

NOTICE

NOTICE is hereby given that the **23rd Annual General Meeting (AGM)** of the members of **Fractal Analytics Private Limited** ('Company') will be held on Thursday, August 31, 2023, at 11:00 a.m. 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:

Registered Address:
Fractal Analytics Pvt. Ltd.

Level 7, Commerz II,
International Business Park,
Oberoi Garden City,
Off Western Express Highway,
Goregaon (E), Mumbai: 400 063
Phone: +91 [22] 68505800
www.fractal.ai

CIN U72400MH2000PTC125369

ORDINARY BUSINESS:

Item No. 1 – Adoption of audited financial statements for the financial year ended March 31, 2023, 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, 2023, 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, 2023, along with the reports of the Board of directors and the auditors, as circulated to the members, be and are hereby considered and adopted."

SPECIAL BUSINESS:

Item No. 2 – To appoint Ms. Karen Ann Terrell (DIN: 09764751) as Non-Executive Independent Director of the Company.

To consider and approve the appointment of Ms. Karen Ann Terrell (DIN: 09764751) as Non-Executive Independent Director of the Company and in this regard, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the 'Act') (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to 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, approval of the members be and is hereby accorded to appoint Ms. Karen Ann Terrell (DIN: 09764751), who was appointed as an Additional Non-Executive Independent Director by the Board of Directors of the Company (the 'Board') on October 26, 2022 basis the recommendations of the Nomination and Remuneration Committee of the Board and who holds office upto the date of this Annual General Meeting of the Company and qualifies for being appointed as an Independent Director, as a Non-Executive Independent Director for a period of

3 (three) consecutive years commencing from October 26, 2022 and who shall not be liable to retire by rotation.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, each of the directors of the Board and/or Somya Agarwal, Company Secretary of the Company, Ashwath Bhat and Satish Raman, Authorised Signatories of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, proper or desirable for such purpose, and to make any filings, including with the Registrar of Companies, Maharashtra at Mumbai, furnish any returns or submit any other documents to any government, statutory or regulatory authorities as may be required, and to settle any question, difficulty or doubt and to negotiate, finalize and execute all documents, papers, instruments and writings as they may deem necessary, proper, desirable or expedient and to give such directions and/or instructions as they may from time to time decide and to accept and give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as may be required; and any documents so executed and delivered or acts and things done or caused to be one shall be conclusive evidence of the authority of the Board in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Board, as the case may be.

RESOLVED FURTHER THAT each of the directors of the Company and/or Somya Agarwal, Company Secretary of the Company, Ashwath Bhat and Satish Raman, authorised signatories of the Company be and are hereby severally authorized to certify a copy of the above resolutions and issue the same to all concerned parties.

RESOLVED FURTHER THAT duly certified copies of the above resolutions be furnished to any governmental or regulatory authority as may be required from time to time."

Item No. 3 – To appoint Ms. Neelam Dhawan (DIN: 00871445) as Non-Executive Independent Director of the Company.

To consider and approve the appointment of Ms. Neelam Dhawan (DIN: 00871445) as Non-Executive Independent Director of the Company and in this regard, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the 'Act') (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to 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, approval of the members be and is hereby accorded to appoint Ms. Neelam Dhawan (DIN: 00871445), who was appointed as an Additional Non-Executive Independent Director by the Board of Directors on October 11, 2022, basis the recommendations of the Nomination and Remuneration Committee of the Board and who holds office

upto the date of this Annual General Meeting of the Company and qualifies for being appointed as an Independent Director, as Non-Executive Independent Director for a period of 3 (three) consecutive years commencing from October 11, 2022 and who shall not be liable to retire by rotation.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, each of the directors of the Board and/or Somya Agarwal, Company Secretary of the Company, Ashwath Bhat and Satish Raman, Authorised Signatories of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, proper or desirable for such purpose, and to make any filings, including with the Registrar of Companies, Maharashtra at Mumbai, furnish any returns or submit any other documents to any government, statutory or regulatory authorities as may be required, and to settle any question, difficulty or doubt and to negotiate, finalize and execute all documents, papers, instruments and writings as they may deem necessary, proper, desirable or expedient and to give such directions and/or instructions as they may from time to time decide and to accept and give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as may be required; and any documents so executed and delivered or acts and things done or caused to be one shall be conclusive evidence of the authority of the Board in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Board, as the case may be.

RESOLVED FURTHER THAT each of the directors of the Company and/or Somya Agarwal, Company Secretary of the Company, Ashwath Bhat and Satish Raman, authorized signatories of the Company be and are hereby severally authorized to certify a copy of the above resolutions and issue the same to all concerned parties.

RESOLVED FURTHER THAT duly certified copies of the above resolutions be furnished to any governmental or regulatory authority as may be required from time to time.

Item No. 4- To appoint Mr. Anurag Sud (DIN: 09591664) as Non-Executive Director of the Company.

To consider and approve the appointment of Mr. Anurag Sud (DIN: 09591664) as Non-Executive Director of the Company and in this regard, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

RESOLVED THAT that pursuant to the amended and restated Shareholders' Agreement dated December 12, 2021, read along with the amendment agreements thereof, executed by and between the Company, TPG Fett Holdings Pte. Ltd, Quinag Bidco Ltd., Mr. Pranay Agrawal, Mr. Srikanth Velamakanni, Ms. Chetana Kumar, Ms. Rupa Krishnan Agrawal, Mr. Narendra Kumar Agrawal, Mr. Gulu Mirchandani and Ms. Gita Mirchandani and the consent given by Mr. Anurag Sud (DIN: 09591664) in Form DIR-2 under Section 152(5) of Companies Act, 2013, approval of the members be and is hereby accorded to appoint Mr. Anurag Sud (DIN: 09591664), who was appointed as an Additional Non-Executive Director by the Board of Directors of the Company on August 09, 2023 basis the recommendations of the Nomination and Remuneration Committee of the Board, who qualifies for being appointed as a director

and who holds office upto the date of this Annual General Meeting of the Company, as Non-Executive Director on the Board of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, each of the directors of the Board and/or Ms. Somya Agarwal, Company Secretary of the Company, Mr. Ashwath Bhat and Mr. Satish Raman, authorized Signatories of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, proper or desirable for such purpose, and to make any filings, including with the Registrar of Companies, Maharashtra at Mumbai, furnish any returns or submit any other documents to any government, statutory or regulatory authorities as may be required, and to settle any question, difficulty or doubt and to negotiate, finalize and execute all documents, papers, instruments and writings as they may deem necessary, proper, desirable or expedient and to give such directions and/or instructions as they may from time to time decide and to accept and give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as may be required; and any documents so executed and delivered or acts and things done or caused to be one shall be conclusive evidence of the authority of the Board in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Board, as the case may be.

RESOLVED FURTHER THAT each of the directors of the Company and/or Ms. Somya Agarwal, Company Secretary of the Company, Mr. Ashwath Bhat and Mr. Satish Raman, authorised signatories of the Company be and are hereby severally authorized to certify a copy of the above resolutions and issue the same to all concerned parties.

RESOLVED FURTHER THAT duly certified copies of the above resolutions be furnished to any governmental or regulatory authority as may be required from time to time."

Item No. 5 - To consider and approve the payment of remuneration to Non-Executive Independent Directors of the Company.

To consider and approve the remuneration of Non-Executive Independent Directors of the Company and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') (including any statutory amendment, modification or re-enactment thereof for the time being in force), the rules, regulations, directions, and notifications issued/ framed thereunder, and pursuant to the approval of the Board, basis the recommendation of Nomination & Remuneration Committee, the consent of the members of the Company be and is hereby accorded for payment of remuneration to the Non-executive Independent Directors of the Company, in case of no profits/ inadequacy of profits for a period of 3 (three) years commencing from the financial year 2022-23 till 2024-25:

Independent Directors on Board	Annual Compensation (In USD)
Ms. Karen Ann Terrell	USD 100,000

Ms. Neelam Dhawan

USD 100,000

RESOLVED FURTHER THAT the members hereby approve that disbursement of all amounts which Ms. Karen Ann Terrell is entitled to receive pursuant to the terms of her Letter of Appointment (LoA) shall be paid to the credit of her bank account - DKT Living Trust, unless provided otherwise.

RESOLVED FURTHER THAT each of the directors of the Board, Ms. Somya Agarwal, Company Secretary of the Company, Mr. Ashwath Bhat and/or Mr. Satish Raman, authorised signatories of the Company be and are severally authorized to execute necessary documents or make all such necessary filings, intimations with or to the concerned regulatory, statutory or governmental authorities or third parties, as may be applicable in this regard, and do all such acts, deeds and things, as may be required for and on behalf of the Company, pursuant to, or for giving effect to this resolution.

RESOLVED FURTHER THAT duly certified copies of the above resolutions be furnished to any governmental or regulatory authority as may be required from time to time."

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



Somya Agarwal
Company Secretary
M No: A17336
Place: Mumbai
Date: August 09, 2023

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 No. 2, 3 & 4 of the AGM Notice.

Item No. 2 – To appoint Ms. Karen Ann Terrell (DIN: 09764751) as Non-Executive Independent Director of the Company.

The Board of Directors of the Company (the 'Board'), basis the recommendations of the Nomination and Remuneration Committee, had appointed Ms. Karen Ann Terrell (DIN: 09764751) as an Additional Non – Executive Independent Director of the Company for a period of three consecutive years with effect from October 26, 2022.

The Company has received from her all-statutory disclosures / declarations including, (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Ms. Karen Ann Terrell, is a well-respected business leader and brings with her a rich knowledge and plethora of experience in the field of technology engineering and support for global supply chains, merchandising, finance, cyber security and enterprise infrastructure. She has been a transformational technology leader in Automotive, Pharma, and Retail industries where she drove technology modernization and transformed technology stacks which allowed business model transformation for the companies she was associated with. Also, her vast experience in the realm of data platforms and analytics will greatly benefit the Company. She possesses integrity and relevant proficiency, which will bring tremendous value to the Board and to the Company. She fulfils the conditions for independence as specified in the Act, the Rules made thereunder, for the time being in force, to the extent applicable to the Company.

Ms. Karen Ann Terrell is entitled to sitting fees in accordance with the policies of the Company and remuneration by way of profit-based commission or any other payment in case of inadequacy of profits as may be recommended by the Board, up to a maximum of USD 100,000 per annum, subject to the provisions of the Act and within the overall ceiling limits under the Act and approved by the Shareholders from time to time. Further, the Company may pay or reimburse to you such fair and reasonable expenditure in accordance with the Company's policy, as may have been incurred by you, on reasonable out of pocket actuals while discharging your duties as an Independent Director of the Company. This may include reimbursement of reasonable out-of-pocket expenditure incurred by you for attending Board / Committee meetings, annual general meetings, extraordinary general meetings, court convened meetings and such other functions as may be prescribed by the Board, in furtherance of your duties as an Independent Director. The Company will reimburse business class travel expenses for Board meetings attended in person and make stay and local hospitality arrangements.

A copy of the draft appointment letter appointing Ms. Karen Ann Terrell as an independent director and setting out the terms and conditions of her appointment will be available for inspection at the registered office of the Company.

Pursuant to the provisions of Section 161 of the Act, an additional director appointed by the Board shall hold office up to the date of the ensuing AGM and shall be appointed as a director by the members. Accordingly, Ms. Karen Ann Terrell (DIN: 09764751) holds office as an Additional Non-Executive Independent director up to the date of this Annual General Meeting and her appointment is hereby placed for the approval of members.

The Board recommends the Ordinary Resolution as set out at item No: 2 of the Notice for the approval of Members.

Except Ms. Karen Ann Terrell, to whom the resolution relates, none of the Directors, Key Managerial Personnel or any of their relatives are in anyway concerned or interested in the said resolution.

Item No. 3 – To appoint Ms. Neelam Dhawan (DIN: 00871445) as Non-Executive Independent Director of the Company.

The Board of Directors of the Company (the 'Board'), basis the recommendations of the Nomination and Remuneration Committee, had appointed Ms. Neelam Dhawan (DIN: 00871445) as an Additional Non – Executive Independent Director of the Company for a period of three consecutive years with effect from October 11, 2022.

The Company has received from her all-statutory disclosures / declarations including, (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Ms. Neelam Dhawan, is a recognized business leader and who brings with her a gamut of expertise in managing complex technology businesses. She is known to be one of the key participants in shaping the IT industry in India and has phenomenal experience of IT transformation across multiple industries – banking and finance, telecommunications, manufacturing, health care and government. She possesses integrity and relevant proficiency, which will bring tremendous value to the Board and to the Company. Also, she fulfils the conditions for independence as specified in the Act read with applicable rules made thereunder, for the time being in force, to the extent applicable to the Company.

Ms. Neelam Dhawan is entitled to sitting fees in accordance with the policies of the Company and remuneration by way of profit-based commission or any other payment in case of inadequacy of profits

as may be recommended by the Board, up to a maximum of USD 100,000 per annum, subject to the provisions of the Act and within the overall ceiling limits under the Act and approved by the Shareholders from time to time. Further, the Company may pay or reimburse to you such fair and reasonable expenditure in accordance with the Company's policy, as may have been incurred by you, on reasonable out of pocket actuals while discharging your duties as an Independent Director of the Company. This may include reimbursement of reasonable out-of-pocket expenditure incurred by you for attending Board / Committee meetings, annual general meetings, extraordinary general meetings, court convened meetings and such other functions as may be prescribed by the Board, in furtherance of your duties as an Independent Director. The Company will reimburse business class travel expenses for Board meetings attended in person and make stay and local hospitality arrangements.

A copy of the draft appointment letter appointing Ms. Neelam Dhawan as an independent director and setting out the terms and conditions of her appointment will be available for inspection as the registered office of the Company.

Pursuant to the provisions of Section 161 of the Act, an additional director appointed by the Board shall hold office up to the date of the ensuing AGM and shall be appointed as a director by the members. Accordingly, Ms. Neelam Dhawan (DIN: 00871445) holds office as an Additional Non-Executive Independent director up to the date of this Annual General Meeting and her appointment is hereby placed for the approval of members.

The Board recommends the Ordinary Resolution as set out at item No: 3 of the Notice for the approval of Members.

Except Ms. Neelam Dhawan, to whom the resolution relates, none of the Directors, Key Managerial Personnel or any of their relatives are in anyway concerned or interested in the said resolution.

Details pursuant to SS-2 issued by the Institute of Company Secretaries of India for appointment of Directors is stated herewith:

Name	Karen Ann Terrell	Neelam Dhawan
DIN	09764751	00871445
Date of Birth (Age)	March 22, 1961 (62 years)	October 22, 1959 (63 years)
Nationality	Canadian	Indian
Date of Appointment as Director	October 26, 2022	October 11, 2022
Designation	Additional Non-Executive Independent Director	Additional Non-Executive Independent Director
Qualification	<ul style="list-style-type: none"> MSEE, Electrical Engineering from Purdue University (1988) 	<ul style="list-style-type: none"> MBA Degree from Faculty of Management Studies, University of Delhi, India (1982)

	<ul style="list-style-type: none"> BSEE from Kettering University (1986) 	<ul style="list-style-type: none"> Economics Graduate from St Stephen's College, Delhi University (1980)
Experience/Expertise	<ul style="list-style-type: none"> Founding Partner of KAT Advisory LLC. Currently a Senior Advisor for Insight Partners, LLC. Former Chief Digital and Technology Officer for GlaxoSmithKline, Previously, CIO for Walmart, Baxter International Inc. and Daimler Chrysler. Member of the board of trustees for the New York Hall of Science Served on the President's Global Council of Women Leaders at Walmart; Executive sponsor of Science, Technology, Engineering and Math (STEM) initiatives 	<ul style="list-style-type: none"> Currently Non-executive director on the Board of ICICI Bank Limited, Capita PLC and Yatra Online Inc. and the Chairperson of Capillary Technologies Previously on the Supervisory Board of Royal Philips, Netherlands Previously, Managing Director with Microsoft, and HP, India Previously, Head of IBM India Advisory board; Served on the NASSCOM Executive Council between 2009 to 2017.
Terms and Conditions of Appointment	Non-Executive Independent Director appointed for a term of 3 (Three) consecutive years w.e.f. October 26, 2022, and not liable to retire by rotation.	Non-Executive Independent Director appointed for a term of 3 (Three) consecutive years w.e.f. October 11, 2022, and not liable to retire by rotation.
Remuneration sought to be paid	As per the terms of Appointment letter	As per the terms of Appointment letter
Remuneration last drawn	13.67	23.67
Justification for choosing the appointees for appointment as Independent Directors	Given her expertise and knowledge as already detailed above, the board considers her appointment would be of immense benefit to the Company.	Given her expertise and knowledge, as already detailed above, the board considers her appointment would be of immense benefit to the Company.
Number of Meetings of the Board attended during the year	2 (Two) Board Meetings, 1 (One) Independent Director Meeting	2 (Two) Board Meetings, 1 (One) Independent Director Meeting

¹ Amount in Rs Millions.

² Amount in Rs Millions.

Shareholding in the company	Nil	Nil
List of Other Directorships	1. UIPath, Inc.	1. ICICI Bank Limited 2. Yatra Online Inc. 3. Capillary Technologies India Limited 4. Capita PLC 5. Yatra Online Limited 6. Nudge Lifeskills Foundation
List of Chairmanship or membership of various Committees in other companies	Refer Annexure A attached to the explanatory statement.	Refer Annexure A attached to the explanatory statement.
Relationship with other Directors of the Company	Not Related	Not Related

Item No. 4- To appoint Mr. Anurag Sud (DIN: 09591664) as Non-Executive Director of the Company.

Mr. Anurag Sud (DIN: 09591664), was appointed as Additional Non-Executive Director of the Company by the Board of Directors on August 09, 2023 basis the recommendations by the Nomination and Remuneration Committee. As per the amended and restated Shareholders' Agreement dated December 12, 2021, read along with the amendment agreements thereof, APAX is entitled to nominate 2 directors on the Board of Directors of the Company. Further, pursuant to the resignation tendered by Mr. Shashank Singh, Mr. Anurag Sud was nominated by APAX in his place to represent APAX on the Board of the Company in accordance with the aforesaid agreement.

The Company has received from him all statutory disclosures / declarations including, (i) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act.

Pursuant to the provisions of Section 161 of the Act, an Additional director, appointed by the Board shall hold office up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Mr. Anurag Sud (DIN: 09591664) holds office as an Additional Non-Executive director up to the date of this Annual General Meeting and accordingly his appointment is proposed for the approval of the members.

The Board recommends the Ordinary Resolution as set out at Item no: 4 of the Notice for the approval of members.

Except Mr. Anurag Sud, being appointee, none of the Directors, Key Managerial Personnel or any of their relatives are in anyway concerned or interested, financially or otherwise, in the said resolution.

Details pursuant to SS-2 issued by the Institute of Company Secretaries of India for appointment of Directors is stated herewith:

Name	Anurag Sud
DIN	09591664
Date of Birth (Age)	January 09, 1987 (36 years)
Nationality	Indian
Date of first Appointment as Director	August 09, 2023
Designation	Additional Non-Executive Director
Qualification	<ul style="list-style-type: none"> • MBA with Honors from the University of Chicago Booth School of Business. • Bachelor's degree in electrical engineering from the Indian Institute of Technology Delhi.
Experience/Expertise	<ul style="list-style-type: none"> • Managing Director in the Tech team and Head of India at Apax. • Prior to joining Apax, he was a Principal at Baring Private Equity Asia (part of EQT), where he focused on buyouts in the technology and healthcare sectors, completing eight investments during his tenure. • Before pursuing his MBA, he was a part of the growth equity investment team at Fidelity and the investment banking practice at Rothschild India.
Terms and Conditions of Appointment	Not Applicable
Remuneration sought to be paid	Not Applicable
Remuneration last drawn	Not Applicable
Number of Meetings of the Board attended during the year	Not Applicable
Shareholding in the company	Nil
List of Other Directorships	Apax Partners India Advisers Private Limited
List of Chairmanship or membership of various Committees in other companies	Nil
Relationship with other Directors of the Company	Not Related

Item No. 5 - To consider and approve the payment of remuneration to Non-Executive Independent Directors of the Company.

Basis the recommendations of the Nomination and Remuneration Committee (NRC), the Board on October 11, 2022, and October 26, 2022, had approved the appointment of Ms. Neelam Dhawan & Ms. Karen Ann Terrell as Additional Non-Executive Independent Directors of the Company and at such remuneration such that each of them be respectively paid sitting fee (if any), in accordance with the policies of the Company and remuneration by way of profit based commission or any other payment in case of inadequacy of profits as may be recommended by the Board, up to a maximum of USD 100,000 per annum and reimbursed expenses for attending Board and Board committee meetings as per Article of Association of the Company, as may be approved by the Board from time to time in accordance with the applicable laws and approved by the members from time to time.

The Board accordingly, hereby recommends to the members for approval the payment of remuneration to the above Non-Executive Independent Directors of the Company in case of no profits/ inadequacy of profits, in accordance with the provisions of Section 149(9) and all other applicable provision of the Companies Act, 2013 read with applicable rules, regulations (including any statutory modification(s) thereto or re-enactments thereof, for the time being in force, for a period of three years starting from the financial year 2022-23 till 2024- 25 and as listed below:

Independent Directors on Board	Annual Compensation (In USD)
Ms. Karen Ann Terrell	USD 100,000
Ms. Neelam Dhawan	USD 100,000

It is further informed that disbursement of all amounts, which Ms. Karen Ann Terrell is entitled to receive pursuant to the terms of her Letter of Appointment (LoA), is to be paid to the credit of her bank account - DKT Living Trust.

Except for Ms. Neelam Dhawan & Ms. Karen Ann Terrell, to whom the resolution relates, none of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolution.

The Board of Directors accordingly recommend the Special Resolution set out at Item No. 4 of the Notice for the approval of the Members.

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


Somya Agarwal
Company Secretary

M No: A17336

Place: Mumbai

Date: August 09, 2023



ANNEXURE A

List of Chairmanship or membership of various Committees in other companies

MS. NEELAM DHAVAN

S. No.	Name of the Company	Name of the Committee	Chairperson/ Member
1.	ICICI Bank Limited	Board Governance, Remuneration & Nomination Committee	Chairperson
		Fraud Monitoring Committee	Member
		Information Technology Strategy Committee	Member
		Review Committee for identification of willful defaulters/non-co-operative borrowers	Member
2.	Yatra Online Inc	Compensation Committee	Chairperson
		Nominating and Corporate Governance Committee	Chairperson
3.	Capita PLC	Nomination Committee	Member
		Audit and Risk Committee	Member
		Remuneration Committee	Member
4.	Capillary Technologies India Limited	Risk Management Committee	Chairperson
		Audit Committee	Member
		Nomination and Remuneration Committee	Member
5.	Yatra Online Limited	Corporate Social Responsibility Committee	Chairperson
		Stakeholders Relationship Committee	Chairperson
		Nomination and Remuneration Committee	Member
		IPO Committee	Member
6.	Nudge Lifeskills Foundation	-	-

MS. KAREN ANN TERREL

S. No.	Name of the Company	Name of the Committee	Chairperson/ Member
1.	UiPath	Audit Committee	Member

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**
- 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. 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 Act, 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.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested 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.
6. Members are requested to notify any change of address or email id to the Company immediately.
7. 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.
8. Members who hold shares in hard/physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization and to eliminate any possibility of loss of documents and bad deliveries.
9. Route-map to the venue of the ensuing annual general meeting is enclosed.

ROUTE MAP FOR THE VENUE TO THE 23rd ANNUAL GENERAL MEETING



Fractal Analytics Private Limited

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

ATTENDANCE SLIP

Name of the Company : Fractal Analytics Private Limited
 Registered office : Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon (East), Mumbai – 400063
 CIN : U72400MH2000PTC125369

Registered Address:
Fractal Analytics Pvt. Ltd.

Level 7, Commerz II,
 International Business Park,
 Oberoi Garden City,
 Off Western Express Highway,
 Goregaon (E), Mumbai 400 063
 Phone: +91 (22) 68505800
 www.fractal.ai

CIN U72400MH2000PTC125369

23rd Annual General Meeting – August 31, 2023

Registered Follo 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 23rd Annual General Meeting of the Company held Thursday, August 31, 2023, at 11:00 a.m. 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 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 Private Limited**
 Registered office : **Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon(East), Mumbai – 400063**
 CIN : **U72400MH2000PTC125369**

23rd Annual General Meeting – August 31, 2023

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:.....

or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 23rd Annual General Meeting of the Company, to be held on Thursday, August 31, 2023 at 11:00 a.m. 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
Ordinary Business:	
1.	Ordinary Resolution to receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended on March 31, 2023 and the reports of the Board of Directors and auditors thereon.
Special Business:	
2.	Ordinary Resolution for appointment of Ms. Karen Ann Terrell (DIN: 09764751) as Non-Executive Independent Director of the Company.
3.	Ordinary Resolution for appointment of Ms. Neelam Dhawan (DIN: 00871445) as Non-Executive Independent Director of the Company.
4.	Ordinary Resolution for appointment of Mr. Anurag Sud (DIN: 09591664) as Non-Executive Director of the Company
5.	Special Resolution for payment of remuneration to Non-executive Independent Directors of the Company.

Signed this day of....., 2023

Affix Revenue
Stamp

.....
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 before the commencement of the meeting. The members are also requested to share the scanned copy of the form at somya.agarwal@fractal.ai before the commencement of the ensuing Annual General Meeting.

Registered Address:
Fractal Analytics Pvt. Ltd.

Level 7, Commerz II,
International Business Park,
Oberoi Garden City,
Off Western Express Highway,
Goregaon East, Mumbai 400 063.
Phone: +91 22 6850 5800
www.fractal.ai

CIN U72400MH2000PTC125369

BOARD REPORT

Dear Shareholders,

Your Board of Directors are pleased to present the 23rd Annual Report on the business and operations of the Company along with the audited financial statements (including audited consolidated financial statements) for the financial year ended March 31, 2023.

FINANCIAL SUMMARY

The extract of the financial results for the financial year ended as on March 31, 2023, are as follows:

Particulars	Standalone		Consolidated	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(INR Million)	(INR in Million)	(INR in Million)	(INR in Million)
Total Income	10,085	6,708	20,437	13,140
Less: Total Expenses	9,602	6,765	22,252	14,615
Profit/(Loss) before exceptional items	483	(57)	¹ (2,105)	(1,475)
Less: Exceptional Items	898	-	5,239	-
Profit/(Loss) before tax	(415)	(57)	3,134	(1,475)
Less: Provision for Tax	145	(31)	1,190	9
Profit/(Loss) after Tax	(560)	(26)	1,944	(1,484)
Other comprehensive income/ (loss)	20	(28)	97	81
Total Comprehensive Income/ (loss)	(540)	(54)	2,041	(1,403)

DIVIDEND

Your Board of Directors (the 'Board') feel 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, 2023.

¹ After adjusting share of loss of associate.

TRANSFER OF RESERVES

During the year under review, your Company has not made any transfer to reserves.

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

At the standalone level, the total income of the Company during the financial year under review increased by 50.34% from INR 6,708 million in the previous financial year to INR 10,085 million. Loss before tax for the period under review stood at INR 415 million as against loss of INR 57 million in the previous financial year. Loss after tax for the period under review stood at INR 560 million as against loss of INR 26 million in the previous financial year.

At the consolidated level, the total income of the Company during the year financial under review increased by 55.53% from INR 13,140 million in the previous year to INR 20,437 million. Profit before tax stood at INR 3,134 million as against loss of INR 1,475 million in the previous year. Profit after tax stood at INR 1,944 million as against loss of INR 1,484 million in the previous year.

NATURE OF BUSINESS AND CHANGES DURING THE YEAR, IF ANY

Your Company continues to provide advanced analytics that help companies leverage data driven insights in taking considered decisions. As such, there was no change in the nature of business or operations of the Company during the year under review.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

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 Articles of Association of the Company. As on March 31, 2023, the Board comprises of 10 (Ten) Directors.

Appointment of Independent Directors

During the financial year under review, the following directors were inducted to the Board:

1. 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 of the Company, the Board of Directors on October 11, 2022, by way of a circular resolution, had approved the appointment of Ms. Neelam Dhawan (DIN: 00871445) as an Additional Non-Executive Independent Director of the Company for a period of three consecutive years from the date of approval of the circular resolution i.e. October 11, 2022 and who shall not be liable to retire by rotation.
2. 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 of the Company, the Board of Directors on October 26, 2022, by way of a circular resolution, approved the appointment of Ms. Karen Ann Terrell (DIN: 09764751) as an Additional Non-Executive Independent Director of the Company for a period of three consecutive years from the date of approval of the circular resolution i.e. October 26, 2022 and who shall not be liable to retire by rotation.

The Board opines that both Ms. Neelam Dhawan (DIN: 00871445) and Ms. Karen Ann Terrell (DIN: 09764751), Additional Non-Executive Independent Directors on the Board of your Company possess the requisite expertise, qualification and are also eligible to act Independent Directors of the Company.



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

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.

She has been a key participant in shaping the IT industry in India. Her career span covered the industry's major milestones and had the opportunity to work alongside the key architects of the sector in India. She was on the NASSCOM Executive Council from 2009 to 2017 and made significant contributions to the industry strategy and public policy frameworks. She is passionate on encouraging Diversity at Work and Women in Technology. She has been working on various initiatives to encourage STEM education for girls.

(For detailed profile please refer the link – Leadership | Fractal)

Ms. Karen Ann Terrell is the former Chief Digital and Technology Officer for GlaxoSmithKline. Her responsibilities at GSK included leadership for all information technology as well as Data, Analytics and Digital Transformation (GSK split into 2 legal entities- a BioPharma company and a separate Consumer Health Company which went public as Haleon in July of 2022). She has been the Chief Information Officer for Walmart from 2010 to March 2017 and has been associated with various other organisations - Baxter International, Inc., Daimler Chrysler, General Motors.

She has been a transformational technology leader in the Automotive, Pharma, and Retail industries where she drove technology modernization and transformed technology stacks which allowed business model transformation for the companies in which she worked. Her technology remit included responsibility for all cyber security efforts globally.

Her capabilities include deep knowledge regarding technology engineering and support for global supply chains, merchandising, finance, cyber security, and enterprise infrastructure.

(For detailed profile please refer the link – Leadership | Fractal)

The Board recommends the appointment of the aforesaid directors for the approval of the members at the ensuing 23rd Annual General Meeting ("AGM") of your Company.

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 Act 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 sitting fees, commission, and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company. The Independent Directors have confirmed that they have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs.

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 Act and applicable rules made thereunder.

Annual Evaluation

The Independent Directors were appointed in the month of October 2022 and their first meeting was held on February 28, 2023. The Independent Directors, at the said meeting, had deliberated on the process and mechanisms relating to Board Evaluation and had shared their recommendations. The Company bas the said recommendations is currently evaluating the same.

Key Managerial Personnel

During the financial year under review, there was no changes in Key Managerial Personnel

NUMBER OF BOARD AND COMMITTEE MEETINGS, INDEPENDENT DIRECTOR'S MEETINGS AND GENERAL MEETINGS.

During the 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 – 6 Meetings.

Sr. No.	Date of meeting	Number of meetings
1.	April 25, 2022	Board meeting (Serial number: 01/2022-23)
2.	June 22, 2022	Board meeting (Serial number: 02/2022-23)
3.	July 22, 2022	Board meeting (Serial number: 03/2022-23)
4.	September 09, 2022	Board meeting (Serial number: 04/2022-23)
5.	December 14, 2022	Board meeting (Serial number: 05/2022-23)
6.	March 06, 2023	Board meeting (Serial number: 06/2022-23)

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.	February 28, 2023	Independent Directors meeting (Serial number: 01/2022-23)

3. *Audit and Risk Committee:

Total no of meetings held – 4 Meetings.

Sr. No.	Date of meeting	Number of meeting
1.	June 22, 2022	Audit and Risk Committee (Serial number: ARC-1/2022-23)
2.	September 09, 2022	Audit and Risk Committee (Serial number: ARC-2/2022-23)
3.	December 14, 2022	Audit and Risk Committee (Serial number: ARC-3/2022-23)
4.	March 06, 2023	Audit and Risk Committee (Serial number: ARC-4/2022-23)

4. *Nomination and Remuneration Committee:

Total no of meetings held – 1 Meeting.

Sr. No.	Date of meeting	Number of meeting
1.	December 14, 2022	Nomination & Remuneration Committee (Serial number: NRC-1/2022-23)

5. * Corporate Social and Responsibility (CSR) Committee:

During the period under review, there were no CSR meetings held.

6. Annual General Meeting:

Sr. No.	Date of meeting	Number of meetings
1.	July 29, 2022	22 nd Annual General Meeting

7. Extra-ordinary General Meetings:

Total no of meetings held – 2 Meetings.

Sr. No.	Date of meeting	Number of meetings
1.	April 26, 2022	Extra-ordinary General Meeting (Serial number: 01/2022-23)
2.	December 15, 2022	Extra-ordinary General Meeting (Serial number: 02/2022-23)

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.

