educational outcomes for disadvantaged children, ii) empowering women to be financially independent and iii) improving quality & affordability of healthcare, safe housing solutions. iv) Taking intelligent and science-based actions to reduce Fractal’s carbon footprint, improve its protection and preservation of biodiversity, and to take action to address climate change and its impacts in line with the United Nations Sustainability Development Goal (UN SDG) 13
- The CSR activities of the Company were undertaken primarily through partnering with a registered trust, Section 8 Company or society which work closely on the same lines as the CSR objectives of the Company i.e., enhancing equitable educational outcomes for disadvantaged children, empowering women to be financially independent and improving quality & affordability of healthcare, radiological expertise and provision of safe housing solutions, Taking intelligent and science-based actions to reduce Fractal’s carbon footprint, improve its protection and preservation of biodiversity, and to take action to address climate change and its impacts in line with the United Nations Sustainability Development Goal (UN SDG) 13

As part of its CSR initiatives, the Company contributed funds to bio-diversity preservation by way of promoting sustainable bamboo plantation and vegetable cultivation, providing Artificial Aids and appliances to the disabled. Providing Water wheels to provide safe water and to reduce the burden of head loading for women carrying water for domestic use. This

support extended to 270 rural tribal women and their families. The Company also sponsored scholarships to 13 deserving and promising young lady scholars pursuing STEM degrees.

The details about the policy developed and implemented by the Company on CSR initiatives taken during the year are set out under ‘**Annexure F**’ to this report.

### Awards and Recognitions

In the FY 2024-25 the Company received awards and recognised as follows:

2024	Recognized as a ‘Leader’ in Analytics and AI Services Specialists PEAK Matrix® Assessment 2024 by Everest Global, Inc.
2024	Recognized as a ‘Notable Provider’ in The AI Services Landscape, Q1 2024 by Forrester Research, Inc.
2024	Recognized as a Great Place to work in India, USA, UK, Canada, Australia
2024	Recognized as a ‘Leader’ in ‘Specialty Analytics Series 2024 - Life Sciences and Healthcare ISG Provider Lens™ Study by Information Services Group (ISG)
2024	Recognized as a ‘Leader’ in ‘Specialty Analytics Series 2024 - Retail ISG Provider Lens™ Study by Information Services Group (ISG)
2024	Recognized as a ‘Leader’ in ‘Specialty Analytics Series 2024 - Supply Chain ISG Provider Lens™ Study by Information Services Group (ISG)
2024	Recognized as a Representative Vendor in Gartner Market Guide for Retail Assortment Management Applications: Short Life Cycle Products by Gartner
2024	Recognized as a ‘Leader’ in Data Science PeMa 2024 by Analytics India Magazine
2024	Recognized as a Leader in the ‘Generative AI Services 2024 ISG Provider Lens™ Study’
2024	Recognized as a ‘Niche Player’ in Magic Quadrant for Marketing Mix Modeling Solutions 2024 by Gartner
2024	Recognized as a ‘Representative vendor’ in Market Guide for Generative AI Services for Banking by Gartner
2024	Recognized as a ‘Representative vendor’ in Market Guide for Analytics and Decision-Making Platforms for Supply Chain by Gartner
2024	Recognized as a Representative vendor’ in Market Guide for Revenue Growth Management Solutions for Consumer Goods

### Sexual Harassment Policy

The Company has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. As per this policy, an internal complaints committee ('ICC') has been constituted and a formal process of raising and handling a complaint has been set up.

The details in relation to the Sexual Harassment Policy and the complaints received during the year under Sexual Harassment Policy are as follows:

No. of complaints filed during the financial year	No. of complaints disposed off during the financial year	No. of complaints pending as on end of the financial year	No. of complaints pending more than ninety days	Nature of action taken
Nil	Nil	Nil	Nil	None

In compliance with the Prevention of Sexual Harassment Act 2013, your Company has put in place a policy on prevention of sexual harassment at workplace. As per this policy, an Internal Complaints Committee (ICC) has been constituted and the names and email addresses of its members (including the external NGO member) along with summary of the policy and the detailed process for raising a complaint have been mentioned on the notice board and other public places.

To ensure that the employees are aware about the policy and the related guidelines, your Company has an online awareness training program which all employees are required to undertake during the year. The same is also a mandatory program which has to be undertaken by a new employee during the induction period and has to be completed within first 30 days of joining the organization.

### Compliance with Secretarial Standards

The Company has devised proper systems to ensure compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India i.e., SS-1 relating to "Meetings of the Board of Directors" and SS-2 relating to "General Meetings" and the Company has complied with the Secretarial Standards during the financial year under review.

### Significant and Material Orders

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and Company's operations in future.

### Details of Application Made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

The disclosure under this head is not applicable to the Company as the Company has no proceedings pending nor any applications were made thereunder.

### The Details of Difference Between Amount of the Valuation done at the time of One

### Time Settlement and the Valuation done while taking loan from the banks or financial institutions along with the reasons:

There has been no such instance, hence the disclosure under this head is not applicable to your Company.

### Business Responsibility and Sustainability Report (BRSR)

The Business Responsibility and Sustainability Report ("BRSR") for the Financial Year 2024-25 forms an integral part of this Board's Report and is annexed as **Annexure G**. The BRSR outlines the Company's performance on key Environmental, Social and Governance (ESG) parameters, covering essential and leadership indicators. It is aligned with the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC), providing a transparent view of the Company's sustainability initiatives and long-term value creation. The BRSR is also available on the Company's website at <https://fractal.ai/>

### Acknowledgement

Your directors would like to express sincere gratitude to all the valuable stakeholders of the Company viz., customers, shareholders, vendors, bankers, business associates, regulatory authorities, Central and State Government Departments, government authorities for their excellent support and co-operation extended by them during the financial year under review.

The Board also places on record its appreciation for the valuable contribution made by the employees at all levels for their dedication, hard work, support, and co-operation during the financial year.

For and on behalf of Board of Directors of  
**Fractal Analytics Limited**

sd/-  
**Srikanth Velamakanni**  
Whole-time Director  
DIN: 01722758  
Date: May 21, 2025  
Place: Mumbai

sd/-  
**Sasha Mirchandani**  
Non-Executive Director  
DIN: 01179921  
Date: May 21, 2025  
Place: Mumbai

### Registered Office Address:

Level 7, Commerz II, International Business Park,  
Oberoi Garden City, Off. Western Express Highway,  
Goregaon (East), Mumbai- 400 063

## Annexure A

### (This annexure forms part of the Board's Report)

The details of attendance of each director attending various Board/Independent Director's/Committee meetings (including attendance in person and through video conference facilities) during the financial year 2024-25 is as follows:

Sr. No	Name of the Director	Board	Independent Director's*	Audit and Risk Committee <sup>©</sup>	Corporate Social Responsibility & Environmental, Social and Governance Committee <sup>\$</sup>	Nomination and Remuneration Committee <sup>#</sup>
	<b>No of Meetings held</b>	5	1	4	3	4
	<b>Directors' Attendance</b>					
1.	Mr. Rohan Haldea	5	N.A	N.A	N.A	2
2.	Mr. Pranay Agrawal	5	N.A	N.A	N.A	N.A
3.	Mr. Srikanth Velamakanni	5	N.A	N.A	3	N.A
4.	Mr. Gavin Patterson	5	N.A	4	N.A	N.A
5.	Mr. Puneet Bhatia	3	N.A	N.A	N.A	N.A
6.	Mr. Sasha Mirchandani	5	N.A	N.A	3	N.A
7.	Mr. Vivek Mohan	5	N.A	N.A	3	4
8.	Ms. Karen Ann Terrell	5	1	4	N.A	4
9.	Ms. Neelam Dhawan	5	1	4	3	4
10.	Ms. Janaki Akella <sup>1</sup>	3	1	N.A	N.A	N.A
11.	Mr. Anurag Sud <sup>2</sup>	4	N.A	N.A	2	N.A

\* 1 Independent Directors meeting was held on March 11, 2025.

<sup>\$</sup> 3 Corporate Social Responsibility & Environmental, Social and Governance Committee were held during the financial year 2024-25.

<sup>#</sup> 4 Nomination and Remuneration Committee meetings were held during the financial year 2024-25.

<sup>©</sup> 4 Audit and Risk Committee meetings were held during the financial year 2024-25.

1. Ms. Janaki Akella was appointed on the Board with effect from August 1, 2024.

2. Mr. Anurag Sud has resigned as Director from close of business hours of March 27, 2025.

## Annexure B

(This annexure forms part of the Board's Report)

### FORM AOC - 1

#### Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures, included in the consolidated financial statements.

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of The Companies (Accounts) Rules, 2014]

(Information in respect of each subsidiary to be presented with amounts in ₹)

### I. Details of subsidiaries: (Direct Subsidiaries)

(₹ in Million)

Sr. No.	1	2	3	4	5	6
Name of the subsidiary	Fractal Analytics Inc.	Fractal Private Limited	Cuddle Artificial Intelligence Private Limited*	Final Mile Consultants Private Limited*	Theremin AI Solutions private Limited*	Eugenie Technologies Private Limited*
The date since when the subsidiary was incorporated	02-10-2003	26-09-2003	04-07-2016	09-01-2008	27-12-2018	10-10-2020
The date since when the subsidiary was acquired	-	-	09-05-2023	05-02-2018	-	-
Financial year ended	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25
Reporting currency	USD	SGD	INR	INR	INR	INR
Average Rate	84.55	63.19	-	-	-	-
Closing rate	85.45	63.67	-	-	-	-
Share Capital	8,70,88,787	27,12,987	16,33,60,913	2,19,550	20,23,95,475	10,00,000
Reserves & Surplus	39,64,61,270	14,05,11,166	(15,85,83,469)	17,40,76,450	(19,49,46,947)	6,45,046
Total Assets	14,93,35,53,962	19,02,54,669	2,22,82,744	17,62,79,000	93,07,747	23,00,359
Total Liabilities	14,45,00,03,905	4,70,30,516	1,75,05,300	19,83,000	18,59,219	6,55,313
Investments	3,37,48,06,329	8,70,64,674	-	-	-	-
Turnover	21,54,56,29,902	18,15,95,854	-	-	50,00,000	74,72,938
Profit before taxation	33,75,92,648	73,85,945	(10,84,840)	1,05,06,746	2,53,87,999	3,98,89,053
Provision for taxation	2,11,54,161	(17,02,512)	2,44,622	7,42,731	-	46,28,285
Profit after taxation	31,64,38,487	90,88,457	(13,29,463)	97,64,015	2,53,87,999	3,52,60,769
Proposed Dividend	-	-	-	-	-	-
% of share-holding	100% by Fractal Analytics Limited	100% by Fractal Analytics Limited	100% by Fractal Analytics Limited	100% by Fractal Analytics Limited	71.03% by Fractal Analytics Limited	100% by Fractal Analytics Limited

# Board's Report

## (Direct Subsidiaries)

Sr. No.	7	8	9	10
Name of the subsidiary	Senseforth AI Research Private Limited*	Analytics Vidhya Educon Private Limited	Neal Analytics Services Private Limited*	Fractal Alpha Private Limited*
The date since when the subsidiary was incorporated	27-03-2017	18-02-2014	22-03-2014	03-03-2022
The date since when the subsidiary was acquired	03-08-2021	10-09-2021	17-12-2021	-
Financial year ended	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25
Reporting currency	INR	INR	INR	INR
Average Rate	-	-	-	-
Closing Rate	-	-	-	-
Share Capital	10,00,000	22,71,610	1,00,000	50,00,000
Reserves & Surplus	(21,31,07,000)	(2,66,67,897)	8,81,00,142	(50,43,000)
Total Assets	4,92,81,000	9,44,36,000	8,83,63,145	2,22,000
Total Liabilities	26,13,88,000	11,88,32,287	1,63,003	2,65,000
Investments	-	-	0	-
Turnover	93,81,415	22,22,95,899	-	-
Profit before taxation	(13,48,97,033)	(5,85,35,061)	51,53,662	(3,33,562)
Provision for taxation	63,11,724	(23,61,679)	2,38,613	1,77,750
Profit after taxation	(14,12,10,757)	(5,61,73,382)	49,15,049	(5,11,312)
Proposed Dividend	-	-	-	-
% of share-holding	100% by Fractal Analytics Limited	55.92% by Fractal Analytics Limited	100% by Fractal Analytics Limited	100% by Fractal Analytics Limited

## (Step-down subsidiaries)

Sr. No.	11	12	13	14	15	16
Name of the subsidiary	Fractal LLC-FZ	Asper.AI Technologies Private Limited	Fractal Analytics UK Limited	Fractal Analytics (Canada) Inc.	Fractal Analytics (Switzerland) GmbH	Fractal Analytics Germany GmbH
The date since when the subsidiary was incorporated	02-09-2022	18-09-2019	19-03-2010	11-12-2013	16-06-2014	16-01-2017
The date since when the subsidiary was acquired	-	17-05-2021	-	-	-	-
Financial year ended	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25
Reporting currency	AED	INR	GBP	CAD	CHF	EURO
Average Rate	23.02	-	107.83	60.76	95.35	90.73
Closing Rate	23.27	-	110.55	59.53	96.91	92.48
Share Capital	22,37,473	9,67,46,430	11,206	6,03,922	16,35,763	20,98,638
Reserves & Surplus	2,25,02,612	8,40,27,189	74,20,43,420	10,18,68,894	2,01,86,891	71,56,523
Total Assets	7,41,84,777	35,50,87,810	97,67,28,922	15,59,51,828	2,78,13,860	1,69,48,241
Total Liabilities	4,94,44,692	17,43,14,191	23,46,74,296	5,34,79,012	59,91,206	76,93,080
Investments	-	-	-	-	-	-
Turnover	17,73,28,623	40,04,32,741	1,32,87,08,433	35,35,51,108	2,93,34,222	39,53,361
Profit before taxation	1,61,20,784	5,15,41,733	12,07,96,234	3,26,26,469	26,88,737	4,50,575
Provision for taxation	14,50,870	1,27,58,000	(5,22,81,052)	83,48,338	1,88,211	6,26,992
Profit after taxation	1,46,69,913	3,87,83,733	6,85,15,182	2,42,78,130	25,00,525	(1,76,417)
Proposed Dividend	-	-	-	-	-	-
% of share-holding	100% by Fractal Private Limited, (Singapore)	100% by Asper.AI Inc, (USA)	100% by Fractal Analytics Inc. (USA)	100% by Fractal Private Limited, (Singapore)	100% by Fractal Private Limited, (Singapore)	100% by Fractal Private Limited, (Singapore)

**(Step-down subsidiaries)**

Sr. No.	17	18	19	20	21	22
<b>Name of the subsidiary</b>	<b>Cuddle.ai Inc~</b>	<b>Fractal Analytics Netherland B.V.</b>	<b>Limited Liability Company "Symphony (Ukraine)"</b>	<b>Final Mile Consulting LLC</b>	<b>Fractal Analytics Australia Pty Ltd.</b>	<b>Analytics Vidhya Inc (USA)</b>
The date since when the subsidiary was incorporated	02-03-2017	18-07-2017	01-08-2017	06-07-2012	06-06-2018	08-08-2023
The date since when the subsidiary was acquired	-	-	-	-	-	-
Financial year ended	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25
Reporting currency	USD	EURO	UAH	USD	AUD	USD
Average Rate	84.55	90.73	2.07	84.55	55.11	84.55
Closing Rate	85.45	92.48	2.08	85.45	53.48	85.45
Share Capital	6,385	16,78,910	2,02,71,386	9,85,912	2,82,87,573	-
Reserves & Surplus	(7,238)	1,81,05,133	1,15,71,406	(28,37,85,141)	10,04,18,732	11,06,905
Total Assets	4,13,301	3,34,21,518	4,03,06,824	7,93,08,727	26,08,03,937	9,65,68,866
Total Liabilities	4,14,154	1,36,37,475	84,64,032	36,21,07,956	13,20,97,632	9,54,61,961
Investments	-	-	-	-	-	-
Turnover	-	9,23,59,562	4,18,39,573	7,94,45,217	47,58,66,974	3,00,81,457
Profit before taxation	1,84,855	85,58,024	38,28,614	86,18,075	4,49,14,899	10,94,990
Provision for taxation	90,933	16,70,669	6,89,150	1,88,295	(31,37,663)	-
Profit after taxation	93,922	68,87,355	31,39,464	84,29,780	4,25,90,441	10,94,990
Proposed Dividend	-	-	-	-	-	-
% of share-holding	-	100% by Fractal Private Limited, (Singapore)	100% by Fractal Private Limited, (Singapore)	100% by Fractal Analytics Inc (USA)	100% by Fractal Private Limited, (Singapore)	100% by Analytics Vidhya Educon Private Limited

**(Step-down subsidiaries)**

Sr. No.	23	24	25	26	27	28
<b>Name of the subsidiary</b>	<b>Fractal Analytics Sweden AB#</b>	<b>Fractal Analytics (Shanghai) Limited</b>	<b>Fractal Analytics Malaysia SDN BDH#</b>	<b>Fractal Frontiers, Inc</b>	<b>Theremin Multi Strategy Fund LLP®</b>	<b>Senseforth Inc</b>
The date since when the subsidiary was incorporated	20-12-2018	19-11-2018	04-09-2018	03-03-2022	16-03-2021	23-02-2017
The date since when the subsidiary was acquired	-	-	-	-	-	03-08-2021
Financial year ended	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25
Reporting currency	SEK	CNY	MYR	USD	INR	USD
Average Rate	7.94	11.72	18.77	84.55	-	84.55
Closing	8.53	11.76	19.28	85.45	-	85.45
Share Capital	-	2,04,66,616	89,85,779	-	-	8,417
Reserves & Surplus	(8,39,645)	1,30,59,880	(58,95,878)	15,581	-	5,60,79,984
Total Assets	2,30,123	3,41,08,978	51,23,541	2,90,572	-	5,65,63,796
Total Liabilities	10,69,768	5,82,482	20,33,640	2,74,991	-	4,75,395
Investments	-	-	-	-	-	-

## Board's Report

Sr. No.	23	24	25	26	27	28
Name of the subsidiary	Fractal Analytics Sweden AB <sup>#</sup>	Fractal Analytics (Shanghai) Limited	Fractal Analytics Malaysia SDN BHD <sup>#</sup>	Fractal Frontiers, Inc	Theremin Multi Strategy Fund LLP <sup>@</sup>	Senseforth Inc
Turnover	-	46,42,170	-	-	-	91,77,491
Profit before taxation	(18,36,742)	4,54,789	(27,94,062)	(3,46,223)	-	10,03,077
Provision for taxation	-	1,14,935	(23,124)	6,28,935	-	-
Profit after taxation	(18,36,742)	3,39,854	(27,70,938)	(9,75,158)	-	10,03,077
Proposed Dividend	-	-	-	-	-	-
% of share-holding	100% by Fractal Private Limited, (Singapore)	100% by Fractal Private Limited, (Singapore)	100% by Fractal Private Limited, (Singapore)	100% by Fractal Alpha Private Limited	99.90% by Theremin AI Solutions Private Limited	100% by Fractal Analytics Inc. (USA)

### (Step-down subsidiaries)

Sr. No.	29	30	31	32
Name of the subsidiary	Asper.AI Limited	Asper.AI Inc.	Eugenie.ai Inc	Fractal Abu Dhabi <sup>^</sup>
The date since when the subsidiary was incorporated	07-11-2019	10-05-2019	15-02-2021	26-06-2024
The date since when the subsidiary was acquired	-	17-05-2021	-	-
Financial year ended	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-25
Reporting currency	GBP	USD	USD	AED
Average Rate	107.83	84.55	84.55	23.02
Closing Rate	110.55	85.45	85.45	23.27
Share Capital	52,58,526	1,26,491	3,79,556	-
Reserves & Surplus	(4,05,410)	(60,48,14,494)	27,98,405	20,30,596
Total Assets	4,46,73,771	47,64,55,897	36,73,582	2,06,06,179
Total Liabilities	3,98,20,655	1,08,11,43,900	4,95,621	1,85,75,583
Investments	-	14,98,05,210	-	-
Turnover	5,80,26,586	39,92,88,138	8,46,343	2,18,22,530
Profit before taxation	4,52,319	(24,01,18,838)	10,29,33,891	19,83,867
Provision for taxation	(1,26,575)	-	-	-
Profit after taxation	3,25,744	(24,01,18,838)	10,29,33,891	19,83,867
Proposed Dividend	-	-	-	-
% of share-holding	100% by Asper.AI Inc. (USA)	96.97% by Fractal Analytics Inc. (USA)	100% by Fractal Analytics Inc. (USA)	100% by Fractal Private Limited, (Singapore)

\* First Motion Application for the Merger of Cuddle Artificial Intelligence Private Limited, Final Mile Consultants Private Limited, Neal Analytics Services Private Limited, Theremin AI Solutions Private Limited, Fractal Alpha Private Limited and Eugenie Technologies Private Limited with Senseforth AI Research Private Limited, is filed on January 30, 2025.

#Fractal Analytics Sweden and Fractal Analytics Malaysia SDN BHD are under dissolution

^ Fractal AI Limited has been incorporated on June 26, 2024.

~ Cuddle.ai Inc (Delaware) has been dissolved with effect from March 31, 2024. Subsequently, a certificate of withdrawal was obtained from SECRETARY OF STATE, COMMONWEALTH OF KENTUCKY on July 1, 2024, and Department of Treasury, State of New York, has issued tax clearance certificate on March 5, 2025.

@The partners of Theremin Multi Strategy Fund LLP resolved in its meeting held on Monday, April 21, 2025, to make an application to Registrar, for striking off the name of the LLP from the Register of LLP.

During the financial year, the following changes occurred in the subsidiary companies:

1. Fractal Japan KK has been dissolved with effect from July 31, 2024.

2. Neal Analytics, LLC ('Neal US') - Neal Analytics LLC (Neal US) has been merged with Fractal Analytics Inc. (Fractal US), pursuant to filing and approvals from relevant authority in New York and Washington. Effective date of merger: New York - April 9, 2024 and Washington - April 29, 2024.

## II. Details related to joint ventures / associates of the Company:

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Particulars	Details
1	Name of the Associate/ Joint Venture:	Qure.ai Technologies Private Limited
2	Latest Audited Balance Sheet Date	March 31, 2025
3	Date on which the Associate or Joint Venture was associated or acquired	Incorporated on 19 July 2016 as a wholly owned subsidiary. w.e.f. 13 April 2022 it's an Associate.
4	Shares of Associate or Joint Ventures held by the company on the year end	
	No.	25,00,00,000
	Amount of Investment in Associates	25,00,00,000
	Extent of Holding (in percentage)	31.51% (on a fully diluted basis as on March 31, 2025)
5	Description of how there is significant influence	By virtue of shares (Associate)
6	Reason why the associate is not consolidated.	As per Ind AS 28, "Investments in Associates and Joint Ventures", If any entity has only significant influence over another entity, then it need not to consolidate financial statement of associate and only investment is initially recognised at cost and adjusted thereafter for investor's share of profit & loss and other comprehensive income in associate.
7	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ '000)	46,69,017
8	Profit or Loss for the year (₹ '000)	(907,739)
	i. Considered in Consolidation	(298,075)
	ii. Not Considered in Consolidation	(609,664)

## III. Other details:

Nil

For and on behalf of Board of Directors of  
**Fractal Analytics Limited**

sd/-

**Srikanth Velamakanni**

Whole-time Director

DIN: 01722758

Date: May 21, 2025

Place: Mumbai

sd/-

**Sasha Mirchandani**

Non- Executive Director

DIN: 01179921

Date: May 21, 2025

Place: Mumbai

## Annexure C

(This annexure forms part of the Board's Report)

### Form No. AOC – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

### Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

#### I. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts / arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	N.A.
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any:	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

#### II. Details of material contracts or arrangement or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	Fractal Analytics Incorporated, USA a wholly owned subsidiary of the Company. Mr. Srikanth Velamakanni and Mr. Pranay Agrawal, Directors of Fractal Analytics Limited are also directors of the wholly owned subsidiary.
b)	Nature of contracts/arrangements/transactions	Availing and rendering of services
c)	Duration of the contracts / arrangements/transactions	-
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	As per Note 29 (Related Party Disclosure) to the standalone financial statements.
e)	Date(s) of approval by the Board	NA
f)	Amount paid as advances, if any:	NA
a)	Name(s) of the related party and nature of relationship	Mrs. Chetana Kumar, Head-Corporate Social Responsibility and Special Projects. She is wife of Mr. Srikanth Velamakanni, Whole-time director of the Company.
b)	Nature of contracts/arrangements/transactions	Relative of Director holding office or place of profit in the Company
c)	Duration of the contracts / arrangements/transactions	-
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount of Remuneration for Financial Year 2024-25: ₹ 11.79 million
e)	Date(s) of approval by the Board	September 4, 2024 October 9, 2024*
f)	Amount paid as advances, if any:	NA

\*Date of Extraordinary General Meeting of the Members of the Company.

For and on behalf of Board of Directors of  
**Fractal Analytics Limited**

sd/-  
**Srikanth Velamakanni**  
Whole-time Director  
DIN: 01722758  
Date: May 21, 2025  
Place: Mumbai

sd/-  
**Sasha Mirchandani**  
Non- Executive Director  
DIN: 01179921  
Date: May 21, 2025  
Place: Mumbai

#### Registered Office Address:

Level 7, Commerz II, International Business Park,  
Oberoi Garden City, Off. Western Express Highway,  
Goregaon (East), Mumbai- 400 063

## Annexure D

(This annexure forms part of the Board's Report)

### Details pertaining to Fractal Employees Stock Option Plan ("Fractal ESOP") for the financial year 2024-25

Sr. No.	Particulars	#Fractal Employees Stock Option Plan	*Time Based Key Employee Stock Incentive Plan 2019	*Performance Based Key Employee Stock Incentive Plan 2019	
1	Options granted (net of rescission)	5,45,300	Nil	Nil	
2	Options vested	4,43,200	3,22,139	Nil	
3	Options exercised	4,16,628	1,03,991	Nil	
4	The total number of shares arising as a result of exercise of option	4,16,628	1,03,991	Nil	
5	Options lapsed	1,29,640	6,063	12,030	
6	Options granted in FY 2023-24 and rescinded during the FY 2024-25.	Nil	Nil	Nil	
7	The exercise price	The exercise price of Options Granted ₹ 846/- each ₹ 2270/- each	The exercise price of shares allotted ₹ 1/- each (at par) ₹ 40/- each ₹ 279.81/- each ₹ 595.26/- each ₹ 610/- each ₹ 640/- each ₹ 846/- each ₹ 2270/- each ₹ 3218/- each	The exercise price of shares allotted: ₹ 846/- each, ₹ 2270/- each	Nil
8	Variation of terms of options	Nil	Nil	Nil	
9	Money realized by exercise of options	33,72,62,025	10,96,25,458	Nil	
10	Total number of options in force	24,95,688	8,97,225	20,17,308	
11	Employee wise details of options granted to:				
	Key managerial personnel	Nil	Nil	Nil	
	Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	Satish Raman: 45000 Sankaranarayanan B: 35000 Sandeep Dutta: 30000 Natwar Mall: 30000 Rohini Singh: 30000	Nil	Nil	
c.	Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Nil	Nil	Nil	

# The above details comprise of Fractal 2007 ESOP scheme & Fractal 2019 ESOP scheme

\*Time Based Key Employee Stock Incentive Plan 2019 (Time-Based MIP) & Performance Based Key Employee Stock Incentive Plan 2019 (Performance-Based MIP) are collectively referred to as Management Incentive Plan 2019 ('MIP Plan 2019')

## Annexure E

**FORM NO. MR.3**  
**SECRETARIAL AUDIT REPORT**  
**for the Financial Year Ended March 31, 2025**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
Fractal Analytics Limited  
Level 7, Commerz II, International Business Park,  
Oberoi Garden City, Off. W. E. Highway,  
Goregaon (E), Mumbai - 400063 Maharashtra.

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

### **Auditor's Responsibility:**

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act), and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (External Commercial Borrowings not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the Company during the Audit Period)
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not Applicable to the Company during the Audit Period)
  - c. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; (Not Applicable to the Company during the Audit Period)
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period)
  - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
  - f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period); and
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period)
- (vi) As identified, no laws specifically applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 (Not Applicable to the Company during the Audit Period)

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

### We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in three cases where meeting is convened at a shorter notice for which necessary approvals obtained as per applicable provisions). A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has:

1. converted from Private Limited Company into Public Limited Company by passing shareholders' approval in Extra Ordinary General Meeting ('EOGM') held on March 28, 2024. Subsequently, the Certificate of Incorporation pursuant to conversion was received from the Registrar of Companies on May 16, 2024. Accordingly, the Memorandum and Article of Association of Company got amended.
2. issued and allotted 5,20,619 equity shares of ₹ 1/- each pursuant to Fractal Employee Stock Option Plan 2019, Fractal Employee Stock Option Plan 2007, Time-based Management Incentive Plan 2019.
3. altered clause 1.1.130, 2.1.1 and 2.1.1(f) of Part B of Article of Association of the Company by passing Special

resolution in its Annual General Meeting held on August 30, 2024

4. taken shareholders' approval in Extra Ordinary General Meeting held on October 09, 2024 for the following transactions:
  - a) increase in Authorised Share Capital of the Company from 38,73,00,000 shares of ₹ 1/- each consisting of 34,92,00,000 Equity Shares of ₹ 1/- each and 3,81,00,000 Compulsorily Convertible Preference Shares of ₹ 1/- each to 44,00,00,000 shares of ₹ 1/-each consisting of 38,94,00,000 Equity Shares of ₹ 1/- each and 5,06,00,000 Compulsorily Convertible Preference Shares of ₹ 1/- each and consequent alteration of Memorandum of Association of the Company.
  - b) approval under Section 179(3)(d) and 180(1)(c) of the Act to borrow up to an amount not exceeding ₹ 3,500 crores/- at any point of time.
5. taken shareholders' approval in Extra Ordinary General Meeting held on February 07, 2025 for the following transactions:
  - a) consideration and approval for the increase in existing ESOP pool under Fractal ESOP 2019 plan pursuant to transfer of 83,838 options from time-based MIP-2019 and 212820 options from performance-based MIP 2019 (Collectively "Management Incentive Plan").
  - b) consideration and approval for the termination of time-based MIP 2019 and performance -Based MIP 2019.
6. taken shareholders' approval in Extra Ordinary General Meeting held on March 28, 2025 for approving the increase in Employee Stock Option Pool under the 2019 Fractal Employee Stock Option Plan.

### For MMJB & Associates LLP

Company Secretaries  
 ICSI UIN: L2020MH006700  
 Peer Review Cert. No.: 2826/2022

sd/-

### Deepti Joshi

Designated Partner  
 FCS: 8167  
 CP: 8968  
 UDIN: FO08167G000384730

Date: May 20, 2025  
 Place: Mumbai

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

## Annexure

To,  
The Members,  
Fractal Analytics Limited  
Level 7, Commerz II, International Business Park,  
Oberoi Garden City, Off. W. E. Highway,  
Goregaon (E), Mumbai - 400063 Maharashtra.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

### **For MMJB & Associates LLP**

Company Secretaries  
ICSI UIN: L2020MH006700  
Peer Review Cert. No.: 2826/2022

sd/-

### **Deepti Joshi**

Designated Partner  
FCS: 8167  
CP: 8968  
UDIN: F008167G000384730

Date: May 20, 2025

Place: Mumbai

## Annexure F

(This annexure forms part of the Board's Report)

### Annual Report of Corporate Social Responsibility (CSR) Activities

(Pursuant to Section 135 of the Companies Act, 2013)

#### A. Brief outline on CSR Policy of the Company.

The Corporate Social Responsibility (CSR) philosophy of the Company seeks to integrate usage of our core expertise to achieve greater social impact with Fractal's CSR initiatives. Creating shared value in an identified social problem arena, that we are equipped to help resolve and from where the greatest community benefit can be gleaned. Your Company understands that CSR is necessary to integrate its business values and operations to meet the expectations of all its stakeholders at large. Stakeholders comprising our clients, employees, investors, suppliers, the local community, and the environment. Undertaking CSR initiatives and being socially responsible has a host of benefits to your Company such as strengthening its relationship with its stakeholders and using its expertise in analytics and artificial intelligence capabilities to help its CSR partners have better outcomes for their beneficiaries.

The Company's CSR policy is based on the key areas outlined below.

Our broad objectives, as stated in our CSR policy include

- Enhancing equitable educational outcomes for disadvantaged children
- Empowering women to be financially independent and
- Improving quality & affordability of healthcare, radiological expertise, and provision of safe housing solutions.
- Taking intelligent and science-based actions to reduce Fractal's carbon footprint, improve its protection and preservation of biodiversity, and to take action to address climate change and its impacts in line with the United Nations Sustainability Development Goal (UN SDG) 13

Your Company seeks to accomplish these goals by partnering with the government, non-profit sector, public-private partnerships, and the local community. The focus areas are primarily to engage with NGOs in improving the educational outcomes of underprivileged children and the empowerment of women. The Company is also evaluating opportunities to use its analytics and artificial intelligence capabilities to reach a larger diaspora that could be benefited by its solutions. On the goals of empowering women and children, it seeks to achieve its CSR goals by funding and participating in certain initiatives allowed and listed under Schedule VII to the Companies Act, 2013 ('the Act'). These initiatives align with the following directions.

- Scholarship Programs for education
- Providing health aids and appliances to the disabled
- Providing infrastructure and other learning aids
- Participating for a cause through events
- Training and enhancing skills of underprivileged women and children
- Afforestation and bio-diversity preservation projects
- Sustainable and Social Procurement from women run businesses
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Rural development projects;

The Company aims to have a high impact approach of delivering CSR to the communities it serves and compared to earlier years hopes to continue to generate greater value and better outcomes for these communities.

**B. Composition of the CSR & ESG Committee and details of the Committee meetings.**

Our committee includes the following Board level members, who are responsible for overseeing the execution of the Company's CSR policy and for reporting to the Board, as may be required, pursuant to the applicable provisions of the Act.

Details of the composition of CSR & ESG Committee as on March 31, 2025, is as provided below

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR & ESG Committee held during the year	Number of meetings of CSR & ESG Committee attended during the year
1	Ms. Neelam Dhawan	Director & Chairperson	3	3
2	Mr. Srikanth Velamakanni	Director and member	3	3
3	Mr. Sasha Mirchandani	Director and member	3	3
4	Mr. Vivek Mohan	Director and member	3	3
5	Mr. Anurag Sud*	Director and member	3	2

\*Mr. Anurag Sud has resigned as Director with effect from close of business hours of March 27, 2025.

During the year under review, three (3) Corporate Social Responsibility & Environmental, Social and Governance Committee meeting was held during the financial year 2024-25.

**C. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.**

Please visit <https://fractal.ai/csr/> for all details such as composition of CSR & ESG Committee CSR policy and CSR Projects approved by the Board.

**D. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.**

Not applicable.

**E. Financial Details:**

a)	Average net profit of the Company as per sub-section (5) of section 135	31,73,17,769
b)	Two percent of average net profit of the Company as per sub-section (5) of section 135	63,46,355
c)	Surplus arising out of the CSR Projects or programs or activities of the previous financial years	NIL
d)	Amount required to be set-off for the financial year, if any.	NIL
e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	63,46,355

**F. CSR Expenditure**

a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	63,46,785
b)	Amount spent in Administrative Overheads	NIL
c)	Amount spent on Impact Assessment, if applicable	NIL
d)	Total amount spent for Financial Year [(a) + (b) + (c)]	63,46,785

**e) CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
63,46,785	Nil		Nil		

**f) Excess amount for Set-off, if any: Nil**

Sr. No	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	63,46,355
(ii)	Total amount spent for the Financial Year	63,46,785
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	430
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	None
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

**G. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sr. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1				Nil			
2	FY-2				Nil			
3	FY-3				Nil			

**H. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year- No.**
**I. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135- Not applicable.**

"We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR committee (renamed as CSR & ESG Committee) monitors the implementation of the CSR projects and activities in compliance with our CSR policy."

For and on behalf of Board of Directors of  
**Fractal Analytics Limited**

sd/-  
**Srikanth Velamakanni**  
Whole-time Director  
DIN: 01722758  
Date: May 21, 2025  
Place: Mumbai

sd/-  
**Neelam Dhawan**  
Director and Chairperson of CSR & ESG Committee  
DIN: 00871445  
Date: May 21, 2025  
Place: Mumbai

**Registered Office Address:**

Level 7, Commerz II, International Business Park,  
Oberoi Garden City, Off. Western Express Highway,  
Goregaon (East), Mumbai- 400 063

## Board's Report

Few of the highlights in the areas of environmental stewardship, education, women empowerment, healthcare, and safe housing solutions are listed below.

### **Fractal's continued commitment towards Environment, Social and Governance (ESG) responsibilities including environmental stewardship at Fractal.**

Fractal's Corporate Social Responsibility (CSR) philosophy centres around making a positive impact on people, the planet that we share, and the communities that Fractal is honoured to operate in.

Fractal CSR thrust areas include:-

- i) enhancing equitable educational outcomes for disadvantaged children.
- ii) empowering women to be financially independent.
- iii) improving quality & affordability of healthcare, safe housing solutions.
- iv) Taking intelligent and science-based actions to reduce Fractal's carbon footprint, improve its protection and preservation of biodiversity, and to take action to address climate change and its impacts in line with the United Nations Sustainability Development Goal (UN SDG) 13.

Fractal is also committed to climate action in line with UN SDG 13 and understands the importance of setting and monitoring science-based Net Zero targets.

As part of its commitment to sustainable ESG practices, Fractal is focused on establishing robust governance structures that encompass ESG related matters. We understand the significance of high-level leadership in driving meaningful change and have continued integration of ESG practices, including environmental sustainability into our business strategy, And Fractal continues to assess the required investments to get to Net Zero

### **The following milestones underscore Fractal's commitment to intelligent and responsible climate action, in alignment with the UN Sustainable Development Goal (SDG) 13 on Climate Action.**

#### **1. Fractal is committed to becoming a Net Zero Company by or before 2040. It is in the process of setting Science Based Targets to cut its near- and long-term companywide emissions.**

- a. Fractal encourages resource conservation, resource use efficiency, increase in the use of green energy, and works towards minimizing waste and emissions in business operations. The company minimizes Greenhouse Gas (GHG) emissions and will align with India's Nationally Determined Commitments (NDC) as well as set science-based targets to get to Net Zero.
- b. Fractal has been practicing Carbon Accounting and maintaining a GHG inventory from its baseline year of FY 2019-2020. Fractal has third party independent assurance for its Scope 1 Scope 2 and Scope 3 emissions in line with the AA1000AS standard - Moderate. level assurance. This independent assurance assures Fractal's emissions for FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24 covering all the years of Fractal's carbon accounting/ GHG inventory. Independent third-party **Audit for FY 2024-25** is in process. Fractal tracks and communicates its progress on UN SDG 13.
- c. Carbon Disclosure Project (CDP) Reporting: Fractal has been privately reporting on CDP for the last 4 years on client request and has most recently scored a **B** rating in the CDP 2024 cycle for Climate Change
- d. Ongoing Efforts to Reduce Carbon Emissions: Fractal will continue to reduce its workplace emissions, employee commute and business travel related emissions. It will also continue to offset carbon by way of nature-based afforestation drives for biodiversity, ground water replenishment and protection of wildlife habitat. Fractal Mumbai and Fractal Bengaluru (Embassy Tech Village, Block 2 A, 4<sup>th</sup> Floor, West Tower, Bengaluru office) continued to be powered by renewable energy from the grid, accounting for around 88% of Fractal's administered leased corporate real estate in FY 2024-25.; and Fractal will strive to expand the share of renewable energy across its other global workspaces. Fractal continues to invest in and work on transitioning the leased corporate surface travel fleet to electric vehicles (EVs).

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Scope 1	194	174	174	178	136	97
Scope 2	1012	686	590	305	70	64
Scope 3	2176	736	970	1536	1236	5510
<b>Total</b>	<b>3382</b>	<b>1595</b>	<b>1735</b>	<b>2018</b>	<b>1443</b>	<b>5671</b>

Unit: Mt CO<sub>2</sub>e

In FY 2024-25, the GHG inventory boundary was expanded to include additional Scope 3 categories.

Fractal applies an operational control approach to its GHG inventory, and the table above covers around 88% of leased offices in Fractal's operational control.

**2. Fractal’s continued commitment towards ESG responsibilities by way of corporate social responsibility initiatives at Fractal**

**Fractal CSR outreach:** Fractal contributed ₹ 63,46,785 for FY 2024-2025.

			
<p>Bamboo germplasm plantation + creation of 125 family vegetable gardens creating future and interim income for marginalized tribal farmers + 2 solar group irrigation systems.</p> <p>Interim income impact: ₹ 6,000/family/month. Action for climate resilience, UN SDG 13 action.</p>	<p>Sponsored waterwheels to provide safe water and to reduce the burden of head loading for women carrying water for domestic use.</p> <p>Expected outcome: 270 rural tribal women and their families, 1350 individuals (estimated)</p>	<p>Sponsorship of artificial limbs, calipers, mobility aids to the economically severely under privileged.</p> <p>Impact: 476 people linked to critical mobility aids enabling their social inclusion and disability support.</p>	<p>Financial aid and career guidance to talented female students from underprivileged backgrounds to significantly improve their career prospects.</p> <p>Impact: Scholarships to 13 resilient female students for higher professional education.</p>

**3. Fractal’s continued commitment towards ESG responsibilities – community outreach by Fractalites on volunteering drives, programs.**

**Employee Engagement and Volunteering Impact Days**

Fractal also seeks to be a workplace of choice for those who seek to pursue professional, personal, and social goals with a high degree of passion. Fractal seeks to integrate usage of its core expertise to achieve greater social impact. Creating shared value in an identified social problem arena, that we are equipped to help resolve. And from where the greatest community benefit can be gleaned.

**a) Recurring annual volunteering initiative: Secret Santa Campaign**

This is a recurring annual event across Fractal’s India locations. The CSR team had designed and executed the Annual Secret Santa Campaign. Fractal and Fractalites voluntarily sponsored Secret Santa gifts to students. The campaign was open to all Fractalites across India locations. More than 304 Fractalites across levels participated and contributed to this campaign with the remainder of the kits sponsored by Fractal. In total 809 kits amounting to INR 4,04,500 were contributed to children across the communities at Fractal base locations. Secret Santa kits are chosen with care to aligned with the needs of different schools and students while also aimed at delighting the students. This year the Secret Santa outreach was to children across Grades 1-10. In cities such as Bengaluru, Chennai, Mumbai, Pune and Gurugram. Kits included items such as apparel, drawing books, stationery, and story books.

**b) Annual volunteering initiative: TCS World 10K Bengaluru (April, 2024), Vedanta Delhi Half Marathon (October, 2024) and the TATA Mumbai Marathon (Jan, 2025)**

Fractal has expanded its involvement in city marathons to include employees from Bengaluru and Gurugram. Fractal sponsored over 30 Fractalites from Bengaluru to participate in the TCS World 10K Bengaluru Marathon, encompassing the open run and the ‘Majja Run’ categories. Additionally, more than 40 Fractalites from Gurugram participated in the Vedanta Delhi Run, joining categories such as the half marathon, 10K, and the ‘Great Delhi Run’.

Furthermore, we have upheld our commitment to active participation in the TATA Mumbai Marathon for five consecutive years since 2018. This year, Fractal sponsored over 50+ volunteers across various categories including the Open Run, Full Marathon, Half Marathon, and Dream Run.

The purpose of participating in the marathon was to raise awareness for a Fractal CSR cause - better educational outcomes for disadvantaged children. This is a Fractal CSR thrust area.

**c) Upheld our commitment the Environment with a Special Event for World Environment Day**

Fractal collaborated with BAIF to organize a tree plantation drive aimed at raising awareness of the importance of tree planting and contributing to the conservation of forests and biodiversity. Fractal sponsored over 200 mango grafts, with more than 30+ Fractalites volunteering to plant 100 mango grafts in the Sensari Toran Pada Village, Maharashtra.

#### 4. Fractal's continued commitment towards ESG responsibilities – social and inclusive procurement.

- a) Fractal continued to encourage and social and inclusive procurement from sustainable marketplaces such as Brown Living. Fractal continued to encourage lady entrepreneurs and micro and small enterprises and purchased goods and services from these enterprises.
- b) Fractal, in line with its Corporate Social Responsibility (CSR) policy and sustainable procurement and usage guidelines, has sponsored the donation of 50 refurbished laptops along with 50 laptop bags to Vidyarthi Sahayyak Samiti (VSS). The objective of this donation is to support meritorious students from economically weaker sections with a rural background, enabling them to complete their higher education in Pune. These laptops will aid students in their studies, project work, and some will utilize them for the Earn and Learn scheme, which involves coding or data entry tasks. This initiative aims to significantly enhance educational opportunities for students, providing them with the necessary tools to succeed academically and professionally. And also helps products with good life still left in them continue to circulate in a positive fashion. In line with intelligent reuse to extend product life.

#### **Empowering women run businesses that empower other women:**

- a) Fractal CSR invited and sponsored a Financial Wellness Session by Pay It Forward, a unique social venture started in 2017. Pay It Forward is run by 3 women entrepreneurs, Preetha Wali, Anu Seth and Vinita Jain to conduct customized personal finance awareness and planning sessions for everyone. This is a repeat initiative open to all genders at Fractal.
- b) **International Women's Day:** Appreciating native Indian art and craft by way of Tie and Dye workshop across Fractal India locations for all genders. Including interaction with the entrepreneurs facilitating the same. Over 177 employees across levels and teams attended the workshop, engaging in practical learning and showcasing their creativity. It demonstrated Fractal's commitment to creating opportunities for underrepresented groups through meaningful engagement.

## Annexure G

(This annexure forms part of the Boards' Report)

### Business Responsibility & Sustainability Report (BRSR)

#### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of Company	U72400MH2000PLC125369
2.	Name of the Company	Fractal Analytics Limited (Fractal)
3.	Year of incorporation	2000
4.	Registered office address	Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W.E Highway, Goregaon (E), Mumbai City, Mumbai, Maharashtra, India, 400063
5.	Corporate Address	Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W.E Highway, Goregaon (E), Mumbai City, Mumbai, Maharashtra, India, 400063
6.	E-mail	secretarial@fractal.ai
7.	Telephone	+91 22 6850 5800
8.	Website	https://fractal.ai/
9.	Financial year for which reporting is being done	FY 2024-25
10.	Name of the Stock Exchange(s) where shares are listed	Unlisted
11.	Paid-up capital	₹ 3,10,29,583
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Somya Agarwal- Company Secretary Email: <a href="mailto:secretarial@fractal.ai">secretarial@fractal.ai</a>
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made in this report are on a Standalone basis
14.	Name of assurance provider	Not applicable
15.	Type of assurance obtained	Not applicable

#### II. Products/Services

##### 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of the Main Activity	Description of the Business Activity	% of turnover the entity
1	Other professional, technical and business services	Data processing/ managing and advanced analytics, information technology enabled consultancy services	100%

##### 17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed.
1	Data Processing/Managing and advanced analytics, information technology enabled consultancy services	62011, 62099 and 63111	98%

#### III. Operations

##### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of offices	Total*
National	Not applicable	10	10
International	Not applicable	14	14

\* Fractal has a total of 24 offices including leased, managed, co-working and virtual offices.

**19. Markets served by the entity:**

**a. Number of locations**

Locations	Number
National (No. of states)	7
International (No. of countries)	17

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

85.79%

**c. A brief on types of customers:**

Fractal is a leading analytics and artificial intelligence company. We serve B2B clients from a range of diversified industry sectors such as retail, industrial and manufacturing, financial services, insurance, technology, media, telecom, healthcare and life sciences. More information on our clients is available on website.

**IV. Employees**

**20. Details as at the end of Financial Year:**

**a. Employees and workers (including differently-abled):**

S. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (H)	% (H/A)
<b>Employees</b>								
1.	Permanent (D)	4491	3002	67%	1487	33%	2	0.04%
2.	Other than permanent (E)	125	80	64%	45	36%	0	0%
3.	Total employees (D + E)	4616	3082	67%	1532	33%	2	0.04%
<b>Workers</b>								
4.	Permanent (F)	Not applicable as Fractal does not have permanent or other than permanent workers.						
5.	Other than permanent (G)							
6.	Total workers (F + G)							

**b. Differently abled employees and workers:**

S. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (H)	% (H/A)
<b>Differently abled employees</b>								
1.	Permanent (D)	0	0	0%	0	0%	0	0%
2.	Other than permanent (E)	0	0	0%	0	0%	0	0%
3.	Total employees (D + E)	0	0	0%	0	0%	0	0%
<b>Differently abled workers</b>								
4.	Permanent (F)	Not applicable as Fractal does not have permanent or other than permanent workers.						
5.	Other than permanent (G)							
6.	Total employees (F + G)							

**21. Participation/inclusion/representation of women**

	Total (A)	No. and % of females	
		No. (B)	% (B / A)
Board of Directors	10 <sup>*^</sup>	3	33%
Key Management Personnel	2 <sup>^</sup>	1	50%

\* Mr. Anurag Sud has resigned as Director from close of business hours of March 27, 2025.

<sup>^</sup>Mr. Srikanth Velamakanni, Whole Time Director, is included in the total count for the Board of Directors and KMP as well.

## 22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2024-25 (Turnover rate in current FY)				FY 2023-24 (Turnover rate in previous FY)				FY 2022-23 (Turnover rate in the year prior to the previous FY)			
	Male	Female	Other	Total	Male	Female	Other	Total	Male	Female	Other	Total
Permanent Employee	16%	16%	0%	16%	15%	14%	0%	14%	25%	19%	0%	23%
Permanent Workers	Not applicable											

## V. Holding, subsidiary and associate companies (including joint ventures)

### 23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holdings/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Fractal Analytics Inc.	Wholly owned subsidiary	100%	No, Fractal is reporting on Business Responsibility and Sustainability Reporting on a Standalone basis.
2	Fractal Private Limited	Wholly owned subsidiary	100%	
3	Cuddle Artificial Intelligence Private Limited	Wholly owned subsidiary	100%	
4	Qure.ai Technologies Private Limited	Associate	31.51%	
5	Final Mile Consultants Private Limited	Wholly owned subsidiary	100%	
6	Theremin AI Solutions Private Limited	Subsidiary	71.03%	
7	Eugenie Technologies Private Limited	Wholly owned subsidiary	100%	
8	Fractal Analytics UK Limited	Step-down Subsidiary	100% Subsidiary of Fractal Analytics Inc. (USA)	
9	Fractal Analytics (Canada) Inc.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)	
10	Fractal Analytics (Switzerland) GmbH	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)	
11	Fractal Analytics Germany GmbH	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)	
12	Cuddle.ai Inc	Step-down Subsidiary	Dissolved w.e.f. March 31, 2024	
13	Fractal Analytics Netherland B.V	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)	
14	Limited Liability Company Symphony (Ukraine)	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)	
15	Final Mile Consulting LLC	Step-down Subsidiary	100% Subsidiary of Fractal Analytics Inc. (USA)	
16	Fractal Analytics Australia Pty Ltd	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)	
17	Fractal Analytics Malaysia SDN BHD	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)	
18	Fractal Analytics (Shanghai) Limited	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)	
19	Fractal Analytics Sweden AB	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)	
20	Eugenie.ai Inc	Step-down Subsidiary	100% subsidiary of Fractal Analytics Inc. (USA)	
21	Theremin Multi Strategy Fund LLP	Step-down Subsidiary	99.9% by Theremin AI Solutions Private Limited	

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holdings/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
22	Asper.AI Inc.	Step-down Subsidiary	96.69% Subsidiary of Fractal Analytics Inc. (USA)	
23	Asper.AI Limited	Step-down Subsidiary	100% Subsidiary of Asper.AI Inc. (USA)	
24	Senseforth AI Research Private Limited	Wholly owned subsidiary	100%	
25	Senseforth Inc	Step-down Subsidiary	100% Subsidiary of Fractal Analytics Inc. (USA)	
26	Neal Analytics Services Private Limited	Wholly owned subsidiary	100%	
27	Neal Analytics LLC	Step-down Subsidiary	Merged with Fractal Analytics Inc. w.e.f. 9 April, 2025 for New York and 29 April, 2024 for Washington	
28	Fractal Alpha Private Limited	Wholly owned subsidiary	100%	
29	Fractal Frontiers, Inc.	Step-down Subsidiary	100% Subsidiary of Fractal Alpha Private Limited (India)*	
30	Fractal LLC-FZ	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)	
31	Asper.AI Technologies Private Limited	Step-down Subsidiary	100% subsidiary of Asper.AI Inc. (USA)	
32	Analytics Vidhya Educon Private Limited	Subsidiary	55.92%	
33	Analytics Vidhya Inc (USA)	Step-down Subsidiary	100% subsidiary of Analytics Vidhya Educon Private Limited**	
34	Fractal Japan KK	Step-down Subsidiary	Dissolved w.e.f. July 31, 2024	
35	Fractal AI limited	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)	

\*At the time of its incorporation, a resolution was adopted to hold 100% ownership in Fractal frontiers Inc. As on date, the monies has not been infused by Fractal Alpha.

\*\* At the time of its incorporation, a resolution was adopted to hold 100% ownership in Analytics Vidhya Inc. As on 31<sup>st</sup> March, 2025 funds has not been infused by Analytics Vidhya Educon Private Limited.

## VI. CSR details

**24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No): Yes**

**(ii) Turnover (in ₹) – 14,367 million**

**(iii) Net worth (in ₹) – 19,309 million**

## VII. Transparency and disclosures compliances

### 25. Complaints/grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If Yes, then provide web-link for grievance redressal policy	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Fractal contributes its CSR funds through Non-Profit Organizations (NGOs), following a structured process. Once the NGO is approved by the Finance and Legal teams, we proceed with formalizing the partnership through a Memorandum of Understanding (MOU). This agreement provides a framework for addressing any disputes or issues that may arise, with each team having the ability to escalate matters to the legal team for resolution. Fractal also has a formal grievance redressal process in place to ensure that any concerns from stakeholders, partners, or beneficiaries are addressed promptly and fairly, reinforcing our commitment to transparency and accountability in all CSR initiatives. <a href="#">Link</a>	0	0	-	0	0	-
Investors (other than shareholders)	Fractal has a dedicated portal to raise concerns. <a href="#">Link</a>	0	0	-	0	0	-
Shareholders		0	0	-	0	0	-
Employees and workers	Yes, Fractal has an HC Helpdesk portal to support and redress any grievances from employees. Link to the HC Helpdesk portal is available on the intranet.	2	1	-	2	1	The complaints raised were related to background check failures, dual employment, impersonation, insubordination, anti-money laundering and anti-corruption, disobedience, and misconduct or policy violations.  Further, all the complaints that were pending as of the year end had been resolved at the time of publishing this report.
Clients	Fractal has a dedicated portal to raise concerns. <a href="#">Link</a> An NPS form is also distributed to all clients to assess satisfaction levels and gather feedback, complaints and queries.	0	0	-	0	0	-
Value chain partners	Yes, Fractal has a Supplier Code of Conduct as a guide for supplier management. Suppliers can report their concerns by directly writing to the company or raising a concern through a dedicated portal <a href="#">Link</a> .	1	0	All the complaints are resolved	0	0	-
Others (third party and ex, anonymous and employees)	We offer multiple channels to report Whistleblower and ABAC concerns. These include traditional options like email and written post, and anonymous options via the EthicsLine web portal, hotline numbers, EthicsLine email ID, and courier service. All reports are handled confidentially, with zero tolerance for retaliation	10	1	All the complaints are addressed	4	4	All the complaints that were pending as of the year end had been resolved at the time of publishing this report.

**26. Overview of the entity’s material responsible business conduct issues.**

**Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:**

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Data Protection Risks	Risk	We operate globally and are proactively preparing for compliance with evolving data privacy regulations, such as DPDP Act and Rules in India and potential US federal laws to ensure readiness and demonstrate compliance when these regulations come into effect. Non-compliance and data breaches could result in penalties, legal issues, reputational harm, and loss of stakeholder trust, while also triggering regulatory actions and obligations.	We have a robust privacy framework led by a Data Protection Officer, ensuring compliance with jurisdiction-specific data privacy laws. Key measures include regular updates to privacy policies, data privacy impact assessments, consent management, and breach notification protocols. Data loss prevention tools, privacy training, and mandatory privacy assessments for new vendors are utilized.	Negative Financial impact could include customer claims, regulatory penalties, breach notification costs, loss of business, and reputational repair efforts.
2.	Cyber Security Attacks and Hacks	Risk	Cyber security threats and attacks pose a major threat to our data safety and privacy protection. Cyber-attacks can disrupt operations and lead to reputational and financial risks.	We have implemented a comprehensive cybersecurity program aligned with the best industry practices, including ISO 27001:2022, SOC2 Type 2, and the NIST Framework, to address common risks such as third-party vulnerabilities, data exfiltration using SQL injection, and insufficient information security awareness. We continually invest in and deploy cutting-edge technology, including Next Gen EDR, data leak prevention tools, Next Gen WAF, perimeter firewalls, conditional access policy, CSPM, content filtering, and a zero-trust approach to enhance our organization’s cybersecurity posture and protect our assets and data.	Negative May incur financial costs due to ransomware demands, fraud, theft, or the costs associated with restoring systems and data alongside potential regulatory fines.
3.	Global Regulatory Risk and Compliance Risks		Navigating the complex landscape of statutory regulations is crucial for our stability and legal integrity. Failure to comply with existing statutory regulations, new regulations, or amendments can result in legal penalties, monetary fines, and reputational damage.	We leverage a Compliance Reporting Tool to actively monitor legal and regulatory developments, allowing us to make timely and proactive adjustments to our compliance practices. Fractal is certified under ISO 14001:2015 for Environmental Management and ISO 45001:2018 for Occupational Health and Safety Management.	Negative Non-compliance could result in legal penalties, operational disruptions, and reputational damage.
4.	Energy Conservation	Opportunity	Saving energy in cloud computing is crucial as it not only reduces operational costs but also minimizes environmental impact by decreasing carbon emissions and promoting sustainable practices. There is increasing global awareness and demand for environmentally sustainable practices, including energy efficiency in technology infrastructure. Our clients are also becoming more conscious of their environmental footprint and prefer service providers that demonstrate a commitment to sustainability.	-	Positive Fractal continues to implement energy consumption reduction strategies that will attract investor and customer interest resulting in financial gains.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Climate Change	Risk	Fractal, like many other companies around the globe, faces challenges from climate events, particularly the rise in temperatures. Heat-related stress due to frequent heatwaves and rising monthly and seasonal temperatures can present risks to both the company's equipment and the well-being of its employees, potentially leading to equipment damage and health issues such as heat stroke. These factors can significantly impact the company's profitability. Therefore, it becomes crucial for Fractal to maintain an optimal office temperature that ensures the efficient functioning of both employees and equipment. The rising temperatures and shifts in mean temperature values necessitate additional operation and maintenance costs to create a cool and comfortable environment within the office premises.	Fractal is in the process of addressing the challenges posed by frequent heatwaves and rising monthly and seasonal temperatures. To tackle this issue, we will be conducting a comprehensive assessment of our current HVAC (heating, ventilation, and air conditioning) system to determine its efficiency. Additionally, we will identify the need for additional cooling systems to maintain optimum temperatures for smooth operations and increased productivity. This estimation will provide a clear understanding of the financial implications associated with combating the effects of increasing temperatures. For several years the Fractal facility and administration team has been measuring and operating the required ambient temperature in line with both employee well-being and energy efficiency in line with ISHRAE guidelines.	Negative Financial Performance: Fractal's financial performance may fluctuate short-term due to reduced productivity from equipment failures or employee health concerns caused by extreme heat.
6.	Employee Welfare	Opportunity	We boost employee satisfaction and loyalty by offering competitive salaries, flexible leave and holiday policies, comprehensive benefits, and skill development opportunities. These initiatives help us retain our current talent and attract new candidates.	-	Positive Providing employee welfare will increase employee satisfaction, loyalty, productivity, and retention. This reduces costs related to absenteeism and recruitment.
7.	Employee health safety and wellbeing	Risk	Focusing on employee wellness fosters a culture that enhances job satisfaction and boosts productivity. Workplace hazards threaten employee safety, potentially leading to injuries, higher costs, reduced productivity, and increased absenteeism and turnover. Additionally, unaddressed workplace hazards present direct risks of injury or fatality, induce psychological distress among employees, and heighten emergency vulnerabilities.	We reduce risk exposure through training, monitoring, and safe practices while promoting employee engagement and wellbeing to enhance mental health and create a supportive, stress-free work environment. To address health and safety risks, we have implemented ISO 45001-compliant policies, regular hazard assessments, and incident reporting systems. Our safety measures include emergency drills, PPE use, fire systems, and strict hygiene standards.	Negative Workplace health and safety concerns can negatively affect employee productivity by causing disruptions and lowering morale.  Positive A strong focus on health, safety and wellbeing enhances reputation, cost savings and ensures compliance with legal standards, contributing to long-term operational efficiency.
		Opportunity	By ensuring risk-free operations, we aim to enhance productivity while cultivating a safe and sustainable work environment to boost employee motivation and engagement.		

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Talent acquisition and retention	Opportunity	Our investment in hiring, talent development, and engagement programs allows us to effectively attract and retain top-tier talent. This also fosters an inclusive and responsible work culture, guided by ethics and trust, and boosts our employee productivity.	-	Positive Implementing effective talent acquisition and retention strategies improves employee turnover rates, attracts new talent, and strengthens overall human capital.
9.	Grievance Redressal	Risk	In the digital era, safeguarding Fractal's reputation demands constant vigilance and proactive strategies. Social media grievances threaten our values, potentially resulting in negative publicity that damages our brand and exposes us to legal scrutiny.	To mitigate social media risks, Fractal has established a clear social media policy and promote awareness among employees. This approach will reduce the likelihood of negative publicity and protect our brand from potential legal scrutiny.	Negative Without a social media policy, businesses risk reputational damage from inappropriate posts, legal issues like data breaches, and lost client trust, leading to costly PR efforts, fines, and decreased revenue.
10.	Implementing LEED and WELL Certifications	Opportunity	Fractal's largest facilities in Mumbai and Bengaluru are certified LEED Gold in Core and Interior, with Mumbai also achieving WELL Platinum status. These certifications highlight our commitment to sustainability and employee well-being, offering financial, environmental, and reputational benefits. LEED certification ensures that our buildings are energy-efficient and environmentally responsible, reducing carbon emissions and conserving resources. Whereas WELL certification prioritizes air quality, lighting, high health and safety standards, and ergonomics; boosting employee satisfaction and productivity.		Positive Achieving LEED and WELL certifications bring financial benefits including cost savings from reduced energy and water usage, lower healthcare and insurance costs from improved employee health, and potential tax incentives and grants that offset certification expenses.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Yes								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
c. Web-link of the policies, if available	<a href="#">Code of Conduct, ABAC, WB policy</a>	<a href="#">Supplier Code of Conduct</a>	<a href="#">Health &amp; Safety policy</a>	<a href="#">ESG Policy</a>	<a href="#">Human Rights statement</a>	<a href="#">ESG policy</a>	<a href="#">Code of Conduct</a>	<a href="#">CSR policy</a>	<a href="#">Privacy Policy   Fractal</a>
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Fractal extends policies to its value chain partners, including the Code of Conduct, Whistleblower, Anti-Money Laundering, Responsible Sourcing, Supplier Code of Conduct, Health and Safety, Human Rights, Privacy and ESG policy								
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	P1- Code of Conduct P3 and P6 - Mumbai, Gurugram, and Bengaluru offices are certified according to ISO 45001:2018 and ISO 14001:2015 standards. More information can be found on our website under our Health and Safety and ESG policies. P8- The CSR policy complies with Section 135 of the Companies Act, 2013 P9- ISO 27001:2022, SOC 2 Type 2, and the National Institute of Standards and Technology (NIST)								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	Fractal has undertaken several commitments to mitigate climate change and lower greenhouse gas emissions mentioned below:  Fractal is committed to corporate climate action to align with 1.5°C and to set net-zero targets in line with the 1.5°C pathway. Fractal aspires to reach Net Zero emissions by or before 2040 and aspires to get these targets externally validated. Undertaken carbon accounting, GHG inventorization and third-party assurance in line with the AA1000AS standard for its administered office in India, covering 82% of Fractal’s operated and managed workspaces for 5 years commencing from the FY 2019-20 fiscal to FY 2023-24. Assurance for FY 2024-25 is currently underway.								
6. Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.	In striving to achieve our environmental objectives and commitment to sustainability, we have achieved progress across various dimensions of emissions reduction. Below are the key performances and initiatives contributing to these achievements: Emissions Per Capita: Emissions per capita have decreased by 83.4%, from 2.35 in the baseline year to 0.39 in FY 2023-24. This reduction is primarily attributed to initiatives such as the transition to green energy sources, the limitation of travel, and the increased adoption of electric vehicles Overall Emissions: Total emissions have been reduced by 57.4%, driven by factors including decreased surface and air travel, strategic adoption of green power, and the electrification of the vehicle fleet Scope 1 Emissions: Fractal has accomplished a 30.3% reduction in Scope 1 emissions compared to the baseline year, indicating a reduction in direct emissions from owned or controlled sources Scope 2 Emissions: Over the past five years, Scope 2 emissions have been substantially reduced by 93%. This reduction highlights our proactive approach to decreasing indirect emissions associated with the consumption of purchased electricity, steam, heat and cooling Scope 3 Emissions: Scope 3 emissions have decreased by 43.2%. To further mitigate Scope 3 emissions, Fractal plans to transition Gurugram’s energy-building services to green energy, continue monitoring and reducing business air travel, and proceed with the electrification of its surface fleet.								
<b>Governance, leadership, and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	At Fractal, sustainability is more than a commitment—it is an integral part of our vision for responsible growth. As we navigate the evolving global landscape, we are committed to integrating sustainability into our business practices. To reinforce our commitment, we are actively working towards setting Net Zero targets and aim to align our reporting with globally recognized frameworks such as the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and other emerging sustainability standards. We are proud to have earned a ‘B’ rating from the Carbon Disclosure Project (CDP) for the 2024 cycle, and Fractal is recognized as an EcoVadis committed company in CY 2024 basis FY 2023 data - due to submission prior to Feb, 2024 highlighting our commitment to transparency and climate action. Our employees are the backbone of Fractal’s success. By fostering a culture of collaboration, responsibility, and continuous learning, we empower our teams to contribute meaningfully to our sustainability journey while delivering value to our clients and communities. As we move ahead, we remain committed to making Fractal a purpose-driven organization that leads with integrity and sustainability. Together, we can build a more resilient and responsible future for all.								

# Board's Report

## Disclosure Questions

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
8. Details of the highest authority responsible for implementation and oversight of the business responsibility policy/policies	The ESG and CSR Committee is responsible for the implementation and oversight of the Business Responsibility Policy. The details of the ESG and CSR Committee are mentioned in response to question no. 9 herein below.								
9. Does the entity have a specified committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.	Yes, Fractal has a CSR and ESG Committee responsible for decision-making on sustainability-related issues. The composition of CSR and ESG committee is as follows: Ms. Neelam Dhawan - Chairperson Mr. Srikanth Velamakanni - Member Mr. Sasha Mirchandani - Member Mr. Vivek Mohan - Member								

## 10. Details of review of NGRBCs by the company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Our policies are subject to an annual review, or on a need basis by the relevant Board Committee, designated individuals, or department. During this process, the implementation of each policy is assessed and any necessary modifications to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Fractal complies with all statutory requirements to the extent applicable.									We periodically review and update our compliance requirements to identify and address any potential areas of concern.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No								

## 12. If answer to question (1) above is "No" i.e., not all principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not applicable								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not applicable								
It is planned to be done in the next financial year (Yes/No)	Not applicable								
Any other reason (please specify)	Not applicable								

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.**

### Essential Indicators

**1. Percentage coverage by training and awareness programs on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors Key Managerial Personnel	2	The topics covered in the Committee Meetings encompass all principles of BRSR, such as climate change, sustainability key performance indicators, global sustainability trends, GHG emissions, external ratings and disclosures, and strategies for reducing carbon footprints.	100%
Employees other than BoD and KMPs	193	At Fractal, we are committed to fostering a culture of continuous learning and adherence to best practices through our diverse training programs. These include cybersecurity and IT, anti-bribery, ethics and compliance, human rights, health and safety, GHG emissions, skills enhancement, and client-specific training. Through these initiatives, we reinforce our commitment to excellence and ongoing professional development.	100%
Workers	Not applicable as Fractal does not have permanent or other than permanent workers.		

**2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):**

Monetary				
NGRBC Principles	Name of the regulatory / enforcement agencies / judicial institution	Amount (INR)	Brief of the Case	Has an appeal been preferred? (Y/N)
Penalty/fine	Regulation 30 is not applicable to Fractal, as we are an unlisted company as of March 31, 2025.			
Settlement				
Compounding Fee				
Non-Monetary				
NGRBC Principles	Name of the regulatory / enforcement agencies / judicial institution	Brief of the Case	Has an appeal been preferred? (Y/N)	
Imprisonment	Regulation 30 is not applicable to Fractal, as we are an unlisted company as of March 31, 2025.			
Punishment				

**3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision are preferred in cases where monetary or non-monetary action has been appealed.**

Case details	Name of the regulatory / enforcement agencies / judicial institutions
Not applicable.	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.**

Yes, Fractal has an anti-bribery and anti-corruption policy, reflecting our zero-tolerance approach towards unethical practices. The policy outlines our prohibition of any action that could be seen as bribery or corruption and provides guidance to employees and any representatives of the Company. [Anti-corruption policy](#).

**5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption.**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	Not applicable as Fractal does not have permanent or other than permanent workers.	

**6. Details of complaints with regard to conflict of interest:**

Parameters	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the directors	0	-	0	-
Number of complaints received in relation to issues of conflict of interest of the KMP's	0	-	0	-

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.**

There was no corrective action taken nor is any corrective action underway regarding issues related to fines, penalties, or actions taken by regulators, law enforcement agencies, or judicial institutions, in cases of corruption and conflicts of interest.

**8. Number of days of accounts payable (Accounts payable \*365)/Cost of goods/services procured) In the following format.**

Parameters	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of Days of account Payable	68	130

**9. Open-ness of Business**

**Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances and investment, with related parties, in the following format:**

Parameters	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of purchase	Purchase from trading houses as % of total purchase	None	None
	Number of trading houses where purchases are made from	None	None
	Purchases from top 10 trading houses as % of total purchase from trading houses	None	None
Concentrations of sales	Sales to dealers / distributors as % of total sales	None	None
	Number of dealers / distributors to whom sales are made	None	None
	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	None	None

Parameters	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Share of RPTs in	Purchases (purchases with related parties / total purchase)	None	None
	Sales (Sales to related parties / total sales)	None	None
	Loans and advances (Loans and advances with related parties / total Loans and advances)	100%	100%
	Investments (Investments to related parties / total Investments made)	65.65%	56.37%

## Leadership Indicators

### 1. Awareness programs conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programs held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programs
None	None	None

### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, we have a comprehensive process in place to manage conflicts of interest among our board members, ensuring the integrity and effectiveness of our governance. Each board member is obliged to complete an annual declaration in which they disclose any conflicts of interest.

## Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

### Essential Indicators

#### 1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve product and processes' environmental and social impacts to total R&D and capex investments made by the entity, respectively.

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	Fractal aims to enhance operational efficiency and client service while ensuring sustainability. Currently, we do not track the percentage of R&D and CAPEX investments in specific technologies designed to improve the environmental and social impacts of products and processes. However, moving forward, we plan to monitor data on R&D and capital expenditure investments. The company has continued to invest in green energy migration of its largest offices, better water measurement and phase wise conversion of its leased corporate fleet to electric vehicles. The company is considering earmarking additional funds in the next fiscal for ESG improvements.		
Capex			

#### a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. Fractal is committed to embedding sustainability into every aspect of its business operations. Our Supplier Code of Conduct serves as a guiding framework for responsible sourcing across all procurement activities. We encourage our suppliers to go beyond mere compliance by adopting Good International Industry Practices (GIIP) to promote social and environmental responsibility and uphold strong business ethics.

#### b. If yes, what percentage of inputs were sourced sustainably?

0.36%

#### 3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Product	Process to safely reclaim the product
a. Plastics (including packaging)	Not applicable. Fractal is an Analytics and AI consulting services company and does not produce or manufacture any physical product. Fractal is committed to comply to efficient waste management protocols for all / any waste generated at its premises on account of its operations.
b. E-Waste	
c. Hazardous Waste	
d. Other Waste	

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Fractal is an Analytics and AI consulting services company and does not manufacture any product. Hence the Extended Producer Responsibility (EPR) is not applicable.

**Leadership Indicators**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of product / service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No) If yes, provide the web-link.
	Fractal is an Analytics and AI consulting services company and does not manufacture any products. Hence, Life Cycle Perspective / Assessments (LCA) is not applicable.	-	-	-	-

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of product / service	Description of the risk/concern	Action taken
Fractal is an Analytics and AI consulting services company and does not manufacture any products. Hence, Life Cycle Perspective / Assessments (LCA) is not applicable.		

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or reused input material to total material	
	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Not applicable. Fractal is an Analytics and AI consulting services company. We are committed to compliance and efficient management of the waste generated at our premises.		

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.**

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	Not applicable. Fractal is an Analytics and AI consulting services company. We are committed to compliance and efficient management of the waste generated at our premises.					
E-waste						
Hazardous waste						
Other waste						

**5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.**

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category.
Not Applicable. Fractal is an Analytics and AI consulting services company and does not manufacture any products.	

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**

### Essential Indicators

#### 1. a. Details of measures for the well-being of employees.

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	3002	3002	100%	3002	100%	-	-	3002	66%	Fractal has partnerships with third-party daycare centers available to all employees starting January 2025. No facilities have been availed as on 31 <sup>st</sup> March 2025.	
Female	1487	1487	100%	1487	100%	1487	33%	-	-		
Other	2	2	100%	2	100%	-	-	-	-		
<b>Total</b>	<b>4491</b>	<b>4491</b>	<b>100%</b>	<b>4491</b>	<b>100%</b>	<b>1487</b>	<b>33%</b>	<b>3002</b>	<b>66%</b>		
<b>Other than Permanent employees</b>											
Male	80	0	0%	0	0%	-	-	0	0%	0	0%
Female	45	0	0%	0	0%	45	100%	-	-	0	0%
Other	0	0	0%	0	0%	-	-	-	-	0	0%
<b>Total</b>	<b>125</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>45</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

#### b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	Not applicable as Fractal does not have permanent or other than permanent workers.										
Female											
<b>Total</b>											
<b>Other than Permanent workers</b>											
Male	Not applicable as Fractal does not have permanent or other than permanent workers.										
Female											
<b>Total</b>											

#### C. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the Company.	2.25	2.17

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2024-25			FY 2023-24		
	Current Financial Year			Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.95%	Not applicable	Yes	99.95%	Not applicable	Yes
Gratuity	99.95%	Not applicable	Yes	99.95%	Not applicable	Yes
ESI	-	-	-	-	-	-
Others – please specify	-	-	-	-	-	-

**3. Accessibility of workplaces**

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, Fractal is committed to ensuring accessibility for employees with disabilities, in alignment with the Rights of Persons with Disabilities Act, 2016. We have implemented various measures to enhance accessibility, including wheelchair ramps, easy elevator access, and dedicated handicapped-accessible restrooms. These efforts reflect our commitment to fostering an inclusive environment where everyone can navigate and utilize our premises with ease, ensuring equal opportunity for all.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.**

Yes, Fractal has policies in place that promote a fair and respectful workplace for all employees. These policies, including our Code of Conduct, are designed to ensure equal opportunities, prevent any form of discrimination, and support an inclusive and professional work environment across all levels of the organization while also ensuring compliance with legal regulations.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	67%	-*	Not applicable as Fractal does not have permanent or other than permanent workers.	
Female	92%	88%		
Other	-	-		
<b>Total</b>	<b>84%</b>	<b>88%</b>		

\*This is not applicable since Fractal did not have a paternity leave policy in place in the last financial year, which is required for deriving at this rate.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/No	Details of the mechanism in brief
Permanent workers	Not applicable as Fractal does not have permanent or other than permanent workers.	
Other than permanent workers		
Permanent employees	Yes	Fractal maintains a robust grievance redressal mechanism through its internal helpdesk portal, enabling employees to submit and track issues seamlessly. In addition to this, employees can directly contact their HR partners for assistance. Concerns can also be raised through a dedicated portal <a href="#">Link</a> .
Other than permanent employees	Yes	

**7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:**

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees/ workers in the respective category (A)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (B)	% (B / A)	Total employees/ workers in the respective category (C)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (D)	% (D / C)
<b>Total permanent employees</b>	4491	0	0%	3885	0	0%
Male	3002	0	0%	2601	0	0%
Female	1487	0	0%	1283	0	0%
Other	2	0	0%	1	0	0%
<b>Total permanent workers</b>	Not applicable as Fractal does not have permanent workers.					
Male						
Female						

**8. Details of training given to employees and workers:**

Category	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No.(F)	% (F / D)
<b>Employees</b>										
Male	3082	1467	48%	2285	74%	2667	1371	51%	2045	77%
Female	1532	794	52%	1192	78%	1322	689	52%	1038	79%
Other	2	2	100%	2	100%	1	1	100%	1	100%
<b>Total</b>	<b>4616</b>	<b>2263</b>	<b>27%</b>	<b>3479</b>	<b>75%</b>	<b>3990</b>	<b>2061</b>	<b>52%</b>	<b>3084</b>	<b>77%</b>
<b>Workers</b>										
Male	Not applicable as Fractal does not have permanent or other than permanent workers.									
Female										
<b>Total</b>										

**9. Details of performance and career development reviews of employees and workers:**

Category	FY 2024-25* Current Financial Year			FY 2023-24* Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	2598	2571	99%	2321	2301	99%
Female	1350	1343	99%	1158	1142	99%
Other	2	1	50%	1	1	100%
<b>Total</b>	<b>3950</b>	<b>3915</b>	<b>99%</b>	<b>3480</b>	<b>3444</b>	<b>99%</b>
<b>Workers</b>						
Male	Not applicable as Fractal does not have permanent or other than permanent workers.					
Female						
<b>Total</b>						

\*The total number of employees subjected to career development reviews is determined based on the cut-off of 30<sup>th</sup> November every year.

**10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?**

Yes, Fractal has implemented an Occupational Health and Safety Management System (OH&S) that applies to all employees, including full-time, part-time, and third-party vendors. This system includes comprehensive policies, procedures, and measures designed to ensure workplace safety, health risk assessment, incident prevention, and compliance with applicable laws and standards. To maintain and enhance its effectiveness, we conduct regular training, audits, and reviews. Fractal is also certified under ISO 45001:2018, reinforcing its commitment to occupational health and safety for Fractal managed offices.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Fractal has implemented structured processes to identify and assess work-related hazards, covering both routine and non-routine activities. Our routine assessments include workplace inspections, audits, incident monitoring, and employee feedback gathered through Open House meetings, town halls, and facility surveys. For non-routine tasks such as maintenance or emergency operations, we conduct risk assessments and Job Safety Analyses (JSAs) in advance. Using the Hazard Identification and Risk Assessment (HIRA), we evaluate risks and mitigate them through engineering controls and administrative measures. To ensure continuous improvement, we also conduct regular reviews, updates, and post-incident investigations, reinforcing our commitment to maintaining a safe and healthy work environment.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Fractal is committed to a proactive approach to safety incident reporting and management, ensuring that all workplace-related incidents—including accidents, unsafe conditions, and unsafe acts—are promptly reported and addressed with appropriate corrective actions. Regular safety audits and occupational health & safety (OH&S) committee play a key role in assessing risks and implementing necessary improvements. We also reinforce our commitment to a safe and risk-free workplace by providing regular safety training, equipping with the knowledge to identify hazards and mitigate risks effectively.

**d. Do the employees / workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes, Fractal ensures that its employees have access to comprehensive non-occupational medical and healthcare services. We provide extensive health benefits, including medical insurance coverage for non-occupational illnesses and conditions. Additionally, our employees have access to counseling services and partnerships with fitness centers to support their overall well-being. We also collaborate with healthcare providers and hospitals to facilitate medical consultations and treatment. These initiatives go beyond occupational health requirements, ensuring that our employees receive the necessary healthcare support.

**11. Details of safety related incidents, in the following format:**

Safety incident/number	Category*	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hour worked)	Employees	0	0
	Workers	Not applicable	
Total recordable work-related injuries	Employees	0	0
	Workers	Not applicable	
No. of fatalities	Employees	0	0
	Workers	Not applicable	
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	Not applicable	

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

At Fractal, we prioritize the health, safety, and overall well-being of our employees, recognizing their vital role in our performance and growth. To address significant health and safety risks, we have established robust occupational health and safety (OHS) measures, including ISO 45001-compliant policies, regular hazard identification, risk assessments, and

a structured incident reporting system. We reinforce workplace safety through periodic emergency preparedness drills, the use of personal protective equipment (PPE), fire safety systems, and strict hygiene standards. Employee well-being remains a key focus, supported by indoor air quality monitoring systems, comprehensive health insurance, ergonomic workplace assessments, and mental health initiatives. These measures are consistently applied across all our operational facilities, with additional precautions in place of high-risk job roles. Through continuous evaluation and enhancement, we foster a culture centered on safety, health, and well-being. Two of Fractal's largest workplaces are LEED Gold certified. Fractal Mumbai Office is "WELL" certified as well. Both LEED and WELL certifications provide third-party validation of Fractal's sustainability and health initiatives.

### 13. Number of complaints on the following made by employees and workers

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	No complaint related to working conditions reported by any employee	0	0	No complaint related to working conditions reported by any employee
Health & Safety	0	0	No complaint related to working conditions reported by any employee	0	0	No complaint related to Health & Safety reported by any employee

### 14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Fractal offices in Mumbai, Bengaluru, and Gurugram have been assessed by an external agency and successfully certified for ISO 45001:2018. This certification covers 87% of the total real estate footprint (in square feet) across India and includes all Fractal-administered offices. The remaining locations are co-working spaces where all required health and safety practices have been implemented.
Working conditions	

### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

During the reporting period, we have not observed any serious health and safety concerns or injuries at Fractal. We remain committed to maintaining a safe and healthy work environment by proactively addressing safety incidents and mitigating risks identified through health and safety assessments. In the event of a safety-related incident, we conduct detailed root-cause analysis and implement corrective and preventive actions to prevent recurrence. These measures include enhanced safety training, reinforcement of standard operating procedures (SOPs), the provision of additional protective equipment, and process adjustments to eliminate hazards.

## Leadership Indicators

### 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

**Employees** - Yes

**Workers** - Not applicable

### 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Our statutory obligations at Fractal are limited to labor laws related to Contract Labour (Regulation and Abolition) Act (CLRA), pay slips, overtime management, Provident Funds payments, Employees' State Insurance (ESI), insurance, and minimum wage. To ensure compliance, a third-party agency conducts monthly evaluations of payments and adherence to regulations. Any deviations from the established norms are promptly addressed with the vendor for rectification.

**3. Provide the number of employees/workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	0	0	0	0
Workers	Not applicable as Fractal does not have permanent or other than permanent workers.			

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No.

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	Fractal has not assessed value chain partners on the parameters mentioned. However, Fractal ensures that value chain partners should adhere with the <a href="#">Supplier Code of Conduct</a> and the regulatory compliances.
Working conditions	

**6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not applicable.

**Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

Fractal recognizes that building strong, trusting relationships is crucial to the company's long-term success and sustainability. To support this, we have implemented a structured internal process to identify both our internal and external stakeholders. We prioritize cultivating mutually beneficial relationships with all stakeholders and value maintaining open communication channels for feedback and collaboration.

Our key stakeholder groups include Employees, Clients, Shareholders/Investors, Suppliers/Vendors, and Community/NGOs.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder group	Whether identified as vulnerable & marginalized group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> <li>Employee satisfaction surveys</li> <li>Townhalls</li> <li>Training and awareness sessions</li> <li>Workshops</li> <li>Internal portal</li> <li>CSR through employee engagement</li> </ul>	Ongoing basis	<ul style="list-style-type: none"> <li>Understand the pulse of employees</li> <li>Skill development</li> <li>Regular updates on business</li> <li>Health, safety and wellbeing</li> <li>Address Queries and Concerns</li> </ul>
Clients	No	<ul style="list-style-type: none"> <li>Client engagement surveys</li> <li>Client meetings</li> <li>Social media</li> <li>Emails</li> </ul>	Ongoing basis	<ul style="list-style-type: none"> <li>Client satisfaction and feedback</li> <li>Project requirements, delivery and timelines</li> </ul>

Stakeholder group	Whether identified as vulnerable & marginalized group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers/Vendors	No	<ul style="list-style-type: none"> <li>Supplier meets</li> <li>Pre-onboarding Supplier assessments</li> </ul>	Need basis	<ul style="list-style-type: none"> <li>Relationship Management</li> <li>Planning and execution of work orders</li> </ul>
Shareholders/ Investors	No	<ul style="list-style-type: none"> <li>Annual general shareholders meeting</li> <li>Annual Report</li> </ul>	Annually/ need basis	<ul style="list-style-type: none"> <li>Understanding Shareholder expectations and responding to shareholder queries</li> <li>Annual/ regular communication such as, Annual Reports, notices of General Meetings, other regulatory requirements etc.</li> </ul>
Community/NGO	Yes	<ul style="list-style-type: none"> <li>Community and contracted interactions with NGOs</li> <li>Emails</li> </ul>	On a regular basis	<ul style="list-style-type: none"> <li>Community development projects-based Fractal's CSR policy and based on local communities' needs</li> <li>Understanding opportunities for sustainable development</li> </ul>

## Leadership Indicators

### 1. Provide the processes for consultation between stakeholders and the board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the board.

We prioritize our consultation process with stakeholders and the Board on economic, environmental, and social matters to ensure we meet the expectations of our investors and clients. Our Board-level CSR and ESG Committee receives regular updates from the ESG Taskforce (ESTA) via CEO/GCEO/Head CSR, which was established in May 2022 to enhance internal collaboration and monitor our ESG performance. The ESTA is chaired by the Head of CSR and works closely with senior leadership to align our ESG strategies with the company's goals. It also provides recommendations on key ESG issues, which are then communicated to the Board for review and approval.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes, to achieve long-term success as a responsible and sustainable business, we focus on understanding and addressing the material issues that significantly impact on our performance and shape stakeholder perceptions and decisions. By engaging with key stakeholders, both internal and external through surveys, we gather valuable insights that help identify critical topics influencing our strategy, profitability, and sustainability. The responses are then analyzed to create a proposed materiality matrix, highlighting the most important issues for our stakeholders. This matrix undergoes a senior management review to ensure alignment with our strategic objectives.

After the review, a revised materiality matrix is developed, reflecting the key issues that guide our strategy, corporate governance, and reporting processes. This approach allows us to effectively manage material issues and ensures that we remain responsive to stakeholder expectations, driving sustainable growth and reinforcing our commitment to responsible business practices.

### 3. Provide details of instances of engagement with, and actions are taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The CSR initiatives at Fractal are led by an NGO focused on empowering rural tribal women, disadvantaged communities, disadvantaged students for better education opportunity and individuals with disabilities. We have not identified any vulnerable or marginalized groups among our other stakeholder groups.

**Principle 5: Businesses should respect and promote human rights.**

**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	4491	2808	62%	3885	1016	26%
Other than permanent	125	37	29%	105	19	18%
<b>Total employees</b>	<b>4616</b>	<b>2845</b>	<b>62%</b>	<b>3990</b>	<b>1035</b>	<b>26%</b>
<b>Workers</b>						
Permanent	Not applicable as Fractal does not have permanent or other than permanent workers.					
Other than permanent						
<b>Total workers</b>						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Equal to minimum wage		More than minimum wage			Equal to minimum wage		More than minimum wage		
	Total (A)	No. (B)	% (B / A)	No. (C)	% (C / A)	Total (D)	No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
<b>Permanent</b>										
Male	3002	0	0%	3002	100%	2601	0	0%	2602	100%
Female	1487	0	0%	1487	100%	1283	0	0%	1283	100%
Other	2	0	0%	2	100%	1	0	0%	1	100%
<b>Other than permanent</b>										
Male	80	0	0%	80	100%	66	0	0%	66	100%
Female	45	0	0%	45	100%	39	0	0%	39	100%
Other	0	0	0%	0	0%	0	0	0%	0	0%
<b>Workers</b>										
<b>Permanent</b>										
Male	Not applicable as Fractal does not have permanent or other than permanent workers.									
Female										
<b>Other than permanent</b>										
Male	Fractal does not have other than permanent worker category.									
Female										

3. Details of remuneration/salary/wages

- a. Median remuneration/wages:

	Male		Female		Others	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7*^	-	3	82,50,000	0	0
Key Managerial Personnel (KMP)	1^	10,01,76,000	1	1,12,18,029	0	0
Employees other than BoD and KMP	3001	22,00,000	1486	17,00,000	2	18,71,115
Workers	Not applicable as Fractal does not have permanent or other than permanent workers.					

\* Mr. Anurag Sud has resigned as Director from close of business hours of March 27, 2025.

^Mr. Srikanth Velamakanni, Whole Time Director, is included in the total count for the Board of Directors and KMP as well.

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Gross wages paid to females as % of total wage.	28.12%	28.73%

**4. Do you have a focal point (individual/ committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, we have established an Internal Committee and an Enquiry Committee to address and resolve grievances related to sexual harassment of women. The Ethics and Compliance Officer assesses reported matters and subsequently conducts an enquiry as necessary.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Fractal has implemented a comprehensive Code of Conduct, Human Rights Policy and Whistleblower Policy to proactively address human rights issues and other ethical concerns. We encourage our employees to report issues or breaches directly at [whistleadmin@fractal.ai](mailto:whistleadmin@fractal.ai). To further facilitate the reporting of concerns, we have established a grievance portal which is available on our website to all relevant stakeholders to voice their concerns in a confidential and accessible manner.

Every complaint is thoroughly investigated, and the relevant steps are taken to address the reportable matter.

**6. Number of complaints on the following made by employees and workers:**

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed During the year	Pending resolution at the end of year	Remarks
Sexual harassment	0	0	-	1	0	All cases were reviewed and closed
Discrimination at workplace	0	0	-	0	0	-
Child labour	0	0	-	0	0	-
Forced labour / Involuntary labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights-related issues	0	0	-	0	0	-

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	1
Complaints on POSH as a % of female employees / workers	0%	0.07%
Complaints on POSH upheld	0	0

**8. Mechanisms to prevent adverse consequences to the complaint in discrimination and harassment cases.**

Fractal is committed to fostering a workplace free from discrimination and sexual harassment. We ensure that all complaints are handled with the utmost confidentiality through restricted information sharing and provide anonymous reporting channels. In line with our commitment to fairness, we have a strict non-retaliation policy as a part of the Code of Conduct to protect individuals who raise concerns or participate in investigations. Our investigations are prompt, transparent, and accompanied by regular updates throughout the process. To support this, employees receive the necessary training to raise awareness and appropriately handle complaints. Following investigations, we conduct post-investigation follow-ups and ongoing workplace monitoring to maintain a safe and supportive environment.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, Fractal places a strong emphasis on transparency and accountability in its business partnerships. We ensure this by sharing our Supplier Code of Conduct with all business partners, which outlines key expectations, including those related to human rights. As part of our business agreements, we require all partners to fully adhere to these guidelines, ensuring alignment with our ethical standards and commitment to responsible business practices.

**10. Assessments of the year**

	<b>% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)</b>
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages*	12.5%
Others - please specify	0

\* Our Bangalore office was visited by a labor officer for an inspection.