Reconstitution of Committees

During the financial year under review, the Board of the Company had on November 15, 2022, pursuant to the amended and restated Shareholder’s Agreement dated December 12, 2021, read along with the amendment agreements (“SHA”), approved the re-constitution of the Audit and Risk Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

The details of re-constitution are as follows:

A. Audit and Risk Committee:

Sr. No.	Name of the Director	Category
1.	Mr. Gavin Patterson	Chairman
2.	Mr. Puneet Bhatia	Member
3.	Mr. Rohan Haldea	Member
4.	Mr. Srikanth Velamakanni	Member
5.	Mr. Gulu Mirchandani	Member

B. Nomination and Remuneration Committee:

Sr. No.	Name of the Director	Category
1.	Mr. Puneet Bhatia	Chairman
2.	Mr. Rohan Haldea	Member
3.	Mr. Srikanth Velamakanni	Member
4.	Mr. Gulu Mirchandani	Member

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

Sr. No.	Name of the Director	Category
1.	Mr. Puneet Bhatia	Chairman
2.	Mr. Shashank Singh	Member
3.	Mr. Srikanth Velamakanni	Member
4.	Mr. Gulu Mirchandani	Member

*Further, the Board of Directors of the Company at their meeting held on December 14, 2022, has renamed the Corporate Social Responsibility ('CSR') Committee as Corporate Social Responsibility & Environmental, Social, and Governance ('CSR & ESG') Committee and had accordingly modified the terms of reference of the said committee.

Resolution passed by Circulation:

In case of a special and urgent business need, the Board's/ Committees' approval was taken by passing resolution by circulation pursuant to the applicable provisions of the Companies Act 2013 and the same were noted and confirmed at the respective subsequent Board / Committee Meeting.

The following Circular Resolutions were passed during the financial year 2022-23:

1. Board of Directors:

Sr. No.	Circular Resolution No.	Date of passing
1.	1/2022-23/BM to 5/2022-23/BM	May 7, 2022
2.	6/2022-23/BM & 7/2022-23/BM	May 20, 2022
3.	8/2022-23/BM	June 13, 2022
4.	9/2022-23/BM to 13/2022-23/BM	June 20, 2022
5.	14/2022-23/BM & 15/2022-23/BM	July 5, 2022
6.	16/2022-23/BM to 18/2022-23/BM	August 17, 2022
7.	19/2022-23/BM to 22/2022-23/BM	August 19, 2022
8.	23/2022-23/BM	October 4, 2022
9.	24/2022-23/BM & 25/2022-23/BM	October 11, 2022
10.	26/2022-23/BM	October 26, 2022
11.	27/2022-23/BM & 28/2022-23/BM	November 15, 2022
12.	29/2022-23/BM to 42/2022-23/BM	December 5, 2022
13.	43/2022-23/BM	January 24, 2023

2. Committee Meetings:

Sr. No.	Circular Resolution No.	Date of passing
Audit and Risk Committee		
No Circular Resolutions passed		
Nomination and Remuneration Committee		
1.	01/2022-23/NRC	April 04, 2022
2.	02/2022-23/NRC to 07/2022-23/NRC	April 20, 2022
3.	08/2022-23/NRC to 10/2022-23/NRC	May 12, 2022
4.	11/2022-23/NRC to 14/2022-23/NRC	May 16, 2022
5.	15/2022-23/NRC & 16/2022-23/NRC	May 13, 2022
6.	17/2022-23/NRC	June 2, 2022
7.	18/2022-23/NRC & 19/2022-23/NRC	June 14, 2022
8.	20/2022-23/NRC	June 14, 2022
9.	21/2022-23/NRC & 22/2022-23/NRC	July 13, 2022
10.	23/2022-23/NRC	July 29, 2022
11.	24/2022-23/NRC to 26/2022-23/NRC	August 9, 2022
12.	27/2022-23/NRC	September 5, 2022
13.	28/2022-23/NRC & 29/2022-23/NRC	October 10, 2022
14.	30/2022-23/NRC	October 13, 2022
15.	31/2022-23/NRC	October 20, 2022
16.	32/2022-23/NRC	November 9, 2022
17.	33/2022-23/NRC	November 28, 2022
18.	34/2022-23/NRC	January 11, 2023
19.	35/2022-23/NRC	February 6, 2023
20.	36/2022-23/NRC	March 10, 2023
21.	37/2022-23/NRC	March 30, 2023
Corporate Social Responsibility Committee		
1.	01/2022-23/CSR	May 16, 2022
2.	02/2022-23/CSR	August 17, 2022

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual financial statements for the year ended March 31, 2023, the applicable accounting standards have been followed with no material departures;
- (b) 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, 2023 and of the losses of the Company for the year ended on that date;
- (c) 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;
- (d) the directors had prepared the annual financial statements on a 'going concern' basis; and
- (e) 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.

SHARE CAPITAL

Authorised Share Capital

*As on March 31, 2023, the authorized share capital of the Company stood at INR 38,73,00,000 (Indian Rupees Thirty Eight Crores Seventy Three Lakhs) 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 only) 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).

Notes

*During the year under review, your Company had increased the Authorised Share Capital by members approval by passing an ordinary resolution at the 22nd Annual General meeting of the Company held on July 29, 2022, details are as follows:

1. The authorized share capital of the Company was increased from INR 5,00,00,000/- (Indian Rupees Five Crores only) consisting of 4,36,50,000 (Four Crore Thirty Six Lakh Fifty Thousand) Equity shares of INR 1/- (Indian Rupee One only) each aggregating to INR 4,36,50,000 (Indian Rupees Four Crores Thirty Six Lakhs Fifty Thousand only) and 63,50,000 (Sixty Three Lakh Fifty Thousand) Compulsorily Convertible Preference Shares of INR 1/- (Indian Rupee One only) each aggregating to INR 63,50,000 (Indian Rupees Sixty Three Lakh Fifty Thousand only) to INR 38,73,00,000/- (Indian Rupees Thirty Eight Crores Seventy Three Lakhs) 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 only) 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).

Paid up Share Capital

As on March 31, 2023, the total issued and subscribed capital of the company stood at INR 3,07,13,458 (Indian Rupees Three Crores Seven Lakhs Thirteen Thousand Four Hundred Fifty-Eight) and paid-up share capital of the Company stood at INR 3,03,81,029/- (Indian Rupees Three Crores Three Lakhs Eighty One Thousand and Twenty-Nine only) consisting of ²2,61,89,854 (Two Crores Sixty One Lakhs Eighty Nine Thousand Eight Hundred Fifty-Four) equity shares of INR 1/- (Indian Rupee one) each and 45,23,604 (Forty-Five Lakhs Twenty Three Thousand Six Hundred and Four) Compulsorily Convertible Preference Shares of INR 1/- (Rupee one) each.

Allotment made during the year

During the year under review, the Company had approved the Issuance of 12925 equity shares of the Company at face value of INR 1 each, at issue price of INR 3234.8314 (including premium of INR 3233.8314) per share to non-residents, through preferential allotment by way of private placement. Of the above 9,400 equity shares were subscribed and were allotted to Non-residents. The balance 3,525 equity shares which were unsubscribed were cancelled and added to unissued share capital.

Details of the shares issued and allotted were as below:

² Out of the above 2,61,89,854 Equity Shares, 664,858 Equity shares issued and allotted to Mr. Srikanth Velamakanni are partly paid-up equity shares of face value of INR 0.5 per share and premium of INR 0.5 per share.

Sr No.	Name of the Non-resident allottee	No. of shares allotted	Date of allotment
1	Andrew J Walter	4700	June 20, 2022
2	Deborah Henretta	2350	June 20, 2022
3	Stanley A McChrystal	2350	August 19, 2022
	Total	9400	

Your Company had allotted 2,42,256 Equity Shares of face value of INR1 (Indian Rupee One Only) each at par/premium, as the case may be, to the eligible employees of the Company on exercising the vested stock options granted to them under the Fractal Employees Stock Option Plan.

The details of the Equity shares at face value allotted at premium are stated hereunder:

Sr. No.	Date of Allotment	No. of Equity Shares	Face Value (in INR)	Exercise Price (incl premium)	Total Consideration	Physical/ Demat
1	20-05-2022	7,500	1	279.81	20,98,575.00	Demat
2		15,000	1	279.81	41,97,150.00	Demat
3		700	1	279.81	1,95,867.00	Demat
4		3,750	1	279.81	10,49,288.00	Demat
5		2,000	1	279.81	5,59,620.00	Demat
6		1,000	1	279.81	2,79,810.00	Demat
7		1,000	1	279.81	2,79,810.00	Demat
8		2,500	1	279.81	6,99,525.00	Demat
9		1,125	1	279.81	3,14,786.00	Demat
10		2,900	1	279.81	8,11,449.00	Demat
11	20-05-2022	3,375	1	40	1,35,000.00	Demat
12		200	1	40	8,000.00	Demat
13	20-05-2022	1,000	1	640	6,40,000.00	Demat
14		400	1	640	2,56,000.00	Demat
15		1,500	1	640	9,60,000.00	Demat
16		800	1	640	5,12,000.00	Demat
17		750	1	640	4,80,000.00	Demat
18		3,000	1	640	19,20,000.00	Physical
19		1,000	1	640	6,40,000.00	Demat
20		1,500	1	640	9,60,000.00	Demat
21		1,500	1	640	9,60,000.00	Demat
22		2,250	1	640	14,40,000.00	Demat
23		1,250	1	640	8,00,000.00	Demat
24		750	1	640	4,80,000.00	Physical
25		2,250	1	640	14,40,000.00	Demat
26		3,000	1	640	19,20,000.00	Demat

27		750	1	640	4,80,000.00	Physical
28		750	1	640	4,80,000.00	Physical
29		1,000	1	640	6,40,000.00	Demat
30		1,500	1	640	9,60,000.00	Physical
31		700	1	640	4,48,000.00	Physical
32	20-05-2022	2,836	1	846	23,99,256.00	Demat
33		1,891	1	846	15,99,786.00	Demat
34		14,000	1	846	1,18,44,000.00	Physical
35		22,500	1	846	1,90,35,000.00	Demat
36	20-05-2022	800	1	610	4,88,000.00	Demat
37	20-05-2022	7,500	1	595.26	44,64,450.00	Demat
38	20-05-2022	400	1	1	400.00	Physical
39	13-06-2022	30,000	1	279	83,70,000.00	Physical
40	13-06-2022	500	1	279.81	1,39,905.00	Demat
41		10,000	1	279.81	27,98,100.00	Physical
42		375	1	279.81	1,04,929.00	Physical
43		375	1	279.81	1,04,929.00	Demat
44	13-06-2022	750	1	640	4,80,000.00	Physical
45		800	1	640	5,12,000.00	Demat
46		750	1	640	4,80,000.00	Demat
47		750	1	640	4,80,000.00	Demat
48		1,500	1	640	9,60,000.00	Demat
49	05-07-2022	100	1	40	4,000.00	Demat
50	05-07-2022	500	1	279.81	1,39,905.00	Demat
51		375	1	279.81	1,04,929.00	Demat
52		3,000	1	279.81	8,39,430.00	Demat
53		475	1	279.81	1,32,910.00	Demat
54		6,000	1	279.81	16,78,860.00	Demat
55	05-07-2022	500	1	640	3,20,000.00	Demat
56		3,000	1	640	19,20,000.00	Demat
57		2,250	1	640	14,40,000.00	Demat
58		800	1	640	5,12,000.00	Demat
59		1,000	1	640	6,40,000.00	Demat
60		1,500	1	640	9,60,000.00	Demat
61	22-07-2022	850	1	40	34,000.00	Physical
62	22-07-2022	2,250	1	279.81	6,29,573.00	Physical
63		4,300	1	279.81	12,03,183.00	Demat
64		2,250	1	279.81	6,29,573.00	Demat
65	09-09-2022	3,000	1	640	19,20,000.00	Demat

66		500	1	640	3,20,000.00	Demat
67		750	1	640	4,80,000.00	Demat
68		1,000	1	640	6,40,000.00	Demat
69	09-09-2022	10,000	1	610	61,00,000.00	Demat
70	09-09-2022	2,000	1	279.81	5,59,620.00	Demat
71	09-09-2022	275	1	40	11,000.00	Demat
72	04-10-2022	1,500	1	640	9,60,000.00	Physical
73	04-10-2022	5,000	1	610	30,50,000.00	Physical
74	14-12-2022	1,500	1	640	9,60,000.00	Demat
75	14-12-2022	500	1	279.81	1,39,905.00	Physical
76	24-01-2023	500	1	640	3,20,000.00	Demat
77		500	1	640	3,20,000.00	Demat
78	24-01-2023	25	1	846	21,150.00	Demat
79		7	1	846	5,922.00	Demat
80		250	1	846	2,11,500.00	Demat
81		35	1	846	29,610.00	Demat
82		50	1	846	42,300.00	Demat
83		25	1	846	21,150.00	Demat
84		300	1	846	2,53,800.00	Demat
85		25	1	846	21,150.00	Demat
86		463	1	846	3,91,698.00	Demat
87		25	1	846	21,150.00	Demat
88		75	1	846	63,450.00	Demat
89		25	1	846	21,150.00	Demat
90		113	1	846	95,598.00	Demat
91		50	1	846	42,300.00	Demat
92		25	1	846	21,150.00	Demat
93	06-03-2023	50	1	846	42,300.00	Demat
94		8	1	846	6,768.00	Demat
95		77	1	846	65,142.00	Demat
96		625	1	846	5,28,750.00	Demat
97		513	1	846	4,33,998.00	Demat
98		100	1	846	84,600.00	Demat
99		25	1	846	21,150.00	Demat
100		25	1	846	21,150.00	Demat
101		25	1	846	21,150.00	Demat
102		75	1	846	63,450.00	Demat
103		50	1	846	42,300.00	Demat
104		25	1	846	21,150.00	Demat

105		25	1	846	21,150.00	Demat
106		50	1	846	42,300.00	Demat
107		250	1	846	2,11,500.00	Demat
108		463	1	846	3,91,698.00	Demat
109		25	1	846	21,150.00	Demat
110	06-03-2023	2,000	1	640	12,80,000.00	Demat
111		750	1	640	4,80,000.00	Demat
112		750	1	640	4,80,000.00	Demat
113		2,000	1	640	12,80,000.00	Physical
114		2,000	1	640	12,80,000.00	Demat
115		1,000	1	640	6,40,000.00	Demat
116		500	1	640	3,20,000.00	Demat
117	06-03-2023	1,350	1	279.81	3,77,744.00	Demat
		2,32,856			11,77,15,051.00	

DEPOSITS

During the 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, 2023.

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/associates as on March 31, 2023, 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.	New York	Wholly owned subsidiary
3.	Final Mile Consultants Private Limited	India	Wholly owned subsidiary
4.	Eugenie Technologies Private Limited	India	Wholly owned subsidiary
5.	Asper.AI Technologies Private Limited ³	India	Wholly owned subsidiary
6.	Senseforth AI Research Private Limited	India	Wholly owned subsidiary
7.	Neal Analytics Services Private Limited	India	Wholly owned subsidiary
8.	Fractal Alpha Private Limited	India	Wholly owned subsidiary

³ The name has been changed from 'Samya.AI Technologies Private Limited' to 'Asper.AI Technologies Private Limited' with effect from December 02, 2022.

9.	Cuddle Artificial Intelligence Private Limited	India	Subsidiary
10.	Theremin AI Solutions Private Limited	India	Subsidiary
11.	Analytics Vidhya Educon Private Limited	India	Subsidiary
12.	Qure.ai Technologies Private Limited	India	Associate

Following are the step-down subsidiaries of the Company as on March 31, 2023:

Sr. No.	Name of the Company	Country of Incorporation	Parent Company
1.	Fractal Analytics UK Limited	United Kingdom	Fractal Analytics Inc., USA
2.	4i Consulting, Inc. ⁴	United States Of America (Illinois)	Fractal Analytics Inc., USA
3.	Fractal Analytics (Canada) Inc.	Canada	Fractal Private Limited, Singapore
4.	Fractal Analytics (Switzerland) GmbH	Switzerland	Fractal Private Limited, Singapore
5.	Fractal Analytics Germany GmbH	Germany	Fractal Private Limited, Singapore
6.	Fractal Analytics Netherland B.V.	Amsterdam	Fractal Private Limited, Singapore
7.	Limited Liability Company "Symphony (Ukraine)"	Ukraine	Fractal Private Limited, Singapore
8.	Fractal Analytics Australia Pty Ltd.	Australia New South Wales (Sydney)	Fractal Private Limited, Singapore
9.	Fractal Analytics Malaysia SDN BHD	Malaysia	Fractal Private Limited, Singapore
10.	Fractal Analytics (Shanghai) Limited	China	Fractal Private Limited, Singapore
11.	Fractal Analytics Sweden AB	Sweden	Fractal Private Limited, Singapore
12.	Cuddle.ai Inc.	Delaware	Cuddle Artificial Intelligence Private Limited
13.	Final Mile Consulting LLC	Delaware	Final Mile Consultants Private Limited
14.	Theremin Multi Strategy Fund LLP	India	Theremin AI Solutions Private Limited
15.	Neal Analytics, LLC	United States of America (Bellevue)	Fractal Analytics Inc., USA
16.	Senseforth, Inc.	United States of America	Fractal Analytics Inc., USA

⁴ with effect from April 01, 2023, 4i Consulting Inc. ('4i US'), wholly owned subsidiary of Fractal Analytics Inc. ('Fractal US') has been merged with Fractal US.

17.	Asper.AI Inc ⁵	United States of America	Fractal Analytics Inc., USA
18.	Asper.AI Limited ⁶	United Kingdom.	Asper.AI Inc, USA
19.	Fractal Frontiers, Inc	United States of America	Fractal Analytics Inc., USA ⁷
20.	Eugenie.ai Inc	Delaware	Fractal Analytics Inc., USA
21.	Fractal LLC-FZ	Meydan Free zone, UAE	Fractal Private Limited, Singapore

During the year, the Board of directors ('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, 2023.

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.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the annual return in the prescribed Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the applicable rules made thereunder, is set out herewith as '**Annexure C**' to this report.

RELATED PARTY TRANSACTIONS

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 D**'.

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)

⁵ The name has been changed from 'Samya.ai Inc' to 'Asper.ai Inc' with effect from November 4, 2022;

⁶ The name has been changed to 'Samya.AI Limited' to 'Asper.AI Limited' with effect from November 17, 2022.

During the financial year under review, the 2019 Fractal Employees Stock Option Plan (Fractal ESOP 2019) was modified as follows:

- a. Reduction in the existing ESOP Pool under Fractal ESOP 2019 by 75,000 stock options i.e., from 18,65,287 stock options to 17,90,287 stock options. The same was approved by the Board of Directors of your Company at their meeting held on April 25, 2022, and was subsequently approved by the members at their extraordinary general meeting held on April 26, 2022;
- b. Amendment to Clause 7.7 of Fractal ESOP 2019 pertaining to Bonus Issue by deleting the existing clause relating to the exercise of vested option(s) 15 days prior to record date prior to bonus issue pursuant to which vested bonus options of the ESOP holders will not lapse and replacing it with a new clause. The same was approved by the Board of Directors of your Company at their meeting held on April 25, 2022, and was subsequently approved by the members at their extraordinary general meeting held on April 26, 2022.

During the financial year under review, the 2007 Fractal Employees Stock Option Plan (Fractal ESOP 2007) was modified as follows:

- a. Amendment to Clause 7.7 of Fractal ESOP 2007 pertaining to Bonus Issue by deleting the existing clause relating to the exercise of vested option(s) 15 days prior to record date prior to bonus issue pursuant to which vested bonus options of the ESOP holders will not lapse and replacing it with a new clause. The same was approved by the Board of Directors of your Company at their meeting held on April 25, 2022, and was subsequently approved by the members at their extraordinary general meeting held on April 26, 2022.

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 during the year under review and other particulars with regard to stock options are set out in '**Annexure E**' to this report.

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 MIP Plans were modified as follows:

- a. Increase in the maximum number of options reserved under the Time-Based MIP 2019 by addition of 25,000 stock options to the existing ESOP Pool, i.e., from 10,68,328 to 10,93,328 options. The same was approved by the Board of Directors of your Company at their meeting held on April 25, 2022, and was subsequently approved by the members at their extraordinary general meeting held on April 26, 2022.
- b. Increase in the maximum number options reserved under the Performance Based MIP 2019 by addition of 50,000 stock options to the existing ESOP Pool, i.e., from 21,81,798 to 22,31,798 options. The same was approved by the Board of Directors of your Company at their meeting held on April 25, 2022, and was subsequently approved by the members at their extraordinary general meeting held on April 26, 2022.

Pursuant to the provisions of Rule 12 of the Companies (Share capital and debentures) Rules, 2014 the information on options granted by the Company pursuant to the MIP plans during the year under review and other particulars with regard to stock options are set out under '**Annexure E**' to this report.

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 of Directors.

Further, considering Company's future growth prospects, strategic plans and its business objectives it was proposed to align the Company's existing Risk Management Policy in line with leading ERM practices and global Enterprise Risk Management (ERM) standards. Accordingly, the Board of Directors of your Company has, basis the recommendation of the Audit and Risk Committee at its meeting held on September 09, 2022, at their meeting held on September 09, 2022, had approved the revision to the exiting policy and renamed the said policy as Enterprise Risk Management (ERM) policy.

There are no material risks which in the opinion of the Board threatens the existence of your Company.

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 Directors of the 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.

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. The 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.

Internal Audit

M/s. PricewaterhouseCoopers Services LLP, Chartered Accountants were appointed as internal auditors of your Company on September 25, 2019, for a period of 3 years i.e., from financial year 2019-20 till financial year 2021-22. and were further reappointed as internal auditors of your company on June 22, 2022, for a period of 1 year i.e., for the financial year 2022-23. Accordingly, the internal audit was entrusted to M/s. PricewaterhouseCoopers Services LLP, Chartered Accountants. The Internal auditor had submitted their report to the Audit committee at periodic intervals. Significant audit observations and corrective actions thereon are presented to the Audit 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 appointed as statutory auditors of your company at 19th AGM held on September 30, 2019, for a term of five consecutive years to hold office from the conclusion of the said AGM until the conclusion of 24th AGM of the Company.

The statements made by the statutory auditors in their report are self-explanatory and do not call for any further comments. The auditor's reports, enclosed with the standalone financial statements in the Annual Report, do not contain any qualification, reservation, or adverse remark on the financial statements for the year ended March 31, 2023.

Note – At the consolidated level, the auditor's reports do not contain any qualifications, or observations or adverse remarks except as provided in point b. of para 2A that in respect of two subsidiaries, the back-up of a project ticketing software which forms part of the 'books of account and other relevant books and papers in electronic mode' of those subsidiaries, has not been maintained on the servers physically located in India.

In response to the same, the Management stated that all necessary details are maintained in excel format and have necessary backup in India. Also, the Company will evaluate any reporting required to be made to the Ministry of Corporate affairs ('MCA') and will take necessary action accordingly.

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

MAINTAINANCE 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

As part of its operations, Fractal diligently explores all avenues for incorporating sustainable resources.

We have made an effort towards conserving energy and protecting the environment during the period under review.

Improvements achieved in the considered financial year.

- We opted for 100% green energy (Renewable energy) for our electricity demand in Mumbai. This will not only help in attaining our goal for net zero emission but will also reduce our carbon offsetting/sequestration load. While we have been able to provide green power to our largest office since Dec'21, our other offices in India are yet to be sourced through green power due to the state electricity regulatory commission's limitations. We are working on alternate methods to convert our electricity demands through green power.
- Fractal has reported its GHG emissions on the CDP portal 2 years in a row on client request. We have reported for Fractal India operated locations accounting for >80% operations.

SBTi commitment letter submitted: March 2023, acceptance received: April 2023.

- Fractal has committed to set near- and long-term company-wide emission reductions in line with science-based net-zero with the Science Based Targets initiative (SBTi). Fractal has responded to the SBTi's urgent

call for corporate climate action by committing to align with 1.5°C and net-zero through the Business Ambition for 1.5°C camp Fractal has implemented sensor-based taps & water aerators at all office locations to limit water wastage.

- 100% sensor-based water taps across more than 75% Fractal facilities, have timers that prevent any opportunistic water wastage.
- Air conditioning temperature across Fractal locations are set at 24-26 degree centigrade. This enables an energy consumption reduction by 15%.
- Enhanced Replaced AC's having R22, R23 and R410A refrigerants with AC's having low Global warming potential (GWP) refrigerant.
- Fractal has moved to 100% LED lights usage across all its facilities.
- Fractal abides with highest level of standards when it comes to waste management. Two of the largest offices of Fractal are LEED certified. The largest place also complies with WELL standards (WELL Platinum at Mumbai). These standards help us in minimizing the waste, upcycling/recycling the created waste, for e.g., these offices have STP units which recycles water, fresh air circulation rate across 90% of Fractal facilities, has reduced the requirement of frequent duct cleaning and is also a substantial safety net against COVID-19.
- Wastepaper is given to strategic upcycling vendor who in-turn helps in upcycling these products. Apart from these, there are multiple other avenues like PIR sensor based lights, ambient sensors, water aerators etc. for optimizing building services.

The following initiatives in progress that should further reduce our carbon footprint:

1. Fractal initiated its carbon inventory project, including an estimation of GHG emissions. As a pre-requisite to developing Fractal's roadmap for carbon neutrality.
 - In FY 2019, Fractal Mumbai received its LEED's Gold certificate and continues to hold the same.
2. IAQ – indoor air quality enhancement measures and implementations have been initiated at Fractal's Gurugram office and the replication of these measures are scheduled at our Bengaluru and Mumbai offices in the next quarter– air sanitization & real time monitoring of air parameters like:
 - Carbon dioxide (CO2)
 - Temperature
 - Relative humidity
 - Sulphur Dioxide (SO 2)
 - Nitrogen oxides (NO x) etc. in progress and it will be compared with standard parameters.
3. Fractal is also currently in the process of completing its TCFD analysis.

TECHNOLOGY ABSORPTION

Your Company has adopted ZERO trust and SASE based architecture and as part of overall security enhancement have deployed following tools:

a. Endpoint Detection and Response Solution (EDR)

Your Company has deployed Sentinel One EDR solution which is very well positioned in protecting your Company's Laptops and Servers from any real time External and Internal Cyber Threats by making use of its threat intelligence and AI/ ML Features.

b. Security Incident and Event Monitoring (SIEM)

Your Company has deployed Next Gen IBM Qradar SIEM solution to significantly reduce the time to identify, investigate and respond to advanced security threats. With an Analytics-driven approach, IBM Qradar helps security teams gain unparalleled visibility, detect and respond to threats faster than before and indeed help improve SOC efficiency.

c. Cloud Access Security Broker (CASB Solution)

Your Company has deployed Netskope which is Market Leader CASB Solution and uses its patented technology Cloud XD by going deeper than any other security provider to quickly target and control activities across thousands of cloud (SaaS and IaaS) services and millions of websites offering features such as Controlling Data Upload, Leakage of sensitive data and Report User credential sharing related threats

d. Zero Trust Network Access (ZTNA)

Your Company has deployed Zscaler ZTNA on all laptops as it focuses on the zero-trust principal of least privilege providing secure access to specific resources one at a time based on a user's access context.

e. Zscaler Public Internet access (ZPIA)

Your Company has deployed Cloud based Zscaler Proxy on all laptops to control Internet browsing traffic and protect organization from millions of malicious websites. It also offers User control access feature enabling organization to provide granular control on Internet access for different project users such as HC, Finance, IT, Legal and Client Specific.

f. Email Security

Your Company has deployed IronScales Email Security which is an AI-powered Self learning and Anti-Phishing tool and helps protect organization from Phishing mail by offering enhanced security features such as Mailbox-level Behavioral Analysis, File Sandboxing, Community-led Threat Protection, Impersonation Protection. It also enables users to report any suspicious mail as Spam or Phishing received on their mailbox.

g. Cloud Protection Security Manager

Your Company has deployed PRISMA CPSM Tool keeping into mind increasing infrastructure landscape from on prem to Cloud. This tool will help govern complete Security Posture of Cloud Infra and highlight in case any security gaps to be further tightened as part of continuous improvement.

h. Backup and Restoration

Your Company has deployed VEEAM Backup tool on all Cloud and On-prem Servers in order to achieve business continuity and restoration policy of your Company's daily, weekly and monthly backups are taken to avoid any data loss in case of any server breakdown.

i. Infrastructure Monitoring Tool

Your Company has deployed all in one monitoring tool Site 24x7 to gain complete control of hybrid infrastructure of cloud and on-prem offering key features such as real time monitoring, customized dashboards, centralized logging and application performance management in order to make sure they are immediately reported to their respective teams via automation and attain minimize response time in order to minimize any potential outage or downtime.

FOREIGN EXCHANGE EARNINGS AND OUTGO

As of March 31, 2023, the Company's total foreign exchange earnings is INR 8,167 million and total foreign exchange out flow is INR 65.55 million. 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, 2023 (INR in Million)	March 31, 2022 (INR in Million)
Income from consultancy	1,068	1,086
Inter Company Sales	7,099	4,674
Third Party Product Sales	-	1
Total	8,167	5,762

Expenditure incurred in Foreign Currency:

Particulars	March 31, 2023 (INR in Million)	March 31, 2022 (INR in Million)
Remuneration & Allowances to Employees for On-site Work.	9.77	2.27
Professional Fees	34.47	(3.57)
Others	21.31	11.64
Total	65.55	10.34

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

Particulars	March 31, 2023 (INR in Million)	March 31, 2022 (INR in Million)
Capital Goods	-	-
Total	-	-

SIGNIFICANT EVENTS DURING THE YEAR AND AFTER BALANCE SHEET DATE, IF ANY

The Board of directors of your Company as an integral part of your Company's business strategy for the upcoming financial year had, basis the evaluation exercise conducted on the group's product and service entities to assess their performance on (a) product market fit; (b) financial metrics; (c) team assessment; and (d) strategic fit, approved the restructuring of its product/ service entities (as detailed below) at their meeting held on April 26, 2023 in the manner provided below:

- A. Subsequent to year-end, Cuddle Artificial Intelligence Private Limited, a wholly-owned subsidiary of your Company, vide board resolution dated April 26, 2023, has approved the transfer its product/ intellectual property along with associated assets, liabilities, licenses, intellectual property rights, regulatory approvals,

permits, contracts and employees in relation to the product by means of a business transfer to your Company, as a going concern, by way of slump sale.

- B. Subsequent to year-end, Neal Analytics Services Private Limited, a wholly owned subsidiary of your Company, vide board resolution dated April 26, 2023, has approved the transfer its assets, liabilities, regulatory approvals, permits, contracts and employees to your Company, as a going concern, by way of slump sale.
- C. Subsequent to year-end, Final Mile Consultants Private Limited, a wholly owned subsidiary of your Company, vide board resolution dated May 26, 2023, has approved the transfer of its assets, liabilities, regulatory approvals, permits, contracts and employees to your Company, as a going concern, by way of slump sale. The integration is yet to commence.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

As of March 31, 2023, your Company had a loan and interest of INR 285.09 Million availed by Cuddle Artificial Intelligence Private Limited, its wholly owned subsidiary and inter-company receivables to the tune of INR 156.95 Million from Cuddle Artificial Intelligence Private Limited, outstanding in its books.

The Board of directors of your Company, basis the recommendations made by the Audit and Risk Committee at its meeting held on April 26, 2023, had approved the write-off of the above loan and interest of INR 285.09 Million availed by Cuddle Artificial Intelligence Private Limited and the inter-company receivables of INR 156.95 Million.

The amounts written off as above constitutes a considerable part as compared to net profit of the Company and thus as per the opinion of the Board it affects the financial position of the Company.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, your Company has constituted a Corporate Social Responsibility (CSR) committee and has framed a policy on CSR. The Board of Directors of your Company at their Board meeting held on December 14, 2022, had widened the scope of the CSR Committee with the inclusion of Environmental, Social, and Governance (ESG) framework within its purview. Accordingly, the CSR committee was renamed as Corporate Social Responsibility & Environmental, Social, and Governance ('CSR & ESG') committee and the terms of reference of the Committee was modified to that effect.

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 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. 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.

As part of its CSR initiatives, the Company contributed funds to "Fractal Imobile Program", "Fractal UWM Let's Read Carnival Project", "Fractal FFE scholarship Program", "Fractal BAIF Project". The details about the policy developed and implemented by the Company on CSR initiatives taken during the year set out under 'Annexure F' to this report.

Further, Fractal is developing its ESG roadmap and Fractal has surveyed key stakeholders, to understand the materiality of key ESG factors for Fractal. Fractal is also in the process of completing its TCFD analysis and it submitted its commitment to setting science-based net zero targets to SBTi in March 2023.

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 this policy and complaints received, if any, during the year are set out under 'Annexure G' to this report.

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 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.⁸

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.

⁸ The impact of orders received are not material to impact the going concern status of the Company. Pending outcome of these matters, the same are disclosed as contingent liability in the financial statements.

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 of Directors 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 year.