**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.**

Following the inspection at the Bangalore office, Fractal has submitted the requested documents to the labor authorities for their records.

**Leadership Indicators**

**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

There were no human rights violations, complaints, or cases during this reporting year. Hence, no process has been modified/introduced. We are committed to maintaining a work environment where all individuals feel respected, safe, and encouraged to speak out against any form of harassment or human rights violation. We strive to uphold the highest standards of ethical behavior and foster a culture of accountability and integrity within the Company and across our partner network. For more details, please refer to our Code of Conduct and Human Rights Policy.

**2. Details of the scope and coverage of any human rights due diligence conducted.**

During the year, Fractal did not conduct formal human rights due diligence; however, it continues to regularly monitor issues related to human rights.

**3. Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes. All premises of Fractal are accessible to differently abled people including visitors as per the Rights of Persons with Disabilities Act, 2016. We have implemented various measures to enhance accessibility, including wheelchair ramps, easy elevator access, and dedicated handicapped-accessible restrooms. These efforts reflect our commitment to fostering an inclusive environment where everyone can navigate and utilize our premises with ease, ensuring equal opportunity for all.

**4. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual harassment	Fractal has not assessed value chain partners on the parameters mentioned. However, we take written acknowledgement from value chain partners about their acceptance to Fractal. <a href="#">Supplier Code of Conduct</a> .
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others - please specify	

**5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.**

Not applicable.

## Principle 6: Businesses should respect and make efforts to protect and restore the environment.

### Essential Indicators

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>From Renewable Sources</b>		
Total electricity consumption, GJ (A)	2862.00	3,768.13
Total fuel consumption (B)	0.00	0.00
Energy consumption through other sources (C)	0.00	0.00
<b>Total energy consumed from renewable sources, GJ (A+B+C)</b>	<b>2862.00</b>	<b>3,768.13</b>
<b>From Non-Renewable Sources</b>		
Total electricity consumption, GJ (D)	2011.00	2389.00
Total fuel consumption, GJ (E)	9.87	33.00
Energy consumption through other sources, GJ (F)	0.00	0.00
<b>Total energy consumed from non-renewable sources, GJ (D+E+F)</b>	<b>2020.87</b>	<b>2,422.00</b>
<b>Total energy consumed, GJ (A+B+C+D+E+F)</b>	<b>4,882.87</b>	<b>6190.13</b>
Energy intensity per rupee of turnover (Total energy consumed / Revenue (in INR) from operations)	0.00000033	0.00000053
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue (in INR) from operations adjusted for PPP)*	0.00000070	0.000011
Energy intensity in terms of physical output	1.22	1.59
Energy intensity (optional) – the relevant metric may be selected by the entity.	-	-

\* Calculated using IMF implied PPP conversion rate for India (20.66)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, assurance of Fractal's GHG inventory is carried out by SGS India Private Limited in line with the AA1000AS standard, Moderate assurance.

#### 2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the performance, achieve, and trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

Not Applicable to Fractal, as none of the sites / facilities are identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

#### 3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0.00	0.00
(ii) Groundwater	0.00	0.00
(iii) Third-party water	6304.92	6,212
(iv) Seawater / desalinated water	0.00	0.00
(v) Others (Tanker water)	0.00*	0.00
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>6304.92</b>	<b>6,212</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>6304.92**</b>	<b>6,212</b>
Water intensity per rupee of turnover (Total water consumption / Revenue (in INR))	0.00000044	0.00000054
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue (in INR) from operations adjusted for PPP***)	0.00000090	0.000011
Water intensity in terms of physical output	1.58	1.60
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

\*Fractal does not withdraw water directly from any source.

\*\* The water consumption data excludes drinking water consumption via bottled water, as this is considered immaterial and falls outside the defined operational boundary.

\*\*\* Calculated using IMF implied PPP conversion rate for India (20.66)

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, assurance is carried out by SGS India Private Limited.

**4. Provide the following details related to water discharged:**

Parameter	FY 2024-25	FY 2023-24
<b>Water discharge by destination and level of treatment (in kiloliters).</b>		
1. To Surface water	0.00	0.00
No Treatment	0.00	0.00
With treatment-please specify level of treatment	0.00	0.00
2. To Groundwater	0.00	0.00
No treatment	0.00	0.00
With treatment - please specify level of treatment	0.00	0.00
3. To Seawater	0.00	0.00
No treatment	0.00	0.00
With treatment-please specify level of treatment	0.00	0.00
4. Sent to third parties	0.00	0.00
No treatment	0.00	0.00
With treatment-please specify level of treatment	0.00	0.00
5. Others	0.00	0.00
No treatment	0.00	0.00
-With treatment-please specify level of treatment	0.00	0.00
<b>Total water discharged (in kiloliters)</b>	<b>0.00</b>	<b>0.00</b>

As a service-oriented company, we do not engage in water withdrawal or discharge activities directly. Our offices are leased properties, where water for sanitation and drinking purposes is provided by the base building operator as part of our lease agreement.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No.

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

As a service-oriented company, we do not engage in water withdrawal or discharge activities directly. Our offices are located in leased properties, and the water used for sanitation and other purposes is provided by the base building operator as part of our lease agreement. Therefore, the concept of Zero Liquid Discharge is not applicable to our operations, as we do not generate liquid waste that requires such a mechanism.

**6. Please provide details of air emissions (other than GHG emissions) by the entity:**

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NOx		0.00	0.00
SOx		0.00	0.00
Particulate matter (PM)		0.00	0.00
Persistent organic pollutants (POP)		0.00	0.00
Volatile organic compounds (VOC)		0.00	0.00
Hazardous air pollutants (HAP)		0.00	0.00
Others - Please specify.		0.00	0.00

DG sets are under the scope of base builder and Fractal being tenant, does not cause any air emissions.

**Note: Indicate if any independent assessment/ evaluation/assurance been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:**

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	97.07	136.19
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	64.10	70.45
<b>Total Scope 1 + Scope 2 emissions</b>	Metric tonnes of CO <sub>2</sub> equivalent	161.17	206.64
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue (in INR) from operations)</b>	tCO <sub>2</sub> e/INR turnover (in INR)	0.0000000112	0.0000000178
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue (in INR) from operations adjusted for PPP)*</b>	tCO <sub>2</sub> e/INR turnover adjusted for PPP	0.000000023	0.000000037
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		0.04	0.05
<b>Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity</b>		-	-

\* Calculated using IMF implied PPP conversion rate for India (20.66)

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, assurance of Fractal's GHG inventory is carried out by SGS India Private Limited in line with the AA1000AS standard, Moderate assurance.

**8. Does the entity have any project related to reducing greenhouse gas emission? If yes, then provide details.**

At Fractal, we are committed to reducing greenhouse gas emissions through several projects and initiatives. Currently, we are in the process of setting near-term and long-term Net Zero targets. Since FY 2019-20, we have been obtaining assurance on our GHG inventory. Two of the largest facilities at Mumbai and Bengaluru are LEED Gold Certified in core and interior. The Mumbai office has also obtained WELL Platinum rating from the Well Building Council. Certain projects at Fractal that are Responsible AI certified also incorporate environmental impact responsibility as a part of the design. Fractal also conducts afforestation drives and biodiversity protection drives through its approach towards incorporating nature-based solutions to reduce carbon in the atmosphere. Fractal has also set up phase wise targets to transition business surface travel to EVs and continues to set up or transition existing workspaces in India to green energy.

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Total waste generated (in metric tonnes)</b>		
Plastic waste <b>(A)</b>	2.164	1.72
E-waste <b>(B)</b>	1.014	0.8936
Bio-medical waste <b>(C)</b>	0.0639	0.0549
Construction and demolition waste <b>(D)</b>	0.00	0.00
Battery waste <b>(E)</b>	0.00	0.00
Radioactive waste <b>(F)</b>	0.00	0.00
Other Hazardous waste. Please specify, if any. <b>(G)</b>	0.00	0.00

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Other Non-hazardous waste generated <b>(H)</b> . Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	26.15	24.92
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>29.40</b>	<b>27.59</b>
<b>Waste intensity per rupee of Turnover</b> (Total waste generated (MT) /Revenue (in INR) from operations)	0.00000002045	0.0000000238
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated (MT) / Revenue (in INR) from operations adjusted for PPP*)	0.000000042	0.000000049
Waste intensity in terms of physical output	0.00736	0.0071
Waste intensity (optional) – the relevant metric may be selected by the entity.	-	-

\* Calculated using IMF implied PPP conversion rate for India (20.66)

**For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)**

Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)**

Category of waste		
(i) Incineration	0.06	0.054917
(ii) Landfilling	2.164	2
(iii) Other disposal operations	27.163	25.81817
<b>Total</b>	<b>29.392343</b>	<b>27.595987</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, assurance of Fractal’s GHG inventory is carried out by SGS India Private Limited in line with the AA1000AS standard, Moderate assurance.

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such waste.**

Fractal’s direct operations do not produce hazardous waste. Fractal is dedicated to reducing waste through comprehensive programs aimed at minimizing and eliminating waste across our operations. Items such as laptop chargers and batteries are disposed of responsibly through specialized vendors approved by pollution control boards, buyback programs, or annual maintenance contracts where vendors reclaim the materials they have supplied. We remain committed to continually strengthening our systems and strategies to reduce our environmental impact.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:**

Not applicable, as Fractal does not have operations in ecologically sensitive areas.

**12. Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA notification no.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
Not applicable, as Fractal is a service-based company and does not undertake projects that require an EIA.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (prevention and control of pollution) Act, Air (prevention and control of pollution) Act, Environment Protection Act, and rules there under (Y/N). If not, provide details of all such non-compliances, In the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if an
Fractal adheres to all applicable environmental law/regulations/guidelines in India.				

### Leadership Indicators

#### 1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area:
- (ii) Nature of operations:
- (iii) Water withdrawal, consumption and discharge:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0.00	0.00
(ii) Groundwater	0.00	0.00
(iii) Third party water	0.00	0.00
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>0.00</b>	<b>0.00</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>0.00</b>	<b>0.00</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	0.00	0.00
Water intensity (optional) - the relevant metric may be selected by the entity	0.00	0.00
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into surface water	0.00	0.00
- No treatment	0.00	0.00
- With treatment - please specify the level of treatment	0.00	0.00
(ii) Into groundwater	0.00	0.00
- No treatment	0.00	0.00
- With treatment - please specify the level of treatment		
(iii) Into seawater		
- No treatment	0.00	0.00
- With treatment - please specify the level of treatment	0.00	0.00
(iv) Sent to third parties		
- No treatment	0.00	0.00
- With treatment - please specify the level of treatment	0.00	0.00
(v) Others		
- No treatment	0.00	0.00
- With treatment - please specify the level of treatment	0.00	0.00
<b>Total water discharged (in kilolitres)</b>	<b>0.00</b>	<b>0.00</b>

As a service company, we do not engage in water withdrawal or discharge activities. Our offices are leased properties, where water for sanitation and other purposes are provided by the base building operator as part of our lease agreement.

**Note: Indicate if any independent assessment/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No.

**2. Please provide details of total Scope 3 emissions & their intensity:**

Parameter	Unit	FY 2024-25# (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonnes of CO2 Equivalent	5509.69	1236.03
<b>Total Scope 3 emissions per rupee of turnover</b>		0.0000003835	0.0000001066
<b>Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity in terms of physical output</b>		1.38	0.32

# Our Scope 3 emissions registered an expected increase for FY 2024-25 due to the inclusion of two additional and material categories: Purchased Goods and Services, and Capital Goods.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, assurance of Fractal’s GHG inventory is carried out by SGS India Private Limited in line with the AA1000AS standard, Moderate assurance.

**3. With respect to the ecologically sensitive areas reported at Question 11 of essential indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.**

Not applicable as Fractal does not have operations in ecologically sensitive areas.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	<b>Indoor Air Quality monitoring and purification</b>	Fractal has implemented an advanced indoor air quality (IAQ) monitor has been system across our largest offices (Mumbai, Bengaluru and Gurugram) in India, which constitutes to about 82% of Fractal’s operated and managed workspace. This system leverages IAQ sensors to monitor key parameters such as PM2.5, PM10, CO2, VOCs, temperature, and humidity in real-time. To improve air quality, air handling units (AHUs) are mounted with low-pressure drop MERV 13/14 filters, achieving better indoor air quality compared to outdoor conditions. Real-time air quality data is displayed across office premises as required, enhancing transparency and awareness. Additionally, standalone air purification units with filtration, UVGI, active oxidation technology, and IoT-enabled controls further reduce particulate matter and microbial loads while displaying real-time IAQ parameters. This innovative solution reflects our dedication to sustainability, employee well-being, and a healthier indoor environment.	
2	<b>HVAC and its refrigerant:</b>	Fractal is identifying energy-efficient HVAC systems for all office locations. This transition to more efficient systems is expected to reduce energy consumption significantly, contributing to both environmental benefits and cost savings. Furthermore, the company is actively replacing air conditioning and water-cooling units that use high global warming potential (GWP) refrigerants with more environmentally friendly alternatives. This has been implemented at Fractal’s new offices where refrigerators with low GWP and water dispensers without cold water option (without refrigerant) were procured, which marks our commitment towards reducing emissions under SCOPE 1.	
3	<b>Energy efficiency and LEED certification</b>	Green Power is purchased for 100 % of the electricity consumed and directly billed to Fractal at the Mumbai office, and for Bengaluru office(s), all consumptions i.e. Fractal’s office’s electricity and HVAC usage, and electricity used for common building facility is sourced from a Green Power source. The decision by Fractal to source green power for its 2 largest offices is an important step towards reducing GHG emission impact on the environment. By doing so, we have been able to decrease our carbon footprint by more than 90% under indirect emissions scope. Fractal practices sustainable procurement practices by choosing eco-labelled electronic and electrical equipment that meet high energy efficiency standards, such as BEE Star Rating, EPEAT, and ENERGY STAR. By prioritizing energy efficiency in its procurement choices, the company can further minimize its environmental impact and improve operational efficiency. Two of Fractal’s largest workplaces are LEED Gold certified. Through these efforts, Fractal demonstrates how addressing environmental risks and opportunities is not only about regulatory compliance but also about enhancing the company’s overall resilience. Fractal’s new workplaces coming up for occupancy in May 2025 are also designed to achieve LEED Gold and WELL Platinum certifications.	

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
4	<b>Water and energy remote monitoring</b>	By implementing remote monitoring systems for utility monitoring, we will be able to enhance our ability to optimize resource consumption and reduce inefficiencies. This not only lowers operational costs but also significantly contributes to our environmental responsibility by minimizing energy waste and water usage. We have initiated the floor level water monitoring POC at the Bengaluru office and it is currently under observation. These water meters are invasive/inline type water-meters. At certain offices we may face the issue of acquiring permission for the invasive water-meter, hence we are simultaneously exploring the non-invasive water-meters and will be conducting the POC to check its efficacy vis-à-vis conventional water-meter.	
5	<b>EV charging station at Bengaluru office parking</b>	We are currently exploring options to establish EV charging stations in the parking areas of our Bengaluru facilities. EV charging stations are a forward-thinking initiative that promotes the use of clean energy and supports the transition to electric mobility. This initiative is designed to encourage usage of EV's and support employees who own electric vehicles by providing a convenient and accessible charging solution during work hours. Furthermore, it reflects our commitment to sustainability and aims to encourage greater adoption of electric vehicles among our workforce, contributing to a greener, more environmentally responsible future. As per our strategic planning, we will be converting some of the Bengaluru office parking spaces to have EV charging facility with a mix of level-1 and level-2 charging options, subject to feasibility.	
6	<b>Converting existing fleets to EVs</b>	We are working towards transitioning 100% of our night drop cabs to electric vehicles in the next 2 fiscal years based on the cost impact analysis. The current EV fleet for our night transport is around 33% managed total fleet. This move demonstrates our long-term strategy to align with global sustainability objectives. It reflects both strong governance and environmental leadership in reducing our carbon impact.	
7	<b>Streamlining and centralizing e-waste disposal policies</b>	By centralizing and standardizing our e-waste disposal processes, we ensure that hazardous materials are handled responsibly and ethically, reducing environmental harm. This initiative not only demonstrates our commitment to environmental stewardship but also strengthens our governance framework by ensuring compliance with global waste management standards.	
8	<b>Achieving Excellence in Environmental Management with ISO 14001</b>	<ul style="list-style-type: none"> <li>Enhanced Environmental Stewardship: The adoption of ISO 14001 has empowered our organization to systematically manage and mitigate environmental impacts, reinforcing our commitment to sustainability.</li> <li>Regulatory Alignment: ISO 14001 ensures adherence to all relevant environmental regulations, reducing compliance risks and fostering a proactive approach to legal obligations.</li> <li>Improved Resource Efficiency: By optimizing the use of resources such as energy and water, we have achieved significant cost savings while minimizing our ecological footprint.</li> <li>Effective Waste Management: The framework has facilitated the implementation of robust waste reduction and recycling initiatives, driving sustainable practices across operations.</li> <li>Enhanced Stakeholder Trust: Demonstrating compliance with internationally recognized environmental standards has strengthened our reputation and credibility with clients, employees, and other stakeholders.</li> <li>Proactive Risk Mitigation: ISO 14001 has enabled us to identify and address potential environmental risks effectively, ensuring a safer and more resilient operational environment.</li> <li>Culture of Continuous Improvement: The implementation has fostered a culture of sustainability and innovation, driving ongoing enhancements to our environmental performance.</li> </ul> <p>The integration of ISO 14001 into our organizational practices underscores our dedication to Environmental excellence, delivering measurable operational, reputational, and sustainability outcomes. Also, we have taken 45001 certificate to enhance health and safety at our offices.</p> <p>We also intend to take TRUE (Total Resource Use and Efficiency) certification in FY2025-26. This is third-party zero waste certification program that recognizes and promotes facilities, events, and construction projects that strive to minimize waste and maximize resource efficiency. It focuses on diverting solid waste from landfills, incineration, and the environment, aiming for a circular economy.</p>	

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Fractal's Business Continuity and Disaster Management Plan is closely aligned with the ISO 27001 standard, emphasizing resilience and quick recovery. It starts with a comprehensive risk assessment to pinpoint threats and vulnerabilities, thereby reducing potential impacts. The plan features an emergency response strategy for immediate crisis management and a communication plan to keep stakeholders updated during disruptions. To maintain ongoing operations, a continuity plan is established, supported by regular data backups and a recovery strategy to ensure data integrity. Staff preparedness is reinforced through consistent training and drills, while a supply chain management plan ensures the reliability of essential external partners.

**6. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant adverse environmental impacts have been reported by our value chain partners. The Supplier Code of Conduct is mandatory for all regular vendors and reflects Fractal's commitment to promoting ethical and responsible business practices. It emphasizes best practices in labor management, health and safety, and environmental stewardship. The Code of Conduct clearly outlines our expectations for suppliers and all associated personnel, including employees, agents, contractors, and subcontractors. New vendors and the top vendors (by spend) must review the Fractal Supplier Code of Conduct and submit a signed copy to confirm their acceptance.

**7. Percentage of value chain partners (by the value of business done with such partners) that were assessed for environmental impacts.**

At present, we do not assess environmental impacts for our value chain. However, we encourage our value-chain partners to proactively align their strategies to be more environmentally friendly. Our Supplier Code of Conduct clearly outlines our expectations for our vendors regarding environmental stewardship, labor management, and health and safety standards. We urge our suppliers to adopt sustainable practices that minimize their ecological footprint and to continuously seek improvements in their environmental performance.

**8. How many Green Credits have been generated or procured:**

<b>By the listed entity</b>	During FY 2024-25, Fractal did not generate or procure any Green Credits unrisks the MoEFCC Green Credits Program.
<b>By the top 10 (in terms of value of purchases and sales respectively) value chain partners</b>	Furthermore, based on the information available, none of Fractal's top 10 value chain partners (in terms of value of purchases and sales respectively) have generated or procured Green Credits.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**Indicators**

**1. a. Number of affiliations with trade and industry chambers/ associations. –**

Fractal is a member of 6 trade and industry chambers/ associations.

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	National Association of Software and Service Companies (NASSCOM)	National
2	The Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
4	The Confederation of Indian Industry (CII)	National
5	Indo-Australian Chamber of Commerce (AustCham India)	International
6	India AI	National

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
Not applicable. Fractal has not received any complaints or reports of issues related to anti-competitive conduct from regulatory authorities.		

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity:**

S. no	Public Policy advocacy	Method resorted to such activity	Whether information available in public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Others- please specify)	Web-Link if available
1	Digital Personal Data Protection Act, 2023 (DPDP Act)	Fractal actively participated in providing recommendations on the draft rules released under the Digital Personal Data Protection Act, 2023 to FICCI, NASSCOM and ASSOCHAM	No	As required	Not available

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain. (Yes / No)	Relevant Web Link
Not applicable.					

**2. Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the 2022-23 (In INR)
Not applicable. Fractal has not undertaken any projects for which Rehabilitation and Resettlement is being undertaken.						

**3. Describe the mechanisms to receive and redress grievances of the community.**

Fractal conducts all its CSR programs in partnership with NGOs. Throughout these programs, our NGO partners maintain continuous communication with local communities to ensure active engagement and participation. Our due diligence procedure ensures that NGOs complete necessary requirements before we move forward. Once the NGO is approved by the Fractal Finance and Legal teams, we proceed with formalizing the partnership through a Memorandum of Understanding (MOU). The MOU provides a framework for addressing any disputes or issues that may arise, with each team having the ability to escalate matters to the Legal team for resolution.

To support transparent reporting, we have established a grievance portal for all stakeholders including community members, to confidentially voice their concerns. We also encourage stakeholders to report any issues or breaches directly to [whistleadmin@fractal.ai](mailto:whistleadmin@fractal.ai).

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Directly sourced from MSMEs / small producers	4.46%	1.46%
Directly from within India	55.87%	55.82%

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.**

Location	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Rural	Not applicable	Not applicable
Semi-Urban	Not applicable	Not applicable
Urban	Not applicable	Not applicable
Metropolitan*	100%	100%

\*Fractal has offices in Metropolitan cities of the country.

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the social impact assessments (Reference: Question 1 of essential indicators above):**

Details of negative social impact identified	Corrective actions taken
Not applicable. No social impact assessment was carried out during FY 2024-25.	

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational district	Amount spent (In ₹)
None of the CSR projects undertaken by the Company is in designated aspirational districts as identified by government bodies.			

**(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups?**

Yes, Fractal has a Sustainable Procurement policy that encourages purchasing from suppliers from marginalized and vulnerable groups. This includes businesses owned by Micro, Small, and Medium Enterprises (MSMEs), women, minorities, veterans or ex-service members, LGBTQ individuals, and people with disabilities.

**(b) From which marginalized/vulnerable groups do you procure?**

We source from suppliers that are owned by MSME, women, minorities, veterans or ex-service members, LGBTQ individuals, and people with disabilities.

**(c) What percentage of total procurement (by value) does it constitute?**

Procurement from marginalized/vulnerable groups constitutes 5.89% of total procurement.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S.no	Intellectual property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefits shared (Yes/No)	Basis of calculating benefit shared
Not applicable.				

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.**

Name of the authority	Brief the Case	Corrective action taken
Not applicable.		

**6. Details of beneficiaries of CSR projects:**

S.No	CSR project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalized groups*
1.	BAIF Institute for Sustainable Livelihood and Development, Maharashtra	125 farmers	100%
2.	Shree Bhagawan Mahaveer Viklang Sahayata Samiti, Rajasthan	202	100%
3.	Shree Bhagawan Mahaveer Viklang Sahayata Samiti, Rajasthan	274	100%
4.	Habitat for Humanity India Trust, Maharashtra	270 families	100%
5.	Concern India Foundation, Maharashtra	13	100%

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

At Fractal, we leverage a client feedback system through the Net Promoter Score (NPS) form, distributed to all clients to assess satisfaction levels and gather valuable insights for improvement. This form contains various questions that help us understand client experiences and includes a specific section for identifying areas where our services can enhance.

When feedback, queries, or complaints are submitted through the NPS form, they are promptly directed to the appropriate teams within Fractal. These teams are dedicated to addressing and resolving issues swiftly, ensuring that client concerns are prioritized.

**2. Turnover of products and/or services as a percentage of turnover from all products/services that carry information about:**

	As a % to total turnover
Environmental and social parameters relevant to the product	Not applicable as Fractal does not manufacture any products.
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	Not applicable		-	Not applicable		-
Restrictive trade practices						
Unfair trade practices						
Other						

## 4. Details of instances of product recalls on account of safety issues

	Number	Reason for Recall
Voluntary recalls	Not applicable as Fractal does not manufacture any product.	
Forced recalls		

## 5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link to the policy.

Yes, Fractal has a comprehensive framework and policy on cybersecurity and risk related to data privacy. Our framework and policy are designed to align with the guidelines set forth in ISO 27001:2022, SOC 2 Type 2, and the National Institute of Standards and Technology (NIST) Framework for improving critical infrastructure cybersecurity.

Our cybersecurity policies and procedures cover all aspects of data privacy and risk management, from access controls to incident response. We follow industry best practices for protecting sensitive data and ensuring the confidentiality, integrity, and availability of our systems and data. Key components of our cybersecurity framework include:

- Regular security assessments and penetration testing to identify vulnerabilities and strengthen system security.
- Strict access controls to ensure that only authorized personnel can access sensitive data.
- Comprehensive data encryption both in transit and at rest to prevent unauthorized access.
- Incident response protocols for rapid detection, containment, and resolution of security incidents.
- Employee training and awareness programs to reinforce cybersecurity best practices and data protection responsibilities.

We are committed to continuously enhancing our security policies and procedures to stay ahead of emerging threats and uphold the highest standards of cybersecurity and data privacy. [Link of the policy.](#)

## 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on the safety of products / services.

There were no instances relating to advertising, and delivery of essential services; cyber security and data privacy of customers, re-occurrence of instances of product recalls, or penalty / action taken by regulatory authorities on safety of products / services.

## 7. Provide the following information relating to data breaches:

### a. Number of instances of data breaches

No data breaches reported for FY 2024-25.

### b. Percentage of data breaches involving personally identifiable information of customers

0%.

### c. Impact, if any, of the data breaches

Not applicable.

## Leadership Indicators

- 1. Channels/platforms where information on products and services of the entity can be accessed. (Provide web link, if available)**

Fractal's services and offerings details can be found on the website- <https://fractal.ai/>

- 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Not applicable. Fractal is a global analytics and artificial intelligence company and does not manufacture any product.

- 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Fractal is committed to ensuring uninterrupted services for its clients. To achieve this, we have implemented robust procedures to enhance resilience and operational continuity. Our Business Continuity Planning strategies are designed in accordance with industry standards ISO 27001, aligning with the Business Continuity Management System to mitigate risks and ensure seamless operations.

- 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Client centricity is at the heart of our approach, enabling us to build trust by understanding challenges and delivering measurable impacts across enterprises. We leverage direct client feedback and rigorously assess client satisfaction using the Net Promoter Score (NPS) as a key management metric. Our commitment to client centricity is demonstrated through our expanding client base, ongoing growth in client relationships, and consistently high Net Promoter Scores.

# Independent Auditor's Report

## To the Members of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

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

#### Opinion

We have audited the standalone financial statements of Fractal Analytics Limited (formerly Fractal Analytics Private Limited) (the "Company") which comprise the standalone balance sheet as at 31 March 2025, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matters

- a. We did not audit the financial information of a component included in the standalone financial statements of the Company whose financial information reflect total assets (before acquisition adjustments) of ₹ 78 million as at the date of slump sale (1 April 2024), total revenue (before acquisition adjustments) of ₹ 155 million and net cash inflows (before acquisition adjustments) of ₹ Nil for the year ended 31 March 2024 (refer Note 35), as considered in the standalone financial statements. The financial information been audited by the other auditor whose report have been furnished to us.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2A. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except:
    - for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
    - we are unable to comment whether the back-up of accounting software used for maintaining revenue transactions which forms part of the books of account and other relevant books and papers in electronic mode has been taken on daily basis for the period 1 April 2024 to 17 December 2024; and
    - the back-up of software used for maintaining payroll master which forms part of the 'books of account and other relevant books and papers in electronic mode' have not been maintained on the servers physically located in India on a daily basis.
  - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31 March 2025, 1 April 2025 and 16 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

## Independent Auditor's Report

- a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its standalone financial statements - Refer Note 40 to the standalone financial statements.
  - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 32 to the standalone financial statements.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d.
    - (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 39 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 39 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
  - e. The Company has neither declared nor paid any dividend during the year.
  - f. Based on our examination, which included test checks, and considering reports of independent auditor's in relation to controls at the service organisation for accounting softwares, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account which, along with privilege access management tool, wherever applicable, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
    - i. At the application level for the accounting software used for maintaining general ledger for certain tables relating to transactions and master data audit trail was not enabled for the period 1 April 2024 to 3 December 2024. Further, in the absence of change log over audit trail feature at the application level, we are unable to comment whether audit trail feature of the said software was enabled.
    - ii. At the database level, in the absence of an independent auditor's report in relation to controls at a service organization, for an accounting software used for maintaining general ledger, which is operated by third party software service provider, we are unable to comment whether the audit trail feature for the said software was enabled and operated throughout the year for all the relevant transactions recorded in the software.
    - iii. Due to the absence of sufficient and appropriate reporting on compliance with the audit trail requirements in the independent auditor's report of the service organization, we are unable to comment whether audit trail feature of the software used for maintaining payroll master was enabled and operated throughout the year for all relevant transactions recorded in the said software.
- Further, where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with.
- Additionally, since audit trail was not enabled in the previous year, we cannot comment if audit trail has been preserved by the Company as per the statutory requirements.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its

directors during the current year is in accordance with the provisions of Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Rajesh Mehra**

Partner

Membership No.: 103145

ICAI UDIN:25103145BMOVSN5721

Place: Mumbai

Date: 21 May 2025

# Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (ii) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Discrepancies noted on such verification (Gross carrying amount ₹ 99 million; Net carrying amount ₹ 2 million) have been properly dealt with in the books of account.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering data analytics services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except that the returns for the quarter ended 31 March 2025 are yet to be filed.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in and granted loans, unsecured, to companies and has also made investment in, provided guarantee, security and advances in the nature of loans, unsecured, to other parties during the year, in respect of which the requisite information is as below. The Company has not made investments in, provided guarantee, security, granted loans and advances in the nature of loans, secured or unsecured, to firms and limited liability partnership during the year. The Company has not provided guarantee, security and advances in the nature of loans, secured or unsecured, to companies and has not provided loans, secured or unsecured, to other parties during the year.
- (a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has given loans to subsidiaries. The Company has not given any loans to associate or stood guarantee or provided security or has not given any advances in the nature of loans to any subsidiaries and associate. The Company does not hold any investment in any joint venture.
- B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has given unsecured advances in the nature of loans, stood guarantee and provided security to parties other than subsidiaries and associate as listed below. The Company has not given any loans to parties other than subsidiaries and associate.

Particulars (in ₹ million)	Guarantees	Security	Loans	Advances
				in nature of loans
Aggregate amount during the year				
Subsidiaries*	-	-	53	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others	4,888	4,390	-	12
Balance outstanding as at balance sheet date				
Subsidiaries*	-	-	180	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others*	4,888	4,390	-	8

\*As per the Companies Act, 2013

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided and securities given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given to subsidiaries, these are repayable on demand and there are stipulations regarding payment of interest. As represented by the management, the Company has not demanded repayment of the loan during the year except for repayment of loan of ₹ 4 million. Recovery of loan including interest thereon aggregating to ₹ 170 million given to two subsidiaries has been waived during the year. In the case of interest free advances in the nature of loans given, the repayment of principal has been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans and advances in the nature of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	Related Parties (in ₹ million)
Aggregate of loans/ advances in nature of loan	
- Repayable on demand (A)	180
- Agreement does not specify any terms or period of Repayment (B)	-
<b>Total (A+B)</b>	<b>180</b>
Percentage of loans/ advances in nature of loan to the total loans	100%

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act"). In respect of investments made and loans, guarantee and security given by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-Tax, Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Income-Tax, Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

## Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) for the year ended 31 March 2025

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues relating to Goods and Service Tax, Provident Fund, Income-Tax, Cess or other statutory dues which have not been deposited on account of any dispute except for the following:

Name of the statute	Nature of the dues	Amount (in ₹ million)	Paid/adjusted under protest (in ₹ million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income tax Act, 1961	Income Tax	11	--	AY 2007-08	Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income- Tax (Penalty)	6	1	AY 2007-08	Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income Tax	24	24	AY 2011-12	Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income Tax	1	1	AY 2018-19	Income Tax Appellate Tribunal (ITAT)	
Income tax Act, 1961	Income Tax	2	1	AY 2019-20	Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income Tax	19	19	AY 2020-21	Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income- Tax (Penalty)	25	--	AY 2020-21	Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income Tax	9	--	AY 2021-22	Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income- Tax	1	-	AY 2022- 23	Assessing Officer	
Income tax Act, 1961	Tax Deducted at source	2	-	September 2024	Commissioner of Income Tax (Appeals)	
Central Excise Act, 1944	Service tax	1	-	April 2015 - June 2017	Department of revenue - GST Audit II Mumbai	
Central Goods and Services Tax Act, 2017	Goods and Services Tax	2	-	FY 2020- 21	Office of Deputy Commissioner	

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management,
- the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company (as defined under the Act).

- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Rajesh Mehra**

Partner

Membership No.: 103145

ICAI UDIN:25103145BMOVSN5721

Place: Mumbai

Date: 21 May 2025

# Annexure B to the Independent Auditor's Report

on the Standalone Financial Statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) for the year ended 31 March 2025

## Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### Opinion

We have audited the internal financial controls with reference to financial statements of Fractal Analytics Limited (formerly Fractal Analytics Private Limited) ("the Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, 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 issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to

an audit of internal financial controls with reference to financial statements. 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.

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

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

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide 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**

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.

#### **For B S R & Co. LLP**

Chartered Accountants  
Firm's Registration No.:101248W/W-100022

#### **Rajesh Mehra**

Partner  
Membership No.: 103145  
ICAI UDIN:25103145BMOVSN5721

Place: Mumbai  
Date: 21 May 2025

# Standalone Balance Sheet

As at March 31, 2025

(in Rupees million)

Particulars	Note	As at March 31, 2025	As at March 31, 2024*
<b>ASSETS</b>			
<b>(A) Non-current assets</b>			
(a) Property, plant and equipment	3	267	167
(b) Right-of-use assets	4	1,389	954
(c) Goodwill	5	596	596
(d) Other intangible assets	6	33	97
(e) Intangible assets under development	6.1	134	32
(f) Financial assets			
(i) Investments	7	6,549	5,329
(ii) Other financial assets	11	178	213
(g) Deferred tax assets (net)	12	79	77
(h) Income tax assets (net)		160	159
(i) Other non-current assets	13	61	12
<b>Total non-current assets (A)</b>		<b>9,446</b>	<b>7,636</b>
<b>(B) Current assets</b>			
(a) Financial assets			
(i) Investments	7	3,436	4,174
(ii) Trade receivables	8	8,865	6,818
(iii) Cash and cash equivalents	9a	223	123
(iv) Bank balance other than above	9b	211	-
(v) Loans	10	180	212
(vi) Other financial assets	11	169	207
(b) Other current assets	13	591	448
<b>Total current assets (B)</b>		<b>13,675</b>	<b>11,982</b>
<b>Total Assets (A+B)</b>		<b>23,121</b>	<b>19,618</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(A) Equity</b>			
(a) Share capital	14	31	31
(b) Other equity	15	19,436	16,857
<b>Total equity (C)</b>		<b>19,467</b>	<b>16,888</b>
<b>(B) Liabilities</b>			
(I) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	30	1,098	722
(ii) Other financial liabilities	17	35	35
(b) Provisions	19	159	165
<b>Total non-current liabilities (D)</b>		<b>1,292</b>	<b>922</b>
(II) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	30	283	168
(ii) Trade payables	16		
1. Total outstanding dues of micro enterprise and small enterprises		96	43
2. Total outstanding dues of creditors other than micro enterprises and small enterprises		301	220
(iii) Other financial liabilities	17	1,333	1,011
(b) Other current liabilities	18	324	281
(c) Provisions	19	-	85
(d) Current tax liabilities (net)		25	-
<b>Total current liabilities (E)</b>		<b>2,362</b>	<b>1,808</b>
<b>Total liabilities (D+E)</b>		<b>3,654</b>	<b>2,730</b>
<b>Total Equity and Liabilities (C+D+E)</b>		<b>23,121</b>	<b>19,618</b>

\* Refer note 35 for business combination

## Material accounting policies

2

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

As per our report of even date attached.

### For B S R & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of

### Fractal Analytics Limited

CIN: U72400MH2000PLC125369

### Rajesh Mehra

Partner

Membership Number: 103145

### Srikanth Velamakanni

Whole-Time Director

DIN: 01722758

### Sasha Gulu Mirchandani

Director

DIN: 01179921

### Somya Agarwal

Company Secretary

Membership number: A17336

Mumbai

Date: May 21, 2025

Mumbai

Date: May 20, 2025

Mumbai

Date: May 20, 2025

Mumbai

Date: May 20, 2025

# Standalone Statement of Profit and Loss

fractal



For the year ended March 31, 2025

(in Rupees million)

Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024*
<b>(1) Income</b>			
(a) Revenue from operations	20	14,366	11,590
(b) Other income	21	539	382
<b>Total Income</b>		<b>14,905</b>	<b>11,972</b>
<b>(2) Expenses</b>			
(a) Employee benefits expense	22	10,509	8,987
(b) Employee stock option expense	33	447	568
(c) Finance costs	23	116	19
(d) Depreciation and amortisation expense	24	520	460
(e) Other expenses	25	1,450	1,128
<b>Total Expenses</b>		<b>13,042</b>	<b>11,162</b>
<b>(3) Profit before exceptional items and tax expense (1-2)</b>		<b>1,863</b>	<b>810</b>
<b>(4) Exceptional items</b>	26	98	(483)
<b>(5) Profit before tax expense (3-4)</b>		<b>1,765</b>	<b>1,293</b>
<b>(6) Tax expense</b>			
(a) Current tax	37	430	120
(b) Deferred tax charge / (credit)	12	14	(45)
<b>Total tax expense</b>		<b>444</b>	<b>75</b>
<b>(7) Profit for the year (5-6)</b>		<b>1,321</b>	<b>1,218</b>
<b>(8) Other comprehensive income</b>			
(1) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement of defined employee benefit plans	28	15	20
(b) Income tax on items (a) above		(4)	(5)
(2) Items that will be reclassified subsequently to profit or loss			
(a) Effective portion of gains on of derivatives designated as cash flow hedge		(87)	50
(b) Effective portion of gains on of derivatives designated as cash flow hedge reclassified subsequently to profit or loss		23	(7)
(c) Income tax on items (a) and (b) above		16	(11)
<b>Total other comprehensive income</b>		<b>(37)</b>	<b>47</b>
<b>(9) Total comprehensive Income for the year (7+8)</b>		<b>1,284</b>	<b>1,265</b>
<b>Earnings per share (EPS) (Rupees per share)</b>	36		
Face of ₹ 1 each			
(1) Basic EPS		42.91	39.96
(2) Diluted EPS		39.58	36.67

\* Refer note 35 for business combination

## Material accounting policies

2

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

As per our report of even date attached.

## For B S R & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of

## Fractal Analytics Limited

CIN: U72400MH2000PLC125369

## Rajesh Mehra

Partner

Membership Number: 103145

Mumbai

Date: May 21, 2025

## Srikanth Velamakanni

Whole-Time Director

DIN: 01722758

Mumbai

Date: May 20, 2025

## Sasha Gulu Mirchandani

Director

DIN: 01179921

Mumbai

Date: May 20, 2025

## Somya Agarwal

Company Secretary

Membership number: A17336

Mumbai

Date: May 20, 2025

# Standalone Statement of Cash Flows

for the year ended March 31, 2025

(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024*
<b>(A) Cashflows from operating activities</b>		
Profit before tax expense	1,765	1,293
<b>Adjustment for:</b>		
Depreciation and amortization expense	239	266
Depreciation on right-of-use assets	281	194
Finance cost	113	16
Interest income on intercompany loan	(2)	(1)
Gains (net) on investments mandatorily measured at fair value through profit or loss/ gain on redemption/sale of financial instruments	(316)	(197)
Guarantee commission income/ (Gain)/loss on cancellation of guarantee	(17)	(31)
Gain on sale of investment in subsidiary company	-	(17)
Interest income on unwinding of security deposits given	(13)	(11)
Interest income on bank deposits	(7)	-
Unrealised foreign exchange (gain)/loss (net)	(67)	42
Unrealised fair value loss/(gain) on derivatives (net)	65	(51)
Employee stock option expense	447	568
Allowance for expected credit loss	0	32
Provision for doubtful advances	7	3
Provision for tax settlements (Refer note 25)	(59)	5
Impairment in value of investments and recoverable from subsidiaries and writeback of payable to subsidiaries	97	(483)
Impact on account of acquisition of business (Refer note 35)	-	19
<b>Operating cash flow before working capital changes</b>	<b>2,533</b>	<b>1,647</b>
(Increase) in trade receivables	(1,980)	(382)
Decrease/(Increase) in other current financial assets	73	(46)
(Increase) in other non current financial assets	(43)	(5)
(Increase)/Decrease in other non current assets	(4)	21
(Increase) in other current assets	(143)	(9)
Increase in trade payables	134	25
Increase in other current financial liabilities	200	279
(Decrease)/Increase in current and non-current provisions	(16)	82
Decrease in other non current financial liabilities	(1)	(1)
Increase in other current liabilities	43	65
<b>Cash generated from operations</b>	<b>796</b>	<b>1,676</b>
Tax paid (net of refunds)	(415)	(160)
<b>Net cash flows generated from operating activities</b>	<b>381</b>	<b>1,516</b>
<b>(B) Cashflows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(362)	(96)
Intercompany loan given during the year	(53)	(123)
Intercompany loan received back during the year	4	13
Maturity proceeds on redemption of mutual fund units	6,179	6,806
Purchase of mutual fund units	(5,160)	(8,030)
Investment in bank deposits	(211)	-
Interest on bank deposit	<b>5</b>	<b>-</b>
Proceeds from sale of investments in subsidiary	-	231
Investment in equity instruments	(874)	(3)
Amount paid for acquisition of business (Refer note 35)	-	(109)
<b>Net cash flows used in investing activities</b>	<b>(472)</b>	<b>(1,311)</b>

(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024*
<b>(C) Cashflows from financing activities</b>		
Proceeds from issue of equity shares and share application money pending allotment	501	100
Repayment of lease liabilities (Refer note 30)	(295)	(261)
Finance fees paid during the year	(15)	-
<b>Net cash flows generated from / (used in) financing activities</b>	<b>191</b>	<b>(161)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>100</b>	<b>44</b>
Cash and cash equivalents at the beginning of the year	123	79
<b>Cash and cash equivalents at the end of the year</b>	<b>223</b>	<b>123</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash in hand	0	0
Balance with banks:		
In current accounts	223	123
<b>Total cash and cash equivalents</b>	<b>223</b>	<b>123</b>

\* Refer note 35 for business combination

**Notes :**

1. Purchase of property, plant and equipment and intangibles are shown inclusive of movements in Intangible asset under development.

2. Refer note 30 for movement in lease liabilities under financing activities.

Material accounting policies

2

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

As per our report of even date attached.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of

**Fractal Analytics Limited**

CIN: U72400MH2000PLC125369

**Rajesh Mehra**

Partner

Membership Number: 103145

Mumbai

Date: May 21, 2025

**Srikanth Velamakanni**

Whole-Time Director

DIN: 01722758

Mumbai

Date: May 20, 2025

**Sasha Gulu Mirchandani**

Director

DIN: 01179921

Mumbai

Date: May 20, 2025

**Somya Agarwal**

Company Secretary

Membership number: A17336

Mumbai

Date: May 20, 2025

# Standalone Statement of Changes in Equity

for the year ended March 31, 2025

## (A) Equity Share Capital

(in Rupees million)

Particulars	Note	Amount
<b>Balance as at April 1, 2024</b>		26
Changes in equity shares capital during the year	14	0
<b>Balance as at March 31, 2025</b>		26
<b>Balance as at April 1, 2023</b>		26
Changes in equity shares capital during the year	14	0
<b>Balance as at March 31, 2024</b>		<b>26</b>

## (B) Instruments Entirely Equity In Nature - Series B 0.001 % Compulsorily Convertible Preference Shares

(in Rupees million)

Particulars	Note	Amount
<b>Balance as at April 1, 2024</b>		5
Changes in preference share capital during the year	14	-
<b>Balance as at March 31, 2025</b>		5
<b>Balance as at April 1, 2023</b>		5
Changes in preference share capital during the year	14	-
<b>Balance as at March 31, 2024</b>		<b>5</b>

## (C) Other Equity

(in Rupees million)

Particulars	Reserve and Surplus					Items of other comprehensive income		Total equity
	Securities premium	Employee stock option reserve (ESOP)	Retained earnings	Remeasurement of defined employee benefit plans	Capital Reserve	Share application money pending allotment	Effective portion of gains on derivatives as cash flow hedge (net)	
<b>Balance as at April 1, 2024</b>	<b>12,108</b>	<b>2,880</b>	<b>1,848</b>	<b>(114)</b>	<b>81</b>	<b>22</b>	<b>32</b>	<b>16,857</b>
Profit for the year	-	-	1,321	-	-	-	-	1,321
Other comprehensive income	-	-	-	11	-	-	(48)	(37)
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>1,321</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>(48)</b>	<b>1,284</b>
Share application money received during the year	-	-	-	-	-	501	-	501
Issue of Equity shares	447	-	-	-	-	(447)	-	-
Additions on account of business combinations (Refer note 35)	-	-	-	-	(0)	-	-	(0)
Employee stock option expense (Refer note 33)	-	794	-	-	-	-	-	794
Transfer to securities premium on account of exercised ESOP	339	(339)	-	-	-	-	-	-
Transfer to retained earnings on account of vested ESOP lapsed	-	(26)	26	-	-	-	-	-
<b>Balance as at March 31, 2025</b>	<b>12,894</b>	<b>3,309</b>	<b>3,195</b>	<b>(103)</b>	<b>81</b>	<b>76</b>	<b>(16)</b>	<b>19,436</b>
Balance as at April 1, 2023	11,977	2,017	650	(125)	8	3	-	14,530
Profit for the year	-	-	1,218	-	-	-	-	1,218
Other comprehensive income	-	-	-	15	-	-	32	47
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>1,218</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>32</b>	<b>1,265</b>
Additions on account of business combinations (Refer note 35)	-	-	(55)	(4)	73	-	-	14

(in Rupees million)

Particulars	Reserve and Surplus					Items of other comprehensive income		Total equity
	Securities premium	Employee stock option reserve (ESOP)	Retained earnings	Remeasurement of defined employee benefit plans	Capital Reserve	Share application money pending allotment	Effective portion of gains on derivatives as cash flow hedge (net)	
Share application money received during the year	-	-	-	-	-	22	-	22
Issue of Equity shares	81	-	-	-	-	(3)	-	78
Employee stock option expense (Refer note 33)	-	948	-	-	-	-	-	948
Transfer to securities premium on account of exercise of ESOP	50	(50)	-	-	-	-	-	-
Transfer to retained earnings on account of vested ESOP lapsed	-	(35)	35	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>12,108</b>	<b>2,880</b>	<b>1,848</b>	<b>(114)</b>	<b>81</b>	<b>22</b>	<b>32</b>	<b>16,857</b>

## Nature and purpose of reserves

- (a) Securities premium : The amount received in excess of face value of the equity shares is recognised in Securities Premium. It can be used only in accordance with provisions of Companies Act, 2013 for specified purposes.
- (b) Employee stock options reserve : This relates to Stock options granted by the Company to its employees and employees of other subsidiaries under an Employee Stock Options Plan.
- (c) Retained earnings : Retained earnings are the profits that the Company has earned till date net of appropriations. It is available for distribution to shareholders.
- (d) Remeasurement of defined employee benefit plans : Comprises actuarial gains and losses and return on plan assets (excluding interest income).
- (e) Capital Reserve : Capital Reserve has been created pursuant to accounting of business transferred to the Company by its subsidiaries as per the business transfer agreements.
- (f) Share application money pending allotment : Share application money pending allotment represents application money received on account of employees stock option plan.
- (g) Effective portion of gains/(loss) on derivatives as cash flow hedge (net) : The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transactions are settled.

## Material accounting policies

(2)

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

As per our report of even date attached.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022 CIN: U72400MH2000PLC125369

For and on behalf of the Board of Directors of

**Fractal Analytics Limited****Rajesh Mehra**

Partner

Membership Number: 103145

**Srikanth Velamakanni**

Whole-Time Director

DIN: 01722758

**Sasha Gulu Mirchandani Somya Agarwal**

Director

DIN: 01179921

Company Secretary

Membership number:

A17336

Mumbai

Date: May 21, 2025

Mumbai

Date: May 20, 2025

Mumbai

Date: May 20, 2025

Mumbai

Date: May 20, 2025

# Notes to Standalone Financial Statements

as at and for the year ended March 31, 2025

## 1. Corporate Information

Fractal Analytics Limited ('Fractal' or 'the Company') (Formerly known as Fractal Analytics Private Limited) is a limited Company, incorporated and domiciled in India. The Company changed its name to Fractal Analytics Limited effective from May 16, 2024.

The Company is the leading provider of advanced analytics that helps companies leverage data driven insights in taking considered decisions. The analytics solution of Company helps companies to enhance profitability by powering their customer management efforts with scientific decision making.

The registered office of the Company is located at Level 7, Commerz II, International Business Park, Oberoi Garden City, Western Express Highway, Goregaon (E), Mumbai, India.

## 2. Material accounting policies followed by the Company

### 2.1 Basis of Preparation of standalone financial statement

#### Basis of preparation

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

The standalone financial statements have been prepared on a historical cost basis, except for Derivative financial instruments, investment in mutual funds and share based payment arrangements which are measured at fair value; net defined benefit (asset) / liability is measured at present value of defined obligation less fair value of plan assets (refer note 2.10).

The standalone financial statements are presented in Indian rupees (INR), which is the Company's presentation and functional currency. All values are rounded off to nearest million, except when otherwise indicated. Amount denoted as '0' is less than ₹ 1 million in the standalone financial statements.

### 2.2 Business Combination under common control transactions

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory are accounted for as per the pooling of interest method. The business combination is accounted for as if the business combination had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and

they appear in the financial statement of the Company in the same form in which they appeared in the financial statements of the transferor entity or the consolidated financial statements of the holding company. The difference, if any, between the consideration and amount of net assets acquired is transferred to capital reserve.

### 2.3 Property, plant and equipment ('PPE')

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Such cost includes its purchase price including inward freight, duties, taxes and all incidental expenses incurred to bring the asset to its present location and condition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Capital work in progress includes cost of PPE under development as at the Balance Sheet date and is carried at cost, comprising of direct cost and directly attributable cost.

The carrying amount of PPE is eliminated from the standalone financial statements, either on disposal or when retired from active use. Losses/gains arising on derecognition of the PPE is recognised in the Standalone Statement of Profit and Loss.

The carrying amount of any component accounted for as a separate asset is derecognised when it is replaced or retired or discarded. All other repairs and maintenance are charged to Standalone Statement of profit or loss during the reporting period in which they are incurred.

#### Depreciation

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. The management basis its past experience has estimated the useful lives, which is at variance with the life prescribed in Part C of Schedule II to the Act and has accordingly, depreciated the assets over such useful lives.

Useful life of assets considered are as below:

Description of assets	Useful life of assets
Furniture and fixtures	10 years
Office equipment	3 years
Leasehold improvements	Over the period of lease
Computers and accessories	3 - 6 years

### 2.4 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the

assets will flow to the Company and the cost of the asset can be measured reliably.

The intangible assets are stated at cost less accumulated amortization and impairment losses, if any. Cost comprises of the acquisition price, and any cost directly attributable and allocable on a reasonable basis for making the asset ready for its intended use.

Intangible assets under development includes intellectual property under development as at the balance sheet date. Product development costs are incurred on developing/upgrading the software products to launch new service modules and functionality to provide an enhanced suite of services. These development costs are capitalized and recognised as an intangible asset when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its ability and intention to use or sell the asset;
- The availability of adequate resources to complete the development and to use or sell the asset; and
- The ability to measure reliably the expenditure attributable to the intangible assets and probability of how the same will generate future economic benefits.

### Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates and the cost of the asset can be measured reliably. All other expenditure is recognised in the Standalone Statement of Profit and Loss as incurred.

### Amortization

Amortization is recognised in the Standalone Statement of Profit and Loss on a straight-line basis over the estimated useful lives of the intangible assets from the date that they are available for use.

The estimated useful lives are as follows:

Description of assets	Useful life of assets (Years)
Computer Software	3
Internally generated intellectual property	3-5

The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each financial year. Changes in the expected useful life are considered to modify the amortisation period and are treated as changes in accounting estimates.

Intangible assets are amortised over their expected useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses on disposals are determined

by comparing net disposal proceeds with carrying amount. These are included in the Standalone Statement of Profit and Loss.

## 2.5 Impairment of non-financial assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's each class of non-financial assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. Intangible assets under development are tested for impairment annually.

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the Company's share of identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Any impairment loss for goodwill is recognised directly in Standalone Statement of Profit and Loss. They are first used to reduce the carrying amount of any goodwill allocated to CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rate basis. An impairment loss recognised for goodwill is not reversed in subsequent periods. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. On disposal of a cash-generating unit to which goodwill is allocated, the goodwill associated with the disposed cash-generating unit is included in the carrying amount of the cash-generating unit when determining the gain or loss on disposal.

## 2.6 Foreign Currency Translation

### Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These standalone financial

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

statements are presented in Indian Rupees (INR), which is functional and presentation currency of the Company.

## Transactions and balances

Transactions in foreign currencies are initially recognised using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date and foreign exchange gain or loss are recognised in Standalone Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction.

## 2.7 Revenue recognition

Revenue is recognized when the Company satisfies performance obligations under the terms of its contracts, and control of the services is transferred to its customers, in an amount that reflects the consideration the Company expects to receive from its customers in exchange for those services. This process involves identifying the customer contract, determining the performance obligations in the contract, determining the transaction price, allocating the transaction price to the distinct performance obligations in the contract, and recognizing revenue when the performance obligations have been satisfied. A performance obligation is considered distinct from other obligations in a contract when it:

- (a) provides a benefit to the customer either on its own or together with other resources that are readily available to the customer and;
- (b) is separately identified in the contract. The Company considers a performance obligation satisfied once it has transferred control of services to the customer, meaning the customer has the ability to use and obtain the benefit from the services rendered.

Revenue from time and material contracts is recognised as and when services are performed on output basis measured by efforts expended.

Revenue related to fixed price retainership contracts is recognised based on time elapsed and is recognised on a straight-line basis over the period of performance.

In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') with contract costs incurred determining the degree of completion of the performance obligation.

Subscription income consist of fees from customers accessing Company's cloud-based software solutions. Revenues are generally recognized over the period when control of these services is transferred to customers, in an amount that reflects the consideration expected to be entitled to in exchange for those services. The Company's subscription arrangements are considered service

contracts and the customer does not have the right to take possession of the software.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance-based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change.

In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

## 2.8 Employee benefits

### Defined contribution plans

The Company's contribution to Provident fund and Labour Welfare Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

### Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Company provides benefits such as gratuity to its employees which are treated as defined benefit plans.

### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance linked incentive which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

## 2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Taxable profit differs from 'profit before tax' as reported in the Standalone Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are not taxable or deductible.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and the carry forward of unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit at the time of the transaction and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered and any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the

liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

### Current and deferred tax for the year

Current and deferred tax are recognised in the Standalone Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## 2.10 Leases

### The Company as a lessee

The Company's lease asset classes primarily consist of leases for office premises and vehicles. The Company assesses whether a contract contains a lease, at inception of the 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.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") 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 low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. 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, 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

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

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 lease term.

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 incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Standalone Balance Sheet and lease payments have been classified as financing activity in Standalone Statement of cash flows.

The Company does not have any lease contracts wherein it acts as a lessor.

## 2.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### A. Financial assets

#### (i) Classification, recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument except for trade receivables which are initially measured at transaction price.

The Company initially classifies its financial assets in the following measurement categories:

- a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and
- b) those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and whether 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 assets measured at fair value, gains and losses will either be recorded in Standalone Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
Debt instruments	Amortized cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount outstanding are measured at amortized cost.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on acquisition. EIR amortization is included in finance income. Any gain or loss on derecognition of the financial Instrument measured at amortized cost is recognised in Standalone Statement of Profit and Loss.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss which is recognized in Standalone Statement of Profit and Loss

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
				<p>Interest income, transaction cost and discount or premium on acquisition are recognized in the Standalone Statement of Profit and Loss (finance income) using effective interest rate method.</p> <p>On derecognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to Standalone Statement of Profit and Loss in other gain and loss head.</p>
	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss.	At fair value. Transaction costs of financial assets expensed to Standalone Statement of Profit and Loss	<p>Any gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which it arises.</p> <p>Changes in fair value of such assets are recorded in Standalone Statement of Profit and Loss as other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in the finance income.</p>
Equity instruments	FVOCI	The Company's management has made an irrevocable election at the time of initial recognition to account for the equity investment (on an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	<p>Changes in fair value of such instruments are recorded in OCI.</p> <p>On disposal of such instruments, no amount is reclassified to Standalone Statement of Profit and Loss</p> <p>Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.</p> <p>Dividend income from such instruments are however recorded in Standalone Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment.</p>
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to Standalone Statement of Profit and Loss	Changes in fair value of such assets are recorded Standalone Statement of Profit and Loss.

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, they are recorded as plus/minus transaction costs that are attributable to the acquisition of the financial assets.

## Instruments in hedging relationship

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cashflows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuation by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank. The Company holds derivative financial instruments such as foreign exchange forward and option contracts.

The hedge instruments are designated and documented as hedges at the inception of the contract. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains in the statement of profit and loss.

The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading effective portion of gains/(Loss) on derivatives designated as cashflow hedge.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in statement of profit and loss when the forecasted transaction ultimately affects profit and loss. Any gain or loss is recognised immediately in the statement of profit and loss when the hedge becomes ineffective.

## Instruments not in hedging relationship

The Company enters in contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

## (ii) Impairment

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 debt instruments, and are measured at amortized cost e.g., loans, deposits, and bank balance.
- b) Trade receivables
- c) Contract assets

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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. The Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors.

## (iii) Derecognition of financial assets:

A financial asset is derecognised only when

- (a) The contractual terms to the cash flows from the financial assets expire or the Company has transferred the rights to receive cash flows from the financial asset in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

## Financial liabilities and equity instruments:

Debt and equity instruments issued by an entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

## Classification, recognition and measurement:

### (a) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### (b) Financial liabilities:

#### Initial recognition and measurement:

Financial liabilities are initially recognised at fair value minus any transaction costs that are attributable to

the issue of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

**Subsequent measurement:**

The financial liabilities are classified for subsequent measurement into following categories:

- at amortized cost
- at fair value through profit or loss (FVTPL)

**(i) Financial liabilities at amortized cost:**

The Company is classifying the following under amortized cost;

- Borrowings from banks
- Borrowings from others
- Trade payables

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

**(ii) Financial liabilities at fair value through profit or loss:**

Financial liabilities held for trading are measured at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in Standalone Statement of Profit and Loss. The net gain or loss recognised in the Standalone Statement of Profit and Loss incorporates any interest paid on the financial liability.

**Derecognition:**

A financial liability is removed from the Standalone Balance Sheet when the obligation is discharged, or is cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the carrying amounts extinguished and consideration paid is recognised in the Standalone Statement of Profit and Loss.

**2.12 Fair value measurement:**

The Company measures financial instruments such as, certain investments and derivative instruments, at fair value at each balance sheet 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 2.11: Financial Instruments

Note 2.14: Share-based payment arrangements

**2.13 Provisions and Contingencies**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

## 2.14 Share-based payments:

The cost of equity-settled transactions with employees is measured at fair value at the date at which are granted. The fair value of share awards is determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Company's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations.

## 2.15 Cash and cash equivalents:

Cash and cash equivalents in the Standalone Statement of assets and liabilities comprises cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## 2.16 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit/ (loss) 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. The cash flows from operating, investing and financing activities of the Company are segregated.

## 2.17 Earnings per share:

The basic earnings per share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

The diluted earnings per share ("DEPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as adjusted for the effects of all dilutive potential equity shares.

## 2.18 Current / Non-current classification:

An asset is classified as current if:

- (a) it is expected to be realised or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realised within twelve months after the reporting period; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in the normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period; or
- (d) the Company has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company's normal operating cycle is twelve months.

## 2.19 Significant accounting estimates, judgements and assumptions:

The preparation of the Company's standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the standalone financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, management has made the following judgements and estimates which have significant effect on the amounts recognised in the standalone financial statements:

- a. **Useful lives of property, plant and equipment and intangible assets:** The Company reviews the useful lives of property, plant and equipment and intangibles at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.
- b. **Defined benefit plan:** The cost of the defined benefit gratuity obligation is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and attrition rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- c. **Allowances for uncollected accounts receivable and advances:** Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which is the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.
- d. **Provisions and contingencies:** The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

- e. **Share-based payments:** The Company measures the cost of equity-settled transactions with employees using Black-Scholes and binomial model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 33.

- f. **Provision for income tax and deferred tax assets:** The Company uses judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

**g. 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 contracts is recognised using percentage-of-completion method. The Company estimates the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.

**h. Leases:**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

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

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated.

## **2.20 Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

### 3 Property, Plant and Equipment

(in Rupees million)

Particulars	Computers and accessories	Leasehold improvements	Furniture and fixtures	Office Equipment	Total
<b>Gross carrying amount</b>					
<b>As at April 01, 2024</b>	<b>756</b>	<b>255</b>	<b>60</b>	<b>131</b>	<b>1,202</b>
Additions	227	-	5	4	236
Disposals/derecognition	(101)	(12)	(3)	(16)	(132)
<b>As at March 31, 2025</b>	<b>882</b>	<b>243</b>	<b>62</b>	<b>119</b>	<b>1,306</b>
<b>Accumulated depreciation</b>					
<b>As at April 01, 2024</b>	<b>617</b>	<b>253</b>	<b>37</b>	<b>128</b>	<b>1,035</b>
Charge for the year	127	2	5	2	136
On Disposals/derecognition	(101)	(12)	(3)	(16)	(132)
<b>As at March 31, 2025</b>	<b>643</b>	<b>243</b>	<b>39</b>	<b>114</b>	<b>1,039</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>239</b>	<b>-</b>	<b>23</b>	<b>5</b>	<b>267</b>
<b>Gross carrying amount</b>					
<b>As at April 01, 2023</b>	<b>717</b>	<b>256</b>	<b>59</b>	<b>132</b>	<b>1,164</b>
Additions	56	-	1	2	59
Disposals/derecognition	(17)	(1)	-	(3)	(21)
<b>As at March 31, 2024</b>	<b>756</b>	<b>255</b>	<b>60</b>	<b>131</b>	<b>1,202</b>
<b>Accumulated depreciation</b>					
<b>As at April 01, 2023</b>	<b>469</b>	<b>227</b>	<b>32</b>	<b>128</b>	<b>856</b>
Charge for the year	165	27	5	3	200
On Disposals/derecognition	(17)	(1)	-	(3)	(21)
<b>As at March 31, 2024</b>	<b>617</b>	<b>253</b>	<b>37</b>	<b>128</b>	<b>1,035</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>139</b>	<b>2</b>	<b>23</b>	<b>3</b>	<b>167</b>

Note : The Company does not hold any immovable properties

### 4 Right-of-use Assets

(in Rupees million)

Particulars	Office Premises	Vehicles	Total
<b>Gross carrying amount</b>			
<b>As at April 01, 2024</b>	<b>1,122</b>	<b>-</b>	<b>1,122</b>
Additions	665	52	717
Disposals	(172)	(1)	(173)
<b>As at March 31, 2025</b>	<b>1,615</b>	<b>51</b>	<b>1,666</b>
<b>Accumulated depreciation</b>			
<b>As at April 01, 2024</b>	<b>168</b>	<b>-</b>	<b>168</b>
Charge for the year	272	9	281
On disposals	(172)	(0)	(172)
<b>As at March 31, 2025</b>	<b>268</b>	<b>9</b>	<b>277</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>1,347</b>	<b>42</b>	<b>1,389</b>
<b>Gross carrying amount</b>			
<b>As at April 01, 2023</b>	<b>949</b>	<b>-</b>	<b>949</b>
Additions	927	-	927
Disposals	(754)	-	(754)

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

(in Rupees million)

Particulars	Office Premises	Vehicles	Total
<b>As at March 31, 2024</b>	1,122	-	1,122
<b>Accumulated depreciation</b>			
<b>As at April 01, 2023</b>	<b>728</b>	<b>-</b>	<b>728</b>
Charge for the year	194	-	194
On disposals	(754)	-	(754)
<b>As at March 31, 2024</b>	<b>168</b>	<b>-</b>	<b>168</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>954</b>	<b>-</b>	<b>954</b>

Note:

1. The Right-of-use assets as per Ind AS-116 comprises of lease of office premises and vehicles.
2. The aggregate depreciation expense on Right-of-use assets is included under depreciation and amortisation expenses in the Standalone Statement of Profit and Loss.

## 5 Goodwill

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Goodwill at the beginning of the year</b>	596	535
Additions on account of business combinations (Refer note 35)	-	61
<b>Goodwill at the end of the year</b>	<b>596</b>	<b>596</b>

Cash-generating units (CGUs) to which goodwill is allocated are tested for impairment annually at each reporting date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit. The Company estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies.

The goodwill amount for respective years (relating to different CGUs individually) has been evaluated based on the cash flow forecasts of the related CGUs over a period of five years and the recoverable amounts of these CGUs exceeded their carrying amounts.

An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount as on date."

The estimated value-in-use of CGUs is based on the future cash flows using a 3% to 5% as at March 31, 2025 (March 31, 2024 : 3% to 5%) terminal growth rate and discount rate of 18% to 25% as at March 31, 2025 (March 31, 2024 : 18% to 30%).

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the Cash Generating Unit (CGU).

## 6 Other Intangible Assets

(in Rupees million)

Particulars	Computer Software	Client relationship	Internally generated Intellectual Property	Total
<b>Gross carrying amount</b>				
<b>As at April 01, 2024</b>	<b>76</b>	<b>44</b>	<b>458</b>	<b>578</b>
Additions	13	-	26	39
Disposals	-	-	-	-
<b>As at March 31, 2025</b>	<b>89</b>	<b>44</b>	<b>484</b>	<b>617</b>
<b>Accumulated amortisation</b>				
<b>As at April 01, 2024</b>	<b>68</b>	<b>11</b>	<b>402</b>	<b>481</b>
Charge for the year	8	<b>33</b>	62	103
On disposals	-	-	-	-
<b>As at March 31, 2025</b>	<b>76</b>	<b>44</b>	<b>464</b>	<b>584</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>13</b>	<b>-</b>	<b>20</b>	<b>33</b>
<b>Gross carrying amount</b>				
<b>As at April 01, 2023</b>	<b>76</b>	<b>-</b>	<b>452</b>	<b>528</b>
Additions on account of business combinations (Refer note 35)	-	<b>44</b>	-	44
Additions	-	-	6	6
Disposals	-	-	-	-
<b>As at March 31, 2024</b>	<b>76</b>	<b>44</b>	<b>458</b>	<b>578</b>
<b>Accumulated amortization</b>				
<b>As at April 01, 2023</b>	<b>64</b>	<b>-</b>	<b>344</b>	<b>408</b>
Additions on account of business combinations (Refer note 35)	-	<b>7</b>	-	7
Charge for the year	4	<b>4</b>	58	66
On disposals	-	-	-	-
<b>As at March 31, 2024</b>	<b>68</b>	<b>11</b>	<b>402</b>	<b>481</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>8</b>	<b>33</b>	<b>56</b>	<b>97</b>

The estimated amortisation of intangibles assets for the years subsequent to March 31, 2025 is as follows :

Year ending 31 March	in Rupees Million
2026	17
2027	14
2028 and beyond	2
<b>Total</b>	<b>33</b>

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

## 6.1 Intangible assets under development ('IAUD')

(in Rupees million)

Particulars	Total
<b>Gross carrying amount</b>	
<b>As at April 01, 2024</b>	<b>32</b>
Additions	141
Less: Capitalisation	(39)
<b>As at March 31, 2025</b>	<b>134</b>
<b>Gross carrying amount</b>	
<b>As at April 01, 2023</b>	<b>1</b>
Additions	37
Less: Capitalisation	(6)
<b>As at March 31, 2024</b>	<b>32</b>

### Ageing of Projects in progress (at gross value before impairment)

(in Rupees million)

	Amount in IAUD for a period of				Gross Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025	134	-	-	-	134
As at March 31, 2024	<b>32</b>	-	-	-	<b>32</b>

## 6.2 Breakup of nature of expenses towards internally generated intellectual property which has been capitalised:

(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	99	8
Other expenses	33	21
<b>Total</b>	<b>132</b>	<b>29</b>

## 7 Investments

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Investments (Non-current)</b>		
<b>Investments in equity instruments in subsidiaries</b>		
(at cost)		
<b>A. Unquoted equity shares</b>		
Fractal Private Limited, Singapore 100,000 (March 31, 2024: 100,000) equity shares of SGD 1 fully paid up	3	3
Fractal Analytics Inc., United States of America 1,055,337 (March 31, 2024: 997,951) equity shares of USD 1 fully paid up	4,285	3,426
Cuddle Artificial Intelligence Private Limited** 163,360,913 (March 31, 2024: 163,360,913) equity shares of ₹ 1 fully paid up	7	7
Final Mile Consultants Private Limited** 21,955 (March 31, 2024: 21,955) equity shares of Re 1 fully paid up	143	143
Theremin AI Solutions Private Limited^ 143,767,182 (March 31, 2024: 100,000,010) equity shares of ₹ 1 fully paid up	153	100
Eugenie Technologies Private Limited 100,000 (March 31, 2024: 100,000) equity shares of ₹ 1 fully paid up	1	1
Senseforth AI Research Private Limited** 100,000 (March 31, 2024: 100,000) equity shares of ₹ 10 fully paid up	-	-

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
Analytics Vidhya Educon Private Limited 127,023 (March 31, 2024: 127,023) equity shares of ₹ 10 fully paid up	408	408
Neal Analytics Services Private Limited** 10,000 (March 31, 2024: 10,000) equity shares of ₹ 10 fully paid up	81	81
Fractal Alpha Private Limited 5,000,000 (March 31, 2024: 5,000,000) equity shares of ₹ 1 fully paid up	5	5
<b>B. Unquoted preference shares (at amortised cost)</b>		
Theremin AI Solutions Private Limited Nil (March 31, 2023: 43,767,172) 0.0001% Series B Compulsorily convertible cumulative preference shares of ₹ 1 each fully paid up	-	53
<b>C. Deemed Investment in subsidiaries</b>		
Fractal Analytics Inc., United States of America	947	654
Fractal Analytics UK Limited, UK	405	342
Theremin AI Solutions Private Limited	2	2
Senseforth AI Research Private Limited	186	12
Neal Analytics LLC***	-	19
Fractal Analytics (Canada) Inc.	1	-
Fractal Private Limited	2	-
Fractal Analytics Australia Pty Limited	1	-
Fractal Analytics Netherland B.V.	0	-
Fractal Alpha Private Limited	1	-
<b>Investments in equity instruments in associate</b> (at cost)		
<b>A. Unquoted equity shares</b>		
Qure.ai Technologies Private Limited 250,000,000 (March 31, 2024: 250,000,000) equity shares of ₹ 1 fully paid up)	250	250
<b>B. Other investments</b> (Unquoted, measured at fair value through profit and loss)		
Qi-Cap Investments Private Limited (Refer note 31(b)) 141,217 (March 31, 2024 : 132,567 shares of face value ₹ 1 each)	15	0
Less : Provision for impairment of Investment (Refer note 26)	(347)	(177)
<b>Total (Non-current)</b>	<b>6,549</b>	<b>5,329</b>
<b>Other investments (Current)</b>		
<b>Investment in mutual funds units (unquoted)</b> (at fair value through profit and loss)		
Investment in liquid mutual funds units (unquoted)	3,436	4,174
<b>Total other investments</b>	<b>3,436</b>	<b>4,174</b>
<b>(a) Aggregate carrying amount of unquoted investments</b>	<b>9,985</b>	<b>9,503</b>
<b>(b) Aggregate amount of impairment in value of investments</b>	<b>347</b>	<b>177</b>

\*\* The gross value of investments in the above subsidiaries is as per the table below.

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as at and for the year ended March 31, 2025

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Cuddle Artificial Intelligence Private Limited	168	168
Final Mile Consultants Private Limited	474	474
Neal Analytics Services Private Limited	300	300
Senseforth AI Research Private Limited	130	130
<b>Total gross value of investments</b>	<b>1,072</b>	<b>1,072</b>
<b>Total net carrying value of investments</b>	<b>231</b>	<b>231</b>

\*\*\* During the year, Neal Analytics LLC has been merged with Fractal Analytics Inc. vide board resolution dated April 04, 2024. Accordingly, deemed investment in Neal Analytics LLC has been transferred to Fractal Analytics Inc.

^ During the year, Board of Directors of Theremin AI Solutions Private Limited has approved for the conversion of compulsory convertible cumulative preference shares (CCCPS) into equity shares vide board resolution dated July 15, 2024 in the ratio of 1:1 equity shares for each CCCPS held.

The Company has long-term investments in subsidiaries and associates which are measured at cost less impairment. The management assesses the performance of these entities including the future projections and relevant economic and market conditions in which they operate to identify if there is any indicator of impairment in the carrying value of the investments.

During the years ended March 31, 2025 and 2024, the Company assessed the performance of its subsidiaries. The assessment was primarily based on future cash flow projections using a 3% to 5% (March 31, 2024 : 3% to 5%) terminal growth rate and discount rate of 18% to 25% (March 31, 2024: 18% to 30%) which are specific to each entity based on its business plan. The future cash flows considered key assumptions such as revenue projections, margins, terminal growth rates, etc. Accordingly, the Company has determined that the recoverable amounts of the long term investments in its subsidiaries is less than their carrying amount and based on the assessment carried out, the Company has recognised provision for impairment of ₹ 169 million (March 31, 2024 : ₹ Nil) in Senseforth AI Research Private Limited, ₹ 155 million (March 31, 2024 : ₹ 155 million) in Theremin AI Solutions Private Limited, ₹ 1 million (March 31, 2024: ₹ 1 million) in Eugenie Technologies Private Limited, ₹ 16 million (March 31, 2024 : ₹ 16 million) in Analytics Vidhya Educon Private Limited, ₹ 6 million (March 31, 2024 : ₹ 5 million) in Fractal Alpha Private Limited.

## 8 Trade Receivables

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
- Third parties	849	793
- Related parties (Refer note 29)	6,590	2,460
- Unbilled receivables -- Third parties	180	143
- Related parties -- Unbilled (Refer note 29)	1,283	3,459
Unsecured, credit impaired		
- Third parties	12	12
<b>Sub Total</b>	<b>8,914</b>	<b>6,867</b>
Allowance for expected credit loss	(49)	(49)
<b>Current trade receivables</b>	<b>8,865</b>	<b>6,818</b>

### Ageing for Trade receivables :

March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade receivables</b>							
(i) Undisputed Trade receivables - considered good	1,021	6,405	13	-	-	-	7,439
(ii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	12	12
	<b>1,021</b>	<b>6,405</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>7,451</b>
Trade receivables - Unbilled							1,463
							8,914
Less: Allowances for expected credit loss							(49)
<b>Total</b>							<b>8,865</b>

**Ageing for Trade receivables :  
March 31, 2024**

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade receivables</b>							
(i) Undisputed Trade receivables - considered good	694	1,846	703	5	4	1	3,253
(ii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	12	12
	<b>694</b>	<b>1,846</b>	<b>703</b>	<b>5</b>	<b>4</b>	<b>13</b>	<b>3,265</b>
Trade receivables -- Unbilled							3,602
							6,867
Less: Allowances for expected credit loss							(49)
<b>Total</b>							<b>6,818</b>

**9a Cash and Cash Equivalents**

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0	0
<b>Balance with banks</b>		
In current accounts	223	123
<b>Total cash and cash equivalents</b>	<b>223</b>	<b>123</b>

**9b Bank balance other than above**

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
In fixed deposit account (with original maturity of more than 3 months but less than 12 months)	211	-
<b>Total other bank balances</b>	<b>211</b>	<b>-</b>

**10 Loans**

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current loans</b>		
<b>Unsecured, considered good</b>		
Intercompany loan (Refer note 29)	180	285
Less: Loss allowance (Refer note 26)	-	(73)
<b>Total current loans</b>	<b>180</b>	<b>212</b>

Type of Borrower	March 31, 2025		March 31, 2024	
	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loans to related parties	180	100%	285	100%
<b>Total</b>	<b>180</b>		<b>285</b>	

Note : Loan given is repayable on demand. Interest on loan ranges between 7% to 7.4%.

Notes to the Standalone Financial Statements  
as at and for the year ended March 31, 2025

## 11 Other Financial Assets

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>Non-current financial assets</b>		
Derivative assets	3	17
Guarantee fee receivable (Refer note 29)	17	66
Security deposits	160	130
Less : Provision for doubtful advances	(2)	-
<b>Total non-current financial assets</b>	<b>178</b>	<b>213</b>
<b>Current financial assets</b>		
Derivative assets	18	53
Security deposits	14	-
Receivables from subsidiaries (Refer note 29)	113	177
Guarantee fee receivable (Refer note 29)	22	66
Interest accrued but not due	2	-
Interest receivable from subsidiary (Refer note 29)	-	16
Less: Loss allowance (Refer note 26)	-	(105)
<b>Total current financial assets</b>	<b>169</b>	<b>207</b>

## 12 Deferred Tax Assets (NET)

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>Significant components of deferred tax assets (net)</b>		
<b>Deferred tax assets</b>		
Difference between book and tax value of property, plant and equipment and intangible assets	67	65
Financial guarantee contract	(1)	(3)
Right of use assets	(133)	(225)
Lease liabilities	152	224
Mark to market on derivatives	14	(18)
MTM on investment in liquid funds	(38)	(28)
Others	18	62
<b>Total Deferred tax assets</b>	<b>79</b>	<b>77</b>

### Movements in deferred tax assets/(liabilities)

Particulars	Mark to market on derivatives	Right of use assets	Lease liabilities	MTM on investment in liquid funds	Property, plant & equipment and intangible assets	Financial guarantee contract	Others*	Total
At April 1, 2024	(18)	(225)	224	(28)	65	(3)	62	77
(Charged) / Credited								
- to profit or loss	16	92	(72)	(10)	2	2	(44)	(14)
- to other comprehensive income	16	-	-	-	-	-	-	16
<b>At March 31, 2025</b>	<b>14</b>	<b>(133)</b>	<b>152</b>	<b>(38)</b>	<b>67</b>	<b>(1)</b>	<b>18</b>	<b>79</b>
At April 1, 2023	6	(54)	68	(18)	43	(2)	-	43
Additions on account of business combinations (Refer note 35)								
(Charged) / Credited								
- to profit or loss	(13)	(171)	156	(10)	22	(1)	62	45
- to other comprehensive income	(11)	-	-	-	-	-	-	(11)
<b>At March 31, 2024</b>	<b>(18)</b>	<b>(225)</b>	<b>224</b>	<b>(28)</b>	<b>65</b>	<b>(3)</b>	<b>62</b>	<b>77</b>

\*Others include tax impact for allowance for expected credit loss, loans and other temporary differences

### 13 Other Assets

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2023
<b>Non-Current assets</b>		
Capital advances	45	-
Prepaid expenses	16	12
<b>Total non-current assets</b>	<b>61</b>	<b>12</b>
<b>Current assets</b>		
Prepaid expenses (Refer note below)	429	292
Contract assets (Refer note 27)	50	94
Advances to vendors and others	10	11
Balance with government authorities	112	61
Less: Provision for doubtful advances	(10)	(10)
<b>Total current assets</b>	<b>591</b>	<b>448</b>

Note : Prepaid expenses includes ₹ 243 million (March 31, 2024: ₹ 128 million) towards planning for initial public offer and is to be shared between the Company and selling shareholders.

### 14 Equity Share Capital

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>Authorised</b>		
389,400,000 equity shares of face value ₹ 1 each <sup>^</sup> (March 31, 2024 : 349,200,000 equity shares of face value ₹ 1 each)	389	349
50,600,000 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each <sup>^</sup> (March 31, 2024 : Series B 0.001 % 38,100,000 Compulsorily convertible preference shares of face value ₹ 1 each)	51	38
	<b>440</b>	<b>387</b>
<sup>^</sup> The authorised share capital of the Company has been increased vide Extra-ordinary general meeting resolution dated October 9, 2024.		
<b>Issued share capital</b>		
26,838,408 equity shares of face value ₹ 1 each (March 31, 2024 : 26,317,789 equity shares of ₹ 1 each)	27	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each (March 31, 2024 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each)	5	5
	<b>32</b>	<b>31</b>
<b>Subscribed and fully paid-up</b>		
26,173,550 equity shares of face value ₹ 1 each fully paid up (March 31, 2024 : 25,652,931 equity shares of face value ₹ 1 each fully paid up)	26	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each (March 31, 2024 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each fully paid up)	5	5
	<b>31</b>	<b>31</b>
<b>Subscribed but not fully paid-up</b>		
664,858 equity share of face value ₹ 1 (₹ 0.5 paid up) (March 31, 2024 : 664,858 equity share of face value ₹ 1 (₹ 0.5 paid up))	0	0
	<b>0</b>	<b>0</b>
	<b>31</b>	<b>31</b>

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

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

(in Rupees million)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares</b>				
At the commencement of the year	2,63,17,789	26	2,61,89,854	26
<b>Add : Shares issued during the year under</b>				
- employee stock option plan (Refer note a(i) below)	5,20,619	1	1,27,935	0
<b>At the end of the year</b>	<b>2,68,38,408</b>	<b>27</b>	<b>2,63,17,789</b>	<b>26</b>

(i) During the year 520,619 shares (March 31, 2024: 127,935 shares) were issued under employee stock option plan at various price (Refer note 33).

## Instruments entirely equity in nature - Series B 0.001 % Compulsorily convertible preference shares

(in Rupees million)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	45,23,604	5	45,23,604	5
Issued during the year	-	-	-	-
<b>At the end of the year</b>	<b>45,23,604</b>	<b>5</b>	<b>45,23,604</b>	<b>5</b>

## (b) Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
<b>(a) Equity shares of ₹ 1 each fully paid-up held by</b>				
Quinag Bidco Limited	22.13%	59,39,620	22.57%	59,39,620
TPG Fett Holdings Pte Limited	27.84%	74,72,423	28.39%	74,72,423
Gulu Mirchandani (on behalf of GLM Family Trust)	19.73%	52,96,556	20.13%	52,96,556
Pranay Agrawal	6.33%	16,97,904	6.44%	16,96,174
Srikanth Velamakanni*	5.70%	15,29,118	5.80%	15,27,378
Chetana Kumar	4.94%	13,25,431	5.04%	13,25,431

\* includes 664,858 partly paid-up shares issued on private placement basis

## (b) Series B 0.001 % Compulsorily Convertible Preference Shares of ₹ 1 each fully paid-up held by

Quinag Bidco Limited	73.78%	33,37,505	73.78%	33,37,505
TPG Fett Holdings Pte Limited	26.22%	11,86,099	26.22%	11,86,099

## (c) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## (d) Rights, preferences and restrictions attached to Series B 0.001% Compulsorily convertible preference shares (CCPS)

0.001% Compulsorily Convertible preference shares: All outstanding CCPS shall be converted based on the then-applicable CCPS Conversion Price on the earlier of :

(i) 1 (one) Business Day of the expiry of 5 (five) years from the Closing Date, as applicable; or

- (ii) 1 (one) Business Day prior to the date of voluntary or involuntary liquidation, winding up or dissolution of the Company, including through a shareholders', members' or creditors' voluntary winding up process or a court directed winding-up process
- (iii) 1 (one) Business Day prior to the date of consummation of the sale of any Securities by the Investor to a third party in accordance with the terms of the Shareholders agreement
- (iv) 1 (one) Business Day prior to the last date for the conversion of convertible instruments under applicable Laws, prior to an IPO or a QIPO (as defined in the Shareholders Agreement) in terms of the Shareholders Agreement

The CCPS shall bear a coupon rate of 0.001% per annum (calculated on the face value ) at the time of conversion of the last outstanding CCPS. The CCPS shall be non-cumulative. The CCPS holder shall be entitled to participate (on an as converted basis) in any dividends payable to the holders of Equity Shares. If any CCPS are outstanding and any dividend is declared on the equity shares, the Company shall declare dividend on the CCPS equal to the per equity share dividend pro-rated to the assumed equity percentage.

The Company covenants that till such time that any of the CCPS are outstanding, the Company shall not be entitled to declare any dividend on any equity shares in any year till such time as the dividend in relation to the CCPS has been provided for in full.

The CCPS shall not have any voting rights other than as available under the Act to preference shares. The CCPS shall rank pari passu with the equity shares on liquidation and shall have no liquidation preference.

#### (e) Shares reserved for issue under options

Particulars	March 31, 2025 No. of shares	March 31, 2024 No. of shares
Equity shares of ₹ 1 each reserved for issue under employee stock option scheme (Refer note 33)	62,40,300	60,08,873

Note -- Refer note (a) and (d) for conversion of CCPS.

- (f) There were no shares allotted pursuant to contract without payment being received in cash or as fully paid up by way of bonus shares or any shares bought back.
- (g) No dividend is declared by the Company during the years ended March 31, 2025 and March 31, 2024.

## 15 Other Equity

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
Securities premium reserve	12,894	12,108
Employee stock option reserve	3,309	2,880
Retained earnings	3,195	1,848
Remeasurement of defined employee benefit plans	(103)	(114)
Capital Reserve	81	81
Share application money pending allotment	76	22
Effective portion of gains/(loss) on derivatives designated as cash flow hedge (net)	(16)	32
<b>Total other equity</b>	<b>19,436</b>	<b>16,857</b>

Note : For movement during the year, refer statement of changes in equity.

## 16 Trade Payables

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>Current trade payables</b>		
- Total outstanding dues of micro enterprise and small enterprises (Refer below note)		
- Others	89	38
- Related parties (Refer note 29)	7	5
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Others	301	220
<b>Total current trade payables</b>	<b>397</b>	<b>263</b>

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Dues of micro and small enterprises</b>		
Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006, certain disclosures are required related to MSME. On the basis of the information and records available with the Company, following are the details of dues:		
- the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	96	43
- the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
- the amount of interest due and payable for the period of delay in making payment 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 each accounting year; and	3	1
- 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.	-	-

## Ageing of Trade payables

### March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	24	7	-	-	-	31
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	62	32	-	-	-	94
(iii) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	7	7
<b>Total</b>	<b>86</b>	<b>39</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>132</b>
Accrued expenses						265
<b>Total</b>						<b>397</b>

### March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	2	8	-	-	-	10
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	35	36	-	-	-	71
(iii) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	7	-	7
<b>Total</b>	<b>37</b>	<b>44</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>88</b>
Accrued expenses						175
<b>Total</b>						<b>263</b>

## 17 Other Financial Liabilities

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>Non-current financial liabilities</b>		
Employee related obligations	-	1
Derivative liability	20	-
Liabilities from financial guarantees (Refer note 29)	15	34
<b>Total non-current financial liabilities</b>	<b>35</b>	<b>35</b>
<b>Current financial liabilities</b>		
Derivative liability	61	-
Employee related obligations	1,068	925
Payable to subsidiaries (Refer note 29)	121	65
Liabilities from financial guarantees (Refer note 29)	22	21
Capital creditors	61	-
Payable towards business acquisition (Refer note 35)	-	0
<b>Total current financial liabilities</b>	<b>1,333</b>	<b>1,011</b>

## 18 Other Liabilities

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>Current liabilities</b>		
Unearned revenue (Refer note 27)	87	77
Advances from customers	31	33
Statutory dues payable*	206	171
<b>Total current liabilities</b>	<b>324</b>	<b>281</b>

\*Includes tax deducted at source, provident fund payable and professional tax.

## 19 Provisions

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>Non-current provisions</b>		
Gratuity (Refer note 28)	159	165
<b>Total non-current provisions</b>	<b>159</b>	<b>165</b>
<b>Current provisions</b>		
Other provisions (Refer note 25)	-	85
<b>Total current provisions</b>	<b>-</b>	<b>85</b>
<b>Movement of other provisions</b>		
Opening balance	85	80
Amount paid during the year	(26)	-
Provision created during the year	-	5
Provision reversed during the year	(59)	-
<b>Closing balance</b>	<b>-</b>	<b>85</b>

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

## 20 Revenue from Operations

(in Rupees million)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Sale of services (Refer note 27)</b>		
Income from rendering of services		
- Third party	3,813	3,022
- Related Party (Refer note 29)	10,553	8,568
<b>Total Revenue from operations</b>	<b>14,366</b>	<b>11,590</b>

## 21 Other Income

(in Rupees million)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income under effective interest rate method on financial assets at amortised cost:		
- Intercompany loan (Refer note 29)	2	1
- Bank deposits	7	-
- Unwinding of security deposits	13	11
- Unwinding of guarantee fees	22	24
Guarantee commission income	6	7
Fair value gain on derivative contracts carried at fair value through profit or loss	-	51
Foreign exchange gain (net)	164	72
Gain on redemption/sale of financial instruments	275	154
Gains (net) on investments mandatorily measured at fair value through profit or loss	41	43
Gain on sale of investment in subsidiary company	-	17
Miscellaneous income	9	2
<b>Total other income</b>	<b>539</b>	<b>382</b>

## 22 Employee Benefits Expenses

(in Rupees million)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus*	9,722	8,337
Contribution to provident fund (Refer note 28)	249	210
Gratuity (Refer note 28)	196	181
Staff welfare expense	342	259
<b>Total employee benefits expense</b>	<b>10,509</b>	<b>8,987</b>

\*During the year ended March 31, 2025, the Company has accrued retention bonus pursuant to acquisition amounting to ₹ 48 million (March 31, 2024 : ₹ 89 million) and ESOP cash bonus amounting to ₹ (0.4) million (March 31, 2024 : ₹ (2) million)

## 23 Finance Costs

(in Rupees million)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on :		
- lease liabilities (Refer note 30)	98	16
- others	5	3
Other borrowing cost	13	-
<b>Total finance cost</b>	<b>116</b>	<b>19</b>

## 24 Depreciation and amortisation Expense

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on property, plant and equipment (Refer note 3)	136	200
Depreciation on right-of-use assets (Refer note 4)	281	194
Amortisation on intangible assets (Refer note 6)	103	66
<b>Total depreciation and amortisation expense</b>	<b>520</b>	<b>460</b>

## 25 Other Expenses

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Software license and maintenance expense	276	232
Legal and professional fees (Refer sub-note 25.1 below)	190	160
Travelling and conveyance expense	224	171
Cloud and communication expense	282	160
Outsourced manpower cost	148	55
Fair value loss (net) on derivative contracts carried at fair value through profit or loss	65	-
Insurance expense	40	38
Recruitment expense	26	6
Repairs and maintenance expense (Computers and others)	64	46
Facility management expenses	44	40
Rent, rates and taxes (Refer sub-note a below)	(11)	13
Cost of delivery (Refer note 29)	19	16
Provision for doubtful advances	7	3
Membership and subscription charges	9	20
Allowances for expected credit loss	0	32
Corporate social responsibility (Refer note 41)	7	7
Loss on cancellation of guarantee	11	-
Miscellaneous expenses	49	129
<b>Total other expenses</b>	<b>1,450</b>	<b>1,128</b>

### 25.1 Payment to auditors :

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
For statutory audit	18	15
For tax audit	0	0
For other services	-	1
<b>Total payment to auditors</b>	<b>18</b>	<b>16</b>

Note: Amounts paid to auditor towards initial public offer amounting to ₹ 28 million during the year ended March 31, 2025 and ₹ Nil during the year ended March 31, 2024, are included in Prepaid expenses in Note 13.