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


Srikanth Velamakanni

Whole-time Director

DIN: 01722758

Date: *July 19, 2023*

Place: *Mumbai*




Gulu Mirchandani

Director

DIN: 00026664

Date: *July 19, 2023*

Place: *Mumbai*

Registered Office Address:

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

Handwritten mark or signature

ANNEXURE A

(This annexure forms part of the Boards' 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 2022-23 is as follows:

Sr. No	Name of the Director	Board	Independent Director's [@]	Audit & Risk Committee*	Corporate Social Responsibility Committee (Corporate Social Responsibility & (Environmental, Social and Governance Committee [§])	Nomination & Remuneration Committee#
	No of Meetings held	6	1	4	-	1
Directors' Attendance						
1.	Mr. Rohan Haldea	5	N.A.	4	-	1
2.	Mr. Shashank Singh	6	N.A.	N.A.	-	N. A
3.	Mr. Gulu Mirchandani	6	N.A.	4	-	1
4.	Mr. Pranay Agrawal	6	N.A.	N. A	N. A	N. A
5.	Mr. Srikanth Velamakanni	6	N.A.	4	N. A	1
6.	Mr. Gavin Patterson	5	N.A.	4	N. A	N. A
7.	Mr. Puneet Bhatia	5	N.A.	4	-	1
8.	Mr. Vivek Mohan	6	N.A.	N.A	-	N.A
9.	Ms. Karen Ann Terrell	2	1	N.A	N.A	N.A
10.	Ms. Neelam Dhawan	2	1	N.A	N.A	N.A

* Four Audit & Risk Committee meetings were held during the financial year 2022-23.

[§]Corporate Social Responsibility Committee (Renamed as Corporate Social Responsibility & Environmental, Social and Governance Committee by the Board in its meeting held on December 14, 2022) had approved all the respective business matters by passing the resolutions through circulation, pursuant to the provisions of Companies Act, 2013 read with Secretarial Standards on Meetings of Board of Directors issued by Institute of Company Secretaries of India. There were no committee meetings held during the financial year 2022-23.

[#]One Nomination and Remuneration Committee meeting was held during the financial year 2022-23. Rest of the business matters relating to Nomination and Remuneration Committee were approved by passing resolution through circulation, pursuant to the provisions of Companies Act, 2013 read with Secretarial Standards on Meetings of Board of Directors issued by Institute of Company Secretaries of India.

[@]One Independent Director Meeting was held on February 28, 2023.

ANNEXURE B

(This annexure forms part of the Boards' 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 Rs.)

I. Details of subsidiaries:**(Direct Subsidiaries)****(Value in Rupees)**

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-Oct-2003	26-Sep-2003	04-July-2016	09-Jan-2008	27-Dec-2018	10-Oct-2020
The date since when the subsidiary was acquired	-	-	-	01-Mar-2008	-	-
Financial year ended	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23
Reporting currency	USD	SGD	INR	INR	INR	INR
Average Rate	80.26	58.44	-	-	-	-
Closing rate	82.16	61.81	-	-	-	-
Share Capital	8,21,59,330	27,12,987	16,33,60,913	2,19,550	20,23,95,475	10,00,000
Reserves & Surplus	66,41,44,672	11,47,15,267	(95,38,82,805)	14,65,36,463	(19,43,97,461)	(4,48,57,371)
Total Assets	12,41,30,02,721	15,51,78,373	14,98,74,449	17,26,11,388	4,07,35,412	11,52,05,157
Total Liabilities	11,66,66,98,719	3,77,50,119	94,03,96,342	2,58,55,375	3,27,36,398	15,90,62,528
Investments	4,67,79,83,091	8,47,89,745	-	12,66,25,351	2,76,80,162	-
Turnover	14,21,34,31,923	11,60,70,781	7,37,49,480	5,23,41,345	-	10,82,41,663
Profit before taxation	(1,27,78,99,558)	73,62,732	(32,45,42,040)	1,59,10,813	(12,85,46,085)	1,58,98,805
Provision for taxation	(62,54,841)	-	(50,081)	(6,27,390)	-	3,43,783

Profit taxation after	(1,27,16,44,717)	73,62,732	(32,44,91,959)	1,65,38,203	(12,85,46,085)	1,55,55,023
Proposed Dividend	-	-	-	-	-	-
% of share-holding	100% by Fractal Analytics Private Limited	100% by Fractal Analytics Private Limited	¹ 98.15% by Fractal Analytics Private Limited	100% by Fractal Analytics Private Limited	71.03 ² % by Fractal Analytics Private Limited	100% by Fractal Analytics Private Limited

(Direct Subsidiaries)

Sr. No.	7	8	9	10	11
Name of the subsidiary	Asper.AI Technologies Private Limited.³	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	18-Sep-2019	27-Mar-2017	18-Feb-2014	22-Mar-2014	03-Mar-2022
The date since when the subsidiary was acquired	11-Jun-2021	27-Aug-2021	23-Nov-2021	24-Dec-2021	-
Financial year ended	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23
Reporting currency	INR	INR	INR	INR	INR
Average Rate	-	-	-	-	-
Closing Rate	-	-	-	-	-
Share Capital	9,67,46,430	10,00,000	22,71,610	1,00,000	50,00,000
Reserves & Surplus	1,23,38,351	(19,37,41,115)	13,37,47,677	8,12,44,033	(51,23,512)
Total Assets	15,97,75,441	8,73,98,121	19,66,81,412	11,04,51,546	3,653
Total Liabilities	5,06,90,660	28,01,39,236	6,06,62,125	2,91,07,513	1,27,166
Investments	-	-	-	-	-
Turnover	24,18,96,354	14,74,57,740	8,99,87,482	34,96,51,539	-
Profit before taxation	3,21,97,138	(25,53,89,972)	(14,37,85,293)	4,75,42,241	(51,23,512)
Provision for taxation	82,11,980	33,34,941	(5,72,909)	1,40,96,321	-
Profit after taxation	2,39,85,158	(25,87,24,913)	(14,32,12,385)	3,34,45,920	(51,23,512)
Proposed Dividend	-	-	-	-	-
% of share-holding	100% by Fractal Analytics Private Limited	100% by Fractal Analytics Private Limited	55.92% ⁴ by Fractal Analytics Private Limited	100% by Fractal Analytics Private Limited	100% by Fractal Analytics Private Limited

¹ This has changed to 100% w.e.f. May 13, 2023

² The percentage of shares held is in proportion to the total shares of the Company which includes equity and preference shares

³ The name has been changed from 'Samya. AI Technologies Private Limited' to 'Asper.AI Technologies Private Limited' with effect from December 02, 2022.

⁴ The percentage of shares held is on as is basis.

(Step-down subsidiaries)

Sr. No.	12	13	14	15	16	17
Name of the subsidiary	Fractal LLC-FZ	Fractal Analytics UK Limited	Fractal Analytics (Canada) Inc.	Fractal Analytics (Switzerland) Gmbh	Fractal Analytics Germany GmbH	Cuddle.ai Inc
The date since when the subsidiary was incorporated	02-Sep-2022	19-Mar-2010	11-Dec-2013	16-Jun-2014	12 Sep 2016	02-Mar-2017
The date since when the subsidiary was acquired	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Financial year ended	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23
Reporting currency	AED	GBP	CAD	CHF	EUR	USD
Average Rate	21.86	96.64	60.69	84.05	83.53	80.26
Closing Rate	22.37	101.62	60.73	89.84	89.38	82.16
Share Capital	22,37,473	11,206	6,03,922	16,35,763	20,98,638	6,385
Reserves & Surplus	5,63,245	35,31,25,936	5,29,48,689	1,46,63,864	69,00,774	(42,39,19,635)
Total Assets	45,27,395	61,88,68,148	10,89,53,918	1,83,15,560	1,65,96,321	19,07,046
Total Liabilities	17,26,677	26,57,31,005	5,54,01,306	20,15,932	75,96,909	42,58,20,295
Investments	-	-	-	-	-	-
Turnover	60,51,914	1,34,77,44,724	39,68,27,043	31,01,029	3,05,17,597	22,07,170
Profit before taxation	5,50,174	16,39,77,397	3,57,98,911	3,03,802	27,93,760	(42,47,00,192)
Provision for taxation	-	-	6,87,267	-	-	27,20,758
Profit after taxation	5,50,174	16,39,77,397	3,51,11,644	3,03,802	27,93,760	(42,74,20,950)
Proposed Dividend	-	15,92,62,720	-	-	-	-
% of share-holding	100 % by Fractal Private Limited, Singapore	100% by Fractal Analytics Inc, (USA)	100 % by Fractal Private Limited, Singapore	100 % by Fractal Private Limited, Singapore	100 % by Fractal Private Limited, Singapore	100% by Cuddle Artificial Intelligence Private Limited

(Step-down subsidiaries)

Sr. No.	18	19	20	21	22
Name of the subsidiary	Fractal Analytics Netherland B.V.	Limited Liability Company "Symphony (Ukraine)"	4i Consulting, Inc. ⁵	Final Mile Consulting LLC	Fractal Analytics Australia Pty Ltd.
The date since when the subsidiary was incorporated	18-Jul-2017	01-Aug-2017	31-Oct-2001	06-Jul-2012	06-Jun-2018
The date since when the subsidiary was acquired	N.A.	N.A.	N.A.	N.A.	N.A.
Financial year ended	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23
Reporting currency	EURO	UAH	USD	USD	AUD
Average Rate	83.53	2.32	80.26	80.26	54.92
Closing Rate	89.38	2.25	82.16	82.16	55.04
Share Capital	16,78,910	2,02,71,386	82,159	9,85,912	2,82,87,573
Reserves & Surplus	55,31,583	81,54,834	(43,20,96,171)	(28,36,94,690)	3,75,04,061
Total Assets	1,73,16,427	4,87,35,399	38,99,51,049	8,42,89,681	16,19,77,071
Total Liabilities	1,01,05,934	2,03,09,179	82,19,65,061	36,69,98,460	9,61,85,437
Investments	-	-	-	-	-
Turnover	5,27,53,236	9,07,45,606	31,61,95,972	15,25,99,706	46,80,58,332
Profit before taxation	47,52,924	85,46,442	2,85,73,038	(2,93,20,614)	4,01,85,473
Provision for taxation	-	24,57,419	1,50,969	6,97,401	40,07,684
Profit after taxation	47,52,924	60,89,022	2,84,22,068	(3,00,18,015)	3,61,77,789
Proposed Dividend	-	-	-	-	-
% of share-holding	100 % by Fractal Private Limited, Singapore	100 % by Fractal Private Limited, Singapore	100% by Fractal Analytics Inc, (USA)	⁶ 100% by Final Mile Consultants Private Limited	100 % by Fractal Private Limited, Singapore

(Step-down subsidiaries)

⁵ with effect from April 01, 2023, 4i Consulting Inc. ('4i US'), wholly owned subsidiary of Fractal Analytics Inc. ('Fractal US') has been merged with Fractal US.

Sr. No.	23	24	25	26	27
Name of the subsidiary	Fractal Analytics Sweden AB	Fractal Analytics (Shanghai) Limited	Fractal Analytics Malaysia SDN BDH	Fractal Frontiers, Inc	Theremin Multi Strategy Fund LLP
The date since when the subsidiary was incorporated	20-Dec-2018	19-Nov-2018	04-Sep-2018	03-Mar-2022	16-Mar-2021
The date since when the subsidiary was acquired	N.A.	N.A.	N.A.	N.A.	N.A.
Financial year ended	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23
Reporting currency	SEK	CNY	MYR	USD	INR
Average Rate	7.73	11.71	18.05	80.26	-
Closing	7.93	11.96	18.63	82.16	-
Share Capital	-	2,04,66,616	89,85,779	-	1,00,000
Reserves & Surplus	9,15,802	1,03,75,396	(31,03,739)	(4,54,311)	-
Total Assets	18,71,907	3,44,06,223	70,67,550	38,645	1,00,000
Total Liabilities	9,56,105	35,64,211	11,85,510	4,92,956	-
Investments	-	-	-	-	-
Turnover	9,98,808	3,27,57,753	13,76,714	-	-
Profit before taxation	1,04,367	25,73,011	1,25,143	(4,43,808)	-
Provision for taxation	-	-	-	-	-
Profit after taxation	1,04,367	25,73,011	1,25,143	(4,43,808)	-
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

(Step-down subsidiaries)

Sr. No.	28	29	30	31	32
Name of the subsidiary	Neal Analytics LLC	Senseforth Inc	Asper.AI Limited ⁷	Asper.AI Inc. ⁸	Eugenia.ai Inc
The date since when the subsidiary was incorporated	11-May-2011	23-Feb-2017	07-Nov-2019	10-May-2019	15-Feb-2021
The date since when the subsidiary was acquired	29-Dec-2021	31-Aug-2021	-	15-Jun-2021	-
Financial year ended	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23
Reporting currency	USD	USD	GBP	USD	USD
Average Rate	80.26	80.26	96.64	80.26	80.26
Closing Rate	82.16	82.16	101.62	82.16	82.16
Share Capital	32,86,37,211	13,55,70,289	52,58,526	1,42,00,859	41,07,967
Reserves & Surplus	(8,52,14,993)	(3,14,07,010)	(14,74,389)	(7,59,47,606)	(26,65,39,202)
Total Assets	52,81,43,483	9,51,38,907	41,11,564	17,09,08,455	1,60,11,503
Total Liabilities	28,47,21,264	(90,24,372)	3,27,427	23,26,55,203	27,84,42,739
Investments	-	-	-	-	-
Turnover	2,15,80,74,064	1,48,64,871	7,78,515	9,89,05,978	5,45,993
Profit before taxation	(20,68,61,126)	(5,41,50,875)	22,794	(27,21,68,653)	(23,04,62,623)
Provision for taxation	-	64,208	-	-	-
Profit after taxation	(20,68,61,126)	(5,42,15,083)	22,794	(27,21,68,653)	(23,04,62,623)
Proposed Dividend	-	-	-	-	-
% of share-holding	100% by Fractal Analytics Inc, (USA)	100% by Fractal Analytics Inc, (USA)	100% by Asper.AI Inc, Illinois	94.76% by Fractal Analytics Inc, (USA)	94.12% by Fractal Analytics Inc, (USA)

⁷ The name has been changed to 'Samya.AI Limited' to 'Asper.AI Limited' with effect from November 17, 2022.

⁸ The name has been changed from 'Samya.ai Inc' to 'Asper.ai Inc' with effect from November 4, 2022.

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

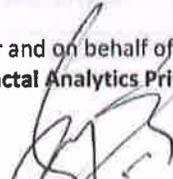
Sr. No.	Particulars	Details
1	Name of the Associate/ Joint Venture.	Qure. AI Technologies Private Limited
2	Latest Audited Balance Sheet Date	31-Mar-2023
3	Date on which the Associate or Joint Venture was associated or acquired	Incorporated on 19 July 2016 as a wholly owned subsidiary. w.e.f. 13 April, 2022 it's an Associate.
4	Shares of Associate or Joint Ventures held by the company on the year end	
	No. of equity shares	25,00,00,000
	Amount of Investment in Associates	25,00,00,000
	Extent of Holding (in percentage)	37.23% (on fully diluted basis)
5	Description of how there is significant influence	Associate
6	Reason why the associate is not consolidated.	As per Ind AS 28, "Investments in Associates and Joint Ventures", If any entity have 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	2,858,296,000
8	Profit or Loss for the year	-778,389,000*
	i. Considered in Consolidation	-290,794,225*
	ii. Not Considered in Consolidation	-487,026,775

* It is excluding other comprehensive income/loss for the year.

III. Other details:

- Names of subsidiaries which are yet to commence operations – Fractal Alpha Private Limited, Fractal Frontiers Inc. and Theremin Multi Strategy Fund LLP
- Names of subsidiaries which have been liquidated or sold during the year – None.
- Names of associates or joint ventures which are yet to commence operations – None.
- Names of associates or joint ventures which have been liquidated or sold during the year – None.

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


Srjkanth Velamakanni
Whole-time Director
DIN: 01722758
Date: July 19, 2023
Place: Mumbai




Gulu Mirchandani
Director
DIN: 00026664
Date: July 19, 2023
Place: Mumbai

ANNEXURE C

(This annexure forms part of the Boards' Report)

FORM NO. MGT 9**Extract of Annual Return**

As on financial year ended on March 31, 2023

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. Registration & other details:

i	CIN	U72400MH2000PTC125369
ii	Registration Date	March 28, 2000
iii	Name of the Company	Fractal Analytics Private Limited
iv	Category/Sub-category of the Company	Private company limited by shares
v	Address of the Registered office & contact details	Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon (E), Mumbai- 400063. Contact No: +91 22 6850 5800
vi	Whether listed company	No
vii	Name, address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400 083. Contact No.: +91 22 49186000

II. Principal business activities of the Company.

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Data processing/managing and advanced analytics, information technology enabled consultancy services	62011, 62099 and 63111 (as per National Industrial Classification 2008)	100

III. Particulars of holding, subsidiary & associate companies:

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	Percentage of shares held
1	Fractal Analytics Inc. C/O Corporation Service Company, 80 State Street, Albany, Ny, 12207, USA	N.A.	Wholly owned Subsidiary	100%
2	Fractal Private Limited 30 Raf-Fles Place #23-01, Oxley @ Raffles, 048622 Singapore	N.A.	Wholly owned Subsidiary	100%

3	Cuddle Artificial Intelligence Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon (E), Mumbai 400063	U74999MH2016 PTC283206	Subsidiary	⁹ 98.15%
4	Qure.ai Technologies Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon (E), Mumbai 400063	U74999MH2016 PTC283891	Associate	¹⁰ 45.36%
5	Final Mile Consultants Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon (E), Mumbai 400063	U74140MH2008 PTC177641	Wholly owned Subsidiary	100%
6	Theremin AI Solutions Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon €, Mumbai 400063	U72900MH2018 PTC318795	Subsidiary	¹¹ 71.03%
7	Eugenie Technologies Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon (E), Mumbai 400063	U74999MH2020 PTC347625	Wholly owned Subsidiary	100%
8	Fractal Analytics UK Limited C/O Corporation Service Company (UK) Limited, 5 Churchill Place 10th Floor, London England E14 5HU	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Analytics Inc. (USA)
9	Fractal Analytics (Canada) Inc. 160 ELGIN Street, # 2600 Ottawa, Ontario, Canada K1P 1C3	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
10	Fractal Analytics (Switzerland) GmbH Zedra Trust Company (Suisse) SA, Zweigniederlassung Zug	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)

⁹ 100% subsidiary of Fractal Analytics Private Limited w.e.f. May 13, 2023.

¹⁰ Shareholding is basis total paid-up share capital.

¹¹ Shareholding is basis total paid-up share capital.

11	Fractal Analytics Germany GmbH c/o Rödl & Partner, Äußere Sulzbacher Straße 100, 90491 Nürnberg	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
12	Cuddle.ai Inc. C/o CSC, 251, Little Falls Drive, Wilmington, New Castle-19808	N.A.	Step-down Subsidiary	100% subsidiary of Cuddle Artificial Intelligence Private Limited
13	Fractal Analytics Netherland B.V. High Tech Campus 9, Bèta gebouw, unit K1.04, 5656AE Eindhoven	N.A.	Step-down Subsidiary	100% subsidiary of Fractal Private Limited (Singapore)
14	Limited Liability Company "Symphony (Ukraine)" 14 Vasykivska Street, Building D, Kyiv city, 03040, Ukraine	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
15	4i Consulting, Inc. Company's registered agent address: 801 Adlai Stevenson Drive, Springfield, IL 62703	N.A.	Step-down Subsidiary	¹² 100% Subsidiary of Fractal Analytics Inc. (USA)
16	Final Mile Consulting LLC C/o CSC, 251, Little Falls Drive, Wilmington, New Castle-19808	N.A.	Step-down Subsidiary	100 % Subsidiary of Final Mile Consultants Private Limited
17	Fractal Analytics Australia Pty Ltd Level 16, Tower 2, Darling Park 201 Sussex Street, Sydney, NSW- 2000	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
18	Fractal Analytics Malaysia SDN BHD Unit No- 17-2, Level 17, Wisma UOA II, No 21, Jalan Pinang 50450 Kuala Lumpur, Wilayah, Persekutuan	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
20	Fractal Analytics (Shanghai) Limited 2F/1B, No.84 Sanlin Road Pudong New District Shanghai	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
21	Fractal Analytics Sweden AB C/O Advokatfirman Engström & Co AB Jungmansgatan 12, SE-211 11 Malmö	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)

¹² with effect from April 01, 2023, 4i Consulting Inc. ('4i US'), wholly owned subsidiary of Fractal Analytics Inc. ('Fractal US') has been merged with Fractal US.

22	Eugenie.ai Inc. C/o CSC, 251, Little Falls Drive, Wilmington, New Castle-19808	N.A.	Step-down Subsidiary	94.12% subsidiary of Fractal Analytics Inc. (USA)
23	Theremin Multi Strategy Fund LLP Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon (E), Mumbai 400063	AAW-3436	Step-down Subsidiary	99.90% by Theremin AI Solutions Private Limited
24	¹³ Asper.AI Inc 251 Little Falls Drive Wilmington, Delaware 19808- 1674 USA	NA	Step down subsidiary	94.76% Subsidiary of Fractal Analytics Inc. (USA)
25	¹⁴ Asper.AI Limited⁹ 2 Churchill court, 58 station road, North Harrow, Middlesex, United Kingdom HA2 7SA	NA	Step down subsidiary	100% Subsidiary of Asper.AI Inc. (USA)
26	Senseforth AI Research Private Limited 4th Floor, Indiqube-Gamma, Unit GA-E-088 To GA-E-091, Survey No. 293/154/172, Outer Ring Road, Kadubeesanahalli, Marathalli, Bangalore-560103	U72900KA2017 PTC101706	Wholly owned subsidiary	100%
27	Senseforth Inc. 251 Little Falls Drive Wilmington, Delaware 19808- 1674 USA	NA	Step down subsidiary	100% Subsidiary of Fractal Analytics Inc. (USA)
28	Neal Analytics Services Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon (East), Mumbai 400063	U72900MH2014 FTC254858	Wholly owned subsidiary	100%
29	Neal Analytics LLC 300 Deschutes Way, SW STE 208, MC-CSC1, Tumwater WA 98501	NA	Step down subsidiary	100% Subsidiary of Fractal Analytics Inc. (USA)

¹³ The name has been changed from 'Samya.ai Inc' to 'Asper.ai Inc' with effect from November 4, 2022;

¹⁴ The name has been changed to 'Samya.AI Limited' to 'Asper.AI Limited' with effect from November 17, 2022.

30	Fractal Alpha Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon (East), Mumbai 400063	U72900MH2022 PTC377868	Wholly owned subsidiary	100%
31	Fractal Frontiers, Inc. 251 Little Falls Drive Wilmington, Delaware 19808-1674 USA	NA	Step down subsidiary	100% Subsidiary of Fractal Alpha Private Limited (India)
32	Fractal LLC-FZ Business Center 1, M Floor, The Meydan Hotel, Nad Al Sheba, Dubai, U.A.E.	NA	Step down subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
34	¹⁵ Asper.AI Technologies Private Limited⁵ IndiQube Alpha, 1st Flr, Wing-B3, Plot 19/4 & 27 Kadubeesanahalli Village, Varthur Hobli Bangalore Bangalore KA 560103 IN	U72900KA2019 FTC128045	Wholly owned subsidiary	100%
35	Analytics Vidhya Educon Private Limited 207 B Block, (Chamber-1) Corporate House 169, RNT Marg, Indore MP 452001 IN	U80904MP2014 PTC032389	Subsidiary	¹⁶ 55.92%

IV. Shareholding pattern (Equity Share capital Break up as % to total Equity):

i. Category-wise Shareholding

Category of shareholders	No. of shares held at the beginning of the year i.e. 01-04-2022				No. of shares held at the end of the year i.e. 31-03-2023				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.00%	0	0	0	0.00%	0.00%

¹⁵ The name has been changed from 'Samya.AI Technologies Private Limited' to 'Asper.AI Technologies Private Limited' with effect from December 02, 2022.

¹⁶ Shareholding is basis total paid up capital

b) Central Govt. or State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies corporate	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bank/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other-Indian relatives of promoters	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL: (A)(1)	0	0	0	0.00%	0	0	0	0.00%	0.00%
(2) Foreign (shares held by non-residents on non-repatriation basis)									
a) NRI-Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies corporate	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL: (A)(2)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Total Shareholding of Promoter Group (A) = (A)(1) + (A)(2)	0	0	0	0.00%	0	0	0	0.00%	0.00%

B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Fund	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIIS	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%

i) Others	0	0	0	0.00 %	0	0	0	0.00 %	0.00%
SUB TOTAL: (B)(1)	0	0	0	0.00 %	0	0	0	0.00 %	0.00%
(2) Non Institutions									
a) Bodies corporate									
i) Indian	0	0	0	0.00 %	0	0	0	0.00 %	0.00%
ii) Overseas	1,32,93,434	0	1,32,93,434	51.23 %	1,32,93,434	0	1,32,93,434	50.76 %	(0.47)%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	7,42,473	6,16,597	13,59,070	5.24 %	10,45,609	5,55,717	16,01,326	6.11 %	0.87%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	77,08,227	35,86,867	1,12,95,094	43.54 %	78,14,367	34,80,727	1,12,95,094	43.13 %	(0.41)%
c) Others	0	0	0	0.00 %	0	0	0	0.00 %	0.00%
SUB TOTAL: (B)(2)	2,17,44,134	42,03,464	2,59,47,598	100.00%	2,21,53,410	40,36,444	2,61,89,854	100 %	0.00%
Total Public Shareholding (B) = (B)(1) + (B)(2)	2,17,44,134	42,03,464	2,59,47,598	100.00%	2,21,53,410	40,36,444	2,61,89,854	100 %	0.00%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00 %	0	0	0	0.00 %	0.00%
GRAND TOTAL (A+B+C)	2,17,44,134	42,03,464	2,59,47,598	100.00%	2,21,53,410	40,36,444	2,61,89,854	100 %	0.00%

ii. Shareholding of Promoters Group: Not Applicable

Sr. No.	Shareholders Name	No. of shares held at the beginning of the year i.e. 01-04-2022			No. of shares held at the end of the year i.e. 31-03-2023			% change in shareholding during the year*
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
-	-	0	0%	0%	0	0%	0%	0%
	Total	0	0%	0%	0	0%	0%	0%

iii. Change in Promoters' Group Shareholding: Not Applicable

Sr. No.	Particulars	Shareholding at the beginning of the year i.e. 01-04-2022		Cumulative shareholding during the year 2022-2023	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	-	-	-	-
2	Date wise increase/decrease in Promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
3	At the end of the year	-	-	-	-

iv. Shareholding pattern of top ten shareholders with changes, if any (other than directors, promoters group & Holders of GDRs & ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01-04-2022		Cumulative Shareholding during the year 2022-23	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	1,91,49,392	73.80%		
2	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	#	#	#	#
3	At the end of the year (or on the date of separation, if separated during the year)			1,91,51,017	73.12%

Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)

Name of the shareholders	Shareholding at the beginning of the year i.e. 01-04-2022		Rank as on 31.03.2021	Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year 2022-23		Rank as on 31.03.2023	Shareholding at the end of the year i.e. 31-03-2023	
	No. of shares	% of total shares of the Company					No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
TPG FETT HOLDINGS PTE LTD	73,53,814	*28.34 %	1	-	No Change during the year	-	73,53,814	28.08 %	1	73,53,814	*28.08 %
Quinag Bidco Ltd.	59,39,620	*22.89 %	2	-	No Change during the year	-	59,39,620	22.68 %	2	59,39,620	*22.68 %
Gita Mirchandani	31,31,260	*12.07 %	3	-	No Change during the year	-	31,31,260	11.96 %	3	31,31,260	*11.96 %
Chetana Kumar	13,49,151	*5.20%	4	-	No Change during the year	-	13,49,151	5.15%	4	13,49,151	*5.15%
Narendra Kumar Agrawal	8,90,637	*3.43%	5	-	No Change during the year	-	8,90,637	3.40%	5	8,90,637	*3.40%
Rupa Agrawal	1,97,420	*0.76%	6	-	No Change during the year	-	1,97,420	0.75%	6	1,97,420	*0.75%
Satya Remala jointly with Rao V. Remala	1,06,140	*0.41%	7	-	No Change during the year	-	1,06,140	0.41%	7	1,06,140	0.41%
Satish Raman	64,350	*0.25%	8	06/03/2023	Transfer	-	64,850	0.25%	8	64,850	0.25%
Prashant Warriar	60,000	*0.23%	7	-	No change during the year	-	60,000	0.23%	9	60,000	*0.23%
Arpan Dasgupta	NA	NA	NA	-	NA	-	58,125	0.22%	10	58,125	*0.22%
Natwar Mall	57,000	0.22%	10	-	No change during the year	-					
TOTAL OF TOP 10 SHAREHOLDERS AT THE BEGINNING OF THE YEAR	1,91,49,392	73.80%						TOTAL OF TOP 10 SHAREHOLDERS AT THE END OF THE YEAR		1,91,51,017	73.12%

* Difference in % of total shares of the Company is on account of various allotments of shares made during the year and consequential increase in the total number of shares.

v. **Shareholding Pattern of Directors and Key managerial personnel**

Sr. No.	Name of the Director/Key Managerial Personnel	Shareholding at the beginning of the year i.e. 01.04.2022		Cumulative Shareholding during the year 2022-23	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Gulu Mirchandani				
	At the beginning of the year	23,65,296	*9.12%		
	Change during the year	No change during the year			
	At the end of the year			23,65,296	*9.03%
2	Pranay Agrawal				
	At the beginning of the year	17,27,812	*6.66%		
	Change during the year	No change during the year			
	At the end of the year			17,27,812	*6.60%
3	Srikanth Velamakanni				
	At the beginning of the year	15,27,378	*5.89%		
	Change during the year	No change during the year			
	At the end of the year			15,27,378	*5.83%
4	Gavin Patterson				
	At the beginning of the year	61,199	*0.24%		
	Changes during the year	No change during the year			
	At the end of the year			61,199	*0.23%
5	Shashank Singh				
	At the beginning of the year	0	0.00%		
	Change during the year	No change during the year			
	At the end of the year			0	0.00%
6	Rohan Haldea				
	At the beginning of the year	0	0.00%		
	Change during the year	No change during the year			
	At the end of the year			0	0.00%
7	Puneet Bhatia				
	At the beginning of the year	0	0.00%		
	Change during the year	No change during the year			
	At the end of the year			0	0.00%
8	Vivek Mohan				
	At the beginning of the year	0	0.00%		
	Change during the year	No change during the year			
	At the end of the year			0	0.00%

9	Karen Ann Terrell (Appointed as Independent Director w.e.f. October 26, 2022)	Not Applicable			
10	Neelam Dhawan (Appointed as Independent Director w.e.f. October 10, 2022)	Not Applicable			
11	Somya Agarwal (Company Secretary)				
	At the beginning of the year	2250	*0.01%		
	Change during the year	No change during the year			
	At the end of the year			2250	*0.01%

* Difference in % of total shares of the Company is on account of various allotments of shares made during the year and consequential increase in the total number of shares.

IV (B) Shareholding pattern (Preference Share Capital Break up as % of total preference)

(i) Category-wise Shareholding

Category of shareholders	No. of shares held at the beginning of the year i.e. 01-04-2022				No. of shares held at the end of the year i.e. 31-03-2023				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Central Govt. or State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies corporate	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bank/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other- Indian relatives of promoters	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL: (A)(1)	0	0	0	0.00%	0	0	0	0.00%	0.00%
(2) Foreign (shares held by non-residents on non-repatriation basis)									
a) NRI- Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies corporate	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL: (A)(2)	0	0	0	0.00%	0	0	0	0.00%	0.00%

Total Shareholding of Promoter Group (A) = (A)(1) + (A)(2)	0	0	0	0.00%	0	0	0	0.00%	0.00%
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B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Fund	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIIS	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL: (B)(1)	0	0	0	0.00%	0	0	0	0.00%	0.00%
(2) Non Institutions									
a) Bodies corporate									
i) Indian	0	0	0	0.00%	0	0	0	0.00%	0.00%
ii) Overseas	45,23,604	0	45,23,604	100.00%	45,23,604	0	45,23,604	100.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0.00%	0	0	0	0.00%	0.00%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Others	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL: (B)(2)	45,23,604	0	45,23,604	100.00%	45,23,604	0	45,23,604	100.00%	0.00%

Total Public Shareholding (B) = (B)(1) + (B)(2)	45,23,604	0	45,23,604	100.00%	45,23,604	0	45,23,604	100.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0.00%
GRAND TOTAL (A+B+C)	45,23,604	0	45,23,604	100.00%	45,23,604	0	45,23,604	100.00%	0.00%

- (ii) Shareholding of Promoters Group: Not Applicable
(iii) Change in Promoters' Group Shareholding: Not Applicable
(iv) Shareholding pattern of top ten shareholders on preference shares basis with changes, if any (other than directors, promoters group & Holders of GDRs & ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01-04-2022		Cumulative Shareholding during the year 2022-23	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	45,23,604	100.00%	-	-
2	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	#	#	#	#
3	At the end of the year (or on the date of separation, if separated during the year)			45,23,604	100.00%

Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)

Name of the shareholder	Shareholding at the beginning of the year i.e. 01-04-2022		Rank as on 31.03.2022	Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year 2022-23		Rank as on 31.03.2023	Shareholding at the end of the year i.e. 31-03-2023	
	No. of shares	% of total shares of the Company					No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
Quinag Bidco Ltd.	33,37,505	73.78%	1	-	No Change	-	33,37,505	73.78%	1	33,37,505	73.78%

					during the year							
TPG FETT HOLDINGS PTE LTD	11,86,099	26.22%	2	-	No change during the year	-	11,86,099	26.22%	2	11,86,099	26.22%	
Total	45,23,604	100.00%					45,23,604	100.00%		45,23,604	100.00%	

V. Indebtedness - NIL

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. Remuneration of directors and key managerial personnel

A. Remuneration to Managing Director, Whole time director and/or Manager:

(Amount in Rs Million)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/ Manager	Total Amount
		Srikanth Velamakanni	
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax. 1961.	53.70	53.70
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	1.31	1.31
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock options	-	-
3	Sweat Equity	-	-
4	Commission as % of profit	-	-
	others (specify)	-	-
5	Others, please specify Reimbursement of expenses	-	-
	Total (A)	55.01	55.01
	Ceiling as per the Act	Not Applicable	Not Applicable

B. Remuneration to other directors:

(Amount in Rs Million)

Sr. No.	Particulars of Remuneration	Independent Directors			Non-Executive Director	Total Amount (In Rs. in Millions)
		Karen Ann Terrell	Neelam Dhawan	Gavin Patterson		
1	Name of the Director	Karen Ann Terrell	Neelam Dhawan	Gavin Patterson		
	(a) Fee for attending board/committee meetings	3.67	3.67	-		7.33
	(b) Commission	-	-	-		-
	(c) Stock Option/Sweat Equity	-	-	0.17		-
	(d) Others, please specify	-	-	-		-
	Total	3.67	3.67	-		7.33
Ceiling as per the Act	As per applicable provisions of Companies Act, 2013.			Not Applicable		

¹⁷ During the year, Mr. Gavin Patterson has been granted 10,400 Time-Based Key Employee Stock Incentive Plan 2019 (Time-Based MIP) and 20,800 Performance-Based Key Employee Stock Incentive Plan (Performance-Based MIP) (Collectively hereinafter referred to as the Management Incentive Plan).