#### Note:

(a) During the year ended March 31, 2023 the Company and all the Directors of the Company had received show cause notice (SCN) as to why prosecution proceedings under the Income tax Act, 1961 (Act) should not be initiated against them for delay in deposit of tax deducted at source ('TDS') of ₹ 405 million during FY 2019-20 (albeit the deposit of TDS was made with due interest for the delay without any intimation from the tax authorities). Detailed justification was provided against the said SCN to establish a reasonable cause for the delay in deposit of TDS. However, without acceptance/admission of guilt of offence under the provisions of the Act and to avoid litigation, the Company in its capacity and on behalf of all directors, on December 7, 2022 has filed an application for compounding of offence before the tax department. As at March 31, 2024, the Group had provided ₹ 85 million which was disclosed under Rent, rates and taxes.

During the current year, the Company has paid the compounding charges of ₹ 26 million based on intimation received from tax authorities. Further, the tax authorities issued a Compounding Order to the Company and all the six Directors in office as co-accused stating that the order is intended to resolve the offence and should not be considered as an admission of guilt of offence post which no further action is required on the matter by the Company or its Directors. Accordingly, the Company has written back provision of ₹ 59 million during the year.

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

## 26 Exceptional Items

(in Rupees million)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Payable balances to subsidiaries written back	-	(480)
Receivable balances from subsidiaries written off	106	-
Impairment in value of investments and recoverable from subsidiaries (Refer note below)	(8)	(3)
<b>Total exceptional items</b>	<b>98</b>	<b>(483)</b>

### Note :

During the year, the Company assessed the expected cash flows and the future plans of its subsidiary companies and accordingly, recorded/ (reversed) provision for impairment of investments, other receivable and outstanding loan balances to the extent of ₹ (26) million (March 31, 2024 : ₹ 2 million) in Theremin AI Solutions Private Limited, ₹ (53) million (March 31, 2024 : ₹ (95) million) in Eugenie Technologies Private Limited, ₹ Nil (March 31, 2024 : Nil) in Analytics Vidhya Educon Private Limited, ₹ 71 million (March 31, 2024 : ₹ 84 million) in Senseforth AI Research Private Limited and ₹ Nil (March 31, 2024 : ₹ 6 million) in Fractal Alpha Private Limited.

## 27 Revenue from Contracts with Customers (Clients)

The Company disaggregates revenue from contracts with clients by nature of services.

Revenue disaggregation by nature of services is as follows:

(in Rupees million)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Analytical services	14,366	11,590
	<b>14,366</b>	<b>11,590</b>

The billing schedules agreed with customers include periodic performance-based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time range for the expected time to recognise those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

The Company has applied practical expedient as per paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

Two clients individually accounted for more than 10% of the third party revenue for the years ended March 31, 2025 and March 31, 2024, respectively. Revenue details with related parties are disclosed in note 29 - Related parties.

Changes in contract assets are as follows:

(in Rupees million)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	94	29
Additions on account of business combinations (Refer note 35)	-	6
Revenue recognized during the year	445	455
Invoices raised during the year	(490)	(396)
Others	1	-
<b>Balance at the end of the year</b>	<b>50</b>	<b>94</b>

Changes in unearned revenue are as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	77	63
Revenue recognized out of the balance at the beginning of the year	(43)	(24)
Increase due to invoicing during the year, excluding amounts recognized as revenue during the year	64	38
Others	(11)	-
<b>Balance at the end of the year</b>	<b>87</b>	<b>77</b>

Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Contracted price	14,369	11,591
Less: Discount	(3)	(1)
<b>Revenue recognized</b>	<b>14,366</b>	<b>11,590</b>

## 28 Employee Benefits

### (a) Defined contribution plan

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees as per regulations. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has neither further contractual nor any constructive obligation.

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Employer's contribution to provident fund	249	210

Included in contribution to provident fund under employee benefits expense (Refer note 22)

### (b) Defined benefit plans

#### Gratuity:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years and more are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised fund in India.

Key assumptions used for actuarial valuation by an independent actuary under the Projected Unit Credit Method are as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.90%	7.15%
Future salary increases	9.00%	9.00%
<b>Attrition rate</b>		
Based on Completed Years of service		
Up to 2 years	7.00%	10.00%
3 - 4 years	10.00%	6.00%
Above 4 years	2.00%	2.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate -100%	Indian Assured Lives Mortality (2012-14) Ultimate -100%

#### Notes:

1. Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

## Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

- Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

### The amounts recognised in the balance sheet and movements in the net defined benefit obligation (DBO) over the year are as follows :

	(in Rupees million)	
	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>Change in the present value of obligation</b>		
<b>Present value of obligation at the beginning of the year</b>	<b>561</b>	<b>404</b>
Liability on account of business combinations (Refer note 35)	-	8
Interest cost	40	29
Past service cost	-	-
Current service cost	184	175
Benefits paid	(29)	(34)
<b>Remeasurement due to</b>		
Actuarial (Gain)/loss arising from change in financial assumptions	35	(28)
Actuarial (Gain)/loss arising on account of experience changes	(33)	6
Actuarial loss arising on account of demographical assumptions	(19)	1
<b>Present value of obligation at the end of the year</b>	<b>739</b>	<b>561</b>

The amounts recognised in the balance sheet and movements in the fair value of plan assets over the year are as follows :

	(in Rupees million)	
	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>Change in the fair value of plan assets</b>		
<b>Fair value of plan assets at the beginning of the year</b>	<b>396</b>	<b>311</b>
Expected returns on plan assets	(2)	(1)
Interest on plan assets	28	23
Contributions made by the Company	158	63
<b>Fair value of plan assets at the end of the year</b>	<b>580</b>	<b>396</b>

Note: The Company has invested 100% amounts in pension funds with Life Corporation of India (LIC).

	(in Rupees million)	
	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>Reconciliation of present value of defined benefit obligation and the fair value of assets</b>		
Present value of funded obligation at the end of the year	739	561
Fair value of plan assets as at the end of the year	(580)	(396)
<b>Net liability in balances sheet</b>	<b>159</b>	<b>165</b>

	(in Rupees million)	
	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
<b>Amount recognised in the statement of profit and loss</b>		
Current service cost	184	175
Interest cost	12	6
<b>Total expense recognized in the statement of profit and loss</b>	<b>196</b>	<b>181</b>

	(in Rupees million)	
	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
<b>Amount recognised in other comprehensive income</b>		
<b>Remeasurements during the year due to</b>		
Changes in financial assumptions	35	(28)
Changes in demographic assumptions	(19)	1
Experience adjustments	(33)	6
Expected return on plan assets	2	1
<b>Amount recognised in other comprehensive income during the year</b>	<b>(15)</b>	<b>(20)</b>

**(c) The sensitivity of significant assumptions used for valuation of defined benefit obligation is as follows :**

(in Rupees million)

Impact from percentage point increase / decrease in	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate +100 basis points	(615)	(459)
Discount rate -100 basis points	896	674
Salary increase rate +100 basis points	809	621
Salary increase rate -100 basis points	(662)	(487)
Attrition Rate +50%	(714)	(536)
Attrition Rate -50%	765	572

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to previous year.

**(d) Maturity profile of defined benefit obligation**

	As at March 31, 2025	As at March 31, 2024
Gratuity plan	20 years	21 years

**(e) Expected future benefit payments on undiscounted basis**

(in Rupees million)

Expected cash flows for following year	As at March 31, 2025	As at March 31, 2024
Expected total benefit payments in the next		
1 year	12	8
2 - 5 years	77	57
6 - 10 years	141	101
More than 10 years	3,166	2,647

**(f) Funding arrangements and funding policy**

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

**(g) Expected Contribution during the next annual reporting period**

(in Rupees million)

Expected cash flows for following year	As at March 31, 2025
The Company's best estimate of Contribution during the next year	159

**(h) Interest rate risk**

The plan is defined benefit in nature which is sponsored by the Company and hence it under writes all the risk pertaining to the plan. In particular, this exposes the Company to the actual risk such as adverse salary growth, changes in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to the employees in future. Since the benefits are lumpsum in nature, the plan is not subject to any longevity risks.

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

## 29 Related Party Transactions

### (a) Related parties

Sr. No	Name of the party	Nature of relationship
1	Quinag Bidco Limited	Companies having significant influence
2	TPG Fett Holdings Pte Limited	Companies having significant influence
3	Fractal Analytics Inc., USA	Subsidiary Company
4	Fractal Private Limited, Singapore	Subsidiary Company
5	Fractal Alpha Private Limited	Subsidiary Company
6	Cuddle Artificial Intelligence Private Limited	Subsidiary Company
7	Final Mile Consultants Private Limited	Subsidiary Company
8	Theremin AI Solutions Private Limited	Subsidiary Company
9	Eugenie Technologies Private Limited	Subsidiary Company
10	Asper.AI Technologies Private Limited (Up to August 31, 2023) (Refer note 3 below)	Subsidiary Company
11	Senseforth AI Research Private Ltd	Subsidiary Company
12	Analytics Vidhya Educon Private Limited	Subsidiary Company
13	Neal Analytics Services Private Limited	Subsidiary Company
14	Fractal Analytics UK Limited, UK (Subsidiary of Fractal Analytics Inc., USA)	Step-down subsidiary
15	Fractal Analytics (Switzerland) GmbH (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
16	Fractal Analytics (Canada) Inc. (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
17	Fractal Analysis Germany GmbH. (Germany) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
18	Fractal Analytics Netherland B.V. (Netherlands) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
19	Cuddle.ai Inc. (USA) (Subsidiary of Cuddle Artificial Intelligence Private Limited) (Refer note 1 below)	Step-down subsidiary
20	4i Consulting Inc. (Subsidiary of Fractal Analytics Incorporated, USA) (merged in Fractal Analytics Incorporated, USA from April 01, 2023)	Step-down subsidiary
21	Symphony LLC (Ukraine) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
22	Final Mile Consulting LLC (Subsidiary of Fractal Analytics Inc., USA effective September 1, 2023) (Refer note 2 below)	Step-down subsidiary
23	Fractal Analytics Sweden AB (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
24	Fractal Analytics (Shanghai) Limited (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
25	Fractal Analytics Malaysia SDN BHD (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
26	Asper.AI Technologies Private Limited (w.e.f September 01, 2023) (Refer note 3 below)	Step-down subsidiary
27	Fractal Analytics Australia Pty Limited (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
28	Theremin Multi Strategy Fund LLP (Subsidiary of Theremin AI Solutions Private Limited)	Step-down subsidiary
29	Asper.AI Inc (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
30	Senseforth Inc. (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
31	Asper.AI Limited (Subsidiary of Samya.AI INC., USA)	Step-down subsidiary
32	Eugenie.ai Inc. (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
33	Neal Analytics LLC (Subsidiary of Fractal Analytics Incorporated, USA) (Refer note 4 below)	Step-down subsidiary
34	Analytics Vidhya Inc. (Subsidiary of Analytics Vidya Educon Private Limited, India) (w.e.f. August 8, 2023)	Step-down subsidiary
35	Fractal Frontier Inc (Subsidiary of Fractal Alpha Private Limited, India)	Step-down subsidiary
36	Fractal LLC-FZ (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
37	Fractal Japan KK (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary

Sr. No	Name of the party	Nature of relationship
38	Fractal AI Limited (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
39	Qure.ai Technologies Private Limited	Associate Company
	Qure.ai Technologies Inc. (Subsidiary of Qure.ai Technologies Private Limited)	Associate Company
40	Qure.ai Technologies Limited , UK (Subsidiary of Qure.ai Technologies Inc.)	Associate Company
41	Tario Partners LLP	Entity in which director is interested

Note 1 During the year, Cuddle.ai Inc. one of step down subsidiary has filed for dissolution dated April 24, 2024 with State of Delaware to be effective from March 31, 2024.

Note 2 During the year ended March 31, 2024, Final Mile Consultants Private Limited sold its shares in Final Mile Consulting LLC to Fractal Analytics Inc., USA and accordingly Final Mile Consulting LLC has become indirect subsidiary w.e.f September 30, 2023.

Note 3 During the year ended March 31, 2024, the Company had sold the shares of Asper.ai Technologies Private Limited to Asper.AI Inc, accordingly Asper.AI Technologies Private Limited has become indirect subsidiary w.e.f September 01, 2023.

Note 4 During the year, Neal Analytics LLC has been merged to subsidiary Fractal Analytics Inc. vide board resolution dated April 04, 2024.

Note 5 During the year ended March 31, 2025, Fractal Japan KK has been dissolved w.e.f. July 31, 2024.

## (b) Key managerial personnel

Sr. No	Particulars	Nature of relationship
1	Mr. Srikanth Velamakanni <sup>^</sup>	Whole-time Director
2	Mr. Pranay Agrawal <sup>^</sup>	Non- Executive Director
3	Mr. Gulu Mirchandani (upto April 26, 2024)	Non- Executive Director
4	Mr. Sasha Gulu Mirchandani (w.e.f. April 26, 2024)	Additional Director
5	Mr. Rohan Haldea	Non- Executive Director
6	Mr. Anurag Sud (upto March 27, 2025)	Non- Executive Director
7	Mr. Gavin Patterson <sup>^</sup>	Non- Executive Director
8	Mr. Puneet Bhatia	Non- Executive Director
9	Mr. Vivek Mohan	Non- Executive Director
	Ms. Karen Ann Terrell <sup>**</sup>	Non- Executive and Independent Director
10	Ms. Neelam Dhawan <sup>**</sup>	Non- Executive and Independent Director
11	Ms. Janaki Akella <sup>**</sup> (w.e.f. August 01, 2024)	Non- Executive and Independent Director
12	Ms. Somya Agarwal <sup>^</sup>	Company Secretary

## (c) Transactions and balances

		(in Rupees million)	
Sr. No	Nature of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
<b>1</b>	<b>Managerial remuneration</b>		
	Mr. Srikanth Velamakanni	74	57
	Ms. Somya Agarwal	11	10
<b>2</b>	<b>Investment in equity shares of subsidiary company</b>		
	Fractal Analytics Incorporated, USA	859	-
<b>3</b>	<b>Deemed Investment in subsidiary company (Refer note 7)</b>		
	Fractal Analytics Incorporated, USA	274	264
	Fractal Analytics UK Limited, UK	63	109
	Senseforth AI Research Private Ltd	174	7
	Fractal Analytics (Canada) Inc.	1	-
	Fractal Analytics Australia Pty Ltd.	1	-
	Fractal Private Limited	2	-
	Fractal Analytics Netherland B.V.	0	-
	Fractal Alpha Private Limited	1	-

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

(in Rupees million)

Sr. No	Nature of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
<b>4</b>	<b>Reimbursement of expenses</b>		
	Fractal Analytics Incorporated, USA	46	48
	Asper.AI Technologies Private Limited	52	52
	Fractal Analytics UK Limited	1	1
	Eugenie Technologies Private Limited	-	5
	Senseforth AI Research Private Ltd	7	7
	Theremin AI Solutions Private Limited	-	1
	Fractal Analytics (Canada) Inc.	0	0
	Fractal Analytics Australia Pty Ltd.	0	0
	Fractal LLC-FZ	0	0
	Fractal Private Limited	0	-
	Final Mile Consulting private limited	0	-
	Fractal Analytics Netherlands B.V	0	-
	Asper.AI Inc	0	-
	Fractal AI Limited, Abu Dhabi	0	-
<b>5</b>	<b>Expenses incurred for the Company</b>		
	Senseforth AI Research Private Limited	1	5
	Eugenie Technologies Private Limited	0	1
	Fractal Alpha Private Limited*	-	0
	Cuddle Artificial Intelligence Private Limited	-	2
	Neal Analytics Services Private Limited	-	1
	Fractal Private Limited, Singapore	1	-
	Fractal Analytics Netherlands B.V	0	-
	Fractal Analytics Australia Pty Limited	1	-
	Fractal Analytics Malaysia SDN BHD	0	-
	Asper.ai Technologies Private Limited	0	-
	Asper.ai Limited,UK	1	-
	Fractal AI Limited, Abu Dhabi	1	-
	Fractal Analytics Inc, USA	37	-
	Fractal Analytics UK Limited, UK	20	-
	Analytics Vidhya Educon Private Limited	0	-
	Qure.ai Technologies Private Limited	8	-
<b>6</b>	<b>Reimbursement of expenses of shared office</b>		
	Theremin AI Solutions Private Limited*	-	0
	Eugenie Technologies Private Limited	-	2
	Senseforth AI Research Private Limited	-	10
	Asper.AI Technologies Private Limited	5	9
<b>7</b>	<b>Interest income</b>		
	Eugenie Technologies Private Limited*	0	1
	Fractal Alpha Private Limited*^^	0	0
	Senseforth AI Research Pvt. Ltd^^	2	1
<b>8</b>	<b>Revenue from operations</b>		
	Fractal Analytics Incorporated, USA	10,551	8,463
	Final Mile Consulting LLC	-	36
	Neal Analytics LLC USA	-	0
	Final Mile Consultants Private Limited	-	2
	Fractal Analytics UK Limited	-	4
	Fractal Analytics Australia Pty Ltd.	-	18
	Senseforth AI Research Pvt. Ltd	2	45
	Analytics Vidhya Educon Private Limited	6	-

		(in Rupees million)	
Sr. No	Nature of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
<b>9</b>	<b>Passthrough Revenue</b>		
	Senseforth AI Research Pvt. Ltd	6	
<b>10</b>	<b>Income from unwinding of interest and guarantee fees</b>		
	Fractal Analytics Incorporated, USA	28	31
<b>11</b>	<b>Intercorporate loan/ advance given</b>		
	Eugenie Technologies Private Limited	4	-
	Fractal Alpha Private Limited	-	1
	Senseforth AI Research Pvt. Ltd	49	120
	Theremin AI Solutions Private Limited	-	3
<b>12</b>	<b>Intercorporate loans with interest repaid</b>		
	Eugenie Technologies Private Limited	4	10
<b>13</b>	<b>Intercorporate advances recovered</b>		
	Theremin Ai Solutions Private Limited	-	3
<b>14</b>	<b>Redemption of investment in 0.1% Optional Convertible Debentures</b>		
	Eugenie Technologies Private Limited	-	92
<b>15</b>	<b>Sale of investment in equity instruments of subsidiary</b>		
	Asper.AI Technologies Private Limited	-	138
<b>16</b>	<b>Cost of delivery</b>		
	Senseforth AI Research Pvt. Ltd	1	1
<b>17</b>	<b>Staff training expenses</b>		
	Analytics Vidya Educon Private Limited	20	15
<b>18</b>	<b>Provision for doubtful receivables and loans</b>		
	Eugenie Technologies Private Limited	-	7
	Theremin Ai Solutions Private Limited	-	2
	Senseforth AI Research Pvt. Ltd	101	84
	Fractal Alpha Private Limited	-	1
<b>19</b>	<b>Impairment provision for investment in equity instruments in subsidiary</b>		
	Fractal Alpha Private Limited	-	5
<b>20</b>	<b>Reversal of provision for doubtful receivables and loans</b>		
	Eugenie Technologies Private Limited	53	10
	Theremin Ai Solutions Private Limited	25	-
	Senseforth AI Research Private Limited	200	-
	Fractal Alpha Private Limited	1	-
<b>21</b>	<b>Reversal of impairment provision for investment in 0.1% Compulsory Convertible Debentures</b>		
	Eugenie Technologies Private Limited	-	92
<b>22</b>	<b>Business Consideration payable</b>		
	Senseforth AI Research Private Limited	0	-
<b>23</b>	<b>Collection on behalf by group company</b>		
	Cuddle Artificial Intelligence Private Limited	2	-
	Final Mile Consulting private limited	0	-
<b>24</b>	<b>Collection for the group company</b>		
	Final Mile Consulting private limited	2	-
<b>25</b>	<b>Sundry balance written off</b>		
	Theremin AI Solutions Private Limited	20	-
	Eugenie Technologies Private Limited	53	-
	Senseforth AI Research Private Limited	33	-

Notes to the Standalone Financial Statements  
as at and for the year ended March 31, 2025

(in Rupees million)

Sr. No	Nature of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
<b>26</b>	<b>Sundry balance written back</b>		
	Fractal Analytics Incorporated, USA	-	35
	Cuddle.ai Inc, USA	-	433
	Senseforth, Inc	-	12
<b>27</b>	<b>Provision for Impairment on Deemed investment</b>		
	Senseforth AI Research Private Limited	169	-
	Fractal Alpha Private Limited	1	-

(in Rupees million)

Sr. No	Balances	As at March 31, 2025	As at March 31, 2024
<b>1</b>	<b>Trade and other receivables including unbilled receivables (Gross)</b>		
	Fractal Analytics Incorporated, USA	7,882	5,887
	Theremin AI Solutions Private Limited	-	25
	Eugenie Technologies Private Limited	-	53
	Fractal Analytics Limited, UK	0	1
	Senseforth AI Research Pvt. Ltd	29	4
	Asper.AI Technologies Private Limited	62	78
	Final Mile Consultants Private Limited	2	0
	Final Mile Consulting LLC	-	32
	Fractal Analytics (Canada) Inc.	0	0
	Fractal Analytics Australia Pty Ltd.	0	4
	Fractal LLC-FZ	-	0
	Cuddle Artificial Intelligence Private Limited	17	17
	Fractal Private Limited, Singapore	0	0
	Fractal Analytics Netherlands B.V	0	-
	Fractal Alpha Private Limited	0	-
<b>2</b>	<b>Trade and other payables</b>		
	Analytics Vidhya Educon Private Limited	7	5
	Fractal Alpha Private Limited	-	0
	Fractal Analytics Incorporated, USA	98	62
	Neal Analytics Services Private Limited	-	1
	Cuddle Artificial Intelligence Private Limited	-	0
	Fractal Analytics Limited, UK	21	1
	Fractal Private Limited, Singapore	1	-
	Fractal Analytics Australia Pty Limited	1	-
	Fractal Analytics Malaysia SDN BHD	0	-
	Asper.ai Limited,UK	0	-
	Senseforth, Inc	0	-
<b>3</b>	<b>Advance from Customer</b>		
	Senseforth Inc.	5	4
<b>4</b>	<b>Intercompany loans (Gross)</b>		
	Eugenie Technologies Private Limited	-	0
	Senseforth AI Research Pvt. Ltd	180	284
	Fractal Alpha Private Limited	-	1
<b>5</b>	<b>Interest receivable on intercorporate deposit</b>		
	Senseforth AI Research Pvt. Ltd	-	16
	Eugenie Technologies Private Limited	-	0
	Fractal Alpha Private Limited	-	0

			(in Rupees million)	
Sr. No	Balances	As at March 31, 2025	As at March 31, 2024	
<b>6</b>	<b>Interest receivable on Compulsory Convertible Debentures</b>			
	Eugenie Technologies Private Limited	-	0	
<b>7</b>	<b>Credit liabilities from financial guarantees</b>			
	Fractal Analytics Incorporated, USA	37	55	
<b>8</b>	<b>Deemed Investment in subsidiaries (Refer note 7)</b>			
	Fractal Analytics Inc, USA	947	654	
	Fractal Analytics UK Limited, UK	405	342	
	Theremin Ai Solutions Private Limited	2	2	
	Senseforth AI Research Pvt. Ltd	186	12	
	Neal Analytics LLC	-	19	
	Fractal Private Limited, Singapore	2	-	
	Fractal Analytics (Canada) Inc	1	-	
	Fractal Analytics Netherlands B.V	0	-	
	Fractal Analytics Australia Pty Limited	1	-	
	Fractal Alpha Private Limited	1	-	
<b>9</b>	<b>Investments in equity instruments in subsidiary</b>			
	Fractal Private Limited, Singapore	3	3	
	Fractal Analytics Incorporated, USA	4,285	3,426	
	Theremin Ai Solutions Private Limited	153	100	
	Eugenie Technologies Private Limited	1	1	
	Analytics Vidya Private Limited	408	408	
	Fractal Alpha Private Limited	5	5	
	Final Mile Consultants Private Limited	143	143	
	Neal Analytics Services Private Limited	81	81	
	Cuddle Artificial Intelligence Private Limited	7	7	
<b>10</b>	<b>Investments in preference shares in subsidiary</b>			
	Theremin AI Solutions Private Limited	-	53	
<b>11</b>	<b>Investments in equity shares in associate</b>			
	Qure.ai Technologies Private Limited	250	250	
<b>12</b>	<b>Guarantee commission receivable</b>			
	Fractal Analytics Incorporated, USA	39	132	
<b>13</b>	<b>Provision for doubtful receivables</b>			
	Eugenie Technologies Private Limited	-	53	
	Theremin Ai Solutions Private Limited	-	25	
	Senseforth AI Research Private Limited	-	26	
	Fractal Alpha Private Limited	-	0	
<b>14</b>	<b>Provision for impairment on Inter corporate loan</b>			
	Eugenie Technologies Private Limited	-	-	
	Senseforth AI Research Private Limited	-	72	
	Fractal Alpha Private Limited	-	1	
<b>15</b>	<b>Impairment provision for investment in equity instruments in subsidiary</b>			
	Theremin Ai Solutions Private Limited	153	100	
	Eugenie Technologies Private Limited	1	1	
	Analytics Vidya Private Limited	16	16	
	Fractal Alpha Private Limited	5	5	
<b>16</b>	<b>Impairment provision for investment in preference shares in subsidiary</b>			
	Theremin Ai Solutions Private Limited	-	53	

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

(in Rupees million)

Sr. No	Balances	As at March 31, 2025	As at March 31, 2024
<b>17</b>	<b>Impairment provision for deemed investment in subsidiaries</b>		
	Theremin Ai Solutions Private Limited	2	2
	Senseforth AI Research Private Limited	169	-
	Fractal Alpha Private Limited	1	-

Refer note 13 with respect to initial public offer expense.

Key managerial personnel who are under the employment of the Company are entitled to post employment benefits recognized as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are amounts provided on the basis of actuarial valuation, the same is not included above. Gratuity has been computed for the Company as a whole and hence excluded.

\*\*The remuneration paid to non-executive directors amounting to ₹ 23 million and 16 million for the year ended March 31, 2025 and March 31, 2024 respectively.

^ Total employee stock option expense for the years ended March 31, 2025 and March 31, 2024 includes a charge of ₹ 64 million and ₹ 106 million, respectively, towards key management personnel.

^^ The Company has not recognised interest income on loan to subsidiaries where the requirement does not meet the recognition criteria as per Ind AS.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Management believes that Company's international transaction with related parties post March 31, 2024 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements, particularly on the amount of provision of taxation for the year ended March 31, 2025.

## 30 Leases

### Company as lessee

The Company has entered into cancellable leasing arrangement in respect of office premises for a period of 2-5 years which are renewable on mutual consent.

### Ind AS 116 - Lease liabilities

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current	1,098	722
Current	283	168
<b>Total</b>	<b>1,381</b>	<b>890</b>

### (i) Movement in Lease liabilities:

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	890	271
Add: Additions on account of new leases	689	864
Add: Finance cost accrued during the year	98	16
Less: Termination/cancellation	(1)	-
Less: Payment of lease liabilities	(295)	(261)
<b>Closing Balance</b>	<b>1,381</b>	<b>890</b>

### (ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Payable within one year	404	245
Payable later than one year and not later than five years	1,304	853
(iii) Lease payments recognized for short term leases in Statement of Profit and Loss	44	9

**(iv) Following amounts are recognised in the Statement of Profit and Loss**

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on right of use assets	281	194
Interest expense on lease liabilities	98	16
Expense relating to low value assets / short term leases (included in other expenses)	44	9

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.

**31 Fair Value Measurement**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value those include cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities.

**(a) Financial instruments by category**

		(in Rupees million)	
	Level	As at March 31, 2025	As at March 31, 2024
<b>(i) Fair value through profit and loss (FVTPL)</b>			
<b>Assets</b>			
Investments (Refer note a below)	2	3,436	4,174
Investments (Refer note b below)	3	15	0
Derivative asset (Refer note a below)	2	5	27
<b>Total assets</b>		<b>3,457</b>	<b>4,201</b>
<b>Liabilities</b>			
Derivative liability (Refer note a below)	2	44	-
<b>Total liabilities</b>		<b>44</b>	<b>-</b>
<b>(ii) Fair value through other comprehensive income</b>			
<b>Assets</b>			
Derivative asset (Refer note a below)	2	16	43
<b>Total assets</b>		<b>16</b>	<b>43</b>
<b>Liabilities</b>			
Derivative liability (Refer note a below)	2	37	-
<b>Total liabilities</b>		<b>37</b>	<b>-</b>
<b>(iii) Amortised cost</b>			
<b>Assets</b>			
Investments		-	53
Trade receivables		8,865	6,818
Cash and cash equivalents		223	123
Bank balance other than above		211	-
Loans		180	212
Other financial assets		326	350
<b>Total assets</b>		<b>9,805</b>	<b>7,556</b>
<b>Liabilities</b>			
Trade payables		397	263
Other financial liabilities		1,287	1,046
<b>Total liabilities</b>		<b>1,684</b>	<b>1,309</b>

**Note:** Carrying amounts of Investments, trade receivables, cash and cash equivalents, bank balance, loans, other financial assets, trade payables and other financial liabilities as at March 31, 2025 and March 31, 2024 approximate their fair value due to their short-term nature.

**(a)** Valuation technique : Fair value of investments and derivative assets/liabilities is considered based on the valuation quotes received from mutual fund house for investments and bankers for derivative instruments which are considered under level 2.

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## (b) Reconciliation of fair value measurement of the investment categorised at level 3:

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>At fair value through profit and loss</b>		
Opening Balance	0	-
Addition during the year	15	0
Sale/redemption during the year	-	-
Fair valuation gain of financial instruments	-	-
<b>Closing Balance</b>	<b>15</b>	<b>0</b>

Sensitivity of level 3 financial instrument's fair value to changes in significant unobservable inputs (price per share) used in their fair valuation:

Particulars	(in Rupees million)	
	Impact on profit after tax and equity	
	As at March 31, 2025	As at March 31, 2024
Level 3 Investments		
- Increase by 5%	1	0
- Decrease by 5%	(1)	(0)

Valuation of investments is determined basis transaction price determined acquisition value/independent valuation report.

### Note :

There are no transfers between any of these levels during the current and previous year.

## 32 Financial Risk Management Framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies. The Board holds regular meetings on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

### a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables, investments, loans and other receivables from subsidiaries, cash and cash equivalents and other balances with banks. None of the financial instruments of the Company result in material concentration of credit risk.

#### Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low.

#### Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored.

The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

The Company's exposure to customers is diversified and two customer contributes more than 10% of outstanding trade receivables (including unbilled receivables) as at March 31, 2025 (one customer as at March 31, 2024).

**The movement in the allowance for expected credit loss in respect of trade receivables is as follows:**

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	49	17
Movement during the year	0	32
<b>Balance at the end of the year</b>	<b>49</b>	<b>49</b>

**Loans and other financial assets**

Loans and other financial assets mainly consists of security deposits and loan to related party. The security deposits pertains to rent deposits given to lessors. The Company does not expect any losses from non performance by these parties. Loans to related party is secured, accordingly the Company considers that the related credit risk is low.

**Investments**

Investments primarily include investment in liquid mutual fund units with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low.

**Derivatives**

The derivatives are entered into with banks with good credit ratings.

**b) 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. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as and when they are due. The Company has access to undrawn revolving credit facility as at March 31, 2025 amounting to ₹ 915 million (March 31, 2024; ₹ 805 million) which could be used for the working capital needs as and when required.

**Maturities of financial liabilities**

The below table analyses the Company's financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows.

Particulars	Carrying amount	Undiscounted amount		
		<12months	1- 2 Years	> 2 Years
<b>March 31, 2025</b>				
<b>Non Derivative financial instruments</b>				
Trade payables	397	397	-	-
Lease liabilities	1,381	404	402	902
Other financial liabilities	1,287	1,272	15	-
<b>Derivative financial instruments</b>				
<b>Derivative liability -- forward contracts</b>	81	81	-	-
<b>March 31, 2024</b>				
<b>Non Derivative financial instruments</b>				
Trade payables	263	263	-	-
Lease liabilities	890	245	218	635
Other financial liabilities	1,046	1,011	35	-

The Company has given guarantee to financial institution on behalf loan taken by one of its subsidiary amounting to ₹ 4,888 million (March 31, 2024 : ₹ 5,750 million). The loan is repayable in quarterly repayment installments with last payment due in December, 2026.

# Notes to the Standalone Financial Statements

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## (c) Market risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – that will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing, revenue generating and operating activities in foreign currency.

### (i) Currency risk

The Company is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Company's functional currency (₹), primarily in respect of Euros and United States Dollar. The Company ensures that the net exposure is kept to an acceptable level.

#### Exposure to currency risk

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

#### As at March 31, 2025

(in Rupees Million)			
Particulars	USD	EUR	Others*
<b>Financial assets</b>			
Trade receivables	7,919	266	11
Other financial assets	-	-	0
<b>Net exposure to foreign currency (assets)</b>	<b>7,919</b>	<b>266</b>	<b>11</b>
<b>Financial liabilities</b>			
Trade payables	3	-	-
Employee benefit obligation	98	-	23
<b>Net exposure to foreign currency (liabilities)</b>	<b>101</b>	<b>-</b>	<b>23</b>
<b>Net exposure to foreign currency</b>	<b>7,818</b>	<b>266</b>	<b>(12)</b>

#### As at March 31, 2024

(in Rupees Million)			
Particulars	USD	EUR	Others*
<b>Financial assets</b>			
Trade receivables	5,924	416	-
Other financial assets	0	-	1
<b>Net exposure to foreign currency (assets)</b>	<b>5,924</b>	<b>416</b>	<b>1</b>
<b>Financial liabilities</b>			
Trade payables	1	-	3
<b>Net exposure to foreign currency (liabilities)</b>	<b>1</b>	<b>-</b>	<b>3</b>
<b>Net exposure to foreign currency</b>	<b>5,923</b>	<b>416</b>	<b>(2)</b>

#### Sensitivity analysis of currency risk

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at year ended March 31, 2025 and year ended March 31, 2024 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignore any impact of forecast sales and purchases.

(in Rupees Million)			
Particulars	Impact on profit after tax and equity		
	As at March 31, 2025	As at March 31, 2024	
USD			
- Increase by 5%	293	222	
- Decrease by 5%	(293)	(222)	

(in Rupees Million)

Particulars	Impact on profit after tax and equity	
	As at March 31, 2025	As at March 31, 2024
EUR		
- Increase by 5%	10	16
- Decrease by 5%	(10)	(16)
Others		
- Increase by 5%	(0)	(0)
- Decrease by 5%	0	0

### Outstanding Derivative contracts

The Company hedges exposures to changes in foreign currency. The counterparty for these contracts is a bank. Contracts are valued at fair value through profit and loss and through other comprehensive income based on quotes received from the counter party.

The following table gives details in respect of outstanding hedge contracts:

Particulars	As at March 31, 2025		
	Notional amount of contracts (in million)	Notional amount of contracts (₹ in million)	Average strike price
(fair valuation through profit and loss)			
USD	50	4,231	85.48
EUR	5	459	92.55
(fair valuation through other comprehensive income)			
USD	68	5,770	85.48
EUR	8	782	92.55

Particulars	As at March 31, 2024		
	Notional amount of contracts (in million)	Notional amount of contracts (₹ in million)	Average strike price
(fair valuation through profit and loss)			
USD	17	1,376	83.41
EUR	-	-	-
(fair valuation through other comprehensive income)			
USD	61	5,089	83.41
EUR	7	603	89.99

The Company has entered into derivative instruments not in hedging relationship by way of foreign exchange forward and currency options. As at March 31, 2024 and as at March 31, 2025, the notional amount of outstanding contracts aggregated to Nil and ₹ 3,621 million respectively, and the respective fair value of these contracts have a gain of Nil and ₹ 28 million respectively.

Exchange fair value gain of March 31, 2025 ₹ 27 million on foreign exchange forward and currency options contracts that do not qualify for hedge accounting have been recognised in the consolidated statement of profit and loss for the years ended March 31, 2024 and Exchange fair value gain of ₹ 12 million on foreign exchange forward and currency options that do not qualify for hedge accounting have been recognised in the consolidated statement of profit and loss for the period ended March 31, 2025.

### Sensitivity analysis of Outstanding derivative contracts

A reasonably possible strengthening (weakening) of the Indian Rupee against USD and EUR currencies would have affected the measurement of financial instruments denominated in a foreign currency profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

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(in Rupees Million)

Particulars	Impact on profit after tax and equity	
	As at March 31, 2025	As at March 31, 2024
(fair valuation through profit and loss)		
USD		
- Increase by 5%	158	51
- Decrease by 5%	(158)	(51)
EUR		
- Increase by 5%	17	-
- Decrease by 5%	(17)	-
(fair valuation through other comprehensive income)		
USD		
- Increase by 5%	216	190
- Decrease by 5%	(216)	(190)
EUR		
- Increase by 5%	29	23
- Decrease by 5%	(29)	(23)

## (ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

### Exposure to interest rate risk

The Company's deposits/loans are all at fixed rate and are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company has assessed no exposure to fluctuating change of market interest rates.

## (iii) Capital management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

## 33 Employee Stock Options Expense

A The expense recognised for employee services received during the year is shown in the following table:

(in Rupees Million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Management Stock Options Scheme	311	400
Employee Stock Options Scheme	136	168
<b>Total</b>	<b>447</b>	<b>568</b>

Total ESOP expenses incurred for year ended March 31, 2025 is ₹ 794 million (March 31, 2024 : ₹ 948 million) of which ₹ 347 million (March 31, 2024 : ₹ 380 million) are transferred to Fractal Analytics Incorporation, Fractal Analytics UK Limited, Senseforth AI Research Private Ltd and other group entities as it pertains to options given to employees of respective subsidiary companies and are disclosed as deemed investment under note 7. Hence, net charge to Profit and Loss for financial year 2024-25 is ₹ 447 million (March 31, 2024 : ₹ 568 million).

## B Employee stock options scheme (ESOP)

The Company has granted stock options under Fractal Employees Stock Option Plan (ESOP) to its employees which was approved by its Board and Shareholders and further amended in line with the provisions of Companies Act, 2013. Pursuant to the Plan, the Company has issued grants to its various employees including employees of subsidiary company from time to time during financial year ended March 31, 2008 to year ended March 31, 2025. These options vest over the period of 1-4 years from the grant date and are exercisable within 10 years from vesting date for 2007 scheme and are exercisable within 10 years from grant date for 2019 scheme. In the case of resignation of the employee, the vested grants lapse (if not exercised) after 60 days from the date of resignation from service. Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The employee compensation expense for the year is determined on fair value basis.

### Movement of Options Granted with Weighted Average Exercise Price (WAEP)

Particulars	March 31, 2025		March 31, 2024	
	No. of options	WAEP	No. of options	WAEP
<b>Options outstanding at the beginning of the year</b>	24,96,131	1,078	25,97,381	952
Options granted during the year	5,45,300	1,712	2,20,650	2,270
Options lapsed during the year	(1,29,640)	1,529	(2,02,139)	1,021
Options settled/cancelled/expired during the year	-	-	(100)	846
Options revived during the year <sup>^</sup>	525	2,202	-	-
Options exercised during the year	(4,16,628)	810	(1,19,661)	621
<b>Options outstanding at the end of the year</b>	<b>24,95,688</b>	<b>1,239</b>	<b>24,96,131</b>	<b>1,078</b>
<b>Options exercisable at the end of the year</b>	<b>13,91,967</b>	<b>967</b>	<b>13,52,786</b>	<b>850</b>

<sup>^</sup>Vested options have been revived for two employees vide Circular Resolution No: 04/2024-25/NRC dated July 16, 2024 and 04/2024-25/NRC dated September 10, 2024.

The options granted under the above Scheme, shall vest in graded manner over a period of 1-4 years. Each option will entitle the participant to one equity share.

The weighted average fair values of the options granted during the year ended March 31, 2025 is ₹ 1,294 (year ended March 31, 2024 : ₹ 933).

The weighted average stock price of the options granted during the year ended March 31, 2025 is ₹ 1,712 (March 31, 2024 : ₹ 2,270).

Weighted average remaining contractual life (years) of the options based on the exercise price :

Exercise Price	1.00	40*	279.81	595.26	610.00	640.00	846.00	2,270.00	3,128.00
No. of options outstanding	-	4,025	93,050	24,500	15,000	1,76,624	14,62,599	6,59,824	60,066
Weighted average remaining contractual life (in years)	-	0.05	4.14	4.27	6.26	6.61	7.34	8.79	7.12

\*Time limit for vested options have been extended for basis board approval.

The fair valuation of option have been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

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The key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant for respective years are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Risk Free Rate	5.45 % - 9.19 %	5.45 % - 9.19 %
Option Life (Based on Simplified Average Method)	5 to 14 years	5 to 14 years
Expected Volatility**	9.76 % - 63.91 %	9.76 % - 63.91 %
Expected Growth in Dividend	0%	0%

\*\*Expected volatility during the expected term of the options is based on historical volatility of the observed market price of the Groups publicly traded equity shares during the period equivalent to the expected term of the options.

## C Management Stock Options Scheme (MSOP)

The Company has granted stock option under its 'Employee Stock Option Plan (ESOP) Time/Performance Based Management Incentive Plan (MIP) 2019' to its employees which was approved by its Board and Shareholders. Pursuant to the Plan, the company had issued grants to its various employees from time to time. Of these options, time based options will vest over the period of 1-4 years from the grant date, whereas performance based options will vest over satisfaction of milestones stipulated in performance based management plan. These MIP's are exercisable within 10 years from grant date. In the case of termination of employment without Cause or resignation for good reason of the management personnel, the vested grant lapses (if not exercised) after 3 months from the date of resignation from service. Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The management personnel compensation expense for the year has been determined on fair value basis.

### Movement of Options Granted with Weighted Average Exercise Price (WAEP)

Particulars	Time Based		Performance Based		Time Based		Performance Based	
	March 31, 2025		March 31, 2025		March 31, 2024		March 31, 2024	
	No. of options	WAEP	No. of options	WAEP	No. of options	WAEP	No. of options	WAEP
<b>Options outstanding at the beginning of the year</b>	<b>10,07,279</b>	<b>1,029</b>	<b>20,29,338</b>	<b>1,016</b>	<b>10,60,602</b>	<b>1,055</b>	<b>21,29,772</b>	<b>1,044</b>
Options granted during the year	-	-	-	-	-	-	-	-
Options lapsed during the year	(6,063)	924	(12,030)	1,202	(45,049)	1,676	(1,00,434)	1,598
Options settled/cancelled during the year	-	-	-	-	-	-	-	-
Options exercised during the year	(1,03,991)	1,054	-	-	(8,274)	880	-	-
<b>Options outstanding at the end of the year</b>	<b>8,97,225</b>	<b>1,027</b>	<b>20,17,308</b>	<b>1,015.01</b>	<b>10,07,279</b>	<b>1,029</b>	<b>20,29,338</b>	<b>1,016</b>
<b>Options exercisable at the end of the year</b>	<b>8,69,266</b>	<b>1,018</b>	<b>-</b>	<b>-</b>	<b>6,55,513</b>	<b>1,024</b>	<b>-</b>	<b>-</b>

The options granted under the above Scheme, shall vest in graded manner over a period of 1-4 years. Each option will entitle the participant to one equity share.

The weighted average fair values of the options granted during the year ended March 31, 2025 is ₹ Nil (March 31, 2024: Nil).

The weighted average stock price of the options granted during the year ended March 31, 2025 is ₹ Nil (March 31, 2024 : ₹ Nil).

The fair valuation of option has been done by an independent firm of Chartered Accountants on the date of grant using the Binomial Model.

Weighted average remaining contractual life (years) of the options based on the exercise price :

Exercise Price	846	2,270
No. of options outstanding	25,61,246	3,53,287
Weighted average remaining contractual life (in years)*	6.77	6.97

\*includes remaining contractual life of both time and performance based MSOPs

The key assumptions in the Binomial Model for calculating fair value as on the date of grant for respective year ended are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Risk Free Rate	5.75% to 7.13%	5.75% to 7.13%
Option Life (Based on Simplified Average Method)	5 years	5 years
Expected Volatility*	19.98% -39.76%	19.98% -39.76%
Expected Growth in Dividend	0%	0%

\*Expected volatility during the expected term of the options is based on historical volatility of the observed market price of the Groups publicly traded equity shares during the period equivalent to the expected term of the options.

### 34 Ratios

Ratio	Numerator	Denominator	March 31,2025	March 31,2024	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	5.79	6.63	-12.64%	NA
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	7.27%	7.75%	-6.21%	NA
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade receivables	1.83	1.737960496	5.42%	NA
Trade Payable Turnover Ratio	Purchases of services and other expenses	Average Trade Payables	5.36	2.82	90.11%	Increase is mainly due to increase in expense, and decrease in average trade payables as compare to previous year
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Average Working capital	1.34	1.26	5.84%	NA
Net Profit ratio	Net Profit after taxes	Net sales = Total sales - sales return	9.20%	10.51%	-12.48%	NA
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Net Worth + Borrowings + Deferred tax liability	9.66%	7.77%	24.39%	NA
Return on Investment	Income generated from invested funds	Average Investments	7.35%	5.68%	29.30%	Increase is due to increase in mutual fund gain in current year.

### 35 Business Combination

(a) During the current year, the Company has acquired businesses of Senseforth AI Research Private Limited ('Senseforth'), wholly owned subsidiary via business transfer agreement on a going concern basis wherein the Company has acquired the product/ intellectual property along with associated assets, liabilities, licenses, intellectual property rights, regulatory approvals, permits, contracts and employees in relation to the product.

The businesses transferred meet the definition of 'Business' as per Ind AS 103 and the transaction being common control business combination is accounted in accordance with Appendix C to Ind AS 103 - Business Combinations.

Pursuant to above, the Company has recorded assets, liabilities and reserves of the businesses acquired as appearing in the consolidated financial statements of the Company as on 1 April 2023, retained investments in the standalone financial statements to the extent of net assets not transferred and difference, if any, is accounted as capital reserve and

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accordingly the corresponding figures for the year ended March 31, 2024 of these standalone financial statements have been restated.

**The below table summarizes the assets and liabilities taken over as on date of transfer of business:**

(in Rupees Million)	
Particulars	Senseforth
Non current assets	-
Current assets	70
<b>Total assets (A)</b>	<b>70</b>
Non current liabilities	-
Current liabilities	97
<b>Total liabilities (B)</b>	<b>97</b>
<b>Net consideration payable (C)</b>	<b>0</b>
<b>Net loss on business transfer (A-B-C)</b>	<b>(27)</b>

The above consideration has been settled in cash / adjusted against loan receivable from these entities.

**The balance sheet as at April 01, 2023 post accounting of the business combinations effective April 01, 2023 is as follows:**

(in Rupees million)				
Particulars	Fractal India as on April 01, 2023	Balances acquired on account of slump sale of Senseforth	Eliminations / Adjustments	Fractal India restated as on April 01, 2023
<b>Assets</b>				
Property, plant and equipment	308	-	-	308
Right-of-use assets	221	-	-	221
Goodwill	535	61	-	596
Intangible assets	120	37	-	157
Intangible assets under development	1	-	-	1
Investments	5,132	-	(50)	5,082
Current Investments	2,753	-	-	2,753
Trade receivables	6,523	54	(58)	6,519
Other financial assets	342	-	-	342
Other assets	474	0	35	509
Cash and cash equivalents	79	-	-	79
Loans	116	6	-	122
Income tax assets (net)	143	-	-	143
Deferred tax assets (net)	43	-	-	43
<b>Total assets (A)</b>	<b>16,790</b>	<b>158</b>	<b>(73)</b>	<b>16,875</b>
<b>Liabilities</b>				
Trade payables	680	36	(23)	693
Lease liabilities	271	-	-	271
Other financial liabilities	906	40	-	946
Other liabilities	181	41	-	222
Provisions	173	8	-	181
Current tax liabilities (net)	18	-	-	18
<b>Total liabilities (B)</b>	<b>2,229</b>	<b>125</b>	<b>(23)</b>	<b>2,331</b>
Share capital	31	-	-	31
Other equity	14,530	33	(50)	14,513
<b>Total equity (C)</b>	<b>14,561</b>	<b>33</b>	<b>(50)</b>	<b>14,544</b>

**Movement in other equity on account of the business combination being effective from April 01, 2023 is as per the table below:**

(in Rupees Million)	
Particulars	Amount
<b>Other equity as on April 01, 2023</b>	<b>14,530</b>
Retained earnings acquired on account of business combinations	(59)
Capital reserve on account of business combinations	73
<b>Other equity as on April 01, 2023 post business combinations</b>	<b>14,544</b>

**The balance sheet and statement of profit and loss account post giving effect of the business combination as at and for the year ended March 31, 2024 is as below:**

**Balance Sheet as at March 31, 2024:**

(in Rupees Million)				
Particulars	Impact of business combination			Post business combination
	Pre business combination	Senseforth	Elimination / Adjustments	
Non Current Assets	7,606	98	(68)	7,636
Current Assets	11,916	72	(6)	11,982
<b>Total Assets (A)</b>	<b>19,522</b>	<b>170</b>	<b>(74)</b>	<b>19,618</b>
Share Capital	31	-	-	31
Other equity	16,852	72	(67)	16,857
<b>Total equity (B)</b>	<b>16,883</b>	<b>72</b>	<b>(67)</b>	<b>16,888</b>
Non current liabilities	914	8	-	922
Current liabilities	1,725	90	(7)	1,808
<b>Total liabilities (C)</b>	<b>2,639</b>	<b>98</b>	<b>(7)</b>	<b>2,730</b>
<b>Total equity and liabilities (B+C)</b>	<b>19,522</b>	<b>170</b>	<b>(74)</b>	<b>19,618</b>

The above restatement does not have any impact on the net cash inflows / outflows of the Company during the year ended March 31, 2023.

**Statement of Profit and Loss for the year ended March 31, 2024:**

(in Rupees Million)				
Particulars	Impact of business combination			Post business combination
	Pre business combination	Senseforth	Elimination / Adjustments	
Revenue from operations	11,447	155	(12)	11,590
Other Income	383	(1)	-	382
<b>Total Income</b>	<b>11,830</b>	<b>154</b>	<b>(12)</b>	<b>11,972</b>
Total expenses	10,994	175	(7)	11,162
<b>Profit before tax and exceptional items</b>	<b>836</b>	<b>(21)</b>	<b>(5)</b>	<b>810</b>
Exceptional items	(469)	(11)	(3)	(483)
<b>Profit before tax</b>	<b>1,305</b>	<b>(10)</b>	<b>(2)</b>	<b>1,293</b>
Tax expense	75	-	-	75
<b>Profit/(Loss) for the year</b>	<b>1,230</b>	<b>(10)</b>	<b>(2)</b>	<b>1,218</b>
Other comprehensive income/(loss)	45	-	2	47
<b>Total comprehensive Profit/(loss) for the year</b>	<b>1,275</b>	<b>(10)</b>	<b>(0)</b>	<b>1,265</b>

# Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2025

## 36 Earnings Per Share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit attributable to the equity holders of the Company (in Rupees Million)	1,321	1,218
Weighted average number of equity shares for Basic EPS (in nos)	3,07,82,447	3,04,71,259
Add : Potential equity shares on exercise of options (in nos)	25,90,313	27,38,085
Weighted average number of equity shares for Diluted EPS (in nos)	3,33,72,760	3,32,09,344
<b>Earnings per share (in ₹):</b>		
- Basic	42.91	39.96
- Diluted	39.58	36.67
Face value per equity share (₹)	1.00	1.00

Options granted to employees under the stock option plan are considered to be potential equity shares. Details relating to the options are set out in Note 33. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

## 37 Tax Expense

### (a) Total tax expense in Statement of Profit and Loss is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	(in Rupees million)	
<b>(a) Current tax</b>		
- Current tax	421	123
- Tax expense relating to prior years	9	(3)
<b>(b) Deferred tax credit/(charge)</b>	14	(45)
<b>Total tax expense</b>	<b>444</b>	<b>75</b>

### (b) Reconciliation of tax expense and the book profit computed by applying income tax rate:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	(in Rupees million)	
<b>Profit before tax</b>	<b>1,765</b>	<b>1,293</b>
Tax rate	25.17%	25.17%
<b>Computed tax expense</b>	<b>444</b>	<b>325</b>
Income / expenses not taxable / deductible for tax purpose	(5)	(19)
Tax adjustment for earlier years	9	(3)
Impact of different tax rate	(3)	(3)
Current year losses for which deferred tax asset is not recognised	-	8
Pertaining to slump sale, taxable in the books of the transferor	-	(114)
Utilisation of carry forward losses	-	(90)
Others	(1)	(29)
<b>Tax expense</b>	<b>444</b>	<b>75</b>

## 38 Segment Reporting

The Company publishes these standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

## 39 Other Statutory Information

- (i) The Company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries"); or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (ii) The Company has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries"); or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) The Company has not surrendered or disclosed any such transaction which is not recorded in the books of accounts as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

## 40 Commitments and Contingent Liabilities

Particulars	(in Rupees Million)	
	As at March 31, 2025	As at March 31, 2024
<b>(a) Commitments</b>		
Capital commitments	253	10
<b>(b) Contingent liabilities</b>		
Claims against the Company not acknowledged as debt:		
For income tax matters under appeal*	136	76
For good and service tax under appeal*	3	-

\*The Company believes that these claims are not tenable and hence no provision has been made in this regard. The amount of contingent liabilities is disclosed based on the best possible estimate, excluding consequential interest and penalty, if any, which in turn is based on the likelihood of possible outcomes of proceedings by the tax authorities and the possible cash outflow will be known on settlement of the proceedings by the tax authorities.

## 41 Corporate Social Responsibility

Particulars	(in Rupees Million)	
	As at March 31, 2025	As at March 31, 2024
<b>Corporate social responsibility expenditure</b>		
Amount required to be spent as per Section 135 of the Companies Act, 2013	6	5
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) Purposes other than (i) above	7	7
(iii) nature of CSR activities		
i) Contribution to Charitable Trust	7	7

The amount during the year has been spent towards water wheels for underprivileged people, providing artificial aids & appliances to disabled people, scholarship supports for higher education for girl students pursuing technical courses and bamboo plantation in tribal parts.

## 42 Subsequent events after March 31, 2025 :

There are no material subsequent events which have occurred between the reporting date as on March 31, 2025 and the adoption of the financial statements by the board of directors as on May 20, 2025.

**43** These standalone financial statements were authorised for issue by the Company's Board of directors on May 20, 2025.

As per our report of even date attached.

### For B S R & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

### Rajesh Mehra

Partner

Membership Number: 103145

Mumbai

Date: May 21, 2025

For and on behalf of the Board of Directors of

### Fractal Analytics Limited

CIN: U72400MH2000PLC125369

### Srikanth Velamakanni

Whole-Time Director

DIN: 01722758

Mumbai

Date: May 20, 2025

### Sasha Gulu Mirchandani Somya Agarwal

Director

DIN: 01179921

Mumbai

Date: May 20, 2025

Company Secretary

Membership number:  
A17336

Mumbai

Date: May 20, 2025

# Independent Auditor's Report

## To the Members of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

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

#### Opinion

We have audited the consolidated financial statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associate including its subsidiaries (associate including its subsidiaries together referred to as "associates"), which comprise the consolidated balance sheet as at 31 March 2025, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and associates as were audited by the other auditors, the aforesaid consolidated 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, of the consolidated state of affairs of the Group and its associates as at 31 March 2025, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated

cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matters

- a. We did not audit the financial statements of sixteen subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 2,774 million as at 31 March 2025, total revenues (before consolidation adjustments) of ₹ 3,221 million and net cash inflows (before consolidation adjustments) (net) amounting to ₹ 336 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Holding Company's share of net loss (and other comprehensive loss) of ₹ 298 million for the year ended 31 March 2025, in respect of associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the reports of the other auditors.
- b. Two of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Group's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Group's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Group and audited by us.
 

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.
- c. The financial statements/financial information of fourteen subsidiaries, whose financial statements/financial information reflects total assets (before consolidation adjustments) of ₹ 637 million as at 31 March 2025, total revenues (before consolidation adjustments) of ₹ 720 million and net cash inflows (before consolidation adjustments) (net) amounting to ₹ 69 million for the year ended on that

# Independent Auditor's Report

date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial statements/ unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements/financial information certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate/ consolidated financial statements of such subsidiaries and associates as were audited by other auditors, as noted in the "Other Matters" paragraph, 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 purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except:
    - for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
    - in respect of Holding Company, we are unable to comment whether the back-up of accounting software used for maintaining revenue transactions which forms part of the books of account and other relevant books and papers in electronic mode has been taken on daily basis for the period 1 April 2024 to 17 December 2024;
    - in respect of Holding Company, the back-up of software used for maintaining payroll master which forms part of the 'books of account and other relevant books and papers in electronic mode' have not been maintained on the servers physically located in India;
    - the back-up of books of account and other relevant books and papers in electronic mode in respect of six subsidiaries and one step-down subsidiary which are companies incorporated in India has not been kept on servers physically located in India;
  - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2025, 1 April 2025 and 16 April 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act except in case of associate company, in the absence of written representation from Mr. Tarun Sharma, director of the associate company, we are unable to comment if he is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and associate company incorporated in India and the operating

effectiveness of such controls, refer to our separate Report in "Annexure B".

- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate/ consolidated financial statements of the subsidiaries and associates, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group and its associates. Refer Note 38(b) to the consolidated financial statements.
  - b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 32 to the consolidated financial statements in respect of such items as it relates to the Group and its associates.
  - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and associate company incorporated in India during the year ended 31 March 2025.
  - d.
    - (i) The respective management of the Holding Company and its subsidiary companies and associate company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and associate company respectively that, to the best of their knowledge and belief, as disclosed in the Note 40(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies and associate company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies and associate company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (ii) The respective management of the Holding Company and its subsidiary companies and associate company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and associate company respectively that, to the best of their knowledge and belief, as disclosed in the Note 40(ii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies and associate company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies and associate company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies and associate company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or the other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
  - e. The Holding Company and its subsidiary companies and associate company incorporated in India have neither declared nor paid any dividend during the year.
  - f. Based on our examination, which included test checks, considering reports of independent auditor's in relation to controls at the service organisation for accounting softwares and the procedures performed by the respective auditors of the subsidiary companies and associate company which are companies incorporated in India whose financial statements/financial information have been audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiary companies and associate company have used accounting softwares for maintaining its books of account which, along with privilege access management

## Independent Auditor's Report

tools, wherever applicable, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

- i. In respect of Holding Company, six subsidiaries and one step-down subsidiary, at the application level for the accounting software used for maintaining general ledger for certain tables relating to transactions and master data audit trail was not enabled for the period 1 April 2024 to 31 December 2024. Further, in the absence of change log over audit trail feature at the application level, we are unable to comment whether audit trail feature of the said software was enabled.
- ii. In respect of Holding Company, six subsidiaries and one step-down subsidiary, at the database level, in the absence of an independent auditor's report in relation to controls at a service organization, for an accounting software used for maintaining general ledger, which is operated by third party software service provider, we are unable to comment whether the audit trail feature for the said software was enabled and operated throughout the year for all the relevant transactions recorded in the software.
- iii. In respect of Holding Company, due to the absence of sufficient and appropriate reporting on compliance with the audit trail requirements in the independent auditor's report of the service organization, we are unable to comment whether audit trail feature of the software used for maintaining payroll master was enabled and operated throughout the year for all relevant transactions recorded in the said software.
- iv. In respect of two subsidiaries and one step-down subsidiary, with regard to the software used for maintaining payroll master, the independent auditor's report of the service organization was available only for the period up to 30 September 2024 and did not provide adequate information on compliance with audit trail requirements. Additionally, the report for the remaining period was not available. Hence, we are unable to comment on whether the audit trail feature was enabled and functioned throughout the year for all relevant transactions.
- v. In respect of one subsidiary, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting

softwares used for maintaining the books of account

- vi. In respect of associate company, based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, however in the absence of sufficient and appropriate information pertaining to audit trail in the independent service auditors' report, we are unable to comment on the audit trail (edit log) feature at the database level to log any direct data changes.

Further, where audit trail (edit log) facility was enabled and operated, we and the respective auditors of such subsidiary companies, step-down subsidiary companies and associate company, did not come across any instance of the audit trail feature being tampered with.

Additionally, since audit trail was not enabled in the previous year, we and the respective auditors of such subsidiary companies, step-down subsidiary companies and associate company cannot comment if audit trail has been preserved by the Company as per the statutory requirements

- A. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which was not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies and associate company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies and associate company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Rajesh Mehra**

Partner

Membership No.: 103145

ICAI UDIN:25103145BMOVSO1176

Place: Mumbai

Date: 21 May 2025

# Annexure A to the Independent Auditor's Report

on the Consolidated Financial Statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) for the year ended 31 March 2025



## (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Cuddle Artificial Intelligence Private Limited	U74999MH2016PTC283206	Subsidiary Company	Clause xvii Pertaining cash losses
2	Theremin AI Solutions Private Limited	U72900MH2018PTC318795	Subsidiary Company	Clause xvii - Pertaining to cash losses in the preceding financial year
3	Eugenie Technologies Private Limited	U74999MH2020PTC347625	Subsidiary Company	Clause xvii Pertaining cash losses
4	Senseforth AI Research Private Limited	U72900MH2017PTC436180	Subsidiary Company	Clause xvii Pertaining cash losses
5	Neal Analytics Services Private Limited	U72900MH2014FTC254858	Subsidiary Company	Clause xvii - Pertaining to cash losses in the preceding financial year
6	Fractal Alpha Private Limited	U72900MH2022PTC377868	Subsidiary Company	Clause xvii - Pertaining to cash losses in the preceding financial year
7	Analytics Vidhya Educon Private Limited	U80904MP2014PTC032389	Subsidiary Company	Clause xvii Pertaining cash losses
8	Qure.ai Technologies Private Limited	U74999MH2016PTC283891	Associate Company	Clause xvii Pertaining cash losses

### For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

### Rajesh Mehra

Partner

Membership No.: 103145

ICAI UDIN:25103145BMOVSO1176

Place: Mumbai

Date: 21 May 2025

# Annexure B to the Independent Auditor's Report

on the Consolidated Financial Statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) for the year ended 31 March 2025

## **Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Opinion**

In conjunction with our audit of the consolidated financial statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies and associate company, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements/ financial information of subsidiary companies and associate company, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies and associate company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based

on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and associate company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide 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**

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.

### **Other Matter(s)**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial information insofar as it relates to one associate company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of this matter.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Rajesh Mehra**

Partner

Membership No.: 103145

ICAI UDIN:25103145BMOVSO1176

Place: Mumbai

Date: 21 May 2025

# Consolidated Balance Sheet

As at March 31, 2025

(in Rupees million)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>(A) Non-current assets</b>			
(a) Property, plant and equipment	3	316	227
(b) Right-of-use assets	4	1,602	1,166
(c) Goodwill	5	3,582	3,513
(d) Other intangible assets	6	1,370	1,356
(e) Intangible assets under development	6.1	137	59
(f) Investment accounted for under the equity method	7.1	4,258	4,259
(g) Financial assets			
(i) Investments	7.2	64	79
(ii) Other financial assets			
- Bank deposits	11	9	9
- Others	11	181	164
(h) Deferred tax assets (net)	13	561	479
(i) Income tax assets (net)		188	193
(j) Other non-current assets	12	62	12
<b>Total non-current assets (A)</b>		<b>12,330</b>	<b>11,516</b>
<b>(B) Current assets</b>			
(a) Financial assets			
(i) Investments	7.2	5,614	4,455
(ii) Trade receivables	8	5,848	5,333
(iii) Cash and cash equivalents	9a	2,649	812
(iv) Bank balances other than (iii) above	9b	234	66
(v) Loans	10	303	282
(vi) Other financial assets	11	39	65
(b) Other current assets	12	1,559	1,391
<b>Total current assets (B)</b>		<b>16,246</b>	<b>12,404</b>
<b>Total Assets (A+B)</b>		<b>28,576</b>	<b>23,920</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(A) Equity</b>			
(a) Share capital	14	31	31
(b) Other equity	15	17,501	14,026
<b>Equity attributable to equity holders of the Company</b>		<b>17,532</b>	<b>14,057</b>
(c) Non-controlling interest		122	142
<b>Total equity (C)</b>		<b>17,654</b>	<b>14,199</b>
<b>(B) Liabilities</b>			
(I) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	2,577	2,501
(ii) Lease liabilities	30	1,272	913
(iii) Other financial liabilities	18	450	310
(b) Provisions	20	188	187
(c) Deferred tax liabilities	13	688	1,016
<b>Total non-current liabilities (D)</b>		<b>5,175</b>	<b>4,927</b>
(II) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	85	-
(ii) Lease liabilities	30	356	218
(iii) Trade payables	17		
- Total outstanding dues of micro and small enterprises		102	40
- Total outstanding dues of creditors other than micro and small enterprises		518	472
(iv) Other financial liabilities	18	2,913	2,454
(b) Other current liabilities	19	1,647	1,408
(c) Provisions	20	64	148
(d) Current tax liabilities (net)		62	54
<b>Total current liabilities (E)</b>		<b>5,747</b>	<b>4,794</b>
<b>Total liabilities (D+E)</b>		<b>10,922</b>	<b>9,721</b>
<b>Total Equity and Liabilities (C+D+E)</b>		<b>28,576</b>	<b>23,920</b>

Material accounting policies

2

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

As per our report of even date attached.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of

**Fractal Analytics Limited**

CIN: U72400MH2000PLC125369

**Rajesh Mehra**

Partner

Membership Number: 103145

**Srikanth Velamakanni**

Whole-Time Director

DIN: 01722758

**Sasha Gulu Mirchandani**

Director

DIN: 01179921

**Somya Agarwal**

Company Secretary

Membership number: A17336

Mumbai

Date: May 21, 2025

Mumbai

Date: May 20, 2025

Mumbai

Date: May 20, 2025

Mumbai

Date: May 20, 2025

# Consolidated Statement of Profit and Loss

fractal



For the year ended March 31, 2025

(in Rupees million)

Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024
<b>(1) Income</b>			
(a) Revenue from operations	21	27,654	21,963
(b) Other income	22	508	456
<b>Total Income</b>		<b>28,162</b>	<b>22,419</b>
<b>(2) Expenses</b>			
(a) Employee benefits expense	23	20,048	17,370
(b) Employee stock option expense	33	798	963
(c) Finance costs	24	577	445
(d) Depreciation and amortisation expense	25	1,023	832
(e) Other expenses	26	3,309	2,896
<b>Total Expenses</b>		<b>25,755</b>	<b>22,506</b>
<b>(3) Profit / (Loss) before share of loss of an associate, exceptional items and tax expense (1-2)</b>		<b>2,407</b>	<b>(87)</b>
(4) Share of (loss) of an associate	36	(297)	(163)
<b>(5) Profit / (Loss) before exceptional items and tax expense (3-4)</b>		<b>2,110</b>	<b>(250)</b>
(6) Exceptional items	26.1	270	(55)
<b>(7) Profit / (Loss) before tax expense (5-6)</b>		<b>2,380</b>	<b>(305)</b>
(8) Tax expense	13		
(a) Current tax		557	325
(b) Deferred tax (credit)		(383)	(83)
<b>Total tax expense</b>		<b>174</b>	<b>242</b>
<b>(9) Profit / (Loss) for the year (7-8)</b>		<b>2,206</b>	<b>(547)</b>
<b>(10) Other comprehensive income</b>			
(1) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement of defined employee benefit plans	28	16	23
(b) Income tax on items (a) above		(4)	(6)
(2) Items that will be reclassified subsequently to profit or loss			
(a) Effective portion of gains on of derivatives designated as cash flow hedge		(88)	50
(b) Effective portion of gains on of derivatives designated as cash flow hedge reclassified to profit or loss		23	(7)
(c) Income tax on items (a) & (b) above		16	(11)
(d) Share of loss of associate (net of taxes) recognised in other comprehensive income	36	(1)	(2)
(e) Exchange differences on translation of foreign operations		(12)	1
<b>Total other comprehensive income</b>		<b>(50)</b>	<b>48</b>
<b>(11) Total comprehensive Income / (Loss) for the year</b>		<b>2,156</b>	<b>(499)</b>
<b>Profit / (Loss) for the year attributable to:</b>			
Owners of the parent		2,230	(475)
Non-Controlling Interest		(24)	(72)
<b>Total</b>		<b>2,206</b>	<b>(547)</b>
<b>Other comprehensive income for the year attributable to:</b>			
Owners of the parent		(50)	48
Non-Controlling Interest		0	0
<b>Total</b>		<b>(50)</b>	<b>48</b>
<b>Total comprehensive income / (loss) for the year attributable to:</b>			
Owners of the parent		2,180	(427)
Non-Controlling Interest		(24)	(72)
<b>Total</b>		<b>2,156</b>	<b>(499)</b>
<b>Earnings per share (Rupees per share)</b>	37		
(1) Basic EPS		72.44	(15.60)
(2) Diluted EPS		66.82	(15.60)

Material accounting policies

2

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

As per our report of even date attached.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of

**Fractal Analytics Limited**

CIN: U72400MH2000PLC125369

**Rajesh Mehra**

Partner

Membership Number: 103145

**Srikanth Velamakanni**

Whole-Time Director

DIN: 01722758

**Sasha Gulu Mirchandani**

Director

DIN: 01179921

**Somya Agarwal**

Company Secretary

Membership number: A17336

Mumbai

Date: May 21, 2025

Mumbai

Date: May 20, 2025

Mumbai

Date: May 20, 2025

Mumbai

Date: May 20, 2025

# Consolidated Statement of Cash Flows

for the year ended March 31, 2025

(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>(A) Cashflows from operating activities</b>		
Profit / (Loss) before tax expense	2,380	(305)
<b>Adjustment for:</b>		
Depreciation and amortisation expense	683	583
Depreciation on right of use assets	340	249
Finance costs	572	445
Interest income on bank deposits and loan to directors	(42)	(30)
Gains (net) on investments mandatorily measured at fair value through profit or loss/Gain on redemption/sale of financial instruments	(276)	(285)
Unrealised loss/(gain) on derivative contracts	65	(51)
Interest income on unwinding of security deposits given	(13)	(12)
Groups share of losses in associate	297	163
Remeasurement loss/(gain) of retained interest in associate	(297)	55
Impairment in value of intangible assets under development	27	-
Unrealised foreign exchange (gain)/loss (net)	(84)	41
Employee stock option expense	798	963
Provision for tax settlement (Refer note 26(a))	(59)	5
Bad Debts	23	1
Provision for expected credit loss and doubtful advances	17	43
<b>Operating cash flow before working capital changes</b>	<b>4,431</b>	<b>1,865</b>
<b>Adjustment for changes in working capital:</b>		
(Increase) in trade receivables	(452)	(398)
(Increase) in other current financial assets	(11)	(8)
(Increase) in other non current financial assets	(46)	(13)
(Increase) in other current assets	(135)	(257)
Decrease in other non current assets	(5)	28
Increase / (Decrease) in trade payables	108	(58)
Increase in other non current financial liabilities	120	170
Increase in other current financial liabilities	309	310
(Decrease) / Increase in provisions	(9)	124
Increase in other current liabilities	217	155
<b>Cash generated from operations</b>	<b>4,527</b>	<b>1,918</b>
Tax paid (net of refunds)	(557)	(323)
<b>Net cash flow generated from operating activities</b>	<b>3,970</b>	<b>1,595</b>
<b>(B) Cashflows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(828)	(245)
Payment towards investment in equity shares	(15)	(0)
Sale of financial assets	-	5
Payment towards acquisition of shares from Non controlling interest	-	(4)
Maturity / (investment) of bank deposits	(167)	76
Payment of deferred consideration	-	(16)
Purchase of mutual fund units	(7,308)	(8,203)
Maturity proceeds on redemption of mutual fund units	6,482	6,866
Interest on bank deposits	26	20
<b>Net cash flow used in investing activities</b>	<b>(1,810)</b>	<b>(1,501)</b>

(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>(C) Cashflows from financing activities</b>		
Proceeds from issue of equity shares and share application money pending allotment	501	100
Proceeds from issue of equity shares issued by subsidiary company to Non controlling interest	-	0
Repayment of lease liabilities	(371)	(313)
Interest paid during the year	(314)	(401)
Repayments of borrowing (Refer sub note 3 below)	(40)	(836)
<b>Net cash flow generated from / (used in) financing activities</b>	<b>(224)</b>	<b>(1,450)</b>
<b>Net Increase / (Decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,936</b>	<b>(1,356)</b>
Cash and cash equivalents at the beginning of the year	812	2,132
Effect of exchange rate changes	(99)	36
<b>Cash and cash equivalents at the end of the year</b>	<b>2,649</b>	<b>812</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash in hand	0	0
Balance with banks:		
In current accounts	2,649	812
In fixed deposit account with original maturity of 3 months or less	-	-
<b>Total cash and cash equivalents</b>	<b>2,649</b>	<b>812</b>

**Notes :**

1. Purchase of property, plant and equipment and intangibles are shown inclusive of movements in Intangible asset under development.

**2. Details of borrowings**

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	2,501	3,256
Cash movement (net)	(40)	(836)
Arrangement fees expensed off on refinancing of borrowings	137	-
Effect of exchange rate changes	64	81
<b>Balance at the end of the year</b>	<b>2,662</b>	<b>2,501</b>

3. The proceeds has been settled on net basis of ₹2,631 million (USD 31.48 Million). The Company has paid ₹57 million as arrangement fees on refinancing of borrowings.

4. Refer note 30(i) for movement of lease liabilities.

Material accounting policies

2

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

As per our report of even date attached.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of

**Fractal Analytics Limited**

CIN: U72400MH2000PLC125369

**Rajesh Mehra**

Partner

Membership Number: 103145

Mumbai

Date: May 21, 2025

**Srikanth Velamakanni**

Whole-Time Director

DIN: 01722758

Mumbai

Date: May 20, 2025

**Sasha Gulu Mirchandani**

Director

DIN: 01179921

Mumbai

Date: May 20, 2025

**Somya Agarwal**

Company Secretary

Membership number: A17336

Mumbai

Date: May 20, 2025

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

## (A) Equity Share Capital

Particulars	Note	Amount
<b>Balance as at April 1, 2024</b>		<b>26</b>
Changes in equity share capital during the year	(14)	0
<b>Balance as at March 31, 2025</b>		<b>26</b>
<b>Balance as at April 1, 2023</b>		<b>26</b>
Changes in equity share capital during the year	(14)	0
<b>Balance as at March 31, 2024</b>		<b>26</b>

## (B) Instruments entirely equity in nature - Series B 0.001 % Compulsorily convertible preference shares

Particulars	Note	Amount
<b>Balance as at April 1, 2024</b>		<b>5</b>
Changes in preference share capital during the year	(14)	-
<b>Balance as at March 31, 2025</b>		<b>5</b>
<b>Balance as at April 1, 2023</b>		<b>5</b>
Changes in preference share capital during the year	(14)	-
<b>Balance as at March 31, 2024</b>		<b>5</b>

## (C) Other Equity

Particulars	Reserve and Surplus				Items of other comprehensive income			Attributable to Non controlling interest	Total equity	
	Share application money pending allotment	Securities premium	Employee stock option reserve (ESOP)	Retained earnings	Remeasurement of defined employee benefit plans	Exchange differences on translating the financial statements of a foreign operation	Effective portion of gains/(loss) on derivatives designated as cash flow hedge (net)			Total attributable to Owners of the Company
<b>Balance as at April 01, 2024</b>	22	12,108	2,880	(1,071)	(112)	167	32	14,026	142	14,168
Profit/(loss) for the year	-	-	-	2,230	-	-	-	2,230	(24)	2,206
Other comprehensive income	-	-	-	-	11	(12)	(49)	(50)	0	(50)
<b>Total comprehensive income</b>	-	-	-	<b>2,230</b>	<b>11</b>	<b>(12)</b>	<b>(49)</b>	<b>2,180</b>	<b>(24)</b>	<b>2,156</b>
Issue of equity shares	(447)	447	-	-	-	-	-	-	-	-
Share application money received during the year	501	-	-	-	-	-	-	501	-	501
Derecognition of non controlling interest	-	-	-	(5)	-	-	-	(5)	5	-
Transfer from Remeasurement of defined benefit plans	-	-	-	(12)	12	-	-	-	-	-
Employee stock option expense	-	-	794	-	-	-	-	794	4	798
Transfer to retained earnings on account of vested ESOP lapsed	-	-	(26)	31	-	-	-	5	(5)	-
Transfer to securities premium on account of exercised ESOP	-	339	(339)	-	-	-	-	-	-	-
<b>Balance as at March 31, 2025</b>	<b>76</b>	<b>12,894</b>	<b>3,309</b>	<b>1,173</b>	<b>(89)</b>	<b>155</b>	<b>(17)</b>	<b>17,501</b>	<b>122</b>	<b>17,623</b>

(in Rupees million)

	3	11,977	2,017	(636)	(127)	166	-	13,400	203	13,603
<b>Balance as at April 01, 2023</b>										
(Loss) for the year	-	-	-	(475)	-	-	-	(475)	(72)	(547)
Other comprehensive income	-	-	-	-	15	1	32	48	(0)	48
<b>Total comprehensive income</b>	-	-	-	<b>(475)</b>	<b>15</b>	<b>1</b>	<b>32</b>	<b>(427)</b>	<b>(72)</b>	<b>(499)</b>
Issue of equity shares	(3)	81	-	-	-	-	-	78	0	78
Share application money received during the year	22	-	-	-	-	-	-	22	-	22
Derecognition of non controlling interest	-	-	-	(5)	-	-	-	(5)	6	1
Employee stock option expense	-	-	948	-	-	-	-	948	15	963
Transfer to retained earnings on account of vested ESOP lapsed	-	-	(35)	45	-	-	-	10	(10)	-
Transfer to securities premium on account of exercised ESOP	-	50	(50)	-	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>22</b>	<b>12,108</b>	<b>2,880</b>	<b>(1,071)</b>	<b>(112)</b>	<b>167</b>	<b>32</b>	<b>14,026</b>	<b>142</b>	<b>14,168</b>

Material accounting policies

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

Nature and purpose of reserves

- Securities premium : The amount received in excess of face value of the equity shares is recognised in securities premium. It can be used only in accordance with provisions of Companies Act, 2013 for specified purposes.
- Employee stock option reserve: This relates to stock options granted by the Parent Company to its Group's employees under an Employee stock options plan.
- Retained earnings: Retained earnings are the profits that the Group has earned till date net of appropriations.
- Exchange differences on translating the financial statements of a foreign operation : Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency i.e. ₹ are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are subsequently reclassified to Consolidated Statement of Profit and Loss on the disposal of the foreign operation.
- Share application money pending allotment: Share application money pending allotment represents application money received on account of employees stock option plan.
- Remeasurement of defined benefit plans : Comprises actuarial gains and losses and return on plan assets (excluding interest income).
- Effective portion of gains on derivatives designated as cash flow hedge (net) : The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or loss will be reclassified to Consolidated Statement of Profit and Loss in the year in which the underlying hedged transactions are settled.

As per our report of even date attached.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022 CIN: U72400MH2000PIC125369

For and on behalf of the Board of Directors of

**Fractal Analytics Limited**

**Rajesh Mehra**

Partner

Membership Number: 103145

Mumbai

Date: May 21, 2025

**Srikanth Velamkanni**

Whole-Time Director

DIN: 01722758

Mumbai

Date: May 20, 2025

**Sasha Gulu Mirchandani Somya Agarwal**

Company Secretary

Membership number: A17336

Mumbai

Date: May 20, 2025

# Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2025

## 1. Corporate Information

Fractal Analytics Limited ('Fractal' or 'the Company' or 'the Parent') (Formerly known as Fractal Analytics Private Limited) is a limited Company, incorporated and domiciled in India. The Company and its subsidiaries (hereinafter referred to as 'the Group') is the leading provider of advanced analytics that helps companies leverage data driven insights in taking considered decisions. The analytics solution of Group helps companies to enhance profitability by powering their customer management efforts with scientific decision making.

The registered office of the Parent Company is located at Level 7, Commerz II, International Business Park, Oberoi Garden City, Western Express Highway, Goregaon (E), Mumbai, India. The Company changed its name to Fractal Analytics Limited effective from May 16, 2024.

## 2. Material accounting policies followed by the Group

### 2.1 Basis of Preparation of consolidated financial statement

#### Basis of preparation

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

The consolidated financial statements have been prepared on a historical cost basis, except for Derivative financial instruments, investment in mutual funds and equity / preference securities and share based payment arrangements which are measured at fair value; net defined benefit (asset) / liability is measured at present value of defined obligation less fair value of plan assets (refer note 2.10).

The consolidated financial statements are presented in Indian rupees (INR), which is the Company's presentation and functional currency. All values are rounded off to nearest million, except when otherwise indicated. Amount denoted as '0' is less than ₹ 1 million in the consolidated financial statement.

#### Basis of Consolidation

The financial statements comprise the financial statements of the Company and its subsidiaries and its associate for the year ended March 31, 2025.

The consolidated financial statement are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

### 2.2 Business Combination

- (i) The Group accounts for each business combination by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.
- (ii) Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity.
- (iii) The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred less the net recognized amount of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognized in the OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.
- (iv) Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in the Consolidated Statement of Profit and Loss.
- (v) Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the Consolidated Statement of Profit and Loss.

- (vi) Transaction costs that the Group incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.
- (vii) Non-controlling interest is measured at proportionate share in the recognised amounts of the acquiree's identifiable net assets.

Any goodwill that arises on account of such business combination is tested annually for impairment.

### 2.3 Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- (i) Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- (ii) Derecognises the carrying amount of any noncontrolling interests.
- (iii) Derecognises the cumulative translation differences recorded in equity.
- (iv) Recognises the fair value of the consideration received.
- (v) Recognises any surplus or deficit in profit and loss.
- (vi) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.4 Investment in associate

- (i) An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but has no control or joint control of those policies. Investments in associate is accounted for using the equity method unless otherwise stated.
- (ii) Under the equity method, on initial recognition the investment in an associate is recognised at deemed cost. The carrying amount of the investment in associate is increased or decreased to recognise the Group's share of the profit or loss after the date of acquisition, unless the share purchase agreement specify otherwise. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. Unrealised gains and losses on transactions between the Group and its associate are eliminated to the extent of the Group's interest in those entities. Where

unrealised losses are eliminated, the underlying asset is also tested for impairment.

- (iii) Pursuant to change in ownership interest in associate, the Group has continued to apply equity method. The gain or loss on the change in ownership interest in an equity-accounted investee is calculated as the difference between:
  - the entity's ownership interest in the new assets received by the investee for the subscription of the new shares ; and
  - the reduction in ownership interest in the previous carrying amount and any resulting gain or loss is recognised in Consolidated Statement of Profit or Loss

### 2.5 Property, plant and equipment ('PPE')

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Such cost includes its purchase price including inward freight, duties, taxes and all incidental expenses incurred to bring the asset to its present location and condition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Capital work in progress includes cost of PPE under development as at the Balance Sheet date and is carried at cost, comprising of direct cost and directly attributable cost.

The carrying amount of PPE is eliminated from the consolidated financial statement, either on disposal or when retired from active use. Losses/gains arising on derecognition of the PPE is recognised in the Consolidated Statement of Profit and Loss.

The carrying amount of any component accounted for as a separate asset is derecognised when it is replaced or retired or discarded. All other repairs and maintenance are charged to Consolidated Statement of profit or loss during the reporting period in which they are incurred.

#### Depreciation

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. The management basis its past experience has estimated the useful lives, which is at variance with the life prescribed in Part C of Schedule II to the Act and has accordingly, depreciated the assets over such useful lives.

# Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2025

Useful life of assets considered are as below:

Description of assets	Useful life of assets
Furniture and fixtures	10 years
Office equipment	3 years
Leasehold improvements	Over the period of lease
Computers and accessories	3 - 6 years

## 2.6 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

The intangible assets are stated at cost less accumulated amortization and impairment losses, if any. Cost comprises of the acquisition price, and any cost directly attributable and allocable on a reasonable basis for making the asset ready for its intended use.

Intangible assets under development includes intellectual property under development as at the balance sheet date. Product development costs are incurred on developing/upgrading the software products to launch new service modules and functionality to provide an enhanced suite of services. These development costs are capitalized and recognised as an intangible asset when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its ability and intention to use or sell the asset;
- The availability of adequate resources to complete the development and to use or sell the asset; and
- The ability to measure reliably the expenditure attributable to the intangible assets and probability of how the same will generate future economic benefits.

### Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates and the cost of the asset can be measured reliably. All other expenditure is recognised in the Consolidated Statement of Profit and Loss as incurred.

### Amortization

Amortization is recognised in the Consolidated Statement of Profit and Loss on a straight-line basis over the estimated useful lives of the intangible assets from the date that they are available for use.

The estimated useful lives are as follows:

Description of assets	Useful life of assets (Years)
Computer Software	3
Client Relationships	3 -10
Patent	3
Brand	5
Developed Content	10
Internally generated intellectual property	3-5

The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each financial year. Changes in the expected useful life are considered to modify the amortisation period and are treated as changes in accounting estimates.

Intangible assets are amortised over their expected useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss.

## 2.7 Impairment of non-financial assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Groups' each class of non-financial assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. Intangible assets under development are tested for impairment annually.

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the Group's share of identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Any impairment loss for goodwill is recognised directly in Consolidated Statement of Profit and Loss. They

are first used to reduce the carrying amount of any goodwill allocated to CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rate basis. An impairment loss recognised for goodwill is not reversed in subsequent periods. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. On disposal of a cash-generating unit to which goodwill is allocated, the goodwill associated with the disposed cash-generating unit is included in the carrying amount of the cash-generating unit when determining the gain or loss on disposal.

## 2.8 Foreign Currency Translation

### Functional and presentation currency

Items included in the consolidated financial statement of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These consolidated financial statements are presented in Indian Rupees (INR), which is functional and presentation currency of the Parent Company.

### Transactions and balances

Transactions in foreign currencies are initially recognised using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date and foreign exchange gain or loss are recognised in Consolidated Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction.

### Group Companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet
- income and expenses are translated at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

On consolidation, exchange differences are recognized in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

## 2.9 Revenue recognition

Revenue is recognized when the Group satisfies performance obligations under the terms of its contracts, and control of the services is transferred to its customers, in an amount that reflects the consideration the Group expects to receive from its customers in exchange for those services. This process involves identifying the customer contract, determining the performance obligations in the contract, determining the transaction price, allocating the transaction price to the distinct performance obligations in the contract, and recognizing revenue when the performance obligations have been satisfied. A performance obligation is considered distinct from other obligations in a contract when it:

- provides a benefit to the customer either on its own or together with other resources that are readily available to the customer and;
- is separately identified in the contract. The Group considers a performance obligation satisfied once it has transferred control of services to the customer, meaning the customer has the ability to use and obtain the benefit from the services rendered.

Revenue from time and material contracts is recognised as and when services are performed on output basis measured by efforts expended.

Revenue related to fixed price retainership contracts is recognised based on time elapsed and is recognised on a straight-line basis over the period of performance.

In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') with contract costs incurred determining the degree of completion of the performance obligation.

Subscription income consist of fees from customers accessing Group's cloud-based software solutions. Revenues are generally recognized over the period when control of these services is transferred to customers, in an amount that reflects the consideration expected to be entitled to in exchange for those services. The Group's subscription arrangements are considered service contracts, and the customer does not have the right to take possession of the software.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance-based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change.

In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

## 2.10 Employee benefits

### Defined contribution plans

The Group's contribution to Provident fund and Labour Welfare Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

### Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Group provides benefits such as gratuity to its employees which are treated as defined benefit plans.

### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance linked incentive and compensated absences in few geographies which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Compensated absences are measured basis accrual for unutilized leave balance determined for the entire available leave balance outstanding to the credit of the employees at period-end. The leave balance eligible for carry-forward is valued at gross compensation cost.

## 2.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are not taxable or deductible.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and the carry forward of unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit at the time of the transaction and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered and any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

### Current and deferred tax for the year

Current and deferred tax are recognised in the Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## 2.12 Leases

### The Group as a lessee

The Group's lease asset classes primarily consist of leases for office premises. The Group assesses whether a contract contains a lease, at inception of the 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 Group assesses whether:

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

At the date of commencement of the lease, the group recognizes a right-of-use asset ("ROU") 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 low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. 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, 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 lease term.

The group 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 incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing activity in consolidated statement of cash flows.

The Group does not have any lease contracts wherein it acts as a lessor.

## 2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### A. Financial assets

#### (i) Classification, recognition and measurement:

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument except for trade receivables which are initially measured at transaction price.

The Group initially classifies its financial assets in the following measurement categories:

# Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2025

- a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and
- b) those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and whether 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 assets measured at fair value, gains and losses will either be recorded in Consolidated Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
Debt instruments	Amortized cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount outstanding are measured at amortized cost.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on acquisition. EIR amortization is included in finance income. Any gain or loss on derecognition of the financial Instrument measured at amortized cost is recognised in Consolidated Statement of Profit and Loss.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss which is recognized in Standalone Statement of Profit and Loss  Interest income, transaction cost and discount or premium on acquisition are recognized in the Standalone Statement of Profit and Loss (finance income) using effective interest rate method.  On derecognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to Standalone Statement of Profit and Loss in other gain and loss head.

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss.	At fair value. Transaction costs of financial assets expensed to Standalone Statement of Profit and Loss	Any gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which it arises. Changes in fair value of such assets are recorded in Standalone Statement of Profit and Loss as other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in the finance income.
Equity instruments	FVOCI	The Group's management has made an irrevocable election at the time of initial recognition to account for the equity investment (on an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in fair value of such instruments are recorded in OCI. On disposal of such instruments, no amount is reclassified to Standalone Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividend income from such instruments are however recorded in Standalone Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment.
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to Standalone Statement of Profit and Loss	Changes in fair value of such assets are recorded in Standalone Statement of Profit and Loss.

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, they are recorded as plus/ minus transaction costs that are attributable to the acquisition of the financial assets.

#### Instruments in hedging relationship

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cashflows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuation by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank. The Company holds derivative financial instruments such as foreign exchange forward and option contracts.

The hedge instruments are designated and documented as hedges at the inception of the contract. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains in the statement of profit and loss.

The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated

under the heading effective portion of gains/(Loss) on derivatives designated as cashflow hedge.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in statement of profit and loss when the forecasted transaction ultimately affects profit and loss. Any gain or loss is recognised immediately in the statement of profit and loss when the hedge becomes ineffective.

#### Instruments not in hedging relationship

The Group enters in contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

#### (ii) Impairment

In accordance with Ind AS 109, the Group 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 debt instruments, and are measured at amortized cost e.g., loans, deposits, and bank balance.
- b) Trade receivables
- c) Contract assets

The Group 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 Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors.