C. Remuneration to key managerial personnel other than MD/Manager/WTD:

(Amount in Rs Million)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total Amount (In Rs. in Millions)
			Somya Agarwal		
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	—	9.70	—	9.70
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—	—	—
2	Stock Option ¹⁸	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission as % of profit	—	—	—	—
	others, specify	—	—	—	—
5	Others, please specify	—	—	—	—
	Total	—	9.70	—	9.70

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


Srikanth Velamakanni
Whole-time Director
DIN: 01722758
Date: July 19, 2023
Place: Mumbai




Gulu Mirchandani
Director
DIN: 00026664
Date: July 19, 2023
Place: Mumbai

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

¹⁸ During the financial year 2021-22, Ms. Somya Agarwal was granted 5,000 ESOPs of INR 846 each and 1,660 time-based options at INR 846 each and 3,340 performance-based options at INR 846 each.

ANNEXURE D

(This annexure forms part of the Boards' 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

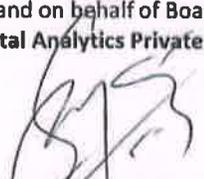
I. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	N.A.
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	
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 Inc., USA, a wholly owned subsidiary of the Company Mr. Srikanth Velamakanni, and Mr. Pranay Agrawal, directors of Fractal Analytics Private Limited are also directors of the Wholly owned subsidiary.
b)	Nature of contracts/arrangements/transactions	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	-
e)	Date(s) of approval by the Board	NA
f)	Amount paid as advances, if any:	NA

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


Srikanth Velamakanni
Whole-time Director
DIN: 01722758
Date: July 19, 2023
Place: Mumbai




Gulu Mirchandani
Director
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Goregaon (East), Mumbai- 400 063

ANNEXURE E

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

Details pertaining to Fractal Employees Stock Option Plan ("Fractal ESOP") for the financial year 2022-23

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)	2,64,406		35,876	71,824
2	Options vested	10,79,376		3,37,922	-
3	Options exercised	2,32,856		-	-
4	The total number of shares arising as a result of exercise of option	2,32,856		-	-
5	Options lapsed	2,34,810		27,940	56,060
6	Options granted in FY 21-22 and rescinded during the FY 22-23.	55,737		2,490	21,680
7	The exercise price	The exercise price of Options granted: Rs. 846/- each, Rs. 3218/- each, Rs. 2270/- each	The exercise price of shares allotted: Rs. 1/- each (At par), Rs. 40/- each, Rs. 279/- each, Rs. 279.81/- each, Rs. 595.26/- each, Rs. 610/- each, Rs. 640/- each, Rs. 846/- each	The exercise price of Options granted: Rs. 846/- each, Rs 2270/- each	The exercise price of Options granted: Rs. 846/- each, Rs 2270/- each
8	Variation of terms of options ¹⁹	-		-	-
9	Money realized by exercise of options	11,77,15,051		-	-
10	Total number of options in force	25,97,381		10,60,602	21,29,772
11	Employee wise details of options granted to:				
a.	Key managerial personnel	-		-	-

¹⁹ During the year under review, extension of time was given to employees for exercising the options.

b.	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	John LaRocca- 16,670 Options	a) Christopher Hansen- 3,330 b) Gavin Patterson- 10,400 c) Ann Hintzman- 11,660	a) Christopher Hansen-6,670 b) Gavin Patterson- 20,800 c) Ann Hintzman- 23,340
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.			

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 F

(This annexure forms part of the Boards' 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. 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 3 thrust 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.**

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 listed under Schedule VII to the Companies Act, 2013 ('the Act') such as –

- **Scholarship Programs for education**
- **Providing infrastructure and other learning aids**
- **Participating for a cause through events**
- **Teaching, mentorship and reading Programs through school libraries**
- **Training and enhancing skills of underprivileged women and children**

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.

During the financial year under review, the Board of Directors in its meeting held on December 14, 2022, had revised the terms of CSR committee by adding the scope of Environmental, Social, and Governance (ESG) within

its purview and renamed Corporate Social Responsibility as Corporate Social Responsibility & Environmental, Social, and Governance committee ('CSR & ESG') w.e.f. said date.

B. Composition of the CSR 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 committee (renamed as CSR & ESG Committee) as on March 31, 2023, is as provided below:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	*Mr. Puneet Bhatia	Chairman	-	-
2	Mr. Shashank Singh	Member	-	-
3	Mr. Srikanth Velamakanni	Member	-	-
4	Mr. Gulu Mirchandani	Member	-	-

*The Board of the Company on November 11, 2022, vide Circular Resolution No. 28/2022-23/BM had re-constituted the committee as above and Mr. Puneet Bhatia, Director of the Company was elected as the Chairman of the committee. Further, the Board of Directors of your Company at their meeting held on December 14, 2022, had widened the scope of the CSR Committee with the of inclusion of Environmental, Social, and Governance (ESG) framework within its purview. Accordingly, the CSR committee was renamed as Corporate Social Responsibility & Environmental, Social, and Governance ('CSR & ESG') committee and the terms of reference of the Committee was modified to that effect. During the year under review CSR Committee had approved all the respective business matters by passing the resolutions through circulation, pursuant to the provisions of Companies Act, 2013 read with Secretarial Standards on Meetings of Board of Directors issued by Institute of Company Secretaries of India. There were no CSR committee meetings held during the financial year 2022-23.

The details of Resolutions passed through Circulation are provided below:

Corporate Social Responsibility Committee			
Sr. No.	Particulars	Date of Approval	Matters for approval.
1.	01/2022-23/CSR	May 05, 2022	Recommendation to the Board of Directors of the Company, approval and disbursal of INR 4,000,000/- to be incurred for the Corporate Social Responsibility initiatives to be undertaken through CSR/NGO partners
2.	02/2022-23/CSR	August 17, 2022	Approval and recommendation to the Board of Directors, the expenditure to be incurred towards the Corporate Social Responsibility initiatives for the financial year 2022-23

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 committee (renamed as 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	INR 31,05,08,200
b.	Two percent of average net profit of the company as per sub-section (5) of section 135	INR 62,10,164
c.	Surplus arising out of the CSR Projects or programmes 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)].	INR 62,10,164

F. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

(i) Amount spent on CSR on Ongoing Project- Nil

(ii) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the project and activity identified	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in INR)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Fractal Imobile Program: Hands on Science Education for less privileged students pursuing curricular studies in local municipal schools. The iMobile Lab will link students to high quality educational opportunity irrespective of socio economic status. This program is expected to reach 1600 students, 150 teachers and 7 schools.	Schedule VII (ii) Promoting education, including special education among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Maharashtra	Mumbai	INR 15,99,522.00	No, through Implementation Agency	Agastya International Foundation	CSR00003442

2	<p>Fractal UWM Let's Read Carnival Project: The objective of the project is to improve language acquisition levels and foster the love of reading amongst children from marginalized communities. Approximately 500 children participate to the this project. The children will receive book sets and enjoy book reading – story telling sessions, assisted reading and refreshments. Each of their schools will also be gifted a mini library to take back with them.</p>	<p>Schedule VII (ii) Promoting education, including special education among children, women, elderly and the differently abled and livelihood enhancement projects.</p> <p>Schedule VII (v) setting up public libraries; promotion and development of traditional art and handicrafts.</p>	Yes	Maharashtra	Mumbai	INR 12,10,000.00	No, through Implementation Agency	United Way of Mumbai	CSR00000762
3	<p>Fractal FFE scholarship Program: The objective of the program is to sponsor the scholarship of academically gifted and financially deserving female students pursuing degrees in</p>	<p>Schedule VII (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently</p>	Yes	Karnataka		INR 17,16,000.00	No, through Implementation Agency	Foundation for Excellence India Trust	CSR00002053

	Engineering and Medicine in India. By paying academic tuition fees.	abled and livelihood enhancement projects. Schedule VII (iii)- 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.							
4	Fractal BAIF Project: Promotion of bamboo plantation and solar irrigation in marginalized tribal areas of Maharashtra	Schedule VII (iv)- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [includIn	Yes	Maharashtra	Dahanu	INR 17,60,275	No, through Implementation Agency	BAIF Institute for Sustainable Livelihoods and Development	CSR00000259

		g contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga]							
Total						INR 62,85,797			

- a. Amount spent in Administrative Overheads - NIL
- b. Amount spent on Impact Assessment, if applicable: Not applicable.
- c. Total amount spent for the Financial Year (a+b+c) INR 62,85,797/-
- d. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per subsection (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
62,85,797/-	Nil		Nil		

- e. Excess amount for Set-off, if any: Nil

Sr. No	Particular	Amount (in Rs).
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	INR 62,10,164
(ii)	Total amount spent for the Financial Year	INR 62,85,797
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	INR 75,633
(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)]	INR 75,633

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

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of	Balance Amount in Unspent CSR Account under subsection (6) of section 135	Amount Spent in the Financial Year (In Rs)	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 Rs)	Deficiency, if any

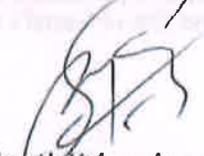
		section 135 (in Rs.)	(in Rs.)				
					Amount (in Rs)	Date of Transfer	
1	FY-1	Nil					
2	FY-2	Nil					
3	FY-3	Nil					

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 Private Limited


Srikanth Velamakanni
Whole-time Director



DIN: 01722758
Date: July 19, 2023
Place: Mumbai


Puneet Bhatia
Director and Chairman of CSR & ESG
Committee
DIN: 00143973
Date: July 19, 2023
Place: Gurgaon

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

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 ESG responsibilities – 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 and iii) improving quality & affordability of healthcare, safe housing solutions.

Fractal is developing its ESG roadmap and Fractal has surveyed key stakeholders, to understand the materiality of key ESG factors for Fractal. Fractal is also in the process of completing its TCFD analysis and it submitted its commitment to setting science-based net zero targets to SBTi in March 2023.

Fractal will continue to measure and monitor its progress in sustainability across key indicators aligned with nationally and internationally recognized frameworks, this adoption and alignment is currently under process. Fractal reported on the CDP portal for 2 years in a row and will continue to do so in the coming fiscal year as well.

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 continued to be powered by renewable energy from the grid, accounting for around 55% of its corporate real estate, and Fractal will strive to expand the share of renewable energy across its other global workspaces. Fractal has also incorporated green mobility into its BAU facility surface travel. Fractal Mumbai has 100% EV usage for day to day predicted on-site demand. Bengaluru and Gurugram are at 50%. These 3 locations account for around 75% of Fractal's leased corporate real estate.

Honours and Achievements

(SBTi commitment letter submitted: March 2023, acceptance received: April 2023)

Fractal has committed to set near- and long-term company-wide emission reductions in line with science-based net-zero with the Science Based Targets initiative (SBTi). Fractal has responded to the SBTi's urgent call for corporate climate action by committing to align with 1.5°C and net-zero through the Business Ambition for 1.5°C campaign.



Fractal is committed to intelligent, just and consistent action to enable people, planet and communities to thrive. Fractal now reflects on the SBTi and We Mean Business Coalition websites as a result of having publicly committed to the SBTi Net-Zero Standard.

Continued tree plantations to encourage biodiversity, reduce carbon and generate livelihood opportunities.

FY 2022-23 saw an increase of 19% in Fractal's tree plantation drives as a nature-based solution to remove carbon from the atmosphere. E-tree certificates were also issued as virtual rewards and recognition mementos. For example: Felicitation of visiting experts joining us virtually, rewards and recognition to Fractalites provide opportunities to plant much needed trees for cyclone relief and bio-diversity projects. Significantly, Fractal planted 11,822 trees on behalf of Fractalites. One of the project sites was a habitat for the Hangul deer biodiversity project at Dachigam National Park, Kashmir. This was a 2nd round of tree plantations in Kashmir. Afforestation drives were also undertaken at Thane, Mumbai Metropolitan Region (MMR), Sundarbans National Park, West Bengal, India.

Fractal's continued commitment towards ESG responsibilities – community social responsibility at Fractal

Fractal CSR outreach: Indian Fiscal 2022 – 2023

 <p>Fractal continued to sponsor scholarships for 32 academically gifted and financially deserving lady scholars in India pursuing STEM degrees.</p>	 <p>Restarted in-field volunteering, linked and equipped pre-assessed primary school children to better and level appropriate readership via the Let's READ Carnival outreach (over 400 children).</p>
 <p>Working towards building climate resilience and livelihood amongst marginalized rural farmers in tribal Dahanu district by way of bamboo plantation and solar irrigation.</p>	 <p>Renewed our commitment to the iMobile Innovation Lab partnership with Agastya to reach around 1,600 students.</p>

Fractal's continued commitment towards ESG responsibilities – community outreach by Fractalites

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.

Key volunteering initiative: Fractal FFE Mentorship Program

Fractal CSR sponsored the mentorship of 18 academically gifted and financially deserving students in India pursuing degrees in Engineering (BE)/Technology and (BTech). FFE's scholars are academically gifted, but due to a lack of beyond community exposure, often lack essential job readiness skills. The FFE mentoring program has been specially developed for third year FFE Engineering scholars to help them acquire essential career-relevant skills that are necessary for building a foundation for a good career. FFE's Mentoring Program is also designed with employability as its focus to enable students to better their chances of internships and placements at

reputed organizations /Institutions. The mentorship program at Fractal was conducted virtually. Mentors and mentees both reported a positive and meaningful set of interactions and mentees reported improved understanding of soft skills, time management and business communication.

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 202 Fractalites across levels participated in this campaign with the remainder of the kits sponsored by Fractal. In total 1,292 kits amounting to INR 7,72,891 were contributed to children across the communities at Fractal base locations. Please find below the location wise details.

Locations	CSR partner	School name and Grade	What's in the kit	No of students
Bengaluru	Embassy - ETV	Government Kannada Higher Primary School, Sanjaynagar and Marathahalli Grade 1-7	Health kit + Drawing Book + All-in-one book in English & Kannada	390
Chennai	Embassy - ETV	Government of Higher School, Anakaputhur, Chennai Grade 1-3	Health kit + All-in-one book in English	365
Gurugram	Agastya International Foundation	Government Senior Secondary School Dhankot Grade 7-8	Geometry box + 2 story books + drawing book + art supplies	150
Mumbai	Akanksha Foundation	Mahatma Phule Market Mumbai Public School – Mumbai Grade 7-10	Drawing book with art supplies + Dictionary + Geometry box	196
Pune	Agastya International Foundation	Thor Samajsevak Nathubhau Baburao Bhegade Patil Prathamik School No. 2 Grade 5 and 8	Scholarship kit + English Story book set of 2	123
Pune	Agastya International Foundation	Thor Samajsevak Nathubhau Baburao Bhegade Patil Prathamik School No. 2 Grade 8	Scholarship kit + English Story book set of 2	68

Key volunteering initiatives: Let's Read Carnival with United Way of Mumbai

Fractal sponsored the Let's Read Carnival in collaboration with United Way of Mumbai. The objective of the campaign was inculcating a love for reading books among children from low-income and marginalized communities who cannot access books of their own. Through this initiative, children are introduced to the joy of reading by providing them access to a set of 5 story books of their own. These books are carefully selected to be well-illustrated, relatable, age-appropriate, and inclusive of diverse themes and subject lines in different languages.

Fractal donated 10 mini-library bags (comprising 130 books each) through the Let's READ Carnival program. The following interventions were undertaken as a part of this activity conducted at Nehru Science Centre.

- 2,500 books were gifted to 500 children.
- 14 book reading sessions were facilitated
- Four teacher training sessions with schools who have participated in the Let's Read Carnival 2022.

Fractal's Mumbai volunteers, across all levels, participated in the Let's READ Carnival and distributed learning aids to students between the ages of 9-14 years from various NGOs. Volunteers participated by assisting the students in choosing books, ensuring students attended curated story telling sessions by authors or teachers and by reading to them in batches of 10 students to build reading fluency.

Annual volunteering initiative: TATA Mumbai Marathon (TMM), 2023

Fractal has been actively participating in the TATA Mumbai Marathon for 4 consecutive years, starting from 2018. This year Fractal sponsored >30 volunteers across the Open Run, Half Marathon and Dream Run categories. The purpose of participating in TMM was for a cause - better educational outcomes for disadvantaged children. This is a Fractal CSR thrust area.

Fractal's continued commitment towards ESG responsibilities – social procurement and building diversity and sustainability in the value chain at Fractal.

Increase in diverse, sustainable social procurement by Fractal.

Fractal recognizes the importance of having a diverse supplier base. Fractal CSR actively procures products from non-profits and other concerns run by the differently abled, women entrepreneurs and organisations that regularly recycle and up-cycle resources to produce sustainable products.

On the occasion of annual holiday mementoes in India, Fractal provided an opportunity to 3 sustainable enterprises and sourced sustainably designed products worth USD 126,000 for employees across India and other stakeholders across the globe. For the fiscal FY 2022-23, this was an increase of 14.5 % over the previous year's diverse and sustainable sourcing initiatives.

Neeman's: Planet friendly footwear made from recycled PET bottles, tyres and recycled materials. Neeman's uses natural and organic yarns, natural cotton.

Brown Living makes conscious living simpler and accessible for people. A planet positive e-marketplace that links rural vendors to a larger audience, is plastic free and creates livelihood.

Studio Beej is an eco-conscious accessories and lifestyle brand, born from the belief that style, and sustainability can and must co-exist. Beej is the first brand to bring MIRUM® - a plant-based, plastic-free, new material innovation. Studio Beej works extensively with cork with FSC certified cork.

Empowering women run businesses that empower other women.

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 one and all. This is a repeat initiative open to one and all at Fractal but targeted towards women colleagues.

Empowering diverse and sustainable businesses: The CSR Mini Bazaar, Mindful Consumption Workshop.

Fractal CSR Bazaars are popular and are much awaited events that are frequently conducted at various office locations. Fractal engaged with selected CSR partners from the non-profit sector and helped them set up a Mini Bazaar at Fractal offices across India. These partners support upliftment of women from disadvantaged backgrounds. In a new experimental format, Fractal CSR also organised a hands-on natural skincare product making workshop in honour of International Women's Day, 2023.

Fractal's continued commitment towards ESG responsibilities – embedding sustainability and diversity in wellness initiatives.

Wellness: Celebrating organizational togetherness as we emerged from the pandemic.

Fractal organised 6 Joe De Vivre events across the globe to celebrate togetherness during the challenges posed by the pandemic. These events incorporated sustainability, encouragement of independent artists who suffered greatly during the pandemic, encouragement of local caterers and were held at Fractal offices in Mumbai, Gurugram, Bengaluru, Kyiv, New York City and Chennai. The purpose of this event was to recognize and celebrate the spirit of Fractal and to acknowledge the physical, mental, and emotional resilience of Fractalites across the globe.

ANNEXURE G

(This annexure forms part of the Boards' Report)

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	N.A.

In compliance with the Prevention of Sexual Harassment Act 2013, the 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, the 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.

B S R & Co. LLP

Chartered Accountants

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Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai – 400063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

Independent Auditor's Report

To the Members of Fractal Analytics Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Fractal Analytics Private Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, 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 a summary of significant 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 2023, and its loss and other comprehensive income, 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.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report thereon.

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

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

Independent Auditor's Report (Continued)

Fractal Analytics Private Limited

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.



Independent Auditor's Report (Continued)

Fractal Analytics Private Limited

- 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.

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, 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.
- 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 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. 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 :

- a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 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 37 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

Independent Auditor's Report (Continued)

Fractal Analytics Private Limited

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 37 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 performed 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. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

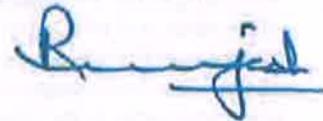
C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company. 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 BSR & Co. LLP

Chartered Accountants

Firm's Registration No : 101248WW-100022



Rajesh Mehra

Partner

Place: Mumbai

Membership No : 103145

Date: 19 July 2023

ICAI UDIN:23103145BGXWXH9286

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Private Limited for the year ended 31 March 2023

(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.
- (i) (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 3 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. No discrepancies were noticed on such verification.
- (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 not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (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 and granted loans (unsecured) to companies during the year. The Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured, to firms, limited liability partnership or any other parties during the year.

Particulars	Advances	Loans	Advances in nature of loans
Aggregate amount during the year Subsidiaries*	11	287	100%
Balance outstanding as at balance sheet date Subsidiaries*	-	380	N A



Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Private Limited for the year ended 31 March 2023 (Continued)

'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 and the terms and conditions of the grant of loans and advances given during the year are, prima facie, 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 including interest thereon. As informed to us, the Company has not demanded repayment of the loan and interest thereon during the year except for repayment of advance in the nature of loan of Rs 110 million. Thus, there has been no default on the part of the party to whom the money has been lent.
- (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 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 its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	Related Parties (subsidiaries)
Aggregate of loans/advances in nature of loan - Repayable on demand (A)	380
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, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("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 rendered 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 amounts deducted / accrued in the books of

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Private Limited for the year ended 31 March 2023 (Continued)

account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-Tax, 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, or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	144,464	April 2022	15-May-2022	15-Apr-2023	Delay in payment due to errors in linking of employee Adhaar cards with UAN number
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	41,250	May 2022	15-June-2022	15-Apr-2023	Delay in payment due to errors in linking of employee Adhaar cards with UAN number
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	37,500	June 2022	15-Jul-2022	15-Apr-2023	Delay in payment due to errors in linking of employee Adhaar cards with UAN number
Employees Provident Fund & Miscellaneous	Provident Fund	41,250	July 2022	15-Aug-2022	15-Apr-2023	Delay in payment due to errors in

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Private Limited for the year ended 31 March 2023 (Continued)

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
us Provisions Acy, 1952						linking of employe e Adhaar cards with UAN number
Employees Provident Fund & Miscellaneous Provisions Acy, 1952	Provident Fund	37,500	August 2022	15-Sept-2022	15-Apr-2023	Delay in payment due to errors in linking of employe e Adhaar cards with UAN number

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Income-Tax or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (INR in Million)*	Period to which the amount relates	Forum where dispute is pending
Income tax Act,1961	Income Tax	5	AY 2007-08	Commissioner of Income Tax (Appeals)
Income tax Act,1961	Income Tax	13	AY 2011-12	Commissioner of Income Tax (Appeals)
Income tax Act,1961	Income Tax	41	AY 2017-18	Commissioner of Income Tax (Appeals)
Income tax Act,1961	Income Tax	2	AY 2019-20	Commissioner of Income Tax (Appeals)
Income tax Act,1961	Income Tax	9	AY 2020-21	Assessing Officer and

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Private Limited for the year ended 31 March 2023 (Continued)

Name of the statute	Nature of the dues	Amount (INR in Million)*	Period to which the amount relates	Forum where dispute is pending
				Transfer Pricing officer

*These amounts are net of amounts paid under protest INR 25 million

- (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) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. 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 balance sheet 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 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 (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.
- (g) 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 of shares or fully or partly convertible debentures during the year. In our opinion, in respect of private placement of equity shares made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of equity shares have been used for the purposes for which the funds were raised.
- (xi) (a) Based on 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 course of the audit.
- (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.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Private Limited for the year ended 31 March 2023 (Continued)

- (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) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such 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, other information accompanying the standalone financial statements, 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,



B S R & Co. LLP

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Private Limited for the year ended 31 March 2023 (Continued)

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

Place: Mumbai

Membership No.: 103145

Date: 19 July 2023

ICAI UDIN:23103145BGXWXH9286

Annexure B to the Independent Auditor's Report on the standalone financial statements of Fractal Analytics Private Limited for the year ended 31 March 2023

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)(f) 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 Private Limited ("the Company") as of 31 March 2023 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 2023, 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



B S R & Co. LLP

Annexure B to the Independent Auditor's Report on the standalone financial statements of Fractal Analytics Private Limited for the year ended 31 March 2023 (Continued)

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 standalone 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 standalone 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 standalone financial statements.

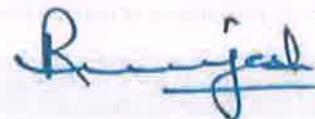
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Place: Mumbai

Membership No.: 103145

Date: 19 July 2023

ICAI UDIN:23103145BGXWXH9286

Fractal Analytics Private Limited

Standalone Balance Sheet as at March 31, 2023

Particulars	Note	(in Rupees Million)	
		As at March 31, 2023	As at March 31, 2022
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	(3)	308	357
(b) Right-of-use assets	(4)	221	378
(c) Other intangible assets	(5)	22	33
(d) Intangible assets under development	(5,1)	1	-
(e) Investments	(6)	5,670	5,726
(f) Financial assets			
(i) Other financial assets	(9)	304	169
(g) Income tax assets (net)		143	144
(h) Deferred tax assets (net)	(10)	43	49
(i) Other non-current assets	(11)	33	48
Total non-current assets		6,745	6,904
(B) Current assets			
(a) Financial assets			
(i) Investments	(6)	2,752	3,946
(ii) Trade receivables	(7)	6,374	3,467
(iii) Cash and cash equivalents	(12)	79	382
(iv) Loans	(8)	193	203
(v) Other financial assets	(9)	38	201
(b) Other current assets	(11)	426	435
Total current assets		9,862	8,634
Total assets		16,607	15,538
EQUITY AND LIABILITIES			
(A) Equity			
(a) Share capital	(13)	31	31
(b) Other equity	(14)	14,974	13,790
Total equity		15,005	13,821
(B) Liabilities			
(I) Non-current liabilities			
(a) Financial liabilities			
(i) Lease obligation	(31)	42	245
(ii) Other financial liabilities	(16)	2	-
(b) Provisions	(18)	73	83
Total non-current liabilities		117	328
(II) Current liabilities			
(a) Financial liabilities			
(i) Lease obligation	(31)	228	212
(ii) Trade payables	(15)		
1. Total outstanding dues of micro enterprise and small enterprises		5	16
2. Total outstanding dues of creditors other than micro enterprises and small enterprises		225	228
(iii) Other financial liabilities	(16)	753	587
(b) Other current liabilities	(17)	176	346
(c) Provisions	(18)	80	-
(c) Current tax liabilities		18	-
Total current liabilities		1,485	1,389
Total Equity and Liabilities		16,607	15,538

Significant accounting policies

2

The accompanying notes from 1 to 43 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 Private Limited

CIN: U72400MH2000PTC125369



Rajesh Mehra

Partner

Membership Number: 103145

Mumbai

Date: July 19, 2023



Srikanth Velamakanni

Whole-Time Director

DIN: 01722758

New Delhi

Date: July 19, 2023



Gulu Mirchandani

Director

DIN: 00026664

Mumbai

Date: July 19, 2023




Soniya Agarwal

Company Secretary

Membership number: A17336

Mumbai

Date: July 19, 2023

Fractal Analytics Private Limited

Standalone Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note	(In Rupees Million)	
		Year ended March 31, 2023	Year ended March 31, 2022
(1) Income			
(a) Revenue from operations	(19)	9,476	6,388
(b) Other income	(20)	609	320
Total Income		10,085	6,708
(2) Expenses			
(a) Employee benefits expense	(21)	7,912	5,178
(b) Finance costs	(22)	39	57
(c) Depreciation and amortization expense	(23)	404	374
(d) Other expenses	(24)	1,247	1,156
Total Expenses		9,602	6,765
(3) Profit /(Loss) before tax and exceptional items (1-2)		483	(57)
Exceptional items	(25)	898	-
(4) (Loss) before tax (3-4)		(415)	(57)
(5) Tax expense	(35)		
(a) Current tax		134	-
(b) Tax adjustment for earlier year		5	(30)
(c) Deferred tax charge / (credit)	(10)	6	(1)
Total tax expense		145	(31)
(6) (Loss) for the year		(560)	(26)
(7) Other comprehensive income/(loss)			
(1) Items that will not be reclassified subsequently to Profit/(Loss)			
(a) Remeasurement of defined employee benefit plans	(27)	27	(28)
(b) Income tax on items (a) above		(7)	-
Total other comprehensive income/(loss)		20	(28)
(8) Total comprehensive (loss) for the year		(540)	(54)
Earnings per share (EPS)	(34)		
(1) Basic EPS		(18.47)	(0.93)
(2) Diluted EPS		(18.47)	(0.93)

Significant accounting policies

2

The accompanying notes from 1 to 43 form an integral part of the standalone financial statements.

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022



Rajesh Mehra

Partner

Membership Number: 103145

Mumbai

Date: July 19, 2023

For and on behalf of the Board of Directors of
Fractal Analytics Private Limited

CIN: U72400MH2000PTC125369



Srikanth Velamakanni

Whole-Time Director

DIN: 01722758

New Delhi

Date: July 19, 2023



Gulu Mirchandani

Director

DIN: 00026664

Mumbai

Date: July 19, 2023



Somya Agarwal
Company Secretary
Membership number: A17336

Mumbai

Date: July 19, 2023



Fractal Analytics Private Limited
 Statement of Cash Flows for the year ended March 31, 2023

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A) Cashflows from operating activities	(415)	(97)
Adjustment for:		
Net gain on redemption/sell valuation of financial instruments	(157)	(43)
Gain on commission income	(39)	(6)
Dividend income	-	(148)
Interest income on unexpired deposits	(11)	(9)
Interest income on other deposits	(21)	(9)
Unrealised foreign exchange loss/(gain) (net)	(61)	(11)
Unrealised fair value loss / (gain) on forward contracts (net)	45	(1)
Depreciation and amortisation	216	190
Amortisation of right-of-use assets	168	184
Employee stock option expenses	1,049	102
Interest on lease liabilities	39	57
Provision for doubtful debts and advances	18	-
Provision for tax settlements	80	54
Impairment in value of investments and recoverables from subsidiaries	898	150
Operating cash flow before working capital changes	1,029	493
(Increase) in trade receivables	(2,857)	(1,207)
(Increase) in other current financial assets	(108)	(46)
(Increase) in other non-current financial assets	(10)	(22)
Decrease / (Increase) in other non-current assets	15	(19)
(Increase) in other current assets	(2)	(178)
(Decrease) / Increase in trade payables	(14)	113
(Increase) in other current financial liabilities	184	127
Increase / (Decrease) in current and non-current provisions	17	(32)
Increase in other non-current liabilities	2	-
(Decrease) / Increase in other current liabilities	(121)	182
Cash generated from operations	(1,105)	(589)
Taxes paid (net of refunds)	(127)	(131)
Net cashflows (used in) from operating activities	(1,232)	(720)
(B) Cashflows from investing activities	(156)	(254)
Interest received during the year	21	9
Interest received	148	148
Dividend received	148	148
Matruity proceeds of sale of mutual fund units	7,866	7,592
Purchase of mutual fund units	(6,514)	(10,895)
Movement in bank deposits with maturity greater than 3 months (net)	4	4
Investment in equity instruments of subsidiary	(5)	(2,966)
Investment in Compulsorily convertible preference shares	(5)	(2,966)
Interest received on fixed deposit	0	0
Net cashflows generated from / (used in) investing activities	1,035	(6,400)
(C) Cashflows from financing activities	148	787
Proceeds from issue of equity shares	148	148
Proceeds from share application money pending allotment	3	6,875
Proceeds from issue of preference shares	-	-
Repayment of lease liabilities including interest	(257)	-
Net cashflows from / (used in) financing activities	(106)	7,435
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(303)	315
Cash and cash equivalents at the beginning of the year	102	67
Cash and cash equivalents at the end of the year	79	382
Cash in hand	0	1
Balance with banks	79	381
Total cash and cash equivalents	79	382

* Denotes amount less than Rs. 1 million

Notes:

Refer note 31 for movement in lease liabilities under financing activities.

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard (Ind AS 7) Statement of cash flow as specified under section 133 of the Companies Act, 2013.

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: July 19, 2023

For and on behalf of the Board of Directors of
 Fractal Analytics Private Limited
 CIN: U72400MH2000PTC125369

Gaiti Mithranand
 Director
 DIN: 00026664
 Mumbai
 Date: July 19, 2023

Sajjanth Velamakanni
 Whole Time Director
 DIN: 01222758
 New Delhi
 Date: July 19, 2023

Somya Agarwal
 Company Secretary
 Membership number: 417336
 Mumbai
 Date: July 19, 2023



Fractal Analytics Private Limited

Standalone Statement of Changes in Equity for the year ended March 31, 2023

(A) Equity share capital

Particulars	(In Rupees Million)
Balance as at April 1, 2021	24
Changes in equity shares capital during the year (including amounts received for partly paid up shares)	2
Balance as at March 31, 2022	26
Balance as at April 1, 2022	26
Changes in equity shares capital during the year *	-
Balance as at March 31, 2023	26

* Amount less than Rs. 1 million

Note : There are no changes in Equity Share Capital due to prior period errors

(B) 0.001% Compulsorily convertible cumulative preference share capital

Particulars	(In Rupees Million)
Balance as at April 1, 2021	5
Changes in preference share capital during the year	-
Balance as at March 31, 2022	5
Balance as at April 1, 2022	5
Changes in preference share capital during the year	-
Balance as at March 31, 2023	5

(C) Other equity

Particulars	Reserve and Surplus				Share application money pending allotment	Total equity
	Securities premium reserve	Employee stock option reserve	Retained earnings	Remeasurement of defined employee benefit plans		
Balance as at April 1, 2021	4,010	444	1,660	(114)	0	6,000
Issue of Equity shares	785	-	-	-	(0)	785
Issue of Compulsorily Convertible Cumulative Preference shares	6,870	-	-	-	-	6,870
Employee stock option expense	-	189	-	-	-	189
Transfer on account of exercise of ESOP	121	(121)	-	-	-	-
Transfer on account of vested ESOP lapsed	-	(25)	25	-	-	-
(Loss) for the year	-	-	(26)	-	-	(26)
Remeasurement of defined employee benefits, net of tax	-	-	-	(28)	-	(28)
Balance as at March 31, 2022	11,786	487	1,659	(142)	-	13,790
Balance as at April 1, 2022	11,786	487	1,659	(142)	-	13,790
Share application money received during the year	-	-	-	-	3	3
Issue of Equity shares	148	-	-	-	-	148
Employee stock option expense (Refer note 32)	-	1,573	-	-	-	1,573
Transfer on account of exercise of ESOP	43	(43)	-	-	-	-
Transfer on account of vested ESOP lapsed*	-	(0)	0	-	-	-
(Loss) for the year	-	-	(560)	-	-	(560)
Remeasurement of defined employee benefits, net of tax	-	-	-	20	-	20
Balance as at March 31, 2023	11,977	2,017	1,099	(122)	3	14,974

*Amount less than Rs. 1 million

Note : There are no changes in accounting policy or prior period errors which are charged to retained earnings

Nature and purpose of reserves

(a) Securities premium reserve: 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 account relates to Stock options granted by the Company to its employees and employees of other subsidiary 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) Share application money pending allotment: Share application money pending allotment represents application money received.

The accompanying notes from 1 to 43 form an integral part of the standalone financial statements.

As per our report of even date attached

For BSR & Co. LLP
Chartered Accountants
Firm's Registration Number: 101248W/W-100022



Rakesh Mehra
Partner
Membership Number: 103145

Mumbai
Date: July 19, 2023

For and on behalf of the Board of Directors of
Fractal Analytics Private Limited

CIN: U72400MH2000PTC125369



Srikanth Velamatianni
Whole-Time Director
DIN: 01722758

New Delhi
Date: July 19, 2023

Somya Agarwal
Company Secretary
Membership number: A17336

Mumbai
Date: July 19, 2023




Gulu Mirchandani
Director
DIN: 00026664

Mumbai
Date: July 19, 2023

Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

1. Corporate Information

Fractal Analytics Private Limited ('the Company') is a private limited company, incorporated and domiciled in India. The Company is the leading provider of advanced analytics that helps companies leverage data driven insights in taking informed decisions. The Company helps enterprises power every human decision by bringing analytics and advanced analytics to the decision-making process. 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. Significant accounting policies followed by the Company

2.1 Basis of Preparation

These standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 [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 certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), Employees stock option plan as per fair value of the option and Employee's defined benefit plan as per actuarial valuation.

The standalone financial statements are presented in Indian rupee (INR), which is Company's presentation currency. All values are rounded off to nearest Million, except when otherwise indicated.

These standalone financial statements were authorised for issuance by the Board of Directors at their meeting held on July 19, 2023.

2.2 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. 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/profit arising on derecognition of the PPE is recognised in the statement of profit or loss.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation

Depreciation on PPE has been provided on straight line method as per the estimated useful lives and the assets' residual values. The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted on a prospective basis.



Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

Estimated useful life of the assets are as follows:

Description of assets	Useful life of assets
Furniture & Fixtures	3 - 10 years
Office equipment	3 -5 years
Leasehold Improvements	Over period of Lease
Computers and accessories	3 – 5 years

2.3 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 such as software and intellectual property 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.
- 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. All other expenditure are recognised in the statement of profit or loss as incurred.

Amortization

Amortization is recognised in the statement of profit or 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 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.

The estimated useful lives are as follows:

Assets Description	Expected Useful life
Intellectual Property	5 years
Computer Software	3 years



Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

2.4 Impairment of property, plant and equipment and intangible 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 the property, plant and equipment or intangible 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.

2.5 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 statements are presented in Indian rupee (INR), which is functional and presentation currency of the Company.

Transaction 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 profit or 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 transactions.

2.6 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 a 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 on output basis measured by efforts expended.



Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

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.

Revenue from inter-company arrangement is recognised based on transaction price which is at arm's length based on transfer pricing arrangement.

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 and excludes taxes collected on behalf of the government.

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 is billing 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.

Dividend and interest income

Dividend is recognised as income when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.7 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.



Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method (PUCM), with actuarial valuations being carried out at each balance sheet date. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings, through other comprehensive income, in the statement of changes in equity and in the balance sheet and will not be reclassified to profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

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 incentive which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

2.8 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 statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

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 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.



Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

Deferred tax assets are recognised for deductible temporary differences and carry forward of unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax losses can be utilised.

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.

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 statement of profit or 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.

2.9 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for office premises. 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 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



Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

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 interest rate implicit in the lease. 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 Balance Sheet and lease payments have been classified as financing cash flows.

The Company does not have any lease contracts wherein it acts as a lessor.

Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

2.10 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.

The Company 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 or 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.

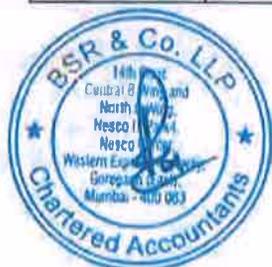
For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. The Company measures its investments in equity instruments of subsidiaries and associates at cost less impairment, if any, in accordance with Ind AS 27. 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.



Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

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 recognised is in profit and loss account.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent 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	<p>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 income statement.</p> <p>Interest Income, transaction cost and discount or premium on acquisition are recognized in the income statement (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 Profit and Loss</p>



Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

				account in other gain and loss head.
	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. 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.	At fair value. Transaction costs of financial assets expensed to Income statement	Changes in fair value of such assets are recorded in income statement 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 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	Changes in fair value of such instruments are recorded in OCI. On disposal of such instruments, no amount is reclassified to income statement. 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 income statement.



Fractal Analytics Private Limited**Notes to Standalone Financial Statements for the year ended March 31, 2023**

	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to income statement	Changes in fair value of such assets are recorded in income statement.
--	-------	---	---	--

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.

(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.

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.

Impairment of investments in subsidiaries and associates

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

(iii) Derecognition of financial assets:

A financial asset is derecognised only when

- (a) the Company has transferred the rights to receive cash flows from the financial asset or
- (b) retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.



Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. 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 profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.



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Notes to Standalone Financial Statements for the year ended March 31, 2023

Derecognition:

A financial liability is removed from the balance sheet when the obligation is discharged, or is cancelled, or expires. 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 respective carrying amounts is recognised in the Statement of Profit and Loss.

2.11 Fair value measurement:

The Company measures financial instruments, such as, certain investments 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 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.12 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.



Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

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 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 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 liabilities are disclosed in the notes. 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 and contingent liabilities are reviewed at each balance sheet date.

2.13 Share-based payments

The cost of equity-settled transactions with employees is measured at fair value at the date at which they 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.

The Company has followed of 'push down' accounting whereby employee stock compensation expenses relating to the options issued to subsidiary employees is recorded in the standalone financial statements of the Company under 'Deemed investment in subsidiary' with a corresponding credit being recorded in Employees stock options outstanding account under 'Reserves and Surplus - Employee stock option reserve'.

2.14 Segment reporting:

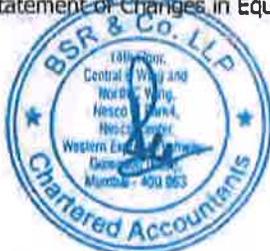
An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

2.15 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet 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 Dividend distribution to equity shareholders:

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid/payable.



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Notes to Standalone Financial Statements for the year ended March 31, 2023

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;
- (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.



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Notes to Standalone Financial Statements for the year ended March 31, 2023

In the process of applying the Company's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the standalone financial statements:

- a. **Useful lives of property, plant and equipment and intangibles:** 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 mortality 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. **Contingencies:** Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against Company as it is not possible to predict the outcome of pending matters with accuracy.
- e. **Share-based payments:** The Company measures the cost of equity-settled transactions with employees using Black-Scholes 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 31.
- f. **Provision for income tax and deferred tax assets**

The Company uses estimates and 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 recognized 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 utilized. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.
- g. **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.



Fractal Analytics Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

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 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 or for a portfolio of leases with similar characteristics.

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.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements : This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors : This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes : This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(3) Property, plant and equipment

(In Rupees Million)

Particulars	Computers and accessories	Leasehold Improvements	Furniture and fixtures	Office Equipment	Total
Gross carrying amount					
As at April 01, 2022	572	256	59	128	1,015
Additions	140	-	0	4	144
Disposals	(3)	-	-	-	(3)
As at March 31, 2023	709	256	59	132	1,156
Accumulated depreciation					
As at April 01, 2022	307	198	27	126	658
Charge for the year	156	29	5	2	192
On disposals	(2)	-	-	-	(2)
As at March 31, 2023	461	227	32	128	848
Net carrying amount as at March 31, 2023	248	29	27	4	308
Gross carrying amount					
As at April 01, 2021	323	256	58	127	764
Additions	252	-	1	1	254
Disposals	(3)	-	-	-	(3)
As at March 31, 2022	572	256	59	128	1,015
Accumulated depreciation					
As at April 01, 2021	211	169	22	105	507
Charge for the year	99	29	5	21	154
On disposals	(3)	-	-	-	(3)
As at March 31, 2022	307	198	27	126	658
Net carrying amount as at March 31, 2022	265	58	32	2	357

Note : The Company does not hold any immovable properties



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(4) Right-of-use assets

(in Rupees Million)

Particulars	Amount
Gross carrying amount	
As at April 01, 2022	918
Additions	31
Disposals	-
As at March 31, 2023	949
Accumulated amortisation	
As at April 01, 2022	540
Charge for the year	188
On disposals	-
As at March 31, 2023	728
Net carrying amount as at March 31, 2023	221
Gross carrying amount	
As at April 01, 2021	877
Additions	41
Disposals	-
As at March 31, 2022	918
Accumulated amortisation	
As at April 01, 2021	356
Charge for the year	184
On disposals	-
As at March 31, 2022	540
Net carrying amount as at March 31, 2022	378

Note:

1. The Right-of-use assets as per Ind AS-116 comprises of lease of office premises.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(5) Other intangible assets

Particulars	(In Rupees Million)		
	Computer Software	Intellectual Property	Total
Gross carrying amount			
As at April 01, 2022	63	170	233
Additions	13	-	13
Disposals	-	-	-
As at March 31, 2023	76	170	246
Accumulated amortization			
As at April 01, 2022	61	139	200
Charge for the year	3	21	24
On disposals	-	-	-
As at March 31, 2023	64	160	224
Net carrying amount as at March 31, 2023	12	10	22
Gross carrying amount			
As at April 01, 2021	63	170	233
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2022	63	170	233
Accumulated amortization			
As at April 01, 2021	58	106	164
Charge for the year	3	33	36
On disposals	-	-	-
As at March 31, 2022	61	139	200
Net carrying amount as at March 31, 2022	2	31	33

The estimated amortisation of intangibles for the years subsequent to March 31, 2023 is as follows :

Year ending 31 March	In Rupees Million
2024	12
2025	6
2025	4
	22

(5.1) Intangible assets under development ('IAUD')

Particulars	(In Rupees Million)	
	IAUD	
Gross carrying amount		
As at April 01, 2022	-	-
Additions	-	1
Less: Capitalized	-	-
As at March 31, 2023	-	1

Ageing of Projects in progress

	(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, 2023	1	-	-	-	1

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Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(6) Investments

Particulars	(In Rupees Million)	
	As at March 31, 2023	As at March 31, 2022
Investments (Non-current)		
Investments in equity instruments in subsidiaries		
<i>(at cost)</i>		
A. Unquoted equity shares		
Fractal Private Limited, Singapore 100,000 (March 31, 2022: 100,000) equity shares of SGD 1 fully paid up	3	3
Fractal Analytics Incorporated, United States of America 997,951 (March 31, 2022: 997,951) equity shares of USD 1 fully paid up	3,426	3,426
Cuddle Artificial Intelligence Private Limited 160,344,828 (March 31, 2022: 160,344,828) equity shares of Rs 1 fully paid up	165	165
Qure.ai Technologies Private Limited March 31, 2022: 250,000,000 equity shares of Rs 1 fully paid up (Refer note 41)	-	250
Final Mile Consultants Private Limited 21,955 (March 31, 2022: 21,955) equity shares of Re 1 fully paid up	474	474
Theremin AI Solutions Private Limited 100,000,010 (March 31, 2022: 100,000,010) equity shares of Rs 1 fully paid up	100	100
Eugenie Technologies Private Limited 1,00,000 (March 31, 2022: 1,00,000) equity shares of Rs 1 fully paid up	1	1
Asper.AI Technologies Private Limited (formerly known as Samva.AI Technologies Private Limited) 9,674,643 (March 31, 2022: 9,674,643) equity shares of Rs 10 fully paid up	121	121
Senseforth AI Research Private Limited 100,000 (March 31, 2022: 100,000) equity shares of Rs 10 fully paid up	130	130
Analytics Vidya Private Limited 127,023 (March 31, 2022: 127,023) equity shares of Rs 10 fully paid up	408	408
Neal Analytics Services Private Limited 10,000 (March 31, 2022: 10,000) equity shares of Rs 10 fully paid up	300	300
Fractal Alpha Private Limited* 5,000,000 (March 31, 2022: 100,000) equity shares of Rs 1 fully paid up	5	0
B. Unquoted preference shares		
<i>(at amortised cost)</i>		
Theremin AI Solutions Private Limited 43,767,172 (March 31, 2022: 43,767,172) 0.0001% Series B Compulsorily convertible cumulative preference shares of Rs 1 each fully paid up	53	53
C. Unquoted Compulsory Convertible Debentures		
<i>(at amortised cost)</i>		
Eugenie Technologies Private Limited 9,200 (March 31, 2022: 9,200) 0.1% Compulsory Convertible Debentures of Rs 10,000 each fully paid up	92	92
D. Deemed Investment in subsidiaries		
Fractal Analytics Incorporated, USA	390	268
Fractal Analytics UK Limited, UK	233	17
Theremin AI Solutions Private Limited	2	2
Senseforth AI Research Private Limited	46	10
Neal Analytics LLC	19	-
Investments in equity instruments in associate		
<i>(at cost)</i>		
A. Unquoted equity shares		
Qure.ai Technologies Private Limited (Refer note 41) 250,000,000 equity shares of Rs 1 fully paid up	250	-
Less : Provision for impairment of Investment (Refer note 25)	(548)	(94)
Total (Non-current)	5,670	5,726
Other investments (Current)		
Investment in mutual funds units (unquoted)		
<i>(at fair value through profit and loss)</i>		
Investment in liquid mutual funds units (unquoted)	2,752	3,946
Total other investments	2,752	3,946
(a) Aggregate carrying amount of unquoted investments	8,422	9,672
(b) Aggregate amount of impairment in value of investments	548	94

*denotes amount less than Rs 1 million

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 year ended March 31, 2023 and 2022, the Company assessed the performance of its subsidiaries. The assessment was primarily based on future cash flow projections 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 hence, have recorded a provision for impairment of Rs 163 million in Cuddle Artificial Intelligence Private Limited, Rs 155 million (March 31, 2022: Rs 155 million) in Theremin AI Solutions Private Limited, Rs 93 million (March 31, 2022 : Rs 40 million) in Eugenie Technologies Private Limited, Rs 16 million in Analytics Vidya Educon Private Limited and Rs 119 Million in Senseforth AI Research Pvt. Ltd.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

Particulars	(in Rupees Million)	
	As at March 31, 2023	As at March 31, 2022
(7) Trade receivables		
Considered good - Unsecured		
- Third Party	943	425
- Related parties (Refer note 28)	4,040	2,981
- Unbilled Receivables	149	62
- Related parties - Unbilled (Refer note 28)	1,051	-
Sub Total	6,383	3,468
Allowance for doubtful debts	(9)	(1)
Current trade receivables	6,374	3,467

Ageing for Trade receivables : March 31, 2023

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	
Trade receivables							
(i) Undisputed Trade receivables - considered good	1,160	3,853	161	-	-	-	5,174
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	9	-	-	9
	1,160	3,853	161	9	-	-	5,183
Trade Receivables - Unbilled	-	-	-	-	-	-	1,200
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-	(9)
Total							6,374

Ageing for Trade receivables : March 31, 2022

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	
Trade receivables							
(i) Undisputed Trade receivables - considered good	358	3,046	1	-	-	-	3,405
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	1	-	-	1
	358	3,046	1	1	-	-	3,406
Trade Receivables - Unbilled	-	-	-	-	-	-	62
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-	(1)
Total							3,467

(8) Loans

Current loans

Unsecured, considered good
Intercompany loan (Refer note 28)
Less: Loss allowance (Refer note 25)
Total current loans

	380	203
	(187)	-
	193	203

Type of Borrower	March 31, 2023		March 31, 2022	
	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	380	100%	203	100%
Total	380		203	

Note: Loan given is repayable on demand. Interest on loan ranges between 7% to 7.5%.

(9) Other financial assets

Non-current financial assets

Security deposits
Derivative assets at fair value through profit or loss - forward contract
Guarantee fee receivable (Refer note 28)
Total non-current financial assets

	173	162
	6	7
	125	-
	104	169

Current financial assets

Derivative assets at fair value through profit or loss - forward contract
Receivables from subsidiaries (Refer note 28)
Interest receivable from subsidiary (Refer note 28)
Less: Loss allowance (Refer note 25)
Total current financial assets

	-	14
	261	171
	36	16
	(259)	-
	38	201

(10) Deferred tax assets (net)

Significant components of deferred tax assets (net)

Deferred tax assets
Difference between book and tax value of property, plant and equipment and intangible assets
Financial guarantee contract
Others

	43	35
	(2)	(1)
	2	15
	43	49



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(In Rupees Million)

Movements in deferred tax assets/(Liabilities)

Particulars	Property, plant & equipment and intangible assets	Others*	Financial guarantee contract*	Total
At April 1, 2021	33	15	(0)	48
(Charged) / Credited				
- to profit or loss	2	(0)	(1)	1
- to other comprehensive income	-	-	-	-
At March 31, 2022	35	15	(1)	49
At April 1, 2022	35	15	(1)	49
(Charged) / Credited				
- to profit or loss	8	(13)	(1)	(6)
- to other comprehensive income	-	-	-	-
At March 31, 2023	43	2	(2)	43

*denotes amount less than Rs 1 million

(11) Other assets

Non-Current assets

Prepaid expenses

Employee advances

Total non-current assets

28
5
33

48
-
48

Current assets

Prepaid expenses

Contract assets (Refer note 28)

Advances to vendors and others

Balance with government authorities

Other receivable

Less: Loss allowance

Total current assets

228
29
32
148
-
(10)
427

140
44
21
162
88
-
455

Note : Prepaid expenses includes Rs 35 million towards planning for initial public offer and is to be shared between the Company and selling share holders.

(12) Cash and cash equivalents

Cash on hand*

0
1

Balance with banks

In current accounts

Total cash and cash equivalents

79
79

381
382



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

*denotes amount less than Rs 1 million

(In Rupees Million)

Particulars	As at	
	March 31, 2023	March 31, 2022

(12) Equity share capital

Authorised	349	349
349,200,000 equity shares of face value Rs. 1 each		
(March 31, 2022 : 43,650,000 equity shares of face value Rs. 1 each)		
6,350,000 Convertible preference shares of face value Rs. 1 each	6	6
(March 31, 2022 : 6,350,000 Convertible preference shares of face value Rs. 1 each)		
26,109,854 equity shares of face value Rs. 1 each	26	26
Issued share capital	381	381

^ The authorised share capital of the Company has been increased via board resolution dated July 22, 2022.

26,109,854 equity shares of face value Rs. 1 each	26	26
(March 31, 2022 : 25,947,598 equity shares of Rs. 1 each)		
4,323,604 0.001 % Convertible preference shares of face value Rs. 1 each	5	5
(March 31, 2022 : 4,323,604 0.001 % Convertible preference shares of face value Rs. 1 each)		
25,524,956 equity shares of face value Rs. 1 each fully paid up	26	26
(March 31, 2022 : 25,282,740 equity shares of face value Rs. 1 each fully paid up)		
4,323,604 0.001 % Convertible preference shares of face value Rs. 1 each fully paid up	5	5
(March 31, 2022 : 4,323,604 0.001 % Convertible preference shares of face value Rs. 1 each fully paid up)		
564,858 equity share of face value Rs. 1 (Rs 0.5 paid up) (Refer note a(i) below)	0	0
(March 31, 2022 : 664,858 equity share of face value Rs. 1 (Rs 0.5 paid up) (Refer note a(i) below)*)		
31	31	31

*denotes amount less than Rs 1 million

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

Particulars	As at	
	March 31, 2023	March 31, 2022

Number of shares (in Rupees Million)	26	26
Number of shares (in Rupees Million)	25,947,598	25,947,598
At the commencement of the year	26	26
Add : Shares issued during the year under	232,856	694,939
- employee stock option plan (Refer note a(i) below)	9,400	1,329,716
- private placement of shares (Refer note a(ii) below)	-	-
At the end of the year	26,180,454	26,642,537

(i) During the year 332,856 shares (March 31, 2022 : 694,939) were issued under employee stock option plan at various price (Refer note 32).
(ii) During the year 9,400 shares (March 31, 2022 : 1,329,716 shares (including 664,858 partly paid up shares)) were issued on a private placement basis.

4,323,604	5	5
4,323,604	5	5
At the end of the year	5	5
At the commencement of the year	5	5
0.001 % Convertible preference shares	5	5
Issued during the year	-	-

(b) Particulars of shareholders holding more than 9% shares of a class of shares

Particulars	As at	
	March 31, 2023	March 31, 2022

(a) Equity share of Rs. 1 each fully paid-up held by	22.68%	5,939,620	22.68%	5,939,620
Quing Bioco Limited				
TRG Felt Holdings Pte Limited				
Gra Merchant and	11.96%	3,131,260	11.96%	3,131,260
Glu Merchant and	9.03%	2,365,296	9.03%	2,365,296
Pranay Agrawal	6.60%	1,727,812	6.60%	1,727,812
Saamh Velmakanni*	5.83%	1,527,378	5.83%	1,527,378
Chetana Kumar	5.15%	1,349,151	5.15%	1,349,151
(b) 0.001 % Convertible Preference Shares of Rs. 1 each fully paid-up held by	73.78%	3,337,505	73.78%	3,337,505
Quing Bioco Limited				
TRG Felt Holdings Pte Limited				
* No. of shares consist of 664,858 partly paid shares issued on private placement basis (Refer note a (ii) above)	26.23%	1,186,099	26.23%	1,186,099

(c) Shares held by Companies having significant influence/control

Particulars	As at	
	March 31, 2023	March 31, 2022

Shares held by TPG Felt Holdings Pte Limited	28.08%	7,353,814	28.08%	7,353,814
Equity shares of Rs. 1 each fully paid-up				
(a) Convertible Preference Shares of Rs. 1 each fully paid-up	28.08%	7,353,814	28.08%	7,353,814
(b) Convertible Preference Shares of Rs. 1 each fully paid-up	26.23%	1,186,099	26.23%	1,186,099
Shares held by Quing Bioco Limited	22.68%	5,939,620	22.68%	5,939,620
Equity shares of Rs. 1 each fully paid-up				
(a) Equity shares of Rs. 1 each fully paid-up				
(b) Convertible Preference Shares of Rs. 1 each fully paid-up	22.68%	5,939,620	22.68%	5,939,620



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(In Rupees Million)

(d) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs 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.

(e) Rights, preferences and restrictions attached to Series B 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 Law, 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.

(f) Shares reserved for issue under options

Particulars	March 31, 2023 No. of shares	March 31, 2022 No. of shares
Equity shares of Rs. 1 each reserved for issue under employee stock option scheme (refer note 32)	6,136,808	6,369,664

(g) 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.

(h) No dividend is declared by the Company during the years ended March 31, 2023 and March 31, 2022.

Particulars	(In Rupees Million)	
	As at March 31, 2023	As at March 31, 2022

(14) Other equity

Securities premium reserve	11,977	11,786
Remeasurement of defined employee benefit plans	(122)	(142)
Employee stock option reserve	2,217	487
Share application money pending allotment	3	-
Retained earnings	1,999	1,659
Total other equity	14,974	13,790

Note : For movement during the year, refer statement of change in equity.

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Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(In Rupees Million)

Particulars	As at	
	March 31, 2023	March 31, 2022
(15) Trade payables		
Current trade payables		
- Total outstanding dues of micro enterprises and small enterprises (Refer below note)	5	16
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Others	203	219
- Related parties (Refer note 28)	22	9
Total current trade payables	220	244

Dues of micro and small enterprises

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;	5	16
- 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		
- 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.		
Total	5	16

March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	-	5	-	-	-	5
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	19	199	7	-	-	225
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	19	204	7	-	-	230

March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	1	15	-	-	-	16
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	183	64	1	-	-	228
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	184	79	1	-	-	244

*denotes amount less than Rs. 1 million

(16) Other financial liabilities

Non-current financial liabilities		
Employee related obligations	2	-
Total non-current financial liabilities	2	-
Current financial liabilities		
Derivative liability at fair value through profit or loss - forward contract	30	-
Employee related obligations	643	460
Credit liabilities from financial guarantees (Refer note 28)	80	127
Total current financial liabilities	753	587

(17) Other liabilities

Current liabilities		
Unearned revenue (Refer note 26)	48	46
Advances from client	1	-
Statutory dues payable*	127	300
Total current liabilities	176	346

*Includes liability towards Tax deducted at source, provident fund contribution and Professional tax

(18) Provisions

Non-current provisions		
Gratuity (Refer note 27)	73	83
Total non-current provisions	73	83
Current provisions		
Other provisions (Refer note 24)	80	-
Total current provisions	80	-
Movement of other provisions		
Opening balance		
Provision created during the year	80	-
Provision reversed during the year		
Closing balance	80	-



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(In Rupees Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(19) Revenue from operations		
Sale of services (Refer note 26)		
Income from rendering of services		
- Third party	2,377	1,714
- Related Party (Refer note 28)	7,099	4,674
Total Revenue from operations	9,476	6,388
(20) Other Income		
Interest on :		
- Intercompany loan (Refer note 28)	21	9
- Bank deposits*	-	0
- Unwinding of security deposits	11	9
Guarantee fees	39	6
Fair value gain on derivatives	-	36
Dividend income :		
- Equity shares	-	148
Foreign exchange gain, net	306	-
Net gain on redemption/fair valuation of financial Instruments	157	43
Miscellaneous income	75	69
Total other income	609	320
*denotes amount less than Rs 1 million		
(21) Employee benefits expenses		
Salaries, wages and bonus	6,353	4,757
Contribution to provident fund (Refer note 27)	155	94
Employee stock option expense (Refer note 32)	1,049	102
Gratuity expense (Refer note 27)	133	82
Staff welfare expense	222	143
Total employee benefits expenses	7,912	5,178
(22) Finance costs		
Interest on :		
- Lease liabilities (Refer note 31)	39	57
- Others*	0	-
Total finance cost	39	57
*denotes amount less than Rs 1 Million.		
(23) Depreciation and amortization expense		
Depreciation of property, plant and equipment (Refer note 3)	192	154
Amortisation of :		
- Right of use assets (Refer note 4)	188	184
- Other intangible assets (Refer note 5)	24	36
Total depreciation and amortization expense	404	374



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(in Rupees Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(24) Other expenses		
Software maintenance charges	217	153
Legal and professional fees	152	214
Travelling and conveyance	131	62
Communication charges	80	62
Outsourced manpower cost	76	71
Insurance	36	23
Recruitment expenses	46	92
Repairs and maintenance - Computer	47	22
Facility management expenses	36	35
Payment to auditors (Refer note 24.1 below)	6	6
Rent, rates and taxes (Refer note below)	81	55
Fair value loss on derivatives	149	-
Impairment in value of investments	-	94
Other current asset written off	-	150
Cost of delivery (Refer note 28)	20	9
Provision for doubtful advances	10	-
Membership and subscription charges	17	21
Provision for Bad debts	8	2
Corporate social responsibility (Refer note 39)	6	8
Miscellaneous expenses	119	77
Total other expenses	1,247	1,156
(24.1) Payment to auditors :		
For statutory audit	5	5
For tax audit*	0	0
For other services*	1	1
Total payment to auditors	6	6

*denotes amount less than Rs 1 Million.

Note:

The Company and all the Directors of the Company has received show cause notice 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 Rs 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 show cause notice 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, has filed on December 7, 2022 an application for compounding of offence before the tax department. The amount of INR 80 million is the estimated compounding fee for the Company and Directors, computed basis compounding guidelines under the Income-tax Act, 1961.

(25) Exceptional Items

Impairment in value of investments and recoverables from subsidiaries (Refer note below)	898	-
Total exceptional items	898	-

Note :

During the year, the Company assessed the expected cash flows and the future plans of its subsidiary companies and accordingly, recorded provision for impairment of Rs 165 million in Cuddle Artificial Intelligence Private Limited, Rs 100 million in Theremin AI Solutions Private Limited, Rs 53 million in Eugenie Technologies Private Limited, Rs 16 million in Analytics Vidya Educon Private Limited, Rs 119 million in Senseforth AI Research Private Limited. The Company has also provided for Rs 365 million in Cuddle Artificial Intelligence Private Limited, Rs 24 million in Theremin AI Solutions Private Limited, Rs 56 million in Eugenie Technologies Private Limited against other receivable and outstanding loan balances as at March 31, 2023.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(26) Revenue from Contracts with Customers

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.

Revenue disaggregation by nature of services is as follows:

Particulars	(In Rupees Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Analytics/Consulting services		
- Third Party	2,377	1,714
- Related party	7,099	4,674
	9,476	6,388

The Company disaggregates revenue from contracts with customers by nature of services.

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.

No client individually accounted for more than 10% of the third party revenue for the years ended March 31, 2023 and March 31, 2022, respectively.

Changes in contract assets are as follows:

Particulars	(In Rupees Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	44	26
Revenue recognized during the year	251	143
Invoices raised during the year	(265)	(125)
Balance at the end of the year	29	44

Contract assets represent right to receive consideration for sale of services delivered but not billed.

Changes in unearned and deferred revenue are as follows:

Particulars	(In Rupees Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	46	101
Amount reclassified to trade receivables	-	(87)
Revenue recognized out of the balance at the beginning of the year	(30)	(12)
Increase due to invoicing during the year, excluding amounts recognized as revenue during the year	32	44
Balance at the end of the year	48	46

Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	(In Rupees Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Contracted price	9,476	6,388
Less: Reductions towards variable consideration components	-	-
Revenue recognised as per statement of profit and loss	9,476	6,388



Fractal Analytics Private Limited

Notes to the Standalone financial statements for the year ended March 31, 2023

(27) 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, 2023	Year ended March 31, 2022
Employer's contribution to provident fund	155	94

Included in 'Contribution to provident fund under employee benefits expense (Refer Note 21)

(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 funds in India.

Actuarial Assumptions

Particulars	As at	
	March 31, 2023	March 31, 2022
Discount rate	7.50%	7.25%
Future salary increases	10.00%	10.00%
Attrition rate		
Based on Completed Years of service		
Up to 2 years	23.00%	24.00%
3 - 4 years	5.00%	8.00%
Above 4 years	2.00%	4.00%
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.

The amounts recognised in the balance sheet and movements in the net defined benefit obligation (DBO) over the year are as follows :

Change in the present value of obligation	(In Rupees Million)	
	As at March 31, 2023	As at March 31, 2022
Present value of obligation at the beginning of the year	296	205
Interest cost	21	14
Current service cost	127	75
Benefits paid	(33)	(27)
Remeasurement due to		
Actuarial (Gain)/loss arising from change in financial assumptions	(15)	3
Actuarial (Gain)/loss arising on account of experience changes	(24)	6
Actuarial loss arising on account of demographical assumptions	11	20
Present value of obligation at the end of the year	383	296



Fractal Analytics Private Limited

Notes to the Standalone financial statements for the year ended March 31, 2023

(27) Employee benefits (Continued)

(In Rupees Million)

The amounts recognised in the balance sheet and movements in the fair value of plan assets over the year are as follows :

Change in the fair value of plan assets	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	213	118
Expected returns on plan assets	(2)	1
Interest on plan assets	15	7
Contributions made by the Company	83	87
Fair value of plan assets at the end of the year	310	213

Reconciliation of present value of defined benefit obligation and the fair value of assets	As at March 31, 2023	As at March 31, 2022
Present value of funded obligation at the end of the year	383	296
Fair value of plan assets as at the end of the period	(310)	(213)
Net Deficit	73	83

Amount recognised in the statement of profit and loss	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	127	75
Past service cost	-	-
Interest cost	6	7
Total expense recognized in the statement of profit and loss	133	82

Amount recognised in other comprehensive income	Year ended March 31, 2023	Year ended March 31, 2022
Remeasurements during the year due to		
Changes in financial assumptions	(15)	3
Changes in demographic assumptions	10	20
Experience adjustments	(24)	6
Actual return on plan assets less interest on plan assets	2	(1)
Amount recognised in other comprehensive income during the year	(27)	28

(c) The sensitivity of significant assumptions used for valuation of defined benefit obligation is as follows :

Impact from percentage point increase / decrease in	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate +100 basis points	(317)	(255)
Discount rate -100 basis points	469	348
Salary increase rate +100 basis points	427	323
Salary increase rate -100 basis points	(341)	(271)

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) Expected future benefit payments on undiscounted basis

Expected cash flows for following year	As at March 31, 2023	As at March 31, 2022
Expected total benefit payments in the next		
1 year	5	9
2 - 5 years	35	51
6 - 10 years	74	90
More than 10 years	2,074	1,049



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(28) Related party transactions

(a) Related parties

Sr. No	Name of the party	Nature of relationship
1	Quinag Bidco Limited (up to March 28, 2022)	Parent Company
2	Quinag Bidco Limited (w.e.f March 29, 2022)	Companies having significant influence
3	TPG Fett Holdings Pte Limited (w.e.f March 29, 2022)	Companies having significant influence
4	Fractal Analytics Incorporated, USA	Subsidiary Company
5	Fractal Private Limited, Singapore	Subsidiary Company
6	Fractal Alpha Private Limited (w.e.f March 03, 2022)	Subsidiary Company
7	Cuddle Artificial Intelligence Private Limited	Subsidiary Company
8	Qure.ai Technologies Private Limited (Refer note 41)	Associate Company
9	Qure.ai Technologies Private Limited (up to April 07, 2022)	Subsidiary Company
10	Final Mile Consultants Private Limited	Subsidiary Company
11	Theremin AI Solutions Private Limited	Subsidiary Company
12	Eugenie Technologies Private Limited	Subsidiary Company
13	Asper.AI Technologies Private Limited (Formerly known as Samya.AI Technologies Private Limited) (w.e.f June 11, 2021)	Subsidiary Company
14	Senseforth AI Research Private Ltd (w.e.f August 27, 2021)	Subsidiary Company
15	Analytics Vidya Educon Private Limited (w.e.f November 22, 2021)	Subsidiary Company
16	Neal Analytics Services Private Limited (w.e.f December 24, 2021)	Subsidiary Company
17	Fractal Analytics UK Limited, UK (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
18	Fractal Analytics (Switzerland) GmbH (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
19	Fractal Analytics (Canada) Inc. (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
20	Fractal Analysis Germany GmbH. (Germany) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
21	Fractal Analytics Netherland B.V. (Netherlands) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
22	Cuddle.ai Inc. (USA) (Subsidiary of Cuddle Artificial Intelligence Private Limited)	Step-down subsidiary
23	AI Consulting Inc. (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
24	Symphony LLC (Ukraine) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
25	Final Mile Consulting LLC (Subsidiary of Final Mile Consultants Private Limited)	Step-down subsidiary
26	Fractal Analytics Sweden AB (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
27	Fractal Analytics (Shanghai) Limited (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
28	Fractal Analytics Malaysia SDN BHD (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
29	Qure Technologies Inc. (Subsidiary of Qure.ai Technologies Private Limited) (Refer note 41)	Associate Company



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(20) Related party transactions (continued)

(a) Related parties

Sr. No	Name of the party	Nature of relationship
30	Qure Technologies Inc. (Subsidiary of Qure.ai Technologies Private Limited) (up to April 07, 2022)	Step-down subsidiary
31	Fractal Analytics Australia Pty Limited (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
32	Theremin Multi Strategy Fund LLP (Subsidiary of Theremin AI Solutions Private Limited)	Step-down subsidiary
33	Asper.AI Inc (formerly known as Samya.AI Inc.) (w.e.f June 15, 2021) (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
34	Senseforth Inc. (w.e.f August 31, 2021) (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
35	Asper.AI Limited (formerly known as Samya.AI Limited) (w.e.f June 15, 2021) (Subsidiary of Samya.AI INC., USA)	Step-down subsidiary
36	Eugenie.ai Inc. (w.e.f December 16, 2021) (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
37	Neal Analytics LLC (w.e.f December 31, 2021) (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
38	Qure.ai Technologies Limited (Subsidiary of Qure.ai Technologies Inc.) (Refer note 41)	Associate Company
39	Qure.ai Technologies Limited (Subsidiary of Qure.ai Technologies Inc.) (up to April 07, 2022)	Step-down subsidiary

(b) Key managerial personnel

Sr. No	Particulars	Nature of relationship
1	Mr. Srikanth Velamakanni	Whole-time Director
2	Mr. Pranay Agrawal	Executive Director
3	Ms. Somya Agarwal	Company Secretary



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(28) Related party transactions (continued)

(c) Details of transactions with related parties

(In Rupees Million)

Sr. No	Nature of Transaction	March 31, 2023	March 31, 2022
A	Transactions		
1	Managerial remuneration		
	Mr. Srikanth Velamakanni	54	534
	Ms. Somya Agarwal	10	10
2	Investment in equity shares of subsidiary company		
	Theremin AI Solutions Private Limited*	-	0
	Fractal Analytics Incorporated, USA	-	2,007
	Fractal Alpha Private Limited*	5	0
3	Investment in 0.0001% Series B Compulsorily convertible cumulative preference shares		
	Theremin AI Solutions Private Limited	-	15
4	Deemed Investment in subsidiary company (Refer note 6)		
	Fractal Analytics Incorporated, USA	253	196
	Fractal Analytics UK Limited, UK	216	13
	Theremin AI Solutions Private Limited	-	1
	Senseforth AI Research Private Ltd	36	10
	Neal Analytics LLC	19	-
5	Issue of 0.001% Compulsorily Convertible Cumulative Preference share		
	Quinag Bidco Limited	-	3,058
6	Reimbursement of expenses		
	Fractal Analytics (Switzerland) GmbH	-	1
	Fractal Analytics Incorporated, USA	-	10
	Cuddle Artificial Intelligence Private Limited	10	17
	Qure.ai Technologies Private Limited	-	1
	Asper.AI Technologies Private Limited	27	3
	Fractal Analytics UK Limited	-	1
	Eugenie Technologies Private Limited	7	13
	Senseforth AI Research Private Ltd	14	-
	Theremin AI Solutions Private Limited	3	-
	Final Mile Consultants Private Limited	4	-
	Neal Analytics Services Private Limited*	0	-
7	Expenses incurred for the Company		
	Qure.ai Technologies Private Limited	-	13
	Theremin AI Solutions Private Limited	-	1
	Final Mile Consultants Private Limited	19	-
8	Reimbursement of expenses of shared office		
	Cuddle Artificial Intelligence Private Limited	10	8
	Qure.ai Technologies Private Limited	-	9
	Theremin AI Solutions Private Limited	3	2
	Final Mile Consultants Private Limited	5	4
	Eugenie Technologies Private Limited	10	8
	Senseforth AI Research Private Ltd	8	-
	Asper.AI Technologies Private Limited	5	-
9	Interest Income		
	Cuddle Artificial Intelligence Private Limited	16	9
	Eugenie Technologies Private Limited*	1	0
	Fractal Alpha Private Limited*	0	-
	Neal Analytics Services Private Limited*	0	-
	Senseforth AI Research Pvt. Ltd	4	-
10	Revenue from operations		
	Fractal Analytics Incorporated, USA	7,099	4,674
11	Dividend Income		
	Fractal Private Limited, Singapore	-	148

*denotes amount less than Rs 1 Million.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

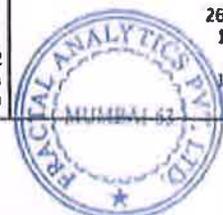
(28) Related party transactions (continued)

(in Rupees Million)

Sr. No	Nature of Transaction	March 31, 2023	March 31, 2022
12	Income from Guarantee fees Fractal Analytics Incorporated, USA	39	6
13	Intercompany loan/ advance given Cuddle Artificial Intelligence Private Limited Eugenie Technologies Private Limited Final Mile Consultants Private Limited Fractal Alpha Private Limited Senseforth AI Research Pvt. Ltd Neal Analytics Services Private Limited	155 10 6 116 11	106 17 9 - -
14	Intercompany loans/advances repaid Cuddle Artificial Intelligence Private Limited Eugenie Technologies Private Limited Final Mile Consultants Private Limited Fractal Alpha Private Limited Neal Analytics Services Private Limited	87 17 - 6 11	- - 9 - -
15	Cost of delivery Cuddle Artificial Intelligence Private Limited Neal Analytics Services Private Limited Analytics Vidya Educon Private Limited	11 - 9	7 2 -
16	Staff training expenses Analytics Vidya Educon Private Limited	10	18
17	Issue of Equity shares Mr. Srikanth Velamakanni (partly paid) Mr. Pranay Agarwal	-	244 488
18	Provision for doubtful receivables Eugenie Technologies Private Limited Theremin AI Solutions Private Limited Cuddle Artificial Intelligence Private Limited	56 24 365	- - -

Sr. No	Nature of Transaction	As at March 31, 2023	As at March 31, 2022
B	Closing balances		
1	Trade and other receivables including unbilled receivables Fractal Analytics Incorporated, USA Cuddle Artificial Intelligence Private Limited Theremin AI Solutions Private Limited Eugenie Technologies Private Limited Fractal Analytics Limited, UK* Asper.AI Inc, USA Senseforth AI Research Pvt. Ltd Final Mile Consultants Private Limited	5,691 157 24 47 0 11 23 -	2,981 115 17 30 1 3 - 4
2	Trade payables Final Mile Consultants Private Limited Analytics Vidya Educon Private Limited Neal Analytics Services Private Limited Cuddle Artificial Intelligence Private Limited	22 - - -	- 15 3 2
3	Intercompany loans Cuddle Artificial Intelligence Private Limited Eugenie Technologies Private Limited Senseforth AI Research Pvt. Ltd Fractal Alpha Private Limited*	254 10 116 0	186 17 - -
4	Interest receivable on intercompany deposit Cuddle Artificial Intelligence Private Limited Senseforth AI Research Pvt. Ltd Eugenie Technologies Private Limited*	33 3 0	16 - -
5	Credit liabilities from financial guarantees Fractal Analytics Incorporated, USA	80	127
6	Deemed Investment in subsidiaries (Refer note 6) Fractal Analytics Inc, USA Fractal Analytics UK Limited, UK Theremin AI Solutions Private Limited Senseforth AI Research Pvt. Ltd Neal Analytics LLC	390 233 2 46 19	268 17 2 10 -

*denotes amount less than Rs 1 Million.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(28) Related party transactions (continued)

Sr. No	Nature of Transaction	(in Rupees Million)	
		As at March 31, 2023	As at March 31, 2022
7	Investment in 0.1% Compulsory Convertible Debentures Eugenie Technologies Private Limited	92	92
8	Investments in equity instruments in subsidiary		
	Fractal Private Limited, Singapore	3	3
	Fractal Analytics Incorporated, United States of America	3,426	3,426
	Cuddle Artificial Intelligence Private Limited	165	165
	Qure.ai Technologies Private Limited	-	250
	Final Mile Consultants Private Limited	474	474
	Theramin AI Solutions Private Limited	100	100
	Eugenie Technologies Private Limited	1	1
	Asper.AI Technologies Private Limited	121	121
	Senseforth AI Research Private Limited	130	130
	Analytics Vidya Private Limited	408	408
	Neal Analytics Services Private Limited	300	300
	Fractal Alpha Private Limited	5	0
9	Investments in preference shares in subsidiary Theramin AI Solutions Private Limited	53	53
10	Investments in equity shares in associate Qure.ai Technologies Private Limited	250	-
11	Guarantee commission receivable Fractal Analytics Incorporated, USA	125	-
12	Provision for doubtful receivables		
	Eugenie Technologies Private Limited	56	-
	Theramin AI Solutions Private Limited	24	-
	Cuddle Artificial Intelligence Private Limited	365	-

*denotes amount less than Rs 1 Million.

** Refer note 11 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 transactions with related parties are done in ordinary course of business. 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, 2022 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, 2023.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(29) 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.

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest 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 and other 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 and other receivables.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	(In Rupees Million)	
Trade and Other receivables	March 31, 2023	March 31, 2022
Not past due	1,160	358
Past due but not impaired	5,205	3,107
Past due but impaired	9	1
Total	6,374	3,467

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 when they are due.

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
March 31, 2023				
Non Derivative financial instruments				
Trade payables	229	229	-	-
Lease obligation	270	243	47	-
Other financial liabilities	725	725	-	-
March 31, 2022				
Non Derivative financial instruments				
Trade payables	244	244	-	-
Lease obligation	250	250	210	-
Other financial liabilities	587	587	-	-



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(29) Financial risk management framework

(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 and borrowing activities and 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, 2023

Particulars	(in Rupees Million)		
	USD	EUR	Others*
Financial assets			
Trade receivables	5,692	303	-
Net exposure to foreign currency (assets)	5,692	303	-
Financial liabilities			
Trade payables	-	-	-
Net exposure to foreign currency (liabilities)	-	-	-
Net exposure to foreign currency	5,692	303	(0)

As at March 31, 2022

Particulars	(in Rupees Million)		
	USD	EUR	Others*
Financial assets			
Trade receivables	2,981	358	-
Net exposure to foreign currency (assets)	2,981	358	-
Financial liabilities			
Trade payables-Intercompany	-	-	0
Net exposure to foreign currency (liabilities)	-	-	0
Net exposure to foreign currency	2,981	358	(0)

*denotes amount less than Rs 1 Million.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other 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.

Particulars	(in Rupees Million)	
	Impact on profit after tax and equity	
	March 31, 2023	March 31, 2022
USD		
- Increase by 5%	213	112
- Decrease by 5%	(213)	(112)
EUR		
- Increase by 5%	11	13
- Decrease by 5%	(11)	(13)
Others *		
- Increase by 5%	-	(0)
- Decrease by 5%	-	0

*denotes amount less than Rs 1 Million.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(29) Financial risk management framework

Outstanding Derivative contracts

The Company hedges exposures to changes in foreign currency. The counterparty for these contracts is a bank. All instruments of forward contracts are valued at fair value through profit and loss.

The following table gives details in respect of outstanding hedge contracts:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Notional amount of contracts (in million)	Fair value (Rs in million)	Notional amount of contracts (in million)	Fair value (Rs in million)
(fair valuation through profit and loss)				
USD	51	4,282	26	2,010
EUR	6	501	-	-

Sensitivity analysis

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.

Particulars	(In Rupees Million)	
	Impact on profit after tax and equity	
	March 31, 2023	March 31, 2022
USD		
- Increase by 5%	160	75
- Decrease by 5%	(160)	(75)
EUR		
- Increase by 5%	19	-
- Decrease by 5%	(19)	-

(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 risk 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.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(30) 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 and trade payables.

(a) Financial instruments by category

(i) Fair value through profit and loss	Level	(in Rupees Million)	
		March 31, 2023	March 31, 2022
Assets			
Investments	2	2,752	3,946
Derivative asset - Forward contract receivable	2	6	21
Total assets		2,758	3,967
Liabilities			
Derivative liability - Forward contract receivable	2	30	-
Total liabilities		30	-

(ii) Amortised cost	(in Rupees Million)	
	March 31, 2023	March 31, 2022
Assets		
Investments	5,670	5,726
Trade receivables	6,374	3,467
Cash and cash equivalents	79	382
Loans	193	203
Other financial assets	337	349
Total assets	12,652	10,127
Liabilities		
Lease liability	270	457
Trade payables	230	244
Other financial liabilities	725	587
Total liabilities	1,225	1,288

Note: Carrying amounts of cash and cash equivalents, bank balances, trade receivables, unbilled receivables and trade payables as at March 31, 2023 and March 31, 2022 approximate their fair value due to their short-term nature.

Note :

There are no transfers between any of these levels during the year.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(31) Leases

Operating lease

Company as lessee

The Company has entered into cancellable leasing arrangement in respect of office premises for a period of 3-5 years which are renewable on mutual consent.

Ind AS 116 - Lease liabilities

Particulars	(In Rupees Million)	
	As at March 31, 2023	As at March 31, 2022
Non-current	42	245
Current	228	212
Total	270	457

(I) Movement in Lease liabilities:

Particulars	(In Rupees Million)	
	As at March 31, 2023	As at March 31, 2022
Opening Balance	457	595
Add: Addition made during the year	31	32
Add: Finance cost accrued during the year	39	57
Less: Payment of Lease Liabilities	(257)	(227)
Closing Balance	270	457

(ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:

Particulars	(In Rupees Million)	
	As at March 31, 2023	As at March 31, 2022
Payable within one year	243	250
Payable later than one year and not later than five years	47	218

(iii) Lease payments recognized for short term leases in Statement of Profit and Loss

		39
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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.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(32) A 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 years 2008 to 2023. 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.

For the year ended March 31, 2023

Particulars	2007 to 2011	2011 to 2014	2014-2015	2015-2016	2016-17	2017-2018	2018-19	2019-20	2020-21	2021-22	2022-23
	T-1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9	T-10	T-11
No. of Options granted	745,750	933,850	229,750	1,578,500	47,000	372,000	1,020,000	35,000	330,912	1,873,514	261,406
Exercise Price	1	40	279	279.81	595.26	595.26-610.00	610-640	640-846	846	846-2,270	846-3,218
Fair Value on Date of Grant of option (In Rs.)	2.60-4.47	7.58 to 249.15	101.93 to 219.35	101.43 to 478.27	216.15 to 283.48	203.56 to 270.66	197.58-267.45	104.79 to 231.07	136.31 - 382.58	170.59 to 1,663.75	654.23 to 1,707.20

Movement of Options Granted with Weighted Average Exercise Price (WAEP)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of options	WAEP	No. of options	WAEP
ESOPs				
Options outstanding at the beginning of the year	2,856,378	787	1,970,078	545
Options granted during the year	261,406	2,120	1,873,514	895
Options lapsed during the year	(234,810)	1,026	(292,275)	706
Options settled/cancelled during the year	(55,737)	846	-	-
Options revived during the year	3,000	640	-	-
Options exercised during the year	(232,856)	506	(694,939)	426
Options outstanding at the end of the year	2,597,381	952	2,856,378	787

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 was Rs 1,109 (March 31, 2022: Rs. 545).

The weighted average stock price of the options granted during the year ended March 31, 2022 is Rs 2,270 (March 31, 2022 : Rs 1,126).

Weighted average remaining contractual life (years) of the options based on the exercise price:

Exercise Price	1.00	40.00	279.81	595.26	610.00	640.00	846.00	2,270.00	3,128.00
No. of options outstanding	10,000	16,300	119,602	32,500	107,200	283,125	1,754,340	205,948	68,366
Weighted average remaining contractual life (in years)	-	2.44	6.15	6.01	8.14	8.71	8.94	9.24	9.12

Contracts with zero Weighted average remaining contractual life includes options where exercise date is extended.

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.

The key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

Particulars	ESOP 2022-23	ESOP 2021-22
Risk Free Rate	5.45 % - 9.19 %	5.45 % - 9.19 %
Option Life (Based on Simplified Average Method)	5 to 7 years	5 to 7 years
Expected Volatility	9.76% - 63.91 %	9.76% - 63.91 %
Expected Growth in Dividend	0%	0%



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(32) 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 financial year 2022-2023. 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 MIPs 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.

For the year ended March 31, 2023

Particulars	2022-2023	2022-2023	2021-2022	2021-2022
	Time Based	Performance based	Time based	Performance based
No. of Options granted	53,016	106,184	1,056,316	2,136,028
Exercise Price	846-2,270	846-2,270	846-2,270	846-2,270
Fair Value on Date of Grant of option (in Rs.)	1002.64 to 1,690.37	1022.19 to 1,693.12	176.92 to 1,663.75	176.92 to 1,663.75

Movement of Options Granted with Weighted Average Exercise Price (WAEF)

Particulars	Time Based		Performance Based		Time Based		Performance Based	
	As at March 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2022	
MSOPs	No. of options	WAEF						
Options outstanding at the beginning of the year	1,055,156	1,054	2,135,688	1,054	-	-	-	-
Options granted during the year	53,016	1,580	106,184	1,579	1,056,316	1,056	2,136,028	1,056
Options lapsed during the year	(27,940)	1,702	(56,060)	1,702	(1,160)	2,270	(2,340)	2,270
Options settled/cancelled during the year	(13,630)	1,582	(36,040)	1,787	-	-	-	-
Options exercised during the year	-	-	-	-	-	-	-	-
Options outstanding at the end of the year	1,060,602	1,855	2,129,772	1,044	1,055,156	1,054	2,135,688	1,054

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 value of the options granted during the year was Rs 1,351 (March 31, 2022: 770).

The weighted average stock price of the options granted during the year ended March 31, 2023 is Rs 2,270 (March 31, 2022 : Rs 1,459)

Weighted average remaining contractual life (years) of the options based on the exercise price:

Exercise Price	846	2,270
No. of options outstanding	2,739,044	451,330
Weighted average remaining contractual life (in years)	8.20	8.99

The fair valuation of option has been done by an independent firm of Chartered Accountants on the date of grant using the Binomial Model

The key assumptions in the Binomial Model for calculating fair value as on the date of grant:

Particulars	MSOP	MSOP
	2022-23	2021-22
Risk Free Rate	5.75% to 7.13%	5.75% to 6.16%
Option Life (Based on Simplified Average Method)	5 years	5 years
Expected Volatility	19.98% -39.76%	19.98% -34.05%
Expected Growth in Dividend	0%	0%

The expense recognised for employee services received during the year is shown in the following table:

Particulars	Year ended March	Year ended
	31, 2023	March 31, 2022
Management Stock Options Scheme	387	30
Employee Stock Options Scheme	662	52
Total	1,049	102

Total ESOP expenses incurred for financial year 2022-23 is Rs. 1573 million (March 31, 2022 : 189 million) of which Rs. 524 million (March 31, 2022 : Rs 87 million) are transferred to Fractal Analytics Incorporation, Fractal Analytics UK Limited, Next Analytics LLC and Senseforth AI Research Private Ltd as it pertains to options given to employees of respective subsidiary companies. Hence, net charge to Profit and Loss for financial year 2022-23 is Rs. 1,049 million (March 31, 2023 : Rs 102 million).



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(33) Ratios

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for variation
Current ratio	Current Assets	Current Liabilities	6.64	6.22	6.87%	
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	-3.89%	-0.26%	1391.39%	Change in ratio due to increase in loss during the year as compared to previous year.
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade receivables	1.93	2.24	-13.85%	
Trade Payable Turnover Ratio	Purchases of services and other expenses	Average Trade Payables	5.75	5.46	5.39%	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Average Working capital	1.21	1.26	-4.08%	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	-5.91%	-0.40%	1360.42%	Change in ratio due to increase in loss during the year as compared to previous year.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Net Worth + Borrowings + Deferred tax liability	-2.51%	0.00%	110480.76%	Change in ratio due to increase in loss during the year as compared to previous year.
Return on Investment	Income generated from Invested funds	Average Investments	4.68%	1.83%	155.61%	Increase in return on investment due to better management of surplus funds during the year.



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(34) Earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit / (loss) attributable to the equity holders of the Company (In Rupees Million)	(560)	(26)
Weighted average number of equity shares for EPS (In no's)	30,320,356	27,457,315
Adjustment for calculation of Diluted EPS (In no's)	2,382,100	2,103,015
Weighted average number of equity shares for Diluted EPS (In no's)	32,702,456	29,560,330
Earnings per share (In Rs.):		
- Basic	(18.47)	(0.93)
- Diluted	(18.47)	(0.93)
Face value per equity share (Rs.)	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 32. 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 the previous year ended March 31, 2022 and March 31, 2023, the options are anti-dilutive. Accordingly, there is no variation between basic and diluted earnings per share.

(35) Income tax expense

This note provides analysis of Company's income tax expense, amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position.

(a) Income tax expense is as follows:

Particulars	(in Rupees Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
(a) Profit and loss		
Current tax	134	-
Tax expense relating to prior years	5	(30)
Deferred tax (charge)/credit	6	(1)
Total tax expense	145	(31)
Income tax expense	145	(31)

(b) Reconciliation of tax expense and the book profit computed by applying income tax rate:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(Loss) before tax	(415)	(57)
Tax rate	25.17%	25.17%
Computed tax expense	(104)	(14)
Expenses not deductible for tax purpose	263	34
Tax expense relating to prior years	5	(30)
Impact due to different tax rate	-	(7)
Foreign tax credit	-	(14)
Utilisation of carryforward loss	(15)	-
Others	(4)	-
Income tax expense	145	(31)

(36) Segment reporting

The Company publishes these standalone financial statement 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.

(37) Other Statutory Information

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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 company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) 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 Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,



Fractal Analytics Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

(38) Commitments and contingent liabilities

Particulars	(in Rupees Million)	
	As at March 31, 2023	As at March 31, 2022
(a) Commitments		
Capital commitments	16	103
Guarantee given to financial institution on behalf of subsidiary	5,693	5,211
(b) Contingent liabilities		
Claims against the Company not acknowledged as debt:		
For income tax matters under appeal	98	93
(The Company believes that these claims are not tenable and hence no provision has been made in this regard)		

(39) Corporate social responsibility

Particulars	(in Rupees Million)	
	As at March 31, 2023	As at March 31, 2022
Corporate social responsibility expenditure		
Amount required to be spent as per Section 135 of the Companies Act, 2013	6	8
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) Purposes other than (i) above	6	8
(iii) nature of CSR activities		
i) Contribution to Charitable Trust	6	8

The amount during the year has been spent towards education of underprivileged children and teachers, self-reliant rural society assured of food security, gender equity, low child mortality, etc.

(40) During the previous year the Company has acquired controlling stake in below companies :

Name of the entity	Shares Acquired	% of shareholding	Consideration paid (Rs in millions)
Samya.AI Technologies Private Limited (w.e.f June 11, 2021)	9,674,643	100%	121
Senseforth AI Research Private Limited (w.e.f August 27, 2021)	100,000	100%	130
Analytics Vidya Educon Private Limited (w.e.f November 22, 2021)	127,023	55.92%	408
Neal Analytics India Private Limited (w.e.f December 24, 2021)	10,000	100%	300
Total			959

(41) During the year, Qure.ai sought investment in its equity shares from external investors resulting in the Company's deemed loss of control in Qure.ai. The Company has assessed that it has significant influence over Qure.ai and has considered it as associate Company with effect from April 08, 2022. For the administrative purpose, deemed loss of control and significant influence thereafter is considered with effect from April 01, 2022.

(42) Subsequent events after March 31, 2023 :

(a) Subsequent to year-end, Cuddle Artificial Intelligence Private Limited ("Cuddle") vide board resolution dated April 26, 2023 have proposed to transfer the product/ intellectual property along with associated assets, liabilities, licenses, intellectual property rights, regulatory approvals, permits, contracts and employees in relation to the product by means of a business transfer from the Cuddle to Fractal Analytics Private Limited, as a going concern by way of slump sale. Also, based on the financial position of Cuddle, the Company and other Group Companies have given approval towards waiver of outstanding borrowings and payables vide board resolution dated April 26, 2023.

(b) Subsequent to year-end, Neal Analytics Services Private Limited ("Neal") vide board resolution dated April 26, 2023 has proposed to transfer the assets, liabilities, regulatory approvals, permits, contracts and employees of the Neal to Fractal Analytics Private Limited, as a going concern by way of slump sale.

(c) Subsequent to year-end, Final Mile Consultants Private Limited ("Final Mile") vide board resolution dated May 26, 2023 has proposed to transfer the assets, liabilities, regulatory approvals, permits, contracts and employees of the Final Mile to Fractal Analytics Private Limited, as a going concern by way of slump sale.



Fractal Analytics Private Limited

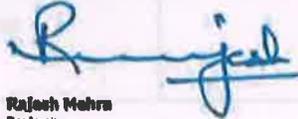
Notes to the standalone financial statements for the year ended March 31, 2023

(43) (a) The financial statements were authorized for issue by the Company's Board of directors on July 19, 2023.

(43) (b) Previous year figures have been regrouped / reclassified to confirm to current year presentation.

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: July 19, 2023

For and on behalf of the Board of Directors of
Fractal Analytics Private Limited

CIN: U72400MH2000PTC125369



Arjunth Velamakanni
Director
DIN: 01722758

New Delhi
Date: July 19, 2023



Gula Mirchandani
Director
DIN: 00026664

Mumbai
Date: July 19, 2023



Sonya Agarwal
Company Secretary
Membership number: A17336

Mumbai
Date: July 19, 2023

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
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Independent Auditor's Report

To the Members of Fractal Analytics Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of 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, which comprise the consolidated balance sheet as at 31 March 2023, 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 a summary of significant 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 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 associate as at 31 March 2023, of its consolidated profit and other comprehensive income, 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 associate 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.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's directors' report, but does not include the financial statements and auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA81223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Report (Continued)

Fractal Analytics Private Limited

consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 associate 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 associate 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 associate 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 the respective Board of Directors of its associate 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

Independent Auditor's Report (Continued)

Fractal Analytics Private Limited

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 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 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 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 5 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 446 million as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 482 million and net cash outflows (before consolidation adjustments) amounting to Rs. 7 million for the year ended on that date, as considered in the consolidated financial statements. 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 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 the reports of the other auditors.

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.



Independent Auditor's Report (Continued)

Fractal Analytics Private Limited

- b. The financial statements/financial information of 19 subsidiaries, whose financial statements/financial information reflect total assets (before consolidation adjustments) of Rs. 1,908 million as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 2,966 million and net cash outflows (before consolidation adjustments) amounting to Rs. 65 million for the year ended on that 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 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 that in respect of two subsidiaries, the back-up of a project ticketing software which forms part of the 'books of account and other relevant books and papers in electronic mode' of those subsidiaries, has not been maintained on the 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 2023 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 2023 from being appointed as a director in terms of Section 164(2) of the Act except that one director of a subsidiary company has not provided written representation as required in terms of section 164(2) of the Act. In the absence of such representation, we are unable to comment whether the said director is disqualified from being appointed as director under Section 164(2) of the Act as at 31 March 2023
 - f. the observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above.

Independent Auditor's Report (Continued)

Fractal Analytics Private Limited

- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group and its associate. Refer Note 40 to the consolidated financial statements.
- b. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.
- 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 2023.
- d (i) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 42 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 management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 42 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 incorporated in India whose financial statements have been audited under the Act, nothing has come to our or 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 has neither declared nor paid any dividend during the year.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies and associate company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.



Independent Auditor's Report (Continued)

Fractal Analytics Private Limited

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 provisions of Section 197 of the Act are not applicable to the Holding Company, its subsidiary companies and associate company incorporated in India since none of these companies is a public company. 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

Place: Mumbai

Membership No.: 103145

Date: 19 July 2023

ICAI UDIN:23103145BGXWXI8341

B S R & Co. LLP

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Fractal Analytics Private Limited for the year ended 31 March 2023

(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 certain remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entitles	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
(i)	Analytics Vidhya Educon Private Limited	U80904MP2014P TC032389	Subsidiary	Clause (xvii) relating to Cash losses
(ii)	Sensforth Research AI Private Limited	U72900KA2017P TC101706	Subsidiary	Clause (xvii) relating to Cash losses

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248WW-100022



Rajesh Mehra

Partner

Place: Mumbai

Date: 19 July 2023

Membership No.: 103145

ICAI UDIN:23103145BGXWXI8341

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Fractal Analytics Private Limited for the year ended 31 March 2023

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 Private Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion, the Holding 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 2023, based on the internal financial controls with reference to financial statements criteria established by the Holding Company 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 Holding 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 Holding 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 the Holding 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 is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.



B S R & Co. LLP

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Fractal Analytics Private Limited for the year ended 31 March 2023 (Continued)

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 consolidated 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 consolidated 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 consolidated financial statements.

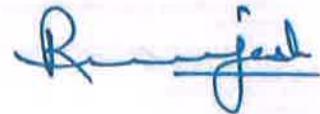
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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.:101248WW-100022



Rajesh Mehra

Partner

Place: Mumbai

Membership No.: 103145

Date: 19 July 2023

ICAI UDIN:23103145BGXWXI8341

Fractal Analytics Private Limited

Consolidated Balance sheet as at March 31, 2023

Particulars	Note	(in Rupees million)	
		As at March 31, 2023	As at March 31, 2022
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	(3)	412	495
(b) Right-of-use assets	(4)	468	459
(c) Goodwill	(5)	3,475	3,261
(d) Other Intangible assets	(6)	1,229	1,304
(e) Intangible assets under development	(6.1)	7	299
(f) Investment accounted for under the equity method	(7)	4,479	-
(d) Financial assets			
(i) Investments	(7)	12	12
(ii) Other financial assets	(11)	267	181
(h) Deferred tax assets (net)	(13)	399	367
(i) Income tax assets (net)		162	140
(j) Other non-current assets	(12)	40	26
Total non-current assets (A)		10,950	6,544
(B) Current assets			
(a) Financial assets			
(i) Investments	(7)	2,906	4,023
(ii) Trade receivables	(8)	5,009	3,958
(iii) Cash and cash equivalents	(9a)	2,132	1,832
(iv) Bank balances other than (iii) above	(9b)	71	419
(v) Loans	(10)	269	492
(vi) Other financial assets	(11)	-	83
(b) Other current assets	(12)	1,150	1,099
Total current assets (B)		11,537	11,906
Total assets (A+B)		22,487	18,450
EQUITY AND LIABILITIES			
(A) Equity			
(a) Share capital	(14)	31	31
(b) Other equity	(15)	13,400	9,549
Equity attributable to equity holders of the company		13,431	9,580
(c) Non-controlling interest		203	1,450
Total equity (C)		13,634	11,030
(B) Liabilities			
(I) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	(16)	3,221	2,985
(ii) Lease liabilities	(30)	243	279
(iii) Other financial liabilities	(18)	140	13
(b) Provisions	(20)	118	120
(c) Deferred tax liabilities (net)	(13)	1,016	-
Total non-current liabilities (D)		4,738	3,397
(II) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	(16)	35	24
(ii) Lease liabilities	(30)	273	264
(iii) Trade payables	(17)		
- Total outstanding dues of micro enterprise and small enterprises		5	4
- Total outstanding dues of creditors other than micro enterprises and small enterprises		566	622
(iv) Other financial liabilities	(18)	1,866	1,395
(b) Other current liabilities	(19)	1,242	1,673
(c) Provisions	(20)	110	17
(d) Current tax liabilities (net)		18	25
Total current liabilities (E)		4,115	4,023
Total liabilities (D+E)		8,853	7,420
Total Equity and Liabilities (C+D+E)		22,487	18,450

Significant accounting policies

The accompanying notes from 1 to 45 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


Ritesh Mehra
Partner

Membership Number: 103145

Mumbai
Date: July 19, 2023

For and on behalf of the Board of Directors of
Fractal Analytics Private Limited

CIN: U72400MH2000PTC125369


Srikanth Velamakanni
Whole-time Director
DIN: 01722758

New Delhi
Date: July 19, 2023


Gulu Mirchandani
Director
DIN: 00026664

Mumbai
Date: July 19, 2023


Soniya Agarwal
Company Secretary
Membership number: A17336

Mumbai
Date: July 19, 2023



Fractal Analytics Private Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note	(in Rupees million)	
		Year ended March 31, 2023	Year ended March 31, 2022
(1) Income			
(a) Revenue from operations	(21)	19,854	12,953
(b) Other income	(22)	583	187
Total Income		20,437	13,140
(2) Expenses			
(a) Employee benefits expense	(23)	17,672	11,079
(b) Finance costs	(24)	453	139
(c) Depreciation and amortization expense	(25)	781	688
(d) Other expenses	(26)	3,346	2,709
Total Expenses		22,252	14,615
(3) Loss before share of (loss) of an associate and exceptional items (1-2)		(1,815)	(1,475)
(4) Share of (loss) of associate	(38)	(290)	-
(5) Loss before exceptional items and tax (3-4)		(2,105)	(1,475)
(6) Exceptional items	(26.1)	5,239	-
(7) Profit / (Loss) before tax (5-6)		3,134	(1,475)
(8) Tax expense	13(c)		
(a) Current tax			
- For the year		174	(1)
- Tax adjustment for earlier year		5	25
(b) Deferred tax charge / (credit)	13(a)	1,011	(15)
Total tax expense		1,190	9
(9) Profit / (loss) for the year (7-8)		1,944	(1,484)
(10) Other comprehensive income			
(1) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement of defined employee benefit plans		24	(29)
(b) Income tax on item (a) above		(7)	(0)
(c) Share of changes recognised in other comprehensive income by the associate (net of taxes)		1	-
(2) Items that will be reclassified subsequently to profit or loss			
(a) Exchange differences on translation of foreign operations		79	110
Total other comprehensive income / (loss)		97	81
(11) Total comprehensive income / (loss) for the year		2,041	(1,403)
Profit / (Loss) for the year attributable to:			
Equity holders of the parent		2,030	(1,467)
Non-Controlling Interest		(86)	(17)
Total		1,944	(1,484)
Other comprehensive income / (loss) for the year attributable to:			
Equity holders of the parent		97	81
Non-Controlling Interest*		0	0
Total		97	81
Total comprehensive income / (loss) for the year attributable to:			
Equity holders of the parent		2,127	(1,386)
Non-Controlling Interest		(86)	(17)
Total		2,041	(1,403)
Earnings per share (Rupees per share)	(39)		
Face value of Rs 1 each			
(1) Basic EPS		66.96	(53.43)
(2) Diluted EPS		62.08	(53.43)

*denotes amount less than Rs 1 million

Significant accounting policies

The accompanying notes from 1 to 45 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



Rajesh Mehra
 Partner
 Membership Number: 103145

Mumbai
 Date: July 19, 2023

For and on behalf of the Board of Directors of
 Fractal Analytics Private Limited

CIN: U72400MH2000PTC125369


 Srikanth Velamakanni
 Whole-time Director
 DIN: 01722758

New Delhi
 Date: July 19, 2023


 Somya Agarwal
 Company Secretary
 Membership number: A17336

Mumbai
 Date: July 19, 2023


 Gulu Mirchandani
 Director
 DIN: 00026664

Mumbai
 Date: July 19, 2023



Particulars	(In Lakhs, million)	
	Year ended March 31, 2023	Year ended March 31, 2022
(A) Cash flows from operating activities		
Profit/(Loss) before tax	3,134	(1,476)
Adjustments for:		
Interest on bank deposits and loan to directors	(12)	(16)
Interest income on unwinding of security deposits	(11)	(9)
Net gain on redemption/fair valuation of financial instruments	(165)	(49)
Gain on deemed loss of control of subsidiary company (refer note 38)	(5,410)	-
Foreign exchange (gain)/loss	(33)	(15)
Employee stock option expense	1,587	219
Interest expense	433	75
Depreciation and amortization expense	536	449
Amortization and interest expense on right of use asset	246	299
Group share of losses in associate entity	290	-
Provision for tax settlement	80	-
Impairment in value of assets	171	-
Bad Debts	-	10
Provision for Bad Debts and doubtful advances	54	4
Other current asset written off	-	150
Unrealised (loss)/gain on derivative forward contracts	45	(1)
Operating cash flow before working capital changes	948	(359)
Adjustment for changes in working capital:		
(Increase) / decrease in trade receivables	(1,347)	(1,603)
(Increase) / (decrease) in other current financial assets	95	(69)
(Increase) / (decrease) in other non current financial assets	(82)	(21)
(Increase) / (decrease) in other current assets	(239)	(425)
(Increase) / (decrease) in other non current assets	(14)	8
Increase / decrease in trade payables	54	292
Increase / (decrease) in other non current financial liabilities	140	-
Increase / (decrease) in other current financial liabilities	615	157
Increase / (decrease) in provisions	45	(7)
(Decrease) / (increase) in other current liabilities	(288)	1,059
(Decrease) / (increase) in other non current liabilities	-	(29)
Cash used in operations	(94)	(997)
Tax paid (net of refunds)	(212)	(170)
Net cash flow (used in) operating activities	(306)	(1,167)
(B) Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(139)	(506)
Loans advanced / (given)	251	(492)
Payment towards acquisition of business, net of cash acquired	1	(3,572)
Payment in bank deposits (net)	182	(415)
Payment of deferred consideration	(139)	-
Purchase of mutual fund investments	(6,651)	(10,649)
Maturity proceeds of sale of mutual fund units	7,939	7,624
Interest on bank deposits	4	16
Net cash flow generated/ (used in) investing activities	1,250	(7,994)
(C) Cash flow from financing activities		
Proceeds from issue of equity shares (including securities premium) and share application money	151	786
Proceeds from issue of Compulsorily convertible preference shares	-	6,874
Proceeds from issue of equity shares issued by subsidiary company to Non controlling interest	14	6
Proceeds from issue of Compulsorily convertible preference shares issued by subsidiary company to Non controlling interest	-	15
Interest	-	-
Repayment of Lease liabilities (Refer Note 30)	(325)	(286)
Interest paid during the year	(389)	(237)
Repayments of borrowing	(25)	(2,946)
Proceeds from borrowings	-	3,025
Net cash flow generated from / (used in) financing activities	(574)	7,237
Net increase / (decrease) in cash and cash equivalents (A+B+C)	370	(1,924)
Cash and cash equivalents at the beginning of the year	1,832	3,727
Derecognition of Cash and cash equivalent of subsidiary	(159)	-
Effect of exchange rate changes	89	29
Cash and cash equivalents at the end of the year	2,132	1,832
Cash and cash equivalents comprise of:		
Cash in hand	0	1
Balance with banks:		
In current accounts	2,132	1,813
In fixed deposit account with original maturity of 3 months or less	-	18
Total cash and cash equivalents	2,132	1,832

- The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- Refer note 30 on non cash transactions on lease liabilities under financing activities.
- Purchase of property, plant and equipment and intangibles are shown inclusive of movements in Intangible asset under development.

Particulars	March 31, 2023		March 31, 2022	
	Balance at the beginning of the year	3,009	2,929	
Cash movement (net)	(25)	79		
Foreign currency fluctuation adjustment	272	1		
Balance at the end of the year	3,256	3,009		

As per DTR report of even date attached

For BSR & Co. LLP
 Chartered Accountants
 Firm's Registration Number: 101248W/W-100022



Rajesh Mehra
 Partner
 Membership Number: 103145

Mumbai
 Date: July 19, 2023

For and on behalf of the Board of Directors of
 Fractal Analytics Private Limited

CIN: 1072400MH12000PTC125369



Srikanth Valamakkanni
 Whole-time Director
 DIN: 01722758

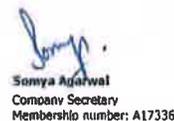
New Delhi
 Date: July 19, 2023



Gulu Mirchandani
 Director
 DIN: 00026664

Mumbai
 Date: July 19, 2023





Soniya Agarwal
 Company Secretary
 Membership number: A17336

Mumbai
 Date: July 19, 2023

Fractal Analytics Private Limited

Consolidated Statement of Changes in equity for the year ended March 31, 2023

(A) Equity share capital

Particulars	Note	(In Rupees million)	
		Amount	
Balance as at April 1, 2021		24	
Changes in equity share capital during the year	(14)	2	
Inclusion of bonus received for partly paid up shares			
Balance as at March 31, 2022		26	
Balance as at April 1, 2022		26	
Changes in equity share capital during the year*	(14)	0	
Balance as at March 31, 2023		26	

* Amounts in Rs 1 Million

(B) Compulsorily convertible Preference share capital

Particulars	Note	(In Rupees million)	
		Amount	
Balance as at April 1, 2021		-	
Changes in convertible share capital during the year	(14)	5	
Balance as at March 31, 2022		5	
Balance as at April 1, 2022		5	
Changes in convertible share capital during the year	(14)	3	
Balance as at March 31, 2023		8	

(C) Other equity

Particulars	Reserve and Surplus				Share application money pending allotment	Items of other comprehensive income Exchange differences on translating the financial statements of a foreign operation	Total attributable to equity holders of the Company	Attributable to Non controlling Interest	Total equity
	Securities premium reserve	Employee stock option reserve	Retained earnings	Remeasurement of defined benefit plans					
Balance as at April 1, 2021	4,010	444	(1,219)	(122)	0	(23)	3,090	1,238	4,328
Issue of equity shares*	785	-	-	-	(0)	-	785	6	791
Issue of Compulsorily Convertible Preference shares	6,870	-	-	-	-	-	6,870	15	6,885
Non controlling interest arising on account of business combination (Refer note 35)	-	-	-	-	-	-	-	179	179
Employee stock option expense (Refer note 33)	-	189	-	-	-	-	189	30	219
Transfer to retained earnings on account of vested ESOP	-	(25)	26	-	-	-	1	(1)	-
Transfer to securities premium on account of exercised ESOP	121	(121)	-	-	-	-	-	-	-
Profit/(loss) for the year	-	-	(1,467)	(79)	-	110	(1,396)	(17)	(1,413)
Balance as at March 31, 2022	11,786	487	(2,660)	(151)	-	87	9,549	1,450	10,999
Balance as at April 1, 2022	11,786	487	(2,660)	(151)	-	87	9,549	1,450	10,999
Issue of equity shares	148	-	-	-	-	-	148	14	162
Share application money received during the year	-	-	-	-	3	-	3	-	3
Derecognition of non controlling interest due to change in relationship from subsidiary entity to associate entity (Refer note 38)	-	-	-	-	-	-	-	(1,189)	(1,189)
Transfer of other comprehensive loss of associate entity to retained earnings	-	-	(6)	6	-	-	-	-	-
Employee stock option expense (Refer note 33)	-	1,573	-	-	-	-	1,573	14	1,587
Transfer to retained earnings on account of vested ESOP*	-	(0)	0	-	-	-	-	-	-
Transfer to securities premium on account of exercised ESOP	43	(43)	-	-	-	-	-	-	-
Profit/(loss) for the year	-	-	2,030	10	-	79	2,127	(86)	2,041
Balance as at March 31, 2023	11,927	2,017	(636)	(121)	3	166	13,400	703	14,103

* Amounts in Rs 1 Million

Nature and Purpose of reserves

- (a) **Securities Premium reserve:** 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 option reserve:** This relates to stock options granted by the parent to its employees under an Employee stock options plan.
- (c) **Retained earnings:** Retained earnings are the profits that the Group has earned till date net of appropriations.
- (d) **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. Rs. 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 reclassified to profit or loss on the disposal of the foreign operation.
- (e) **Share application money pending allotment:** Share application money pending allotment represents application money received on account of employees stock option scheme

The accompanying notes from 1 to 45 form an integral part of the consolidated financial statements.

As per our report of even date attached

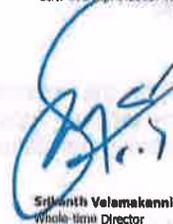
For BSR & Co. LLP
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
Fractal Analytics Private Limited
CIN: U72400MH2000PTC125369



Rajesh Mehra
Partner
Membership Number: 103145

Mumbai
Date: July 19, 2023



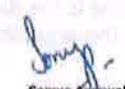
Srikanth Valamakkani
Whole time Director
DIN: 01722758

New Delhi
Date: July 19, 2023



Gulu Mirchandani
Director
DIN: 00026664

Mumbai
Date: July 19, 2023



Sonya Agarwal
Company Secretary
Membership number: A17336

Mumbai
Date: July 19, 2023



Fractal Analytics Private Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2023

1. Corporate Information

Fractal Analytics Private Limited ('Fractal' or 'the Company' or 'the Parent') is a private 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 Fractal 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.

Significant accounting policies followed by the Group

2.1 Basis of Preparation

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 [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 certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial Instruments), Employees Stock Option plan as per fair value of the option and Employee's Defined Benefit Plan as per actuarial valuation.

The consolidated financial statements are presented in Indian rupees (INR), which is Group's presentation currency. All values are rounded off to nearest Million, except when otherwise indicated.

These consolidated financial statements were authorised for issuance by the Board of Directors at their meeting held on July 19, 2023.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at and for the year ended March 31, 2023.

Consolidated financial statements 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



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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 as capital reserve.

- (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.
- (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.
- (viii) 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 or 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 off 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 is not control or joint control of those policies. Investments in associates are accounted for using the equity method unless otherwise stated.



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- (ii) Under the equity method, on initial recognition the investment in an associate is recognised at cost. The carrying amount of the investment in associates 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 specifies 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 associates 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.

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 statements, either on disposal or when retired from active use. Losses/gains arising on derecognition of the PPE is recognised in the statement of profit or loss.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to consolidated statement of profit or loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation

Depreciation on PPE has been provided on straight line method as per the estimated useful lives. The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

Rate of depreciation where there are property, plant and equipment:

Description of assets	Useful life of assets
Furniture and fixtures	3 - 10 years
Office equipment	3 - 5 years
Leasehold improvements	Over the period of lease
Computers and accessories	3 - 5 years
Vehicles	8 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 such as software and intellectual property are stated at cost less accumulated amortization and impairment losses if any. Cost comprises of the acquisition price, and any cost



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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;
- 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. All other expenditure are recognised in the statement of profit or loss as incurred.

Amortization

Amortization is recognised in profit or 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)
Intellectual Property	3 – 5
Computer Software	3
Client Relationships	3
Patent	3
Brand	5
Developed Content	10
Internally generated intangible asset	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 statement of profit and loss.

2.7 Impairment of property, plant and equipment and intangible 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 the property, plant and equipment or intangible 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



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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 under development are tested for impairment annually.

Impairment of non-financial assets

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 profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. 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 statements 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.

Transaction 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 profit or 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 average exchange rates

On consolidation, Exchange differences are recognized in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).



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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 :

- (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 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 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 services revenues consist of fees from customers accessing Group's cloud based software solutions. Revenues are recognized 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 is 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.



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In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Dividend and interest income

Dividend is recognised as income when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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.

In addition, the Group makes contribution to defined contribution retirement benefit plans under the provisions of section 401(k) of the Internal Revenue Code for USA employees.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings, through other comprehensive income, in the statement of changes in equity and in the balance sheet and will not be reclassified to profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.



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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 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.

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 statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated 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.

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.

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 profit or 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.



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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 Balance Sheet and lease payments have been classified as financing cash flows.

The Group does not have any lease contracts wherein it acts as a lessor.

Under Ind AS 116, this will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

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.



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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.

The Group 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 or 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 profit or 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 profit and loss account.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where the	At fair value plus transaction costs that are directly attributable to the acquisition of the financial	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



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		assets' cash flows represent solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	asset	exchange gain/loss which is recognized in income statement. Interest income, transaction cost and discount or premium on acquisition are recognized in the Income statement (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 Profit and Loss account in other gain and loss head.
	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. 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.	At fair value. Transaction costs of financial assets expensed to income statement	Changes in fair value of such assets are recorded in Income statement 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	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 Income statement. Impairment losses (and



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		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.		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 income statement.
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to income statement	Changes in fair value of such assets are recorded in income statement.

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.

(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.

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.

(iii) Derecognition of financial assets:

A financial asset is derecognised only when

- (a) the Group has transferred the rights to receive cash flows from the financial asset or



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- (b) retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. 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.



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(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 profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Derecognition:

A financial liability is removed from the balance sheet when the obligation is discharged, or is cancelled, or expires. 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 respective carrying amounts is recognised in the Statement of Profit and Loss.

2.14 Fair value measurement:

The Group measures financial instruments, such as, certain investments, 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 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 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



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Notes to Consolidated Financial Statements for the year ended March 31, 2023

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 nonoccurrence 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 liabilities are disclosed in the notes. 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 and contingent liabilities 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 balance sheet 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.



Fractal Analytics Private Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2023

2.19 Dividend distribution to equity shareholders:

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid/payable.

2.20 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.

2.21 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 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 Group's normal operating cycle is twelve months.

2.22 Significant accounting estimates, judgements and assumptions:

The preparation of the Group's consolidated 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 consolidated 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.



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Notes to Consolidated Financial Statements for the year ended March 31, 2023

In the process of applying the Group's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the consolidated 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 mortality 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. Contingencies:** Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against Group as it is not possible to predict the outcome of pending matters with accuracy.
- e. Share-based payments:** The Group measures the cost of equity-settled transactions with employees using Black-Scholes 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 estimates and 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



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Notes to Consolidated Financial Statements for the year ended March 31, 2023

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 uses judgement to estimate 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 or for a portfolio of leases with similar characteristics.

2.23 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.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements : This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors : This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes : This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement



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Notes to Consolidated financial statements for year ended March 31, 2023

(3) Property, plant and equipment

(In Rupees million)

Particulars	Computers and accessories	Leasehold improvements	Furniture and fixtures	Vehicles	Office Equipment	Total
Gross carrying amount						
As at April 01, 2022	693	260	64	-	368	1,385
Additions	182	-	0	-	4	186
Derecognition on account of loss of control of subsidiary company (Refer note 3B)	(33)	-	-	-	(0)	(33)
Disposals	(11)	-	(0)	-	(0)	(11)
Exchange differences on translating the financial statements of foreign operation	3	-	-	-	20	23
As at March 31, 2023	834	260	64	-	392	1,550
Accumulated depreciation						
As at April 01, 2022	361	203	31	-	295	890
Derecognition on account of loss of control of subsidiary company (Refer note 3A)	(18)	-	-	-	(0)	(18)
Charge for the year	181	29	5	-	41	256
Disposals	(9)	-	-	-	(0)	(9)
Exchange differences on translating the financial statements of foreign operation	2	-	-	-	17	19
As at March 31, 2023	517	232	36	-	353	1,138
Net carrying amount as at March 31, 2023	317	28	28	-	39	412
Gross carrying amount						
As at April 01, 2021	380	260	62	2	357	1,061
Additions	310	-	1	-	1	312
Additions on account of business combinations (Refer note 35)	4	-	1	-	1	6
Disposals	(1)	-	-	(2)	-	(3)
Exchange differences on translating the financial statements of foreign operation	0	-	-	-	9	9
As at March 31, 2022	693	260	64	-	368	1,385
Accumulated depreciation						
As at April 01, 2021	242	174	25	1	229	671
Charge for the year	119	29	6	-	61	215
On disposals	(0)	-	-	(1)	0	(1)
Exchange differences on translating the financial statements of foreign operation	0	-	-	-	5	5
As at March 31, 2022	361	203	31	-	295	890
Net carrying amount as at March 31, 2022	332	57	33	-	73	495

Note : The Group does not hold any immovable properties.



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Notes to Consolidated financial statements for year ended March 31, 2023

(5) Goodwill

Particulars	(in Rupees million)	
	As at March 31, 2023	As at March 31, 2022
Goodwill at the beginning of the year	3,261	472
Add: On account of acquisition (Refer note 35)	-	2,744
Add: Exchange differences on translating the financial statements of foreign operations	214	45
Goodwill at the end of the year	3,475	3,261

The carrying amount of goodwill was allocated to major cash-generating units as follows:

Particulars	(in Rupees million)	
	As at March 31, 2023	As at March 31, 2022
Final Mile Consultants Private Limited	278	278
4i Consulting Inc	218	200
Senseforth.ai Inc	362	338
Samya.ai Group	122	116
Analytics Vidhya Educon Private Limited	181	181
Neal Analytics Group	2,314	2,148
Total	3,475	3,261

Cash-generating units (CGU) 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 CGU 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 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 and sensitivity analysis done on the forecasted cash flows. Basis the same, 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%-5% Terminal growth rate and discount rate of 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).



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Notes to Consolidated financial statements for year ended March 31, 2023

(6) Other Intangible assets

Particulars	(in Rupees million)							
	Computer Software	Intellectual Property	Customer relationship	Internally generated intangible assets	Brand	Developed Content	Patent	Total
Gross carrying amount								
As at April 01, 2022	56	274	859	611	30	102	4	1,936
Additions	46	-	-	231	-	-	-	279
Derecognition on account of loss of control of subsidiary company (Refer note 38)	-	-	-	(183)	-	-	-	(183)
Exchange differences on translating the financial statements of foreign operation	3	6	68	42	-	-	-	119
As at March 31, 2022	107	280	927	799	30	102	4	2,151
Accumulated amortization								
As at April 01, 2022	49	238	68	267	2	4	4	632
Derecognition on account of loss of control of subsidiary company (Refer note 38)	-	-	-	(108)	-	-	-	(108)
Charge for the year	13	27	93	130	6	10	-	279
On disposal	-	-	-	-	-	-	-	-
Provision for Impairment loss (Refer note 3 below)	-	-	-	84	-	-	-	84
Exchange differences on translating the financial statements of foreign operation	3	6	4	22	-	-	-	35
As at March 31, 2023	69	271	169	295	8	14	4	922
Net carrying amount as at March 31, 2023	42	9	762	299	22	88	-	1,229
Gross carrying amount								
As at April 01, 2021	55	270	42	276	-	-	4	647
Additions	-	-	-	96	-	-	-	96
Additions on account of business combination (Refer note 35)	-	-	805	236	30	102	-	1,173
Exchange differences on translating the financial statements of foreign operation	1	4	12	3	-	-	-	20
As at March 31, 2022	56	274	859	611	30	102	4	1,926
Accumulated amortization								
As at April 01, 2021	43	198	32	118	-	-	1	395
Charge for the year	5	39	36	149	2	4	-	235
Exchange differences on translating the financial statements of foreign operation	1	1	(0)	-	-	-	-	2
As at March 31, 2022	49	238	68	267	2	4	1	611
Net carrying amount as at March 31, 2022	7	36	791	344	28	98	-	1,304

Note 1 : Refer note 16 for details of charge/hypothecation created against intangible assets.

Note 2 : The estimated amortization of intangible assets for the years subsequent to March 31, 2023 is as follows :

Year ending 31 March	In Rupees Million
2024	300
2025	238
After 2026	691

Note 3 : During the year the Group has assessed the carrying value of its intangible assets of one of the subsidiary and basis its assessment the recoverable amount is less than the carrying value and accordingly has provided for impairment loss of Rs 84 million.

(6.1) Intangible Assets Under Development (IAUD)

Particulars	(in Rupees in Million)
Gross carrying amount	
As at April 01, 2022	299
Additions	102
Less: Capitalisation	(231)
Less: Provision for impairment in value of IAUD (Refer note 1 and 2 below)	(87)
Less: Derecognition of assets on account of Loss of control of subsidiary company (Refer note 38)	(76)
As at March 31, 2023	7
Gross carrying amount	
As at April 01, 2021	197
Additions	198
Less: Capitalisation	(96)
Disposals	-
As at March 31, 2022	299

Note 1 : During the year the Group has assessed the carrying value of its intangible assets in a subsidiary company and basis its assessment the recoverable amount is less than the carrying value and accordingly has provided for impairment loss of Rs 4 million.

Note 2 : Based on the evaluation done by the Group as at March 31, 2023, one of the subsidiary company does not foresee commercial operation in near future date, leading to intangible asset under development's recoverable amount to be below its carrying amount and hence 100% impairment provisioning is recognised amounting to Rs 83 million.

Ageing of Projects in progress (at gross value)

	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, 2023	20	15	13	46	94
As at March 31, 2022	222	31	26	20	299



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Notes to Consolidated financial statements for year ended March 31, 2023

Particulars	(In Rupees million)	
	As at March 31, 2023	As at March 31, 2022
(7) Investments (Non-current)		
A. Investment in equity instruments of Associates accounted for under the equity method		
Investments in unquoted equity instruments		
Cure.ai Technologies Private Limited 250,000,000 (March 31, 2022: 250,000,000) equity shares of Rs 1 fully paid up (Refer note 38)	4,479	-
Total carrying value	4,479	-
B. Other investments		
(Unquoted, measured at amortised cost)		
RX.health Inc. (March 31, 2023 658,761 shares of series Seed-2 preferred stock) (March 31, 2022 658,761 shares of series Seed-2 preferred stock)	12	12
	12	12
Total (non-current)	4,491	12
Other Investments (Current)		
Investments (Current)		
(Measured at fair value through profit and loss)		
Investment in liquid mutual funds units (unquoted)	2,906	4,023
Total other investments	2,906	4,023
(a) Aggregate carrying value of unquoted Investments	7,397	4,035



Particulars	(in Rupees million)	
	As at March 31, 2023	As at March 31, 2022
(8) Trade receivables		
<i>Trade receivables</i>		
- Unsecured, considered good	3,400	2,715
- Unsecured, considered doubtful	66	22
- Unbilled receivables	1,609	1,243
Sub Total	5,075	3,980
Allowance for doubtful debts	(66)	(22)
Current trade receivables	5,009	3,958

Ageing of Trade receivables

As at March 31, 2023

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	
Trade receivables							
(i) Undisputed Trade receivables - considered good	3,103	285	12	-	-	-	3,400
(ii) Undisputed Trade Receivables - credit impaired	-	34	17	4	12	-	66
	3,103	289	46	17	4	12	3,468
Unbilled receivables							1,609
Less: Allowance for doubtful trade receivables							(66)
Total							5,009

As at March 31, 2022

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	
Trade receivables							
(i) Undisputed Trade receivables - considered good	1,879	699	111	21	2	3	2,715
(ii) Undisputed Trade Receivables - credit impaired	-	5	-	9	-	8	22
	1,879	704	111	30	2	11	2,737
Unbilled receivables							1,243
Less: Allowance for doubtful trade receivables							(22)
Total							3,958

(9a) Cash and cash equivalents

Cash on hand *

0

Balance with banks

In current accounts
Deposits with original maturity of less than 3 months

2,132

Total cash and cash equivalents

1,813

*Amounts less than Rs 1 million

(9b) Bank balance other than above

In fixed deposit account with original maturity of 3 months or more

71

Total other bank balances

419

(10) Current loans

Secured, considered good
Loan to director (Refer note 29)

269

Total current loans

492

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of loan outstanding	% of total Loans	Amount of loan outstanding	% of total Loans
Loan to director	269	100%	492	100%
Total	269	100%	492	100%

Note : Loan is given to a director on December 8, 2021 which is repayable on demand. Loan to director is secured against the said shares held by the director on full recourse basis.

(11) Other financial assets

Non-current financial assets

Derivative asset at fair value through profit or loss - forward contract

-

Security deposits

187

Other bank deposit

80

Total non-current financial assets

181

Current financial assets

Derivative asset at fair value through profit or loss - forward contract

-

Other receivables

69

Total current financial assets

69

(12) Other assets

Non-current assets

Prepaid expenses

35

Employee advances

5

Total non-current assets

26

Current assets

Prepaid expenses (Refer note below)

383

Contract assets (Refer note 27)

555

Advances to vendors and others

35

Balance with government authorities

187

Less : Loss allowance

(10)

Total current assets

1,099

Note : Prepaid expenses includes Rs 114 million towards planning for initial public offer and is to be shared by the Company and selling share holders.



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Notes to Consolidated financial statements for year ended March 31, 2023

(13) Deferred tax assets (net)

Significant components of deferred tax assets

	March 31, 2023	March 31, 2022
Deferred tax assets		
Difference between book and tax value of property, plant and equipment and intangible assets	29	9
Net operating losses	368	341
Provision for Gratuity	1	2
Others	1	15
Total Deferred tax assets	399	367
Deferred tax liabilities		
Loss of control of subsidiary company	(1,016)	-
Total Deferred tax liabilities	(1,016)	-
Net deferred tax assets/(liabilities)	(617)	367

(a) Movements in deferred tax assets/(liabilities)

Particulars	(In Rupees million)					
	Property, plant & equipment and intangible assets	Business losses/ unabsorbed depreciation	Loss of control of subsidiary company*	Provision for Gratuity**	Others**	Total
At April 01, 2021	29	331	-	0	15	375
On account of business combination (Refer note 35)	(32)	-	-	0	-	(32)
(Charged) / Credited						
- to profit or loss	13	-	-	2	(0)	15
- to other comprehensive income	-	-	-	(0)	-	(0)
- Foreign currency fluctuation	(1)	10	-	-	-	9
At March 31, 2022	9	341	-	2	15	367
(Charged) / Credited						
- to profit or loss	19	-	(1,016)	(1)	(14)	(1,011)
- to other comprehensive income	-	-	-	-	-	-
- Foreign currency fluctuation	1	27	-	-	-	28
At March 31, 2023	29	368	(1,016)	1	1	(617)

*Refer note 38

**Amounts less than Rs 1 million

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 has been recognised on unused tax losses of Rs. 829 million (March 31, 2022 - Rs 861 million).

(b) The tax losses of the Group will lapse in subsequent years as follows:

Particulars	(In Rupees million)	
	As at March 31, 2023	As at March 31, 2022
From 5 - 8 years	812	1,125
Beyond 8 years	2,374	1,894
Indefinite	950	1,043

(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-assessable and 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, 2023	Year ended March 31, 2022
(a) Profit and loss		
Current tax for the year	174	(1)
Tax adjustment for previous year	5	25
Deferred tax for the year	1,011	(15)
Total current tax expense	1,191	9

(d) Reconciliation of tax expense and the book profit computed by applying income tax rate:

Particulars	(In Rupees million)	
	Year ended March 31, 2023	Year ended March 31, 2022
(Loss) / Profit before tax	3,134	(1,475)
Tax rate	25.17%	25.17%
Computed tax expense	789	(371)
Adjustments:		
Current year losses for which deferred tax asset is not recognised	521	384
Utilisation of carry forward losses against which deferred tax asset was not recognised earlier	(157)	(4)
Expenses not deductible for tax purpose	146	10
Tax adjustment for previous year	5	(25)
Impact of different tax rate	(155)	25
Foreign tax credit claim	-	(14)
State taxes	13	2
Others	30	2
Tax expense	1,190	9



Fractal Analytics Private Limited

Notes to Consolidated financial statements for year ended March 31, 2023

(14) Equity share capital

Particulars	(in Rupees million)	
	As at March 31, 2023	As at March 31, 2022
Authorised		
349,200,000 equity shares of face value Rs. 1 each (March 31, 2022 : 43,650,000 equity shares of face value Rs. 1 each)	349	44
38,100,000 0.001% Compulsorily convertible preference shares of face value Rs.1 each (March 31, 2022 : 6,350,000 0.001% Compulsorily convertible preference shares of face value Rs.1 each)	38	6
	387	50
The authorised share capital of the Parent Company has been increased vide board resolution date July 22, 2022.		
Issued share capital		
26,189,854 equity shares of face value Rs.1 (March 31, 2022 : 25,947,598 equity shares of Rs. 1 each)	26	26
4,523,604 0.001% Compulsorily convertible preference shares of face value Rs.1 each (March 31, 2022 : 4,523,604 0.001% Compulsorily convertible preference shares of face value Rs.1 each)	5	5
	31	31
Subscribed and fully paid-up		
25,524,996 equity shares of face value Rs.1 each fully paid up (March 31, 2022 : 25,287,740 equity shares of Rs. 1 each fully paid up)	26	26
4,523,604 0.001% Compulsorily convertible preference shares of face value Rs.1 fully paid up (March 31, 2022 : 4,523,604 0.001% Compulsorily convertible preference shares of face value Rs.1 fully paid up)	5	5
	31	31
Subscribed but not fully paid-up		
664,858 equity share of face value Rs.1 (Rs 0.5 paid up) (Refer note (i) below)* (March 31, 2022 : 664,858 equity share of face value Rs.1 (Rs 0.5 paid up))	-*	-*
	31	31

*Amounts less than Rs 1 million

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

Particulars	(in Rupees million)			
	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	25,947,598	26	23,922,943	24
Add :- Shares issued during the year under				
- employee stock option plan (Refer note (i) below)*	232,856	0	694,939	1
- Private placement of shares (Refer note (ii) below)*	9,400	0	1,329,716	1
At the end of the year	26,189,854	26	25,947,598	26
* Amounts less than Rs 1 million				
(i) During the year 232,856 shares (March 31, 2022:694,939) were issued under employee stock option plan at various price (Refer note 33)				
(ii) During the year 9,400 shares (March 31, 2022: 1,329,716 shares (Including 664,858 partly paid up shares)) were issued on a private placement basis.				
0.001% Compulsorily Convertible Preference Shares				
At the commencement of the year	4,523,604	5	4,523,604	5
Issued during the year				
At the end of the year	4,523,604	5	4,523,604	5

(b) Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
(a) Equity shares of Rs. 1 each fully paid-up held by				
Quinag Bidco Limited	22.68%	5,939,620	22.89%	5,939,620
TPG Fett Holdings Pte Limited	28.08%	7,353,814	28.34%	7,353,814
Gita Mirchandani	11.96%	3,131,260	12.07%	3,131,260
Gulu Mirchandani	9.03%	2,365,296	9.12%	2,365,296
Pranay Agrawal	6.60%	1,727,812	6.66%	1,727,812
Srikanth Velamakanni*	5.83%	1,527,378	5.89%	1,527,378
Chetana Kumar	5.15%	1,349,151	5.20%	1,349,151
(b) Compulsorily Convertible Preference Shares of Rs. 1 each fully paid-up held by				
Quinag Bidco Limited	73.78%	3,337,505	73.78%	3,337,505
TPG Fett Holdings Pte Limited	26.22%	1,186,099	26.22%	1,186,099

*Number of shares consists 664,858 partly paid up shares issued on private placement basis (Refer note a(ii) above)

(c) Shares held by Companies having significant Influence/Control

Particulars	As at March 31, 2023		As at March 31, 2022	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
Shares held by TPG Fett Holdings Pte Limited				
(a) Equity shares of Rs. 1 each fully paid-up	28.08%	7,353,814	28.34%	7,353,814
(b) 0.001% Compulsorily Convertible Preference Shares of Rs. 1 each fully paid-up	26.22%	1,186,099	26.22%	1,186,099
Shares held by Quinag Bidco Limited				
(a) Equity shares of Rs. 1 each fully paid-up	22.68%	5,939,620	22.89%	5,939,620
(b) 0.001% Compulsorily Convertible Preference Shares of Rs. 1 each fully paid-up	73.78%	3,337,505	73.78%	3,337,505



Fractal Analytics Private Limited

Notes to Consolidated financial statements for year ended March 31, 2023

(d) **Rights preferences and restrictions attached to equity shares**
The Company has one class of equity shares having a par value of Rs 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.

(e) **Rights preferences and restrictions attached to 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 this 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.

(f) **Shares reserved for issued under options**

Particulars	March 31, 2023	
	No. of shares	No. of shares
Equity Shares of Rs. 1 each reserved for issue under employee stock option scheme (refer note 33)	6,136,808	6,369,664

(g) 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.

(h) No dividend is declared by the Company during the years ended March 31, 2023 and March 31, 2022.

Particulars	(In Rupees million)	
	As at March 31, 2023	As at March 31, 2022

(15) **Other equity**

Securities premium reserve	11,982	11,791
Employee stock option reserve	2,016	486
Other comprehensive income	36	(68)
Share application money pending allotment	3	
Retained earnings	(636)	(2,660)
Total other equity	13,400	9,548

Note : For movement during the year, refer statement of change in equity.



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Notes to Consolidated financial statements for year ended March 31, 2023

Particulars	(In Rupees million)	
	As at March 31, 2023	As at March 31, 2022
(16) Borrowings		
<i>Non-current borrowings</i>		
<i>(at amortised cost)</i>		
Secured		
- Term loan (Refer note (a) below)	3,416	3,164
Less: Arrangement fees	(160)	(155)
Less: Current maturities of long term debt	(35)	(24)
Total secured borrowings	3,221	2,985
Current borrowings		
Secured		
- Current maturities of long term debt - Term loan (Refer note (a) below)	35	24
Total current borrowings	35	24
Notes :		

- (a) The Group has availed foreign currency floating interest term loan from financial institutions as per term sheet dated December 21, 2021 amounting to USD 42 million. The Group has incurred transaction cost amounting to USD 2.2 million (USD 1.82 Million as on March 31, 2022) in respect of the said transaction which are disclosed as net from the actual proceeds and are amortised over the tenor of the loan to Profit and Loss Account. Given below are various terms pertaining to the term loan.

Particulars	Total	Current	Non Current	Interest rate	Duration	Repayment terms	Purpose of borrowings
Term loans	3,416	35	3,381	Term SOFR (Cap at 1%) + 6%	Five years ending on December 21, 2026	0.75% of the aggregate principal amount of the outstanding Initial amount on first day of every quarter commencing from March 31, 2022.	Permitted Acquisitions and other Investments permitted under the Loan Documents
	3,416	35	3,381				

Collateral :

- Pledge of charge over 100% (one hundred percent) equity shares from time to time, equivalent to 997,951 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 organised under the laws of United States of America
- 65% share Pledge of Fractal UK Private Limited an entity organised under the laws of United Kingdom.
- Hypothecation/ charge over all Intellectual property owned by the Group from India or United States of America .

Guarantor :

The above borrowing is backed by the guarantee given by Fractal Analytics Private Limited, Cuddle Inc USA, Neal Analytics LLC and Final Mile Consulting LLC.



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Notes to Consolidated financial statements for year ended March 31, 2023

(17) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (Refer below note)	5	4
- Total outstanding dues of creditors other than micro enterprises and small enterprises	566	622
Total trade payables	571	626

Particulars	As at March 31, 2023	As at March 31, 2022
Dues of micro and small enterprises		
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;	5	4
- 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	-	-
- 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.	-	-
Total	5	4

Ageing of Trade payables

As at March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	1	4	-	-	-	5
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	167	392	7	-	-	566
Total	168	396	7	-	-	571

As at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	1	3	0	-	-	4
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	355	254	13	-	-	622
Total	356	257	13	-	-	626

* Amounts less than Rs 1 million

(In Rupees million)

Particulars	As at March 31, 2023	As at March 31, 2022
(18) Other financial liabilities		
Non-current financial liabilities		
Employee related obligation	140	-
Deferred consideration payable (Refer note 35(a))	-	13
Total non-current financial liabilities	140	13
Current financial liabilities		
Derivative liabilities at fair value through profit or loss - forward contract	24	-
Deferred consideration payable (Refer note 35(a))	16	14
Employee related obligation	1,825	1,255
Interest accrued and due on borrowings from financial institutions	1	-
Others (Refer note 35 (c))	-	126
Total current financial liabilities	1,866	1,395
(19) Other liabilities		
Current liabilities		
Unearned revenue (Refer note 27)	868	836
Advance from customer	12	132
Statutory dues payable**	348	705
Other payables	14	-
Total current liabilities	1,242	1,673

**Includes tax deducted at sources, provident fund payable, professional taxes and other foreign statutory dues

Particulars	As at March 31, 2023	As at March 31, 2022
(20) Provisions		
Non-current provisions		
Gratuity (Refer note 28)	118	120
Total non-current provisions	118	120
Current provisions		
Gratuity (Refer note 28)	1	3
Compensated absences (Refer note 28)	29	14
Other provisions (Refer note 26)	80	-
Total current provisions	110	17



Fractal Analytics Private Limited

Notes to Consolidated financial statements for year ended March 31, 2023

(In Rupees million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(21) Revenue from operations		
Sale of services (Refer note 27)	19,854	12,953
Total Revenue from operations	19,854	12,953
(22) Other income		
Interest on :		
- bank deposits	4	16
- Loan to directors	8	-
- unwinding of security deposits given	11	9
Fair value gain on derivative and forward contracts	-	35
Net gain on redemption/fair valuation of financial Instruments	165	49
Foreign exchange loss / (gain), net	306	-
Miscellaneous income	89	78
Total other income	583	187
(23) Employee benefits expense		
Salaries, wages and bonus	15,243	10,308
Contribution to provident funds (Refer note 28)	182	109
Gratuity (Refer note 28)	148	92
Employee stock option expense (Refer note 33)	1,587	219
Staff welfare expense	512	351
Total employee benefits expense	17,672	11,079
(24) Finance costs		
Interest on :		
- borrowings	358	62
- lease liabilities (Refer note 30)	45	61
- others	30	16
Other borrowing cost	20	-
Total finance costs	453	139
(25) Depreciation and amortization expense		
Depreciation on property, plant and equipment (Refer note 3)	256	215
Amortisation on :		
- Right of use assets (Refer note 4)	246	238
- Intangible assets (Refer note 6)	279	235
Total depreciation and amortization expense	781	688
(26) Other expenses		
Outsourced manpower cost	598	249
Legal and professional fees	560	875
Software maintenance charges	432	276
Travelling and conveyance	327	139
Communication charges	269	190
Recruitment expenses	158	226
Advertising and publicity expense	234	151
Repairs and maintenance expense - Computers and others	93	25
Facility management expenses	38	37
Rent, rates and taxes (Refer note below)	153	71
Insurance expense	45	28
Research expense	56	64
Fair value loss on derivative and forward contracts	152	-
Foreign exchange loss, net	-	32
Provision for doubtful advances	10	-
Other current asset written off	-	150
Bad debts	-	10
Provision for Bad debts	44	4
Membership and subscription charges	64	63
Corporate social responsibility (Refer note 41)	6	9
Miscellaneous expense	107	110
Total other expenses	3,346	2,709

Note:

The Company and all the Directors of the Company has received show cause notice 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 INR 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. The amount of INR 80 million is the estimated compounding fee for the Company and Directors, computed basis compounding guidelines under the Income-tax Act, 1961 which is disclosed under Rent, rates and taxes.

(26.1) Exceptional Items

Impairment in value of assets (Refer note 6 and 6.1)	171	-
Gain on account of Loss of control of subsidiary company (Refer note 38)	(5,410)	-
	(5,239)	-



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Notes to Consolidated financial statements for year ended March 31, 2023

(27) Revenue from contracts with customers

The Group disaggregates revenue from contracts with customers by nature of services.

Revenue disaggregation by nature of services is as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Analytics/Consulting services	19,548	12,439
License fee/Subscriptions income	306	514
Total	19,854	12,953

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 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.

Contract Balances

Particulars	(in Rupees million)	
	As at March 31, 2023	As at March 31, 2022
Contract assets	555	524

Changes in contract assets are as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	524	302
Derecognition on account of loss of control of subsidiary company (Refer note 38)	(116)	-
Revenue recognized during the year	3,650	2,829
Invoices raised during the year	(3,538)	(2,617)
Exchange differences on translating the financial statements of foreign operations	35	10
Balance at the end of the year	555	524

Changes in unearned and deferred revenue are as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	836	344
Derecognition on account of loss of control of subsidiary company (Refer note 38)	(146)	-
Amount reclassified to trade receivables	-	(87)
Revenue recognized that was included in the unearned and deferred revenue balance at the beginning of the year	(422)	(215)
Increase due to invoicing during the year, excluding amounts recognized as revenue during the year	546	783
Exchange differences on translating the financial statements of foreign operations	54	11
Balance at the end of the year	868	836

Reconciliation of revenue recognized with the contracted price is as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Contracted price	20,056	13,101
Reductions towards variable consideration components	(202)	(148)
Revenue recognized	19,854	12,953

Note : Variable consideration includes volume discount / service credit to customers.

For geographical split of revenue, refer note 34



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Notes to Consolidated financial statements for year ended March 31, 2023

(28) Employee benefits

The Group contributes to the following post-employment defined contribution plan and defined benefit plans in India.

(a) Defined contribution plan

The Group entities in India have 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 Group is limited to the amount contributed and it has neither further contractual nor any constructive obligation.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employer's contribution to provident fund	182	109

Included in 'Contribution to provident 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.

(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 or more 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 Cost Method are as under:

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.50%	7.25%
Future salary increases	10.00%	10.00%
Attrition rate		
<u>Based on Completed Years of service</u>		
Up to 2 years	23.00%	24.00%
3 - 4 years	5.00%	8.00%
Above 4 years	2.00%	4.00%
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 balance sheet and movements in the net defined benefit obligation (DBO) are as follows :

Change in the present value of obligation	March 31, 2023	March 31, 2022
Present value of obligation at the beginning of the year	336	224
Derecognition of liability on account of change of relationship of subsidiary entity to associate entity (Refer note 38)	(10)	-
Liability assumed on acquisition	-	12
Interest cost	24	16
Past service cost	-	-
Current service cost	140	84
Benefits paid	(36)	(29)
Remeasurement due to		
Actuarial loss/(gain) arising from change in financial assumptions	(12)	2
Actuarial loss/(gain) arising on account of experience changes	(24)	5
Actuarial (gain)/loss arising on account of demographical assumptions	12	22
Present value of obligation at the end of the year	430	336
- obligation with funded plan*	383	296
- obligation with unfunded plan	47	40

*The Group has invested the amounts in pension fund with Life Insurance Corporation of India.



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Notes to Consolidated financial statements for year ended March 31, 2023

b. The amounts recognised in the balance sheet and movements in the fair value of plan assets over the year are as follows :

Change in the fair value of plan assets	March 31, 2023	March 31, 2022
Fair value of plan assets at the beginning of the year	214	118
Expected returns on plan assets	(2)	1
Interest on plan assets	15	8
Actuarial gains/(losses)	-	-
Contributions made by the Company	84	87
Benefits paid	-	-
Fair value of plan assets at the end of the year	311	214

Reconciliation of present value of defined benefit obligation and the fair value of assets	March 31, 2023	March 31, 2022
Present value of funded obligation at the end of the year	430	336
Fair value of plan assets as at the end of the period	(311)	(214)
Net deficit	119	122

Amount recognised in the statement of profit and loss	March 31, 2023	March 31, 2022
Current service cost	140	84
Interest cost	8	8
Total expense recognized in the statement of profit and loss	148	92

Amount recognised in other comprehensive income	March 31, 2023	March 31, 2022
Remeasurements during the year due to		
Changes in financial assumptions	(12)	2
Changes in demographic assumptions	12	22
Experience adjustments	(24)	5
Amount recognised in other comprehensive income during the year	(24)	29

c. The sensitivity of significant assumptions used for valuation of defined benefit obligation is as follows :

Impact from percentage point increase / decrease in	March 31, 2023	March 31, 2022
Discount rate +100 basis points	(355)	(290)
Discount rate -100 basis points	521	394
Salary increase rate +100 basis points	476	366
Salary increase rate -100 basis points	(380)	(307)

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. Weighted average duration of defined benefit plan :

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity Plan	21 Years	16 Years

e. Expected future benefit payments on undiscounted basis

Expected cash flows for following year	March 31, 2023	March 31, 2022
Expected total benefit payments in next		
1 year	6	13
Year 2 - 5 years	43	57
6 - 10 years	82	100
More than 10 years	2,279	1,178



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Notes to Consolidated financial statements for year ended March 31, 2023

(29) Related party transactions

(a) Related parties

Sr. No	Name of the party	Nature of relationship
1	Quinag Bidco Limited (up to March 28, 2022)	Parent Company
2	Quinag Bidco Limited (w.e.f. March 29, 2022)	Company having significant influence
3	TPG Fett Holdings Pte. Limited (w.e.f. March 29, 2022)	Company having significant influence

(b) Key managerial personnel

Sr. No	Particulars	Nature of relationship
1	Mr. Srikanth Velamakanni	Whole-time Director
2	Mr. Pranay Agrawal	Executive Director
3	Ms. Somya Agarwal	Company Secretary

(c) Transactions and balances

Sr. No	Nature of Transaction	(In Rupees million)	
		March 31, 2023	March 31, 2022
A	Transactions		
1	Managerial remuneration		
	Srikanth Velamakanni	54	534
	Pranay Agrawal	62	532
	Somya Agarwal	10	10
2	Issue of Equity shares		
	Srikanth Velamakanni (partly paid)	-	244
	Pranay Agrawal	-	488
3	Issue of 0.001% Compulsorily Convertible Cumulative Preference share		
	Quinag Bidco Limited	-	3,057
4	Interest Income		
	Pranay Agrawal	8	5
5	Loan given		
	Pranay Agrawal	-	487
6	Repayment of loan		
	Pranay Agrawal	251	-
7	Repayment of borrowings		
	Quinag Bidco Limited	-	2,929
8	Interest Expense		
	Quinag Bidco Limited	-	8
Sr. No	Balances	March 31, 2023	March 31, 2022
1	Loan including interest accrued		
	Pranay Agrawal	269	492

** 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 and are done in ordinary course of business. Outstanding balances at the year-end are unsecured and settlement occurs in cash.



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Notes to Consolidated financial statements for year ended March 31, 2023

(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.

		(in Rupees million)	
Fair value through profit and loss	Level	March 31, 2023	March 31, 2022
Assets			
Investments	2	2,906	4,023
Derivative asset - Forward contract receivable	2	-	21
Total assets		2,906	4,044
Liabilities			
Derivative liability - Forward contract payable	2	24	-
Total liabilities		24	-

		(in Rupees million)	
Amortised cost		March 31, 2023	March 31, 2022
Assets			
Investments		12	12
Trade receivables		5,009	3,958
Cash and cash equivalents		2,132	1,832
Other bank balances		71	419
Loans		269	492
Other financial assets		267	243
Total assets		7,760	6,956
Liabilities			
Borrowings		3,256	3,009
Lease liability		516	543
Trade payables		571	626
Other financial liabilities		1,982	1,408
Total liabilities		6,325	5,586

Note: Carrying amounts of cash and cash equivalents, bank balances, loans, trade receivables, borrowings, lease liabilities, trade payables and other liabilities as at March 31, 2023 and March 31, 2022 approximate the fair value.

Note:

There are no transfers between any of these levels during the current and previous year.



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Notes to Consolidated financial statements for year ended March 31, 2023

(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 Company.

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 invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Group considers that the related credit risk is low.

Trade and other 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 and other receivables.

The movement in the allowance for impairment in respect of trade and other receivables is as follows:

Particulars	(In Rupees million)	
	March 31, 2023	March 31, 2022
Balance at the beginning of the period	22	18
Provision for the year	44	14
Bad debts during the year	-	(10)
Balance at the end of the period	66	22

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, 2023 (two customer as at March 31, 2022). Geographical concentration of trade receivables (including unbilled receivables) have been disclosed in segment report under note 34.

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.

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 at the year ended March 31, 2023 amounting to USD 18 million (USD 18 million at the year ended March 31, 2022) which could be used for the working capital needs as and when required.



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Maturities of financial liabilities

The below table analyses the Group'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 amounts (in Rupees million)		
		< 12months	1 - 2 Year	> 2 Year
March 31, 2023				
Non Derivative financial instruments				
Trade payables	571	571	-	-
Other financial liabilities	1,982	1,866	140	-
Lease liability	516	308	107	189
Borrowings	3,256	35	35	3,347
March 31, 2022				
Non Derivative financial instruments				
Trade payables	626	626	-	-
Other financial liabilities	1,408	1,395	-	-
Lease liability	543	340	210	8
Borrowings	3,188	24	24	3,116

(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, is as follows:

As at March 31, 2023

Particulars	(in Rupees million)			
	USD	EUR	GBP	Others
Financial assets				
Trade receivables	6,083	507	131	90
Net exposure to foreign currency (assets)	6,083	507	131	90
Financial liabilities				
Trade payables	343	-	-	17
Net exposure to foreign currency (liabilities)	343	-	-	17
Net exposure to foreign currency	5,740	507	131	72



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As at March 31, 2022

Particulars	(in Rupees million)			
	USD	EUR	GBP	Others*
Financial assets				
Cash and cash equivalents*	0	0	-	0
Trade receivables	3,283	399	128	-
Net exposure to foreign currency (assets)	3,283	399	128	0
Financial liabilities				
Trade payables	227	-	-	-
Net exposure to foreign currency (liabilities)	227	-	-	-
Net exposure to foreign currency	3,056	399	128	0

*Amounts less than Rs 1 million

Sensitivity analysis

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at March 31, 2023 and March 31, 2022 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.

Particulars	(in Rupees million)	
	Impact on profit after tax and equity	
	March 31, 2023	March 31, 2022
USD		
- Increase by 5%	215	114
- Decrease by 5%	(215)	(114)
EUR		
- Increase by 5%	19	15
- Decrease by 5%	(19)	(15)
GBP		
- Increase by 5%	5	5
- Decrease by 5%	(5)	(5)
Others*		
- Increase by 5%	3	0
- Decrease by 5%	(3)	(0)

* Amount less than Rs 1 Million

Outstanding Derivative contracts

The Group hedges exposures to changes in foreign currency. The counterparty for these contracts is a bank. Forward contracts are valued at fair value through profit and loss.

The following table gives details in respect of outstanding hedge contracts:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Notional amount of contracts (in million)	Fair value (Rs in million)	Notional amount of contracts (in million)	Fair value (Rs in million)
(fair valuation through profit and loss)				
USD	51	4,282	26	2,010
EUR	6	501	-	-

(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. 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 as at March 31, 2023 pursuant to movement in Term SOFR. The interest reset period or the amortization schedule is not fixed under this credit facility and hence the same has not been hedged.



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Sensitivity analysis

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

Particulars	(in Rupees million)	
	Impact on profit after tax and equity	
	March 31, 2023	March 31, 2022
Change in Term SOFR		
- Increase by 1%	(26)	(24)
- Decrease by 1%	26	24

(III). Capital risk 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)	
	March 31, 2023	March 31, 2022
Borrowings	3,256	3,009
Less : Cash and cash equivalents	(2,132)	(1,832)
Less : Other bank balances	(151)	(419)
Less : Investment in liquid mutual funds	(2,906)	(4,023)
Net Debt (A)	(1,933)	(3,265)
Total Equity (B)	13,634	11,029
Net Gearing Ratio (A/B)	-	-



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(33) Employee Stock Options Scheme (ESOP)

The Parent 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 Parent Company has issued grants to its various employees from time to time during financial years 2008 to 2023. 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.

For the year ended March 31, 2023

Particulars	2007 to 2011	2011 to 2014	2014-2015	2015-2016	2016-17	2017-2018	2018-19	2019-20	2020-21	2021-22	2022-23
	T-1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9	T-10	T-11
No. of options granted	745,750	933,850	229,750	1,578,500	47,300	372,000	1,020,000	35,000	330,917	1,873,514	261,406
Exercise Price (in Rupees)	1	40	279	279.81	595.26	595.26-610.00	610-640	640-846	846	846-2270	846-3218
Fair Value on Date of Grant of option (in Rs.)	2.60-4.47	7.58 to 249.15	101.93 to 219.35	101.43 to 478.27	216.15 to 283.48	203.56 to 270.66	197.58-267.45	104.79 to 231.07	136.31 - 382.58	170.59 to 1663.75	654.23 to 1707.20

Movement of Options Granted with Weighted Average Exercise Price (WAEP)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos	WAEP	Nos	WAEP
Options outstanding at the beginning of the year	2,856,378	787	1,978,078	545
Options granted during the year	261,406	2,120	1,873,514	895
Options lapsed during the year	(234,810)	1,026	(292,275)	706
Options settled/cancelled during the year	(55,737)	846	-	-
Options revived during the year	3,000	640	-	-
Options exercised during the year	(232,856)	506	(694,939)	426
Options outstanding at the end of the year	2,597,381	952	2,856,378	787

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 was Rs 1,109 (March 31, 2022 : Rs 545).

The weighted average stock price of the options granted during the year ended March 31, 2023 is Rs 2,270 (March 31, 2022 :Rs 1,126).

Weighted average remaining contractual life (years) of the options based on the exercise price :

Exercise Price	1.00	40.00	279.81	595.26	610.00	640.00	846.00	2,270.00	3,128.00
No. of options outstanding	10,000	16,300	119,602	32,500	107,200	283,125	1,754,340	205,948	68,366
Weighted average remaining contractual life (years)	-	2.44	6.15	6.01	8.14	8.71	8.94	9.24	9.12

Contracts with zero Weighted average remaining contractual life includes options where exercise date is extended.

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	ESOP 2022-23	ESOP 2021-22
	Risk Free Rate	5.45 % - 9.19 %
Option Life (Based on Simplified Average Method)	5 to 7 years	5 to 7 years
Expected Volatility	9.76 %	9.76 %
Expected Growth in Dividend	- 63.91 %	- 63.91 %
	0%	0%



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Notes to Consolidated financial statements for year ended March 31, 2023

(b) Employee Stock Option Plan - Management Incentive plan

The parent 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 parent company has issued grants to its various employees from time to time during the financial year 2022-2023. 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.

For the year ended March 31, 2023

Particulars	2022-2023		2021-2022	
	Time Based	Performance based	Time based	Performance based
No. of Options granted	53,016	106,184	1,056,316	2,138,028
Exercise Price	846-2,270	846-2,270	846-2,270	846-2,270
Fair Value on Date of Grant of option (in Rs.)	1007.64 to 1,690.37	1022.19 to 1,693.12	176.92 to 1,663.75	176.92 to 1,663.75

Movement of Options Granted with Weighted Average Exercise Price (WAEP)

Particulars	Time based		Performance based		Time based		Performance based	
	As at March 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2022	
	No. of options	WAEP						
Options outstanding at the beginning of the year	1,055,156	1,054	2,135,688	1,054	-	-	-	-
Options granted during the year	53,016	1,580	106,184	1,579	1,056,316	1,056	2,138,028	1,056
Options lapsed during the year	(27,940)	1,702	(56,060)	1,702	(1,160)	2,270	(2,340)	2,270
Options settled/cancelled during the year	(19,630)	1,582	(56,040)	1,787	-	-	-	-
Options exercised during the year	-	-	-	-	-	-	-	-
Options outstanding at the end of the year	1,060,602	1,055	2,129,772	1,044	1,055,156	1,054	2,135,688	1,054

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 was Rs 1,351 (March 31, 2022: 770).

The weighted average stock price of the options granted during the year ended March 31, 2023 is Rs 2,270 (March 31, 2022 : 1,459).

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	2,739,044	451,330
Weighted average remaining contractual life (in years)	8.20	8.99

The key assumptions for Binomial Model for calculating fair value as on the date of grant:

Particulars	MSOP 2022-23	MSOP 2021-22
Risk Free Rate	5.75% to 7.13%	5.75% to 6.16%
Option Life (Based on Simplified Average Method)	5 years	5 years
Expected Volatility	19.98% -39.76%	19.98% -34.05%
Expected Growth in Dividend	0%	0%

(c) The expense recognised for employee services received during the year is shown in the following table:

Particulars	(in Rupees million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Expense arising from equity-settled share-based payment transactions		
- for parent Company	1,573	189
- for subsidiary Companies*	14	30
Total	1,587	219

*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



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Notes to Consolidated financial statements for the year ended March 31, 2022

(34) Segment reporting

Business segment

The Group's business segments are reflected based on principal business activities carried on by the Group. The Group's businesses are as under:

- 1) Fractal.ai segment provides advanced analytics services that helps companies leverage data driven insights in taking informed decisions.
- 2) Fractal alpha segment is focused on incubated and acquired products including Crux intelligence, Qure.ai, Senseforth.ai, Asper.ai, Analytics Vidya, Theremin and Euglene.

These segments are determined based on the internal organisation and management structure of the Parent and its system of Internal financial reporting. 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.

Geographical segment

The Group's operations are majorly based in America, Europe and APAC and 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) Operating Income is derived after deducting employee related expenses and other expenses of respective segments
- iii) Expenses and Incomes that are directly identifiable with the segments are considered for determining the segment result. Expenses and Income which relate to the Group as a whole and not allocable to segments and which relate to the operating activities of the segment but are impracticable to allocate to the segment, 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 years ended March 31, 2023 and March 31, 2022, is as follows:

(in Rupees million)

March 31, 2023

Particulars	Fractal.ai	Fractal.alpha	Unallocated	Intersegment elimination	Total
Revenue from operations	19,548	409	-	(104)	19,854
Operating Income*	121	(1,514)	(80)	-	(1,474)
Other income/(expense)	253	(10)	5,597	-	5,840
Finance cost	(29)	(1)	(423)	-	(453)
Depreciation and amortisation	(376)	(159)	(246)	-	(781)
Segment results	(31)	(1,684)	4,848	-	3,133

* Operating Income for Fractal.ai and Fractal.alpha segment is net of one time bonus paid for Rs 314 million and 157 million respectively.

March 31, 2022

Particulars	Fractal.ai	Fractal.alpha	Unallocated	Intersegment elimination	Total
Revenue from operations	12,439	597	-	(83)	12,953
Operating Income*	81	(561)	(355)	-	(835)
Other income	114	15	58	-	187
Finance cost	(1)	(1)	(137)	-	(139)
Depreciation and amortisation	(275)	(172)	(241)	-	(688)
Segment results	(81)	(719)	(675)	-	(1,475)

* Operating Income for Fractal.ai segment is net of one time bonus paid for Rs 985 million and 19 million of retention bonus.

	March 31, 2023	March 31, 2022
Segment Asset		
Fractal.ai	12,585	10,264
Fractal.alpha	6,078	3,086
Unallocated	3,824	5,100
	22,487	18,450
Segment Liabilities		
Fractal.ai	4,704	3,296
Fractal.alpha	380	573
Unallocated	3,769	3,551
	8,853	7,421
Capital Employed		
Fractal.ai	7,880	6,968
Fractal.alpha	5,699	2,512
Unallocated	55	1,549
	13,634	11,029



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(35) Business Combination

(a) Acquisition of Asper.ai Group (Formerly known as Samya.ai)

During the previous year, the Group on June 15, 2021 (acquisition date) acquired 100 % of outstanding shares of Asper.ai Technologies Private Limited and Asper.ai Inc (Asper.ai) (referred to as 'Asper.ai Group') resulting in full control of the entities. The Group had acquired controlling stake for a cash consideration of Rs 377 million (USD 5.12 million) and, deferred compensation of Rs 42 million (USD 568K) to be paid to the founder of Asper.ai Inc at specified intervals over next twenty four months from the date of acquisition.

Asper.ai is a CPGR focused RGM (Revenue Growth Management) AI Company. Asper.ai complements Group's Consumer Product Goods (CPG) capabilities, it utilizes probabilistic machine learning and reinforcement learning approaches together with deep domain expertise to help CPG companies recapture revenue growth potential. Asper.ai's focus on AI based RGM platform and product add adjacencies to Fractal's offerings and is the primary factor that underscore the strategic rationale for this transaction.

The Group had carried out purchase price allocation from an independent valuer as at the date of acquisition and recognised identifiable intangible assets at fair values. The following table summarises the amounts of the assets acquired and liabilities assumed recognised at the acquisition date, as well as the fair value at the acquisition date.

Particulars	(in Rupees million)		
	Acquiree's carrying amount	Fair value adjustment	Purchase price allocated
Assets			
Property, plant and equipment	3	-	3
Right-of-use assets	2	-	2
Intangible assets	82	112	194
Trade receivables	12	-	12
Cash and cash equivalents	137	-	137
Other assets	8	-	8
Total assets (A)	244	112	356
Liabilities			
Trade payables	23	-	23
Lease liabilities	2	-	2
Other financial liabilities	3	-	3
Other liabilities	1	-	1
Provisions	1	-	1
Deferred tax liability on intangible assets	-	23	23
Total liabilities (B)	30	23	53
Total fair value of Net assets acquired as on date of acquisition (C=(A-B))	214	89	303
Consideration paid (D)*			418
Goodwill (C-D)**			115

*Includes deferred consideration of Rs 42 Million

**Goodwill recognised is not deductible for income tax purposes

Intangible assets	Rupees Million	Useful life
Client relationships	16	3 Years
Internally generated intangible assets	96	3 Years