#### (iii) Derecognition of financial assets:

A financial asset is derecognised only when

- (a) The contractual terms to the cash flows from the financial assets expire or the Group has transferred the rights to receive cash flows from the financial asset in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

#### Financial liabilities and equity instruments:

Debt and equity instruments issued by an entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Classification, recognition and measurement:

##### (a) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

##### (b) Financial liabilities:

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value minus any transaction costs that are attributable to the issue of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

#### Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

- at amortized cost
- at fair value through profit or loss (FVTPL)

##### (i) Financial liabilities at amortized cost:

The Group is classifying the following under amortized cost;

- Borrowings from banks
- Borrowings from others
- Trade payables

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal

repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) **Financial liabilities at fair value through profit or loss:**

Financial liabilities held for trading are measured at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in the Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability.

**Derecognition:**

A financial liability is removed from the Consolidated Balance Sheet when the obligation is discharged, or is cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the carrying amounts extinguished and consideration paid is recognised in the Consolidated Statement of Profit and Loss.

**2.14 Fair value measurement:**

The Group measures financial instruments such as, certain investments and derivative instruments, at fair value at each balance sheet 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statement are categorised within the fair value

hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 2.13: Financial Instruments

Note 2.16: Share-based payment arrangements

**2.15 Provisions and Contingencies**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent assets are not recognised. However, when the realisation of income is virtually certain,

then the related asset is no longer a contingent asset, and is recognised as an asset. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

### 2.16 Share-based payments:

The cost of equity-settled transactions with employees is measured at fair value at the date at which are granted. The fair value of share awards is determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Group's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations.

### 2.17 Segment reporting:

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators.

### 2.18 Cash and cash equivalents:

Cash and cash equivalents in the Consolidated Statement of assets and liabilities comprises cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 2.19 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit/ (loss) 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. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### 2.20 Government grants:

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as reduction from expense on a systematic basis over the period of the related costs.

### 2.21 Earnings per share:

The basic earnings per share ("EPS") is computed by dividing the net profit / (loss) after tax for the

year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

The diluted earnings per share ("DEPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as adjusted for the effects of all dilutive potential equity shares.

### 2.22 Current / Non-current classification:

An asset is classified as current if:

- (a) it is expected to be realised or sold or consumed in the Group's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realised within twelve months after the reporting period; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in the normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period; or
- (d) the Group has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Group's normal operating cycle is twelve months.

### 2.23 Significant accounting estimates, judgements and assumptions:

The preparation of the Group's consolidated financial statement in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes

that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the consolidated financial statement were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Group's accounting policies, management has made the following judgements and estimates which have significant effect on the amounts recognised in the consolidated financial statement:

- a. **Useful lives of property, plant and equipment and intangible assets:** The Group reviews the useful lives of property, plant and equipment and intangibles at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.
- b. **Defined benefit plan:** The cost of the defined benefit gratuity obligation is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and attrition rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- c. **Allowances for uncollected accounts receivable and advances:** Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which is the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.
- d. **Provisions and contingencies:** The Group estimates the provisions that have present obligations as a result of past events and

it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Group uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statement.

- e. **Share-based payments:** The Group measures the cost of equity-settled transactions with employees using Black-Scholes and binomial model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 33.
- f. **Provision for income tax and deferred tax assets:** The Group uses judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.
- g. **Revenue recognition:**  
The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group 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 contracts is recognised using percentage-of-completion method. The Group estimates the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.

**h. Leases:**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option

to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated.

**2.24 Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

### 3 Property, Plant and Equipment

(in Rupees million)

Particulars	Computers and accessories	Leasehold improvements	Furniture and fixtures	Office equipment	Total
<b>Gross carrying amount</b>					
<b>As at April 01, 2024</b>	<b>889</b>	<b>482</b>	<b>65</b>	<b>173</b>	<b>1,609</b>
Additions	260	-	5	5	270
Disposals/derecognition	(123)	(12)	(3)	(16)	(154)
Exchange differences on translating the financial statements of foreign operation	1	6	0	1	8
<b>As at March 31, 2025</b>	<b>1,027</b>	<b>476</b>	<b>67</b>	<b>163</b>	<b>1,733</b>
<b>Accumulated depreciation</b>					
<b>As at April 01, 2024</b>	<b>702</b>	<b>481</b>	<b>41</b>	<b>158</b>	<b>1,382</b>
<b>Charge for the year</b>	162	1	5	4	172
On Disposals/derecognition	(112)	(12)	(3)	(16)	(143)
Exchange differences on translating the financial statements of foreign operation	(0)	6	0	(0)	6
<b>As at March 31, 2025</b>	<b>752</b>	<b>476</b>	<b>43</b>	<b>146</b>	<b>1,417</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>275</b>	<b>-</b>	<b>24</b>	<b>17</b>	<b>316</b>
<b>Gross carrying amount</b>					
<b>As at April 01, 2023</b>	<b>834</b>	<b>260</b>	<b>64</b>	<b>392</b>	<b>1,550</b>
Reclassification <sup>^</sup>	-	220	-	(220)	-
Additions	72	-	1	4	77
Disposals/derecognition	(19)	(1)	(0)	(3)	(23)
Exchange differences on translating the financial statements of foreign operation	2	3	-	-	5
<b>As at March 31, 2024</b>	<b>889</b>	<b>482</b>	<b>65</b>	<b>173</b>	<b>1,609</b>
<b>Accumulated depreciation</b>					
<b>As at April 01, 2023</b>	<b>517</b>	<b>232</b>	<b>36</b>	<b>353</b>	<b>1,138</b>
Reclassification <sup>^</sup>	-	196	-	(196)	-
Charge for the year	202	51	5	4	262
On Disposals/derecognition	(19)	(1)	(0)	(3)	(23)
Exchange differences on translating the financial statements of foreign operation	2	3	-	0	5
<b>As at March 31, 2024</b>	<b>702</b>	<b>481</b>	<b>41</b>	<b>158</b>	<b>1,382</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>187</b>	<b>1</b>	<b>24</b>	<b>15</b>	<b>227</b>

<sup>^</sup> Leasehold improvement is reclassified for one of the office premises from office equipment .

Note : The Group does not hold any immovable properties.

# Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2025

## 4 Right-of-use Assets

(in Rupees million)

Particulars	Office premises	Vehicles	Total
<b>Gross carrying amount</b>			
<b>As at April 01, 2024</b>	<b>1,383</b>	<b>-</b>	<b>1,383</b>
Additions	719	52	771
Disposals	(185)	(1)	(186)
Exchange differences on translating the financial statements of foreign operations	8	-	8
<b>As at March 31, 2025</b>	<b>1,925</b>	<b>51</b>	<b>1,976</b>
<b>Accumulated depreciation</b>			
<b>As at April 01, 2024</b>	<b>217</b>	<b>-</b>	<b>217</b>
Charge for the year	331	9	340
On disposals	(185)	(0)	(185)
Exchange differences on translating the financial statements of foreign operations	2	-	2
<b>As at March 31, 2025</b>	<b>365</b>	<b>9</b>	<b>374</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>1,560</b>	<b>42</b>	<b>1,602</b>
<b>Gross carrying amount</b>			
<b>As at April 01, 2023</b>	<b>1,224</b>	<b>-</b>	<b>1,224</b>
Additions	948	-	948
Disposals	(793)	-	(793)
Exchange differences on translating the financial statements of foreign operations	4	-	4
<b>As at March 31, 2024</b>	<b>1,383</b>	<b>-</b>	<b>1,383</b>
<b>Accumulated depreciation</b>			
<b>As at April 01, 2023</b>	<b>756</b>	<b>-</b>	<b>756</b>
Charge for the year	249	-	249
On disposals	(790)	-	(790)
Exchange differences on translating the financial statements of foreign operations	2	-	2
<b>As at March 31, 2024</b>	<b>217</b>	<b>-</b>	<b>217</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>1,166</b>	<b>-</b>	<b>1,166</b>

Note:

1. The Right of use asset as per Ind AS-116 comprises of lease of office premises.
2. Exchange differences on translating the financial statements of a foreign operation reflects change in value of asset adjusted for closing rate of local currency in respective geography.
3. The aggregate depreciation expense on Right-of-use assets is included under depreciation and amortisation expenses in the Consolidated Statement of Profit and Loss.

## 5 Goodwill

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Goodwill at the beginning of the year	3,513	3,475
Add: Exchange differences on translating the financial statements of foreign operations	69	38
<b>Goodwill at the end of the year</b>	<b>3,582</b>	<b>3,513</b>

The carrying amount of goodwill allocated to acquisitions forming part of operating segments are as follows:

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
Fractal.ai	3,274	3,208
Fractal alpha		
- Asper.ai Group	126	123
- Analytics Vidhya Educon Private Limited	182	182
<b>Total</b>	<b>3,582</b>	<b>3,513</b>

The Group during the year ended March 31, 2024 had integrated its businesses for the Neal Analytics, Final Mile Consultants Private Limited, 4i Consulting Inc and Senseforth.ai CGU's into Fractal.ai and post integration considers Fractal.ai as a single CGU.

Cash-generating units to which goodwill is allocated are tested for impairment annually at each reporting date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit. The Group estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies.

The goodwill amount for respective years (relating to different CGUs individually) has been evaluated based on the cash flow forecasts of the related CGUs over a period of five years and the recoverable amounts of these CGUs exceeded their carrying amounts.

An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount as on date.

The estimated value-in-use of CGUs is based on the future cash flows using 3% to 5% as at March 31, 2025 (March 31, 2024 : 3% to 5%) terminal growth rate and discount rate of 18% to 25% as at March 31, 2025 (March 31, 2024 : 18% to 30%).

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the Cash Generating Unit (CGU).

## 6 Other Intangible Assets

Particulars	(in Rupees million)						
	Computer Software	Client relationship	Internally generated Intellectual Property	Brand	Developed Content	Patent	Total
<b>Gross carrying amount</b>							
<b>As at April 01, 2024</b>	<b>424</b>	<b>939</b>	<b>1,109</b>	<b>30</b>	<b>102</b>	<b>5</b>	<b>2,609</b>
Additions	353	-	143	-	-	-	496
Disposals (Refer note 3 below)	-	-	(140)	-	-	-	(140)
Exchange differences on translating the financial statements of foreign operation	14	21	12	-	-	1	48
<b>As at March 31, 2025</b>	<b>791</b>	<b>960</b>	<b>1,124</b>	<b>30</b>	<b>102</b>	<b>6</b>	<b>3,013</b>
<b>Accumulated amortization</b>							
<b>As at April 01, 2024</b>	<b>108</b>	<b>261</b>	<b>841</b>	<b>14</b>	<b>24</b>	<b>5</b>	<b>1,253</b>
Charge for the year	128	118	249	6	10	-	511
On disposals (Refer note 3 below)	-	-	(140)	-	-	-	(140)
Exchange differences on translating the financial statements of foreign operation	4	6	8	-	-	1	19

Notes to the Consolidated Financial Statements  
as at and for the year ended March 31, 2025

(in Rupees million)

Particulars	Computer Software	Client relationship	Internally generated Intellectual Property	Brand	Developed Content	Patent	Total
<b>As at March 31, 2025</b>	<b>240</b>	<b>385</b>	<b>958</b>	<b>20</b>	<b>34</b>	<b>6</b>	<b>1,643</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>551</b>	<b>575</b>	<b>166</b>	<b>10</b>	<b>68</b>	<b>-</b>	<b>1,370</b>
<b>Gross carrying amount</b>							
<b>As at April 01, 2023</b>	<b>107</b>	<b>927</b>	<b>981</b>	<b>30</b>	<b>102</b>	<b>4</b>	<b>2,151</b>
Additions	313	-	119	-	-	-	432
Exchange differences on translating the financial statements of foreign operation	4	12	9	-	-	1	26
<b>As at March 31, 2024</b>	<b>424</b>	<b>939</b>	<b>1,109</b>	<b>30</b>	<b>102</b>	<b>5</b>	<b>2,609</b>
<b>Accumulated amortization</b>							
<b>As at April 01, 2023</b>	<b>65</b>	<b>165</b>	<b>666</b>	<b>8</b>	<b>14</b>	<b>4</b>	<b>922</b>
Charge for the year	42	93	170	6	10	-	321
Exchange differences on translating the financial statements of foreign operation	1	3	5	-	-	1	10
<b>As at March 31, 2024</b>	<b>108</b>	<b>261</b>	<b>841</b>	<b>14</b>	<b>24</b>	<b>5</b>	<b>1,253</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>316</b>	<b>678</b>	<b>268</b>	<b>16</b>	<b>78</b>	<b>-</b>	<b>1,356</b>

Note 1 : Refer note 16 for details of charge/hypothecation created against intangible assets.

Note 2 : The estimated amortisation of intangible assets for the years subsequent to March 31, 2025 is as follows :

Year ending 31 March	in Rupees Million
2026	439
2027	344
After 2027	587

Note 3 : The Group during the year ended March 31, 2025 had assessed the carrying value of its intangible assets of its subsidiary and basis its assessment the Group is not intending to use its assets and accordingly has written-off of ₹ 140 million (March 31, 2024 : Nil).

## 6.1 Intangible assets under development ('IAUD')

(in Rupees million)

Particulars	Amount
<b>Gross carrying amount</b>	
<b>As at April 01, 2024</b>	<b>59</b>
Additions	261
Less: Capitalisation	(156)
Less : Provision for impairment loss (Refer sub note 1 below)	(27)
<b>As at March 31, 2025</b>	<b>137</b>
<b>Gross carrying amount</b>	
<b>As at April 01, 2023</b>	<b>7</b>
Additions	171
Less: Capitalisation	(119)
<b>As at March 31, 2024</b>	<b>59</b>

Note 1 : During the year ended March 31, 2025 the Group has assessed the carrying value of its intangible assets in a subsidiary company, leading to intangible asset under development's recoverable amount to be below its carrying amount and hence written-off of ₹ 27 million.

### Ageing of Projects in progress (at gross value before impairment)

(in Rupees million)

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025	137	-	-	-	137
As at March 31, 2024	59	13	15	59	146

### Breakup of nature of expenses towards internally generated intellectual property which has been capitalised :

(in Rupees million)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus	203	88
Other expenses	49	83
<b>Total</b>	<b>252</b>	<b>171</b>

## 7 Investments

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>7.1 Investment accounted for using the equity method</b>		
<b>Investments in unquoted equity instruments</b>		
Qure.ai Technologies Private Limited		
250,000,000 (March 31, 2024: 250,000,000) equity shares of ₹ 1 each fully paid up (Refer note 36)	4,258	4,259
<b>Total carrying value</b>	<b>4,258</b>	<b>4,259</b>
<b>7.2 Investments (Non-current)</b>		
<b>A. Investment in Equity instruments</b>		
(Unquoted, measured at fair value through profit and loss)		
Commure, Inc. (Refer note 1 below) 5,003 (March 31, 2024 : 5,003) shares of common stock	1	33
Qi-Cap Investments Private Limited (Refer note 31(b)) 141,217 (March 31, 2024 : 132,567) shares of face value ₹ 1 each	15	0
<b>B. Investment in preferred stock</b>		
(Unquoted, measured at fair value through profit and loss)		
Commure, Inc. (Refer note 1 below) 6,941 (March 31, 2024 : 6,941) shares of series D preferred stock	48	46
	<b>64</b>	<b>79</b>
<b>Total (non-current)</b>	<b>4,322</b>	<b>4,338</b>
<b>7.2 Investments (Current)</b>		
(Measured at fair value through profit and loss)		
Investment in liquid mutual funds units (unquoted)	5,614	4,455
<b>Total other investments</b>	<b>5,614</b>	<b>4,455</b>
<b>(a) Aggregate carrying value of unquoted investments</b>	<b>9,936</b>	<b>8,793</b>

Note 1 : During the year ended March 31, 2024, the Group received common stock and series D preferred stock of Commure, Inc in exchange of RX.health, Inc. series Seed-2 preferred stock on account of merger of RX.health, Inc. to Commure, Inc.

Notes to the Consolidated Financial Statements  
as at and for the year ended March 31, 2025

## 8 Trade Receivables

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Trade receivables</b>		
- Unsecured, considered good	4,161	3,825
- Unsecured, credit impaired	12	12
- Unbilled receivables - Unsecured, considered good	1,798	1,596
<b>Sub Total</b>	<b>5,971</b>	<b>5,433</b>
<b>Allowances for expected credit loss</b>	(123)	(100)
<b>Trade receivables (Current)</b>	<b>5,848</b>	<b>5,333</b>

### Ageing of Trade receivables : March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade receivables - Billed</b>							
(i) Undisputed Trade receivables - considered good	3,344	795	19	1	2	-	4,161
(ii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	12	12
	<b>3,344</b>	<b>795</b>	<b>19</b>	<b>1</b>	<b>2</b>	<b>12</b>	<b>4,173</b>
Trade receivables - Unbilled							1,798
							<b>5,971</b>
Less: Allowances for expected credit loss							(123)
<b>Total</b>							<b>5,848</b>

### March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade receivables - Billed</b>							
(i) Undisputed Trade receivables - considered good	3,230	550	10	28	6	1	3,825
(ii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	12	12
	<b>3,230</b>	<b>550</b>	<b>10</b>	<b>28</b>	<b>6</b>	<b>13</b>	<b>3,837</b>
Trade receivables - Unbilled							1,596
							<b>5,433</b>
Less: Allowances for expected credit loss							(100)
<b>Total</b>							<b>5,333</b>

## 9 a Cash and cash equivalents

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0	0
Balance with banks		
In current accounts	2,649	812
<b>Total cash and cash equivalents</b>	<b>2,649</b>	<b>812</b>

## 9 b Bank balance other than above

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
In fixed deposit account (with original maturity of more than 3 months but less than 12 months)	234	66
<b>Total other bank balances</b>	<b>234</b>	<b>66</b>

## 10 Current Loans

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, considered good</b>		
Loan to director (Refer note 29)	303	-
<b>Secured, considered good</b>		
Loan to director (Refer note 29)	-	282
<b>Total current loans</b>	<b>303</b>	<b>282</b>

Type of Borrower	March 31, 2025		March 31, 2024	
	Amount of loan outstanding	% of total Loans	Amount of loan outstanding	% of total Loans
Loan to director	303	100%	282	100%
<b>Total</b>	<b>303</b>	<b>100%</b>	<b>282</b>	<b>100%</b>

Note : Loan is given to a director on December 8, 2021. The loan along with interest will be repaid subsequent to the public offer of the Fractal Analytics Limited. The loan as at March 31, 2024 was secured against the said shares held by the director on full recourse basis at prevailing interest rate of that jurisdiction. Loan given is solely for director's own account and beneficial interest.

## 11 Other Financial Assets

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>Non-current financial assets</b>		
Other bank deposits	9	9
<b>Sub total (A)</b>	<b>9</b>	<b>9</b>
Derivative asset	3	17
Security deposits	180	147
Less : Provision for doubtful balances	(2)	-
<b>Sub total (B)</b>	<b>181</b>	<b>164</b>
<b>Total non-current financial assets</b>	<b>190</b>	<b>173</b>
<b>Current financial assets</b>		
Derivative asset	18	53
Security deposits	18	4
Receivables from related parties (Refer note 29)	-	5
Other advances	1	3
Interest accrued but not due	2	-
<b>Total current financial assets</b>	<b>39</b>	<b>65</b>

## 12 Other Assets

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>Non-Current assets</b>		
Prepaid expenses	17	12
Capital advances	45	-
<b>Total non-current assets</b>	<b>62</b>	<b>12</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2025

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current assets</b>		
Prepaid expenses (Refer note below)	580	403
Contract assets (Refer note 27)	847	896
Advances to vendors and others	62	14
Balance with government authorities	80	88
Less: Provision for doubtful advances	(10)	(10)
<b>Total current assets</b>	<b>1,559</b>	<b>1,391</b>

Note : Prepaid expenses includes ₹ 243 million (March 31, 2024: ₹ 128 million) towards planning for initial public offer and is to be shared between the Parent Company and selling shareholders.

## 13 Deferred Tax Assets/(Liabilities)

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Significant components of deferred tax assets</b>		
<b>Deferred tax assets/(liabilities)</b>		
Business losses/ unabsorbed depreciation	385	378
Property, plant & equipment and intangible assets	68	59
Mark to market on derivatives	15	(17)
Right-of-use assets	(145)	(226)
Lease liabilities	164	224
Others*	74	61
<b>Total Deferred tax assets (net)</b>	<b>561</b>	<b>479</b>
*Others include impact for mark to market gain/loss on fair value of current investments and other temporary differences		
Fair value of Associate Company	(688)	(1,016)
<b>Total Deferred tax liabilities</b>	<b>(688)</b>	<b>(1,016)</b>

### a) Movements in deferred tax assets/(liabilities)

Particulars	Mark to market on derivatives	Property, plant & equipment and intangible assets	Business losses/ unabsorbed depreciation	Fair value of Associate Company	Right-of-use assets	Lease liabilities	Others	Total
<b>At April 1, 2024</b>	<b>(17)</b>	<b>59</b>	<b>378</b>	<b>(1,016)</b>	<b>(226)</b>	<b>224</b>	<b>61</b>	<b>(537)</b>
(Charged) / Credited								
- to profit or loss (Refer sub-note (a) below)	16	9	-	328	81	(60)	9	383
- to other comprehensive income	16	-	-	-	-	-	-	16
- Exchange differences on translating the financial statements of foreign operations	-	-	7	-	-	-	4	11
<b>At March 31, 2025</b>	<b>15</b>	<b>68</b>	<b>385</b>	<b>(688)</b>	<b>(145)</b>	<b>164</b>	<b>74</b>	<b>(127)</b>
<b>At April 1, 2023</b>	<b>7</b>	<b>29</b>	<b>368</b>	<b>(1,016)</b>	<b>(54)</b>	<b>68</b>	<b>(19)</b>	<b>(617)</b>
(Charged) / Credited								
- to profit or loss	(13)	32	-	-	(172)	156	80	83
- to other comprehensive income	(11)	-	-	-	-	-	-	(11)
- Exchange differences on translating the financial statements of foreign operations	-	(2)	10	-	-	-	-	8
<b>At March 31, 2024</b>	<b>(17)</b>	<b>59</b>	<b>378</b>	<b>(1,016)</b>	<b>(226)</b>	<b>224</b>	<b>61</b>	<b>(537)</b>

- a) During the year ended March 31, 2025, Finance Act 2024 was passed and there were amendments in the manner of calculation of long-term capital gain. Further, the Finance Act, 2024 reduced the tax rate on long term capital gain from previously 20% to 12.5% (excluding applicable surcharge and education cess thereon). Consequently to above amendments, the Company has reversed the Deferred tax liability of ₹ 370 million in the year ended March 31, 2025. The Group has created additional deferred tax asset of ₹ 44 million on remeasurement gain on retained interest in associate Company recorded under exceptional items.
- b) For one of the foreign subsidiary, the Group has recognised deferred tax asset on unutilised losses to the extent that it believes that it will be able to generate sufficient taxable profit in the near future, based on various internal measures taken, against which unused losses and thereby such deferred tax assets can be realised. Further, no deferred tax assets has been recognised on balance tax losses and deductible temporary differences of ₹ 910 million (March 31, 2024: ₹ 938 million).

**(b) The tax losses of the Group will lapse in subsequent years as follows:**

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
0 - 5 years	504	547
From 5 - 8 years	353	490
Beyond 8 years	1,200	1,778
Indefinite	3,474	2,403

**(c) Income tax expense**

This notes provides analysis of Group's income tax expense, amounts that are recognised directly in equity and how the tax expense is affected by non-deductible items. It also explains significant estimates in relation to the Group's tax position.

**Income tax expense is as follows:**

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Profit and loss</b>		
(a) Current Tax		
- For the year	531	227
- Tax adjustment for earlier year	26	98
(b) Deferred tax (credit)	(383)	(83)
<b>Total current tax expense</b>	<b>174</b>	<b>242</b>

**(d) Reconciliation of tax expense and the book profit computed by applying income tax rate:**

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>(Loss) / Profit before tax</b>	<b>2,380</b>	<b>(305)</b>
Tax rate of Parent Company	25.17%	25.17%
<b>Computed tax expense</b>	<b>599</b>	<b>(77)</b>
<b>Adjustments:</b>		
Current year losses/utilisation of losses for which deferred tax asset is not recognised	(76)	189
Expenses not deductible for tax purpose	15	34
Tax adjustment for earlier years	18	98
Impact of different tax rate	(57)	(13)
Impact on account of changes in enacted tax rates	(370)	-
Share of loss of associate	75	41
State taxes	20	4
Others	(50)	(34)
<b>Tax expense</b>	<b>174</b>	<b>242</b>

**14 Equity Share Capital**

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
<b>Authorised</b>		
389,400,000 equity shares of face value ₹ 1 each <sup>^</sup> (March 31, 2024 : 349,200,000 equity shares of face value ₹ 1 each)	389	349
50,600,000 Series B 0.001 % Compulsorily convertible preference shares of face value ₹1 each <sup>^</sup> (March 31, 2024 : 38,100,000 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each)	51	38
	<b>440</b>	<b>387</b>

<sup>^</sup>The authorised share capital of the Company has been increased vide Extra-ordinary general meeting resolution date October 9, 2024.

Notes to the Consolidated Financial Statements  
as at and for the year ended March 31, 2025

(in Rupees million)

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Issued share capital</b>		
26,838,408 equity shares of face value ₹ 1 each (March 31, 2024 : 26,317,789 equity shares of ₹ 1 each)	27	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each (March 31, 2024 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each)	5	5
	<b>32</b>	<b>31</b>
<b>Subscribed and fully paid-up</b>		
26,173,550 equity shares of face value ₹ 1 each fully paid up (March 31, 2024 : 25,652,931 equity shares of ₹ 1 each fully paid up)	26	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each (March 31, 2024 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each)	5	5
	<b>31</b>	<b>31</b>
<b>Subscribed but not fully paid-up</b>		
664,858 equity share of face value ₹ 1 (₹ 0.5 paid up) (March 31, 2024 : 664,858 equity share of face value ₹ 1 (₹ 0.5 paid up) )	0	0
	<b>0</b>	<b>0</b>
	<b>31</b>	<b>31</b>

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

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount (in Rupees million)	Number of shares	Amount (in Rupees million)
<b>Equity shares</b>				
At the commencement of the year	2,63,17,789	26	2,61,89,854	26
<b>Add : Shares issued during the year under</b>				
- employee stock option plan	5,20,619	1	1,27,935	0
<b>At the end of the year</b>	<b>2,68,38,408</b>	<b>27</b>	<b>2,63,17,789</b>	<b>26</b>

(i) During the year 520,619 shares (March 31, 2024: 127,935 shares) were issued under employee stock option plan at various price (Refer note 33)

**Instruments entirely equity in nature - Series B 0.001 % Compulsorily convertible preference shares**

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount (in Rupees million)	Number of shares	Amount (in Rupees million)
At the commencement of the year	45,23,604	5	45,23,604	5
Issued during the year	-	-	-	-
<b>At the end of the year</b>	<b>45,23,604</b>	<b>5</b>	<b>45,23,604</b>	<b>5</b>

(b) Particulars of shareholders holding more than 5% shares of a class of shares

(a) Equity shares of ₹ 1 each fully paid-up held by

Particulars	As at March 31, 2025		As at March 31, 2024	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
Quinag Bidco Limited	22.13%	59,39,620	22.57%	59,39,620
TPG Fett Holdings Pte Limited	27.84%	74,72,423	28.39%	74,72,423
Gulu Mirchandani (on behalf of GLM Family Trust)	19.73%	52,96,556	20.13%	52,96,556
Pranay Agrawal	6.33%	16,97,904	6.44%	16,96,174

Particulars	As at March 31, 2025		As at March 31, 2024	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
Srikanth Velamakanni*	5.70%	15,29,118	5.80%	15,27,378
Chetana Kumar	4.94%	13,25,431	5.04%	13,25,431

\* includes 664,858 partly paid up shares issued on private placement basis

**(b) Series B 0.001 % Compulsorily Convertible Preference Shares of ₹ 1 each fully paid-up held by**

Particulars	As at March 31, 2025		As at March 31, 2024	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
Quinag Bidco Limited	73.78%	33,37,505	73.78%	33,37,505
TPG Fett Holdings Pte Limited	26.22%	11,86,099	26.22%	11,86,099

**(c) Rights, preferences and restrictions attached to equity shares**

The Company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(d) Rights, preferences and restrictions attached to Series B 0.001% Compulsorily convertible preference shares (CCPS)**

Series B 0.001% Compulsorily Convertible preference shares: All outstanding CCPS shall be converted in the ratio of 1:1 on the earlier of :

- (i) 1 (one) Business Day of the expiry of 5 (five) years from the Closing Date, as applicable; or
- (ii) 1 (one) Business Day prior to the date of voluntary or involuntary liquidation, winding up or dissolution of the Company, including through a shareholders', members' or creditors' voluntary winding up process or a court directed winding-up process
- (iii) 1 (one) Business Day prior to the date of consummation of the sale of any Securities by the Investor to a third party in accordance with the terms of the Shareholders agreement
- (iv) 1 (one) Business Day prior to the last date for the conversion of convertible instruments under applicable Laws, prior to an IPO or a QIPO (as defined in the Shareholders Agreement) in terms of the Shareholders Agreement

The CCPS shall bear a coupon rate of 0.001% per annum (calculated on the face value) at the time of conversion of the last outstanding CCPS. The CCPS shall be non-cumulative. The CCPS holder shall be entitled to participate (on an as converted basis) in any dividends payable to the holders of Equity Shares. If any CCPS are outstanding and any dividend is declared on the equity shares, the Company shall declare dividend on the CCPS equal to the per equity share dividend pro-rated to the assumed equity percentage.

The Company covenants that till such time that any of the CCPS are outstanding, the Company shall not be entitled to declare any dividend on any equity shares in any year till such time as the dividend in relation to the CCPS has been provided for in full.

The CCPS shall not have any voting rights other than as available under the Act to preference shares. The CCPS shall rank par passu with the equity shares on liquidation and shall have no liquidation preference.

**(e) Shares reserved for issue under options**

Particulars	March 31, 2025 No. of shares	March 31, 2024 No. of shares
Equity shares of ₹ 1 each reserved for issue under employee stock option scheme (Refer note 33)	62,40,300	60,08,873

(f) There were no shares allotted pursuant to contract without payment being received in cash or as fully paid up by way of bonus shares or any shares bought back.

(g) No dividend is declared by the Company during the years ended March 31, 2025 and March 31, 2024.

# Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2025

## 15 Other Equity

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Securities premium	12,894	12,108
Employee stock option reserve	3,309	2,880
Remeasurement of defined benefit plans	(89)	(112)
Effective portion of gains/(loss) on derivatives designated as cash flow hedge (net)	(17)	32
Other comprehensive income		
Share application money pending allotment	76	22
Exchange differences on translating the financial statements of a foreign operation	155	167
Retained earnings	1,173	(1,071)
<b>Total other equity</b>	<b>17,501</b>	<b>14,026</b>

Note : For movement during the year, refer statement of changes in equity.

## 16 Borrowings

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Non-current borrowings</b>		
(at amortised cost)		
<b>Secured</b>		
Term loan (Refer note (a) below)	2,708	2,623
Less : Arrangement fees	(46)	(122)
Less : Current maturities of long term debt	(85)	-
<b>Total secured borrowings</b>	<b>2,577</b>	<b>2,501</b>
<b>Current borrowings</b>		
Secured		
Current maturities of long term debt - Term loan (Refer note (a) below)	85	-
<b>Total current borrowings</b>	<b>85</b>	<b>-</b>

Note:

The Group has refinanced the existing floating rate loan through banks on September 26, 2024 amounting to USD 32 million (₹ 2,631 million). The Group has incurred transaction cost amounting to USD 0.69 million (₹ 57 million) in respect of the said transaction which is disclosed as net from the actual proceeds and is amortised over the tenor of the loan to the Consolidated Statement of Profit and Loss. The current outstanding as on March 31, 2025 is USD 31.70 million. Given below are various terms pertaining to the term loan.

Year ended	Total	Current	Non Current	Interest rate	Duration	Repayment terms	Purpose of borrowings
March 31, 2025	2,793	85	2,708	Three month term SOFR + 3%	Last payment is due on December 26, 2026	Quarterly prepayment with no prepayment penalty	To refinance the existing borrowing from financial institution and to pay Transaction Expenses
March 31, 2024	2,623	-	2,623	Term SOFR ("Secured Overnight Financing Rate") (Cap at 1%) + 6%	Five years ending on December 21, 2026	Group is eligible to make bullet repayment for the outstanding principal amount at the end of the facility tenor without prepayment penalty	Permitted Acquisitions and other Investments permitted under the Loan Documents

### Collateral :

(a) Pledge of charge over 100% (one hundred percent) equity shares, equivalent to 1,055,371 equity shares having face value of USD 1 (United States Dollar One) each held by the Group in its wholly owned subsidiary abroad, i.e., Fractal Analytics Inc., an entity incorporated under the laws of United States of America.

### Guarantor :

The above borrowing is backed by the guarantee given by Fractal Analytics Limited.

## 17 Trade Payables

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Trade payables</b>		
- Total outstanding dues of micro enterprise and small enterprises (Refer below note)	102	40
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Related parties (Refer note 29)	-	1
- Others	518	471
<b>Total trade payables</b>	<b>620</b>	<b>512</b>
<b>Dues of micro and small enterprises</b>		
Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006, certain disclosures are required related to MSME. On the basis of the information and records available with the Group, following are the details of dues:		
- the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	102	40
- the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
- the amount of interest due and payable for the period of delay in making payment 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 each accounting year; and	3	1
- 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.	-	-

### Ageing of Trade payables

#### March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	26	7	-	-	-	33
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	85	45	-	-	-	130
(iii) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	7	7
<b>Total</b>	<b>111</b>	<b>52</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>170</b>
Accrued expenses						450
<b>Total</b>						<b>620</b>

#### March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	2	8	-	-	-	10
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2	32	19	-	-	53
(iii) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	7	7
<b>Total</b>	<b>4</b>	<b>40</b>	<b>19</b>	<b>-</b>	<b>7</b>	<b>70</b>
Accrued expenses						442
<b>Total</b>						<b>512</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2025

## 18 Other Financial Liabilities

(in Rupees million)		
Particulars	As at March 31, 2025	As at March 31, 2024
<b>Non-current financial liabilities</b>		
Derivative liability	20	-
Employee related obligation	430	310
<b>Total non-current financial liabilities</b>	<b>450</b>	<b>310</b>
<b>Current financial liabilities</b>		
Employee related obligation	2,446	2,135
Capital creditors	404	315
Derivative liability	61	-
Interest accrued and due	2	4
<b>Total current financial liabilities</b>	<b>2,913</b>	<b>2,454</b>

## 19 Other Liabilities

(in Rupees million)		
Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current liabilities</b>		
Unearned revenue (Refer note 27)	1,108	1,031
Contract liabilities	112	-
Advance from customer	8	40
Statutory dues payable**	419	337
<b>Total current liabilities</b>	<b>1,647</b>	<b>1,408</b>

\*\*Includes tax deducted at source, provident fund payable, professional taxes, etc.

## 20 Provisions

(in Rupees million)		
Particulars	As at March 31, 2025	As at March 31, 2024
<b>Non-current provisions</b>		
Gratuity (Refer note 28)	188	187
<b>Total non-current provisions</b>	<b>188</b>	<b>187</b>
<b>Current provisions</b>		
Provision for employee benefits:		
Gratuity (Refer note 28)	1	2
Compensated absences (Refer note 28)	63	61
Other provisions (Refer movement below and note 26.a)	-	85
<b>Total current provisions</b>	<b>64</b>	<b>148</b>
<b>Movement of other provisions</b>		
Opening balance	85	80
Amount paid during the year	(26)	-
Provision created during the year	-	5
Provision reversed during the year	(59)	-
<b>Closing balance</b>	<b>-</b>	<b>85</b>

## 21 Revenue from Operations

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Sale of services (Refer note 27)	27,654	21,963
<b>Total Revenue from operations</b>	<b>27,654</b>	<b>21,963</b>

## 22 Other Income

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest income under effective interest rate method on financial assets at amortised cost:		
- bank deposits	28	20
- Loan to directors (Refer note 29)	14	10
Interest income as per effective interest rate method for :		
- unwinding of security deposits given	13	12
Fair value gain on derivative contracts carried at fair value through profit or loss	-	50
Gains (net) on investments mandatorily measured at fair value through profit or loss	20	122
Gain on redemption/sale of financial instruments	291	163
Foreign exchange loss / (gain), net	126	65
Miscellaneous income	16	14
<b>Total other income</b>	<b>508</b>	<b>456</b>

## 23 Employee Benefits Expenses

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus *	18,827	16,398
Contribution to provident funds (Refer note 28)	328	229
Gratuity (Refer note 28)	206	189
Staff welfare expense	687	554
<b>Total employee benefits expense</b>	<b>20,048</b>	<b>17,370</b>

\*During the year ended March 31, 2025, the Group has accrued/received government grants amounting to ₹ 49 million (March 31, 2024: ₹ 76 million) from various countries on compliance of several employment-related conditions and accordingly, accounted as a credit to employee benefits expense.

\*During the year ended March 31, 2025, the Group has accrued retention bonus pursuant to acquisition amounting to ₹ 293 million (March 31, 2024 : ₹ 383 million) and ESOP cash bonus amounting to ₹ 231 million (March 31, 2024 : ₹ 242 million).

## 24 Finance Costs

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest on :		
- borrowings	255	313
- lease liabilities (Refer note 30)	121	41
- others	55	43
Other borrowing cost	146	48
<b>Total finance costs</b>	<b>577</b>	<b>445</b>

# Notes to the Consolidated Financial Statements

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## 25 Depreciation and Amortisation Expense

(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on property, plant and equipment (Refer note 3)	172	262
Depreciation on right of use assets (Refer note 4)	340	249
Amortisation on intangible assets (Refer note 6)	511	321
<b>Total depreciation and amortisation expense</b>	<b>1,023</b>	<b>832</b>

## 26 Other Expenses

(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Outsourced manpower expense	576	600
Legal and professional fees	523	463
Software license and maintenance expense	544	435
Travelling and conveyance expense	469	346
Cloud and communication expense	423	323
Recruitment expenses	68	33
Marketing expense	134	193
Repairs and maintenance expense (Computers and others)	105	63
Facility management expenses	48	41
Rent, rates and taxes (Refer sub-note a below)	81	94
Insurance expense	43	45
Subcontracting expense	46	30
Fair value loss (net) on derivative contracts carried at fair value through profit or loss	65	-
Provision for doubtful advances	17	9
Bad debts	23	35
Membership and subscription charges	37	57
Corporate social responsibility (Refer note 39)	7	7
Miscellaneous expenses	100	122
<b>Total other expenses</b>	<b>3,309</b>	<b>2,896</b>

Note:

- (a) During the year ended March 31, 2023 the Parent Company and all the Directors of the Parent Company had received show cause notice (SCN) as to why prosecution proceedings under the Income tax Act, 1961 (Act) should not be initiated against them for delay in deposit of tax deducted at source ('TDS') of ₹ 405 million during FY 2019-20 (albeit the deposit of TDS was made with due interest for the delay without any intimation from the tax authorities). Detailed justification was provided against the said SCN to establish a reasonable cause for the delay in deposit of TDS. However, without acceptance/admission of guilt of offence under the provisions of the Act and to avoid litigation, the Parent Company in its capacity and on behalf of all directors, on December 7, 2022 has filed an application for compounding of offence before the tax department. As at March 31, 2024, the Group had provided ₹ 85 million which was disclosed under Rent, rates and taxes.

During the current year, the Parent Company has paid the compounding charges of ₹ 26 million based on intimation received from tax authorities. Further, the tax authorities issued a Compounding Order to the Parent Company and all the six Directors in office as co-accused stating that the order is intended to resolve the offence and should not be considered as an admission of guilt of offence post which no further action is required on the matter by the Parent Company or its Directors. Accordingly, the Group has written back provision of ₹ 59 million during the year.

## 26.1 Exceptional items

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Impairment in value of intangible assets under development (Refer note 6.1)	27	-
Remeasurement (gain)/loss of retained interest in associate	(297)	55
<b>Total exceptional items</b>	<b>(270)</b>	<b>55</b>

## 27 Revenue from contracts with customers (clients)

The Group disaggregates revenue from contracts with customers by nature of services.

Revenue disaggregation by nature of services is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Analytical services	27,010	21,721
Subscriptions/License fees	644	242
<b>Total</b>	<b>27,654</b>	<b>21,963</b>

(in Rupees million)

The billing schedules agreed with clients include periodic performance-based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time range for the expected time to recognise those revenues, the Group has applied the practical expedient in Ind AS 115. Accordingly, the Group has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

The Group has applied practical expedient as per paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

Changes in contract assets are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	896	555
Revenue recognized during the year	7,969	6,417
Invoices raised during the year	(8,072)	(6,084)
Others	54	8
<b>Balance at the end of the year</b>	<b>847</b>	<b>896</b>

(in Rupees million)

Changes in unearned revenue are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	1,031	868
Revenue recognized that was included in the unearned balance at the beginning of the year	(645)	(410)
Increase due to invoicing during the year, excluding amounts recognized as revenue during the year	759	562
Others	(37)	11
<b>Balance at the end of the year</b>	<b>1,108</b>	<b>1,031</b>

(in Rupees million)

# Notes to the Consolidated Financial Statements

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Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Contracted price	28,013	22,221
Reductions towards variable consideration components	(359)	(258)
<b>Revenue recognized</b>	<b>27,654</b>	<b>21,963</b>

Note : Variable consideration includes volume discount / service credit to clients.

## 28 Employee Benefits

The Group contributes to the following post-employment defined contribution plan and defined benefit plans in India and United States of America.

### (a) Defined contribution plan

The Group entities in India have a defined contribution plan in respect of provident fund. Contributions are made to Employee's provident fund organisation which is the provident fund authority in India for employees as per regulations. The contributions are made to registered provident fund administered by the Government of India. One of the group subsidiary contributes to 401K plan for its employees in United States of America with effect from April 01, 2024. The obligation of the Group is limited to the amount contributed and it has neither further contractual nor any constructive obligation.

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Employer's contribution to provident and other funds	328	229

Included in 'Contribution to provident and other funds under employee benefits expense (Refer Note 23)

### (b) Compensated absences

Liability under Compensated absences pertains to leave balances in subsidiary company and is disclosed under current provisions. Below table summarizes the expense incurred in respective years :

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Compensated absence expense	24	42

### (c) Defined benefit plans

#### Gratuity:

The Group entities in India provide for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan with respect to Parent Company.

Key assumptions used for actuarial valuation by an independent actuary under the Projected Unit Credit Method are as under:

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
Discount rate	6.90%	7.15%
Future salary increases	9.00%	9.00%
<b>Attrition rate</b>		
Based on Completed Years of service		
Up to 2 years	7.00%	10.00%
3 - 4 years	10.00%	6.00%
Above 4 years	2.00%	2.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate -100%	Indian Assured Lives Mortality (2012-14) Ultimate -100%

Notes:

- Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.
- Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

(a) The amounts recognised in the consolidated balance sheet and movements in the net defined benefit obligation (DBO) are as follows :

(in Rupees million)

Change in the present value of obligation	As at March 31, 2025		As at March 31, 2024	
	Funded Plan*	Unfunded Plan	Funded Plan*	Unfunded Plan
<b>Present value of obligation at the beginning of the year</b>	<b>553</b>	<b>32</b>	<b>383</b>	<b>47</b>
Interest cost	40	2	29	2
Current service cost	184	8	173	8
Transfer in/(out)	8	(8)	20	(20)
Benefits paid	(29)	(3)	(33)	(0)
<b>Remeasurement recognized in other comprehensive income due to</b>				
Actuarial loss/(gain) arising from change in financial assumptions	35	1	(26)	(0)
Actuarial loss/(gain) arising on account of experience changes	(33)	(1)	6	(5)
Actuarial loss arising on account of demographical assumptions	(19)	(1)	1	0
<b>Present value of obligation at the end of the year</b>	<b>739</b>	<b>30</b>	<b>553</b>	<b>32</b>

\*The Group has invested the amounts in pension fund with Life insurance corporation of India.

(b) The amounts recognised in the consolidated balance sheet and movements in the fair value of plan assets over the year are as follows :

(in Rupees million)

Change in the fair value of plan assets	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets at the beginning of the year ended	396	311
Expected returns on plan assets	(2)	(1)
Interest on plan assets	28	23
Contributions made by the Company	158	63
<b>Fair value of plan assets at the end of the year ended</b>	<b>580</b>	<b>396</b>

(in Rupees million)

Reconciliation of present value of defined benefit obligation and the fair value of assets	As at March 31, 2025	As at March 31, 2024
Present value of obligation at the end of the year	769	585
Fair value of plan assets as at the end of the year	(580)	(396)
<b>Net liability in Consolidated Balances Sheet</b>	<b>189</b>	<b>189</b>
- liability of funded plan	159	157
- liability of unfunded plan	30	32

(in Rupees million)

Amount recognised in the Consolidated Statement of Profit and Loss	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	192	181
Interest cost (net)	14	8
<b>Total expense recognized in the Consolidated Statement of Profit and Loss</b>	<b>206</b>	<b>189</b>
- Total expense recognized for obligation with funded plan	196	179
- Total expense recognized for obligation with unfunded plan	10	10

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(in Rupees million)

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Amount recognised in other comprehensive income</b>		
<b>Remeasurements during the year due to</b>		
Changes in financial assumptions	36	(26)
Changes in demographic assumptions	(20)	1
Experience adjustments	(34)	1
Expected return on plan assets	2	1
<b>Amount recognised in other comprehensive income during the year</b>	<b>(16)</b>	<b>(23)</b>
- Total expense / (income) recognized for obligation with funded plan	(15)	(18)
- Total expense / (income) recognized for obligation with unfunded plan	(1)	(5)

**(c) The sensitivity of significant assumptions used for valuation of defined benefit obligation is as follows :**

(in Rupees million)

Closing liability on percentage point increase / decrease in	As at March 31, 2025	As at March 31, 2024
Discount rate +100 basis points	(641)	(484)
Discount rate -100 basis points	931	710
Salary increase rate +100 basis points	842	654
Salary increase rate -100 basis points	(689)	(500)
Attrition Rate +50%	(743)	(566)
Attrition Rate -50%	796	602

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to previous period.

**(d) Maturity profile of defined benefit obligation**

Particulars	As at March 31, 2025	As at March 31, 2024
Gratuity Plan	20 years	20 years

**(e) Expected future benefit payments on undiscounted basis**

(in Rupees million)

Expected cash flows for following year	As at March 31, 2025	As at March 31, 2024
Expected total benefit payments in the next		
1 year	15	9
2 - 5 years	83	62
6 - 10 years	174	108
More than 10 years	3,234	2,782

**(f) Funding arrangements and funding policy**

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

**(g) Expected contribution during the next annual reporting period :** The Group's best estimate of contribution during the next year is ₹ 159 million.

**(h) Interest rate risk**

The plan is defined benefit in nature which is sponsored by the parent Company and hence it under writes all the risk pertaining to the plan. In particular, this exposes the parent Company to the actual risk such as adverse salary growth, changes in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to the employees in future. Since the benefits are lumpsum in nature, the plan is not subject to any longevity risks.

## 29 Related party disclosure

### (a) Related parties

Sr. No	Name of the party	Nature of relationship
1	Quinag Bidco Limited	Company having significant influence
2	TPG Fett Holdings Pte. Limited	Company having significant influence
3	Qure.ai Technologies Private Limited	Associate Company

### (b) Key managerial personnel

Sr. No	Particulars	Nature of relationship
1	Mr. Srikanth Velamakanni ^	Whole-time Director
2	Mr. Pranay Agrawal ^	Non- Executive Director
3	Mr. Gulu Mirchandani (upto April 26, 2024)	Non- Executive Director
4	Mr. Sasha Gulu Mirchandani	Additional Director
5	Mr. Rohan Haldea	Non- Executive Director
6	Mr. Anurag Sud (upto March 27, 2025)	Non- Executive Director
7	Mr. Gavin Patterson^	Non- Executive Director
8	Mr. Puneet Bhatia	Non- Executive Director
9	Mr. Vivek Mohan	Non- Executive Director
10	Ms. Karen Ann Terrell**	Non- Executive and Independent Director
11	Ms. Neelam Dhawan**	Non- Executive and Independent Director
12	Ms. Janaki Akella (w.e.f August 1, 2024)	Non- Executive and Independent Director
13	Ms. Somya Agarwal^	Company Secretary

### (c) Enterprise in which Director is interested

Sr. No	Particulars
1	Tario Partners LLP

### (d) Transaction and balances

		(in Rupees million)	
Sr. No	Nature of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
<b>1</b>	<b>Managerial remuneration</b>		
	Srikanth Velamakanni	74	57
	Pranay Agrawal	79	61
	Somya Agarwal	11	10
<b>2</b>	<b>Interest income</b>		
	Pranay Agrawal	14	10
<b>3</b>	<b>Loan given</b>		
	Pranay Agrawal	-	8
<b>4</b>	<b>Consulting services</b>		
	Tario Partners LLP	10	10
<b>5</b>	<b>Repayment of loan</b>		
	Pranay Agrawal	-	8
<b>6</b>	<b>Expenses incurred on behalf of associate company</b>		
	Qure.ai Technologies Private Limited	-	8
<b>7</b>	<b>Reimbursement of expense</b>		
	Qure.ai Technologies Private Limited	7	-

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(in Rupees million)

Sr. No	Balances	As at March 31, 2025	As at March 31, 2024
<b>1</b>	<b>Loans including interest accrued</b>		
	Pranay Agrawal	303	282
<b>2</b>	<b>Other receivables</b>		
	Qure.ai Technologies Private Limited	-	5
<b>3</b>	<b>Trade payables (Including provisions)</b>		
	Qure.ai Technologies Private Limited	-	1

\*\*The remuneration fees paid to non-executive directors amounting to ₹ 23 million and ₹ 16 million for the year ended March 31, 2025 and March 31, 2024 respectively.

^Total employee stock option expense for the year ended March 31, 2025 and March 31, 2024 includes a charge of ₹ 64 million and ₹ 106 million, respectively, towards key management personnel.

Refer note 12 with respect to initial public offer expenses.

Key managerial personnel who are under the employment of the Parent Company are entitled to post employment benefits recognized as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are amounts provided on the basis of actuarial valuation, the same is not included above. Gratuity has been computed for the entity as a whole and hence excluded.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

## 30 Leases

### Group as lessee

The Group entities have entered into cancellable leasing arrangement in respect of office premises and vehicles for a period of 2-5 years which are renewable on mutual consent.

### Ind AS 116 - Lease liabilities

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current	1,272	913
Current	356	218
<b>Total</b>	<b>1,628</b>	<b>1,131</b>

### (i) Movement in Lease liabilities:

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	1,131	516
Add: Additions on account of new leases	743	885
Add: Finance cost accrued during the year	121	41
Less: Termination/cancellation	(1)	(2)
Add: Exchange differences on translating the financial statements of foreign operations	5	4
Less: Payment of Lease liabilities	(371)	(313)
<b>Closing Balance</b>	<b>1,628</b>	<b>1,131</b>

### (ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Payable within one year	500	317
Payable later than one year and not later than five years	1,503	1,084

(iii) Following amounts are recognised in the Consolidated Statement of Profit and Loss

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on Right of use assets	340	249
Interest expense on lease liabilities	121	41
Expense relating to low value assets/short term leases (included in other expense)	130	80

The Group 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.

### 31 Fair Value Measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value - those include cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities.

	Level	(in Rupees million)	
		As at March 31, 2025	As at March 31, 2024
<b>(i) Fair value through profit and loss (FVTPL)</b>			
<b>Assets</b>			
Investments (Refer note a below)	2	5,614	4,455
Investments (Refer note b below)	3	64	79
Derivative asset	2	5	27
<b>Total assets</b>		<b>5,683</b>	<b>4,561</b>
<b>Liabilities</b>			
Derivative liability	2	44	-
<b>Total liabilities</b>		<b>44</b>	<b>-</b>
<b>(ii) Fair value through other comprehensive income</b>			
<b>Assets</b>			
Derivative asset	2	16	43
<b>Total assets</b>		<b>16</b>	<b>43</b>
<b>Liabilities</b>			
Derivative liability	2	37	-
<b>Total liabilities</b>		<b>37</b>	<b>-</b>
<b>(iii) Amortised cost</b>			
<b>Assets</b>			
Trade receivables		5,848	5,333
Cash and cash equivalents		2,649	812
Bank balance other than above		243	75
Loans		303	282
Other financial assets		199	159
<b>Total assets</b>		<b>9,242</b>	<b>6,661</b>
<b>Liabilities</b>			
Borrowings		2,662	2,501
Trade payables		620	512
Other financial liabilities		3,282	2,764
<b>Total liabilities</b>		<b>6,564</b>	<b>5,777</b>

Note: Carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, borrowings, trade payables and other financial liabilities as at year ended March 31, 2025 and year ended March 31, 2024 approximate the fair value.

- (a) Valuation technique : Fair value of investments and derivative assets/liabilities is considered based on the valuation quotes received from mutual fund house for investments and bankers for derivative instruments which are considered under level 2.

# Notes to the Consolidated Financial Statements

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## (b) Reconciliation of fair value measurement of the investment categorised at level 3:

(in Rupees million)

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>At fair value through profit and loss</b>		
Opening Balance	79	12
Addition during the year	15	0
Fair valuation (loss)/gain of financial instruments	(33)	67
Exchange differences on translating the financial statements of foreign operations	3	-
<b>Closing Balance</b>	<b>64</b>	<b>79</b>

Sensitivity of level 3 financial instrument's fair value to changes in significant unobservable inputs (price per share) used in their fair valuation:

(in Rupees million)

Particulars	Impact on profit after tax and equity	
	As at March 31, 2025	As at March 31, 2024
Level 3 Investments		
- Increase in per share price by 5%	2	3
- Decrease in per share price by 5%	(2)	(3)

Valuation of investments is determined basis transaction price determined acquisition value/independent valuation report.

### Note:

There are no transfers between any of these levels during the current and previous year.

## 32 Financial Risk Management Framework

The Parent Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Additionally, the Board for each Group entity is responsible for developing and monitoring the risk management policies. The Board holds regular meetings on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and each Company's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

### a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables, investments, cash and cash equivalents and other balances with banks. None of the financial instruments of the Company result in material concentration of credit risk.

#### Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Group generally keep the funds in the banks with high credit ratings, accordingly the Group considers that the related credit risk is minimal.

#### Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness. Outstanding customer receivables are regularly monitored.

The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

The Group's exposure to customers is diversified and one customer contributes to more than 10% of outstanding trade receivables (including unbilled receivables) as at March 31, 2025 (two customers as at March 31, 2024).

**The movement in the allowance for expected credit loss in respect of trade receivables is as follows:**

Particulars	(in Rupees million)	
	March 31, 2025	March 31, 2024
Balance at the beginning of the year	66	66
Movement during the year	3	-
Exchange differences on translating the financial statements of foreign operation	0	0
<b>Balance at the end of the year</b>	<b>69</b>	<b>66</b>

**Loans and other financial assets**

Loans and other financial assets mainly consists of security deposits and loan to related party. The security deposits pertains to rent deposits given to lessors. The Company does not expect any losses from non performance by these parties. Loans to related party is secured, accordingly the Group considers that the related credit risk is low.

**Investments**

Investments primarily include investment in liquid mutual fund units with high credit ratings assigned by external credit rating agencies, accordingly the Group considers that the related credit risk is low.

**Derivatives**

The derivatives are entered into with banks with good credit ratings.

**b) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. The Group has access to undrawn revolving credit facility as at March 31, 2025 amounting to USD 31 million (USD 28 million as at March 31, 2024) which could be used for the working capital needs as and when required.

**Maturities of financial liabilities**

The below table analyses the Company's financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows.

Particulars	Carrying amount	Undiscounted amount		
		<12months	1- 2 Years	> 2 Years
(in Rupees million)				
<b>As at March 31, 2025</b>				
<b>Non derivative financial instruments</b>				
Trade payables	620	620	-	-
Other financial liabilities	3,282	2,852	430	-
Lease liabilities	1,628	500	485	1,018
Borrowings	2,662	85	2,623	-
<b>Derivative financial instruments</b>				
Other Financial Liabilities	81	61	20	-
<b>As at March 31, 2024</b>				
<b>Non derivative financial instruments</b>				
Trade payables	512	512	-	-
Other financial liabilities	2,764	2,454	310	-
Lease liabilities	1,131	317	277	807
Borrowings	2,501	-	-	2,623

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## (c) Market risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – that will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

### (i) Currency risk

The Group is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the company's functional currency. The Group ensures that the net exposure is kept to an acceptable level.

#### Exposure to currency risk

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

#### As at March 31, 2025

Particulars	(in Rupees Million)			
	USD	EUR	GBP	Others
<b>Financial assets</b>				
Cash and cash equivalents	0	0	0	0
Trade receivables	7,983	476	24	61
<b>Net exposure to foreign currency (assets)</b>	<b>7,983</b>	<b>476</b>	<b>24</b>	<b>61</b>
<b>Financial liabilities</b>				
Trade payables	5	-	-	-
<b>Net exposure to foreign currency (liabilities)</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net exposure to foreign currency</b>	<b>7,978</b>	<b>476</b>	<b>24</b>	<b>61</b>

#### As at March 31, 2024

Particulars	(in Rupees Million)			
	USD	EUR	GBP	Others
<b>Financial assets</b>				
Cash and cash equivalents	0	0	0	0
Trade receivables	5,970	704	17	105
<b>Net exposure to foreign currency (assets)</b>	<b>5,970</b>	<b>704</b>	<b>17</b>	<b>105</b>
<b>Financial liabilities</b>				
Trade payables	38	1	-	-
Other financial liabilities	3	-	-	-
<b>Net exposure to foreign currency (liabilities)</b>	<b>41</b>	<b>1</b>	<b>-</b>	<b>-</b>
<b>Net exposure to foreign currency</b>	<b>5,929</b>	<b>703</b>	<b>17</b>	<b>105</b>

#### Sensitivity analysis of currency risk

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at year ended March 31, 2025 and year ended March 31, 2024 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignore any impact of forecast sales and purchases.

Particulars	(in Rupees Million)	
	Impact on profit after tax and equity	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>USD</b>		
- Increase by 5%	299	222
- Decrease by 5%	(299)	(222)

(in Rupees Million)

Particulars	Impact on profit after tax and equity	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>EUR</b>		
- Increase by 5%	18	26
- Decrease by 5%	(18)	(26)
<b>GBP</b>		
- Increase by 5%	1	1
- Decrease by 5%	(1)	(1)
<b>Others</b>		
- Increase by 5%	2	4
- Decrease by 5%	(2)	(4)

### Outstanding Derivative contracts

The Group hedges exposures to changes in foreign currency. The counterparty for these contracts is a bank. Contracts are valued at fair value through profit and loss and through other comprehensive income based on quotes received from the counter party.

The following table gives details in respect of outstanding hedge contracts:

Particulars	As at March 31, 2025		
	Notional amount of contracts (in million)	Notional amount of contracts (₹ in million)	Average strike price
<b>(fair valuation through profit and loss)</b>			
USD	50	4,231	85.48
EUR	5	459	92.55
<b>(fair valuation through other comprehensive income)</b>			
USD	68	5,770	85.48
EUR	8	782	92.55

Particulars	As at March 31, 2024		
	Notional amount of contracts (in million)	Notional amount of contracts (₹ in million)	Average strike price
<b>(fair valuation through profit and loss)</b>			
USD	17	1,376	83.41
EUR	-	-	-
<b>(fair valuation through other comprehensive income)</b>			
USD	61	5,089	83.41
EUR	7	603	89.99

The Group has entered into derivative instruments not in hedging relationship by way of foreign exchange forward and currency options. As at March 31, 2024 and as at March 31, 2025, the notional amount of outstanding contracts aggregated to Nil and ₹ 3,621 million respectively, and the respective fair value of these contracts have a gain of Nil and ₹ 27 million respectively.

Exchange fair value gain as at March 31, 2024 of ₹ 27 million on foreign exchange forward and currency options contracts that do not qualify for hedge accounting have been recognised in the consolidated statement of profit and loss and Exchange fair value gain of ₹ 12 million on foreign exchange forward and currency options that do not qualify for hedge accounting have been recognised in the consolidated statement of profit and loss for the year ended March 31, 2025.

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## Sensitivity analysis of Outstanding derivative contracts

A reasonably possible strengthening (weakening) of the Indian Rupee against USD and EUR currencies would have affected the measurement of financial instruments denominated in a foreign currency profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(in Rupees Million)

Particulars	Impact on profit after tax and equity	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>(fair valuation through profit and loss)</b>		
USD		
- Increase by 5%	158	51
- Decrease by 5%	(158)	(51)
EUR		
- Increase by 5%	17	-
- Decrease by 5%	(17)	-
<b>(fair valuation through other comprehensive income)</b>		
USD		
- Increase by 5%	216	190
- Decrease by 5%	(216)	(190)
EUR		
- Increase by 5%	29	23
- Decrease by 5%	(29)	(23)

### (ii) Interest rate risk

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 or change in interest rate on account of non compliance of covenants on borrowings. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

#### Exposure to interest rate risk

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Group is exposed to interest rate risk on the borrowing outstanding in the books at the end of each reporting year pursuant to movement in Term SOFR/LIBOR. The interest reset period or the amortization schedule is not fixed under this credit facility and hence the same has not been hedged.

#### Sensitivity analysis

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

(in Rupees Million)

Particulars	Impact on profit after tax and equity	
	Year ended March 31, 2025	Year ended March 31, 2024
Change in Term SOFR/LIBOR		
- Increase by 1%	(20)	(20)
- Decrease by 1%	20	20

### (iii) Capital management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

Net gearing ratio at the end of the reporting period is as follows:

Particulars	(in Rupees Million)	
	As at March 31, 2025	As at March 31, 2024
Borrowings	2,662	2,501
Less : Cash and cash equivalents	(2,649)	(812)
Less : Other bank balances	(243)	(75)
<b>Net Debt (A)</b>	<b>(230)</b>	<b>1,614</b>
<b>Total Equity (B)</b>	<b>17,654</b>	<b>14,199</b>
<b>Net Gearing Ratio (A/B)</b>	<b>-</b>	<b>0.11</b>

Investment in liquid mutual funds is not considered for computation of net debt.

## 33 Employee Stock Options Scheme (ESOP)

### A The expense recognised for employee services received during the year is shown in the following table:

Particulars	(in Rupees Million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Employee Stock Options Scheme (Refer note b)	271	641
Management Stock Options Scheme (Refer note c)	523	307
Employee Stock Options Scheme expense pertaining to subsidiaries*	4	15
<b>Total</b>	<b>798</b>	<b>963</b>

\*This expense pertains to ESOP of subsidiary companies and expense has been recognised using black-scholes model as per the terms of the respective plans.

### B Employee stock options scheme (ESOP)

The Company has granted options under Fractal Employees Stock Option Plan (ESOP) to its employees which was approved by its Board and Shareholders and further amended in line with the provisions of Companies Act, 2013. Pursuant to the Plan, the Parent Company has issued grants to its various employees from time to time from financial year ended March 31, 2008 to year ended March 31, 2025. These options vest over the period of 1-4 years from the grant date and are exercisable within 10 years from vesting date for 2007 scheme and are exercisable within 10 years from grant date for 2019 scheme. In the case of resignation of the employee, the vested grants lapse (if not exercised) after 60 days from the date of resignation from service. Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The employee compensation expense for the year is determined on fair value basis.

### Movement of Options Granted with Weighted Average Exercise Price (WAEP)

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of options	WAEP	No. of options	WAEP
Options outstanding at the beginning of the year	24,96,131	1,078	25,97,381	952
Options granted during the year	5,45,300	1,712	2,20,650	2,270
Options lapsed during the year	(1,29,640)	1,529	(2,02,139)	1,021
Options settled/cancelled/expired during the year	-	-	(100)	846
Options revived during the year <sup>^</sup>	525	2,202	-	-
Options exercised during the year	(4,16,628)	810	(1,19,661)	621
Options outstanding at the end of the year	24,95,688	1,239	24,96,131	1,078
<b>Options exercisable at the end of the year</b>	<b>13,91,967</b>	<b>967</b>	<b>13,52,786</b>	<b>850</b>

<sup>^</sup>Vested options have been revived for two employees vide Circular Resolution No: 04/2024-25/NRC dated July 16, 2024 and 04/2024-25/NRC dated September 10, 2024.

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The options granted under the above Scheme, shall vest in graded manner over a period of 1-4 years. Each option will entitle the participant to one equity share.

The weighted average fair values of the options granted during the year ended March 31, 2025 is ₹ 1,294 (year ended March 31, 2024 : ₹ 933).

The weighted average stock price of the options granted during the year ended March 31, 2025 is ₹ 1,712 (year ended March 31, 2024 : ₹ 2,270).

Weighted average remaining contractual life (years) of the options based on the exercise price :

Exercise Price	1	40*	279.81	595	610	640	846	2,270	3,128
No. of options outstanding	-	4,025	93,050	24,500	15,000	1,76,624	14,62,599	6,59,824	60,066
Weighted average remaining contractual life (in years)	-	0.05	4.14	4.27	6.26	6.61	7.34	8.79	7.12

\*Time limit for vested options have been extended for basis board approval.

The fair valuation of options has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

The key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Risk Free Rate	5.45 % - 9.19 %	5.45 % - 9.19 %
Option Life (Based on Simplified Average Method)	5 to 14 years	5 to 14 years
Expected Volatility*	9.76 % - 63.91 %	9.76 % - 63.91 %
Expected Growth in Dividend	0%	0%

\*Expected volatility during the expected term of the options is based on historical volatility of the observed market price of the publicly traded equity shares of comparable companies during the period equivalent to the expected term of the options.

## C Management Stock Options Scheme (MSOP)

The Company has granted stock option under its 'Employee Stock Option Plan (ESOP) Time/Performance Based Management Incentive Plan (MIP) 2019' to its employees which was approved by its Board and Shareholders. Pursuant to the Plan, the Company has issued grants to its various employees from time to time during the year ended March 31, 2025. Of these options, time based options will vest over the period of 1-4 years from the grant date, whereas performance based options will vest over satisfaction of milestones stipulated in performance based management plan. These MIP's are exercisable within 10 years from grant date. In the case of termination of employment without cause or resignation for good reason of the management personnel the vested grant lapses (if not exercised) after 3 months from the date of resignation from service. Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The management personnel compensation expense for the year is determined on fair value basis.

### Movement of Options Granted with Weighted Average Exercise Price (WAEP)

Particulars	Time Based		Performance Based		Time Based		Performance Based	
	As at March 31, 2025		As at March 31, 2025		As at March 31, 2024		As at March 31, 2024	
	No. of options	WAEP						
<b>Options outstanding at the beginning of the year</b>	<b>10,07,279</b>	<b>1,029</b>	<b>20,29,338</b>	<b>1,016</b>	<b>10,60,602</b>	<b>1,055</b>	<b>21,29,772</b>	<b>1,044</b>
Options granted during the year	-	-	-	-	-	-	-	-
Options lapsed during the year	(6,063)	924	(12,030)	1,202	(45,049)	1,676	(1,00,434)	1,598
Options settled/cancelled during the year	-	-	-	-	-	-	-	-
Options exercised during the year	(1,03,991)	1,054	-	-	(8,274)	880	-	-
<b>Options outstanding at the end of the year</b>	<b>8,97,225</b>	<b>1,027</b>	<b>20,17,308</b>	<b>1,015</b>	<b>10,07,279</b>	<b>1,029</b>	<b>20,29,338</b>	<b>1,016</b>
<b>Options exercisable at the end of the year</b>	<b>8,69,266</b>	<b>1,018</b>	<b>-</b>	<b>-</b>	<b>6,55,513</b>	<b>1,024</b>	<b>-</b>	<b>-</b>

The options granted under the above Scheme, shall vest in graded manner over a period of 1-4 years. Each option will entitle the participant to one equity share.

The weighted average fair values of the options granted during the year ended March 31, 2025 is ₹ Nil (for the year ended March 31, 2024 : Nil).

The weighted average stock price of the options granted during the year ended March 31, 2025 is ₹ Nil (for the year ended March 31, 2024 : Nil).

The fair valuation of option has been done by an independent firm of Chartered Accountants on the date of grant using the Binomial Model.

Weighted average remaining contractual life (years) of the options based on the exercise price :

Exercise Price	846	2,270
No. of options outstanding	25,61,246	3,53,287
Weighted average remaining contractual life ( in years)*	6.77	6.97

\*includes remaining contractual life of both time based and performance based MSOPs

The key assumptions for Binomial Model for calculating fair value as on the date of grant for respective year ended are as follows::

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Risk Free Rate	5.75% to 7.13%	5.75% to 7.13%
Option Life (Based on Simplified Average Method)	5 years	5 years
Expected Volatility*	19.98% -39.76%	19.98% -39.76%
Expected Growth in Dividend	0%	0%

\*Expected volatility during the expected term of the options is based on historical volatility of the observed market price of the publicly traded equity shares of comparable companies during the period equivalent to the expected term of the options.

## 34 Operating Segment

### Basis of segmentation

The Group's segments are reflected based on principal business activities carried on by the Group. The Group's businesses are as under:

- 1) Fractal.ai segment leverage core competencies in AI, engineering, design, along with deep domain expertise and are complemented with our functional capabilities. The Group leverages these competencies to provide bespoke AI consulting services and AI products, as a part of the Fractal.ai segment.

In addition, the Group sets up proprietary AI businesses to leverage the growing maturity of certain AI products and expand their addressable market beyond our target set of Must Win Clients and specific geographies.

- 2) Fractal alpha segment is focused on incubated and acquired Intellectual property solutions which includes Asper.ai, Flyfish.ai, Analytics Vidhya, Theremin and Eugenie. These pre-built AI products, designed to address both horizontal cross-industry and vertical industry-specific use cases are easy-to-use and can be efficiently deployed by clients with limited implementation efforts or customization.

During the year ended March 31, 2024, the Group has reclassified Crux.ai and Senseforth.ai from Alpha segment to Fractal.ai as the Group is building and strengthening its Gen AI offerings to its clients and considers these products to augment the offerings at Fractal.ai segment via Fractal.ai's Go-to-market (GTM) strategy resulting into an increase in buying centers for clients beyond traditional data analytical services. The Chief executive officer of the Group has been identified as Chief Operating Decision Maker (CODM) who allocates the resources based on analysis of various performance indicators of the Group as disclosed for the above segment. The CODM also expects the change will bring in synergies between the Crux.ai and Senseforth.ai teams and Fractal.ai teams in terms of cost and efficiency.

While Fractal.ai and Fractal Alpha are distinct segments of the Fractal Group, both segments contribute collaboratively to create solutions with both product and services in their scope to solve business problems of clients and cater to both the AI services and software markets.

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## Geographical information

The Group's operations are majorly based in America, Europe and APAC & Others.

## Segment accounting policies

Segment accounting policies are in line with accounting policies of the Group. In addition, the following specific accounting policies have been followed for segment reporting :

- i) Segment revenue includes income directly identifiable with the segments.
- ii) Segment result is derived after deducting employee related expenses, employee stock option expense and other expenses from segment revenue. Expenses and Incomes that are directly identifiable with the segments are considered for determining the segment result.
- iii) Expenses and Income which relate to the Group as a whole and not allocable to segments are included under "Unallocated".
- vi) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

Summarised segment information for the year ended March 31, 2025 and for the year ended March 31, 2024 is as follows:

(in Rupees million)

<b>March 31, 2025</b>					
<b>Particulars</b>	<b>Fractal.ai</b>	<b>Fractal alpha</b>	<b>Unallocated</b>	<b>Intersegment elimination</b>	<b>Total</b>
Revenue from operations	27,037	644	-	(27)	27,654
Segment result before employee stock option cost and retention bonus pursuant to acquisition*	5,084	(257)	(6)	-	4,821
Segment result	3,788	(283)	(6)	-	3,499
Other income	-	-	508	-	508
Finance cost	-	-	(577)	-	(577)
Depreciation and amortisation expense	-	-	(1,023)	-	(1,023)
Share of (loss) of associate	-	-	(297)	-	(297)
Exceptional items	-	-	270	-	270
<b>Profit before tax</b>					<b>2,380</b>

\*Employee stock option plan cost of ₹ 1,019 million and ₹ 10 million for Fractal.ai and Fractal alpha and retention bonus pursuant to acquisition of ₹ 277 million and ₹ 16 million respectively.

(in Rupees million)

<b>March 31, 2024</b>					
<b>Particulars</b>	<b>Fractal.ai</b>	<b>Fractal.alpha</b>	<b>Unallocated</b>	<b>Intersegment elimination</b>	<b>Total</b>
Revenue from operations	21,615	365	-	(17)	21,963
Segment result before employee stock option cost and retention bonus pursuant to acquisition *	2,769	(443)	(5)	-	2,321
Segment result	1,233	(494)	(5)	-	734
Other income	-	-	456	-	456
Finance cost	-	-	(445)	-	(445)
Depreciation and amortisation	-	-	(832)	-	(832)
Share of (loss) of associate	-	-	(163)	-	(163)
Exceptional items	-	-	(55)	-	(55)
<b>Profit before tax</b>					<b>(305)</b>

\*Employee stock option plan cost of ₹ 1,190 million and ₹ 15 million for Fractal.ai and Fractal alpha segment and retention bonus pursuant to acquisition of ₹ 347 million and ₹ 36 million respectively.

	(in Rupees million)	
	March 31, 2025	March 31, 2024
<b>Segment Asset</b>		
Fractal.ai	15,857	12,714
Fractal alpha	5,019	5,143
Unallocated	7,700	6,063
	<b>28,576</b>	<b>23,920</b>
<b>Segment Liabilities</b>		
Fractal.ai	5,553	5,910
Fractal alpha	1,079	178
Unallocated	4,290	3,633
	<b>10,922</b>	<b>9,721</b>
<b>Capital expenditure</b>		
Fractal.ai	764	462
Fractal alpha	120	91
Unallocated	771	956
	<b>1,655</b>	<b>1,509</b>

### Geographical disclosure

Geographical revenue is allocated based on the location of the customer. Information regarding geographical revenue is as follows :

Country	Year ended March 31, 2025	Year ended March 31, 2024
America		
- United States of America	18,022	13,578
- Other countries	333	422
Europe	4,841	4,303
APAC & Others		
- India	2,318	1,899
- Other countries	2,140	1,761
	<b>27,654</b>	<b>21,963</b>

Geographical non-current assets (Comprising of property, plant and equipment, right-of-use assets, goodwill, other intangible assets, income tax assets and other non-current assets) are allocated based on the location of the assets.

### Information regarding geographical non-current assets is as follows:

	(in Rupees million)	
Country	As at March 31, 2025	As at March 31, 2024
America		
- United States of America	4,174	4,068
Europe	7	19
APAC & Others		
- India	3,048	2,439
- Other countries	1	0
	<b>7,230</b>	<b>6,526</b>

### Disclosure of top customer having sales more than 10 % of the total revenues

	(in Rupees million)	
	% of Total sales	
Customer	As at March 31, 2025	As at March 31, 2024
(under Fractal.ai Segment) Customer A	10%	12%

### 35 Particulars of Subsidiaries Considered in the preparation of the Consolidated Financial Statements:

Subsidiaries	Country of incorporation/ Place of business	As at March 31, 2025	As at March 31, 2024
<b>(a) Subsidiaries directly held</b>			
Fractal Analytics Inc, USA	United States of America	100.00%	100.00%
Fractal Private Limited, Singapore	Singapore	100.00%	100.00%
Cuddle Artificial Intelligence Private Limited*	India	100.00%	100.00%
Final Mile Consultants Private Limited	India	100.00%	100.00%
Theremin AI Solutions Private Limited*	India	71.03%	97.30%
Eugenie Technologies Private Limited	India	100.00%	100.00%
Senseforth AI Research Private Limited	India	100.00%	100.00%
Analytics Vidya Educon Private Limited	India	55.92%	55.92%
Neal Analytics Services Private Limited	India	100.00%	100.00%
Fractal Alpha Private Limited	India	100.00%	100.00%
<b>(b) Subsidiaries indirectly held</b>			
Fractal Analytics UK Limited	United Kingdom	100.00%	100.00%
Fractal Analytics (Switzerland) GmbH	Switzerland	100.00%	100.00%
Fractal Analytics (Canada) Inc.	Canada	100.00%	100.00%
Fractal Analysis Germany GmbH (Germany)	Germany	100.00%	100.00%
Fractal Analytics Netherland B.V (Netherlands)	Netherlands	100.00%	100.00%
Cuddle.ai Inc.*^	United States of America	-	100.00%
Limited Liability Company Symphony (Ukraine)	Ukraine	100.00%	100.00%
Final Mile Consulting LLC	United States of America	100.00%	100.00%
Fractal Analytics Sweden AB	Sweden	100.00%	100.00%
Fractal Analytics (Shanghai) Limited	China	100.00%	100.00%
Fractal Analytics Malaysia SDN BHD	Malaysia	100.00%	100.00%
Fractal Analytics Australia Pty. Ltd	Australia	100.00%	100.00%
Theremin Multi strategy Fund LLP	India	71.03%	97.30%
Asper.AI Limited *	United Kingdom	96.69%	94.76%
Asper.AI Inc *	United States of America	96.69%	94.76%
Asper.AI Technologies Private Limited*^^	India	96.69%	94.76%
Senseforth AI Research Inc	United States of America	100.00%	100.00%
Eugenie Inc.	United States of America	100.00%	94.12%
Neal Analytics LLC^^^	United States of America	-	100.00%
Fractal LLC-FZ	United Arab Emirates	100.00%	100.00%
Fractal Frontiers Inc	United States of America	100.00%	100.00%
Analytics Vidhya Inc (w.e.f August 08, 2023)	United States of America	55.92%	55.92%
Fractal Japan KK (w.e.f August 21, 2023) #	Japan	-	100.00%
Fractal AI Limited (w.e.f June 26, 2024)	United Arab Emirates	100.00%	-

The Group is engaged in principal activity of Analytics, Machine Learning and Artificial Intelligence.

\*Based on equity holding excluding dilution due to convertible instruments and employee stock option pool of subsidiaries companies.

^During the year ended March 31, 2025, Cuddle.ai Inc. one of step down subsidiary filed for dissolution and was approved dated April 24, 2024 with State of Delaware to be effective from March 31, 2024 and subsequently all the approvals for dissolution have been received by March 31, 2025.

^^During the year ended March 31, 2024, parent entity had sold the shares of Asper.ai Technologies Private Limited to Asper.AI Inc, accordingly Asper.AI Technologies Private Limited has become indirect subsidiary w.e.f September 01, 2023.

^^^During the year ended March 31, 2025 subsidiary Neal Analytics LLC was merged with Fractal Analytics Incorporated, USA w.e.f April 09, 2024.

# During the year ended March 31, 2025, Fractal Japan KK has been dissolved w.e.f July 31, 2024.

The Group vide board resolution dated December 17, 2024 has approved scheme of arrangement amongst Cuddle Artificial Intelligence Private Limited, Final Mile Consultants Private Limited, Neal Analytics Services Private Limited, Theremin AI Solutions Private Limited, Fractal Alpha Private Limited, Eugenie Technologies Private Limited and Senseforth AI Research Private Limited subject to requisite approvals, consents permissions of the shareholders and creditors as applicable, of the Company and due sanction of National Company Law Tribunal (NCLT) Mumbai bench based on share exchange ratio as determined.

**35 As per Schedule III of the Companies Act 2013, the required information on subsidiaries is provided in the following table:**

**For year ended March 31, 2025**

(in Rupees million)

Name of the subsidiaries	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount
<b>Parent</b>								
Fractal Analytics Limited	110%	19,467	60%	1,321	75%	(37)	60%	1,284
<b>Subsidiaries</b>								
Fractal Analytics Inc., USA	5%	837	30%	665	192%	(96)	26%	569
Fractal Private Limited, Singapore	1%	143	0%	9	8%	(4)	0%	5
Cuddle Artificial Intelligence Private Limited	0%	5	0%	(1)	0%	-	0%	(1)
Final Mile Consultants Private Limited	1%	174	0%	10	0%	-	0%	10
Theremin AI Solutions Private Limited	0%	7	1%	25	0%	-	1%	25
Eugenie Technologies Private Limited	0%	2	2%	35	-4%	2	2%	37
Fractal Alpha Private Limited	0%	(0)	0%	(1)	0%	-	0%	(1)
Senseforth AI Research Private Limited	-1%	(213)	-6%	(141)	0%	0	-7%	(141)
Analytics Vidya Educon Private Limited	0%	(24)	-3%	(56)	2%	(1)	-3%	(57)
Neal Analytics Services Private Limited	0%	88	0%	5	0%	-	0%	5
<b>Step down Subsidiaries</b>								
Fractal Analytics UK Limited	4%	742	3%	69	-61%	31	5%	100
Asper.AI Inc	-3%	(605)	-11%	(240)	23%	(12)	-12%	(252)
Asper.AI Technologies Private Limited	1%	181	2%	39	-2%	1	2%	40
Senseforth AI Research Inc	0%	56	0%	1	-1%	1	0%	2
Asper.AI Limited, UK	0%	5	0%	0	0%	0	0%	0
Fractal Analytics (Switzerland) GmbH	0%	22	0%	3	-1%	0	0%	3
Fractal Analytics Malaysia SDN BHD	0%	4	0%	(2)	-1%	1	0%	(1)
Fractal Analytics (Germany) GmbH	0%	9	0%	(0)	0%	0	0%	0
Fractal Analytics (Canada) Inc.	0%	103	1%	24	5%	(3)	1%	21
Fractal Analytics Netherlands B.V	0%	20	0%	7	0%	0	0%	7
Fractal Analytics Australia Pty. Limited	1%	129	2%	43	6%	(3)	2%	40
Fractal Analytics Sweden AB	0%	(1)	0%	(2)	-9%	5	0%	3
Fractal Analytics (Shanghai) Limited	0%	34	0%	0	0%	(0)	0%	0
Fractal L.L.C-FZ	0%	25	1%	15	-1%	0	1%	15
Fractal AI Limited	0%	2	0%	2	0%	0	0%	2
Fractal Frontiers, Inc	0%	0	0%	(1)	0%	(0)	0%	(1)

# Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

Name of the subsidiaries	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount
	Limited Liability Company "Symphony (Ukraine)	0%	32	0%	3	8%	(4)	0%
Final Mile Consulting LLC	-2%	(283)	0%	8	0%	0	0%	8
Cuddle.ai Inc	0%	0	0%	0	0%	0	0%	0
Eugenie.AI INC	0%	3	5%	103	16%	(8)	4%	95
Theremin Multistrategy Fund LLP	0%	-	0%	-	0%	-	0%	-
Analytics Vidhya Inc	0%	1	0%	1	0%	0	0%	1
<b>Total</b>	<b>117%</b>	<b>20,965</b>	<b>88%</b>	<b>1,944</b>	<b>254%</b>	<b>(127)</b>	<b>84%</b>	<b>1,817</b>
Adjustments arising out of Consolidation:	-38%	(7,002)	-2%	(42)	-157%	78	2%	36
Adjustment for associate entity accounted under equity method	20%	3,570	15%	328	3%	(1)	15%	327
Non controlling interest	1%	122	-1%	(24)	0%	0	-1%	(24)
<b>Total</b>	<b>100%</b>	<b>17,654</b>	<b>100%</b>	<b>2,206</b>	<b>100%</b>	<b>(50)</b>	<b>100%</b>	<b>2,156</b>

As per Schedule III of the Companies Act 2013, the required information on subsidiaries is provided in the following table:

For year ended March 31, 2024

(in Rupees million)

Name of the subsidiaries	Net Assets i.e. Total Assets minus Total Liabilities		Share In Profit or Loss		Share In OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount
	<b>Parent</b>							
Fractal Analytics Limited	119%	16,898	-146%	799	93%	45	-169%	844
<b>Subsidiaries</b>								
Fractal Analytics Inc., USA	-4%	(587)	120%	(656)	0%	-	0%	(656)
Fractal Private Limited, Singapore	1%	132	0%	3	0%	-	0%	3
Cuddle Artificial Intelligence Private Limited	0%	6	-145%	795	0%	-	-159%	795
Final Mile Consultants Private Limited	1%	165	-3%	18	0%	-	-4%	18
Theremin AI Solutions Private Limited	0%	(16)	4%	(23)	0%	-	5%	(23)
Eugenie Technologies Private Limited	0%	(35)	-1%	6	5%	3	-2%	9
Fractal Alpha Private Limited	0%	(1)	0%	(0)	0%	-	0%	(0)
Asper.AI Technologies Private Limited	1%	140	-6%	31	-2%	(1)	0%	30
Senseforth AI Research Private Limited	-2%	(265)	17%	(94)	6%	3	0%	(91)
Analytics Vidya Educon Private Limited	0%	32	21%	(115)	0%	0	0%	(115)
Neal Analytics Services Private Limited	1%	83	0%	2	0%	-	0%	2
<b>Step down Subsidiaries</b>								
Fractal Analytics UK Limited	4%	553	-15%	83	0%	-	0%	83

Name of the subsidiaries	Net Assets i.e. Total Assets minus Total Liabilities		Share In Profit or Loss		Share In OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount
4i Consulting Inc	0%	-	0%	-	0%	-	0%	-
Asper.AI Inc	-3%	(361)	55%	(298)	0%	-	60%	(298)
Senseforth AI Research Inc	0%	54	9%	(52)	0%	-	10%	(52)
Asper.AI Limited, UK	0%	4	0%	0	0%	-	0%	0
Neal Analytics LLC	2%	253	-9%	48	0%	-	-10%	48
Fractal Analytics (Switzerland) GmbH	0%	18	0%	2	0%	-	0%	2
Fractal Analytics Malaysia SDN BHD	0%	5	0%	(0)	0%	-	0%	(0)
Fractal Analytics (Germany) GmbH	0%	9	0%	0	0%	-	0%	0
Fractal Analytics (Canada) Inc.	1%	80	-5%	26	0%	-	-5%	26
Fractal Analytics Netherlands B.V	0%	12	-1%	5	0%	-	-1%	5
Fractal Analytics Australia Pty. Limited	1%	88	-4%	23	0%	-	-5%	23
Fractal Analytics Sweden AB	0%	1	0%	0	0%	-	0%	0
Fractal Analytics (Shanghai) Limited	0%	33	-1%	3	0%	-	-1%	3
Fractal L.L.C-FZ	0%	10	-1%	7	0%	-	-1%	7
Fractal Frontiers, Inc	0%	(2)	0%	(1)	0%	-	0%	(1)
Limited liability Company "Symphony (Ukraine)	0%	29	-1%	3	0%	-	-1%	3
Final Mile Consulting LLP	-2%	(284)	0%	3	0%	-	-1%	3
Cuddle.ai Inc	0%	(0)	-79%	430	0%	-	-86%	430
Eugenie.AI INC	-3%	(373)	17%	(93)	0%	-	19%	(93)
Theremin Multistrategy Fund LLP	0%	-	0%	-	0%	-	0%	-
<b>Total</b>	<b>117%</b>	<b>16,681</b>	<b>-176%</b>	<b>955</b>	<b>102%</b>	<b>50</b>	<b>-202%</b>	<b>1,005</b>
Adjustments arising out of Consolidation:	-42%	(5,867)	222%	(1,211)	0%	(0)	244%	(1,211)
Adjustment for associate entity accounted under equity method	23%	3,243	40%	(219)	-2%	(2)	44%	(221)
Non controlling interest	1%	142	13%	(72)	0%	(0)	14%	(72)
<b>Total</b>	<b>100%</b>	<b>14,199</b>	<b>100%</b>	<b>(547)</b>	<b>100%</b>	<b>48</b>	<b>100%</b>	<b>(499)</b>

### 36 Investment accounted for using the equity method

As at March 31, 2025 the Group has interest of 31.51% (as at March 31, 2024 : 36.92 %) in Qure.ai Technologies Private Limited ('Qure.ai').

(in Rupees million)

(a) Particulars	As at March 31, 2025	As at March 31, 2024
Opening value of investment	4,259	4,479
(Loss) for the year	(298)	(165)
Remeasurement of retained interest in associate	297	(55)
<b>Aggregate carrying amount</b>	<b>4,258</b>	<b>4,259</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2025

(in Rupees million)

<b>(b) Summary of Statement of Balance sheet</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Non Current assets	704	529
Current assets	4,831	2,826
Non Current liabilities	(165)	(96)
Current liabilities	(702)	(757)
<b>Equity</b>	<b>4,668</b>	<b>2,502</b>

<b>(c) Summary of Statement of Profit and loss</b>	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
Revenue from operations and other income	1,904	1,540
Net loss after tax	(904)	(479)
Total comprehensive loss for the year	(908)	(481)
Group's share of loss in associate	(297)	(163)
Group's share of Other comprehensive income in associate	(1)	(2)
Group's share of Total comprehensive income in associate	(298)	(165)

## 37 Earnings Per Share

<b>Particulars</b>	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
Profit/(Loss) attributable to the equity holders of the Parent Company (in Rupees million)	2,230	(475)
Weighted average number of equity shares for Basic EPS (in nos)	3,07,82,447	3,04,71,259
Add : Potential equity shares on exercise of options (in nos)	25,90,313	27,38,085
Weighted average number of equity shares for Diluted EPS (in nos)	3,33,72,760	3,32,09,344
Earnings per share (in ₹):		
- Basic	72.44	(15.60)
- Diluted	66.82	(15.60)
Face value per equity share (₹)	1.00	1.00

Options granted to employees under the stock option plan are considered to be potential equity shares. Details relating to the options are set out in note 33. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. In view of losses during year ended March 31, 2024, the options are anti-dilutive. Accordingly, there is no variation between basic and dilutive earnings per share.

## 38 Commitments and Contingent Liabilities

(in Rupees million)

<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>(a) Commitments</b>		
Capital commitments	253	11
<b>(b) Contingent liabilities</b>		
Claims against the Group not acknowledged as debt:		
For income tax matters under appeal*	136	76
For good and service tax under appeal*	3	-

\*The Group believes that these claims are not tenable and hence no provision has been made in this regard. The amount of contingent liabilities is disclosed based on the best possible estimate, excluding consequential interest and penalty, if any, which in turn is based on the likelihood of possible outcomes of proceedings by the tax authorities and the possible cash outflow will be known on settlement of the proceedings by the tax authorities.

### 39 Corporate Social Responsibility

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Corporate social responsibility expenditure</b>		
Amount required to be spent as per Section 135 of the Companies Act, 2013	6	5
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) Purposes other than (i) above	7	7
(iii) nature of CSR activities		
i) Contribution to Public Trust		
ii) Contribution to Charitable Trust (The amount during the year has been spent towards water wheels for underprivileged people, providing artificial aids & appliances to disabled people, scholarship supports for higher education for girl students pursuing technical courses and bamboo plantation in tribal parts.)	7	7

### 40 Other Statutory Information

- (i) The Group has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries"); or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Group has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
  - (a) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries"); or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) The Group has not surrendered or disclosed any such transaction which is not recorded in the books of accounts as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**41 Subsequent event :** There are no material subsequent events which have occurred between the reporting date as on March 31, 2025 and the adoption of the financial statement by the board of directors as on May 20, 2025.

**42** he consolidated financial statement were authorised for issue by the Parent's Board of Directors on May 20, 2025.

As per our report of even date attached.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022 CIN: U72400MH2000PLC125369

For and on behalf of the Board of Directors of

**Fractal Analytics Limited**

**Rajesh Mehra**

Partner

Membership Number: 103145

**Srikanth Velamakanni**

Whole-Time Director

DIN: 01722758

**Sasha Gulu Mirchandani Somya Agarwal**

Director

DIN: 01179921

Company Secretary

Membership number:  
A17336

Mumbai

Date: May 21, 2025

Mumbai

Date: May 20, 2025

Mumbai

Date: May 20, 2025

Mumbai

Date: May 20, 2025





fractal



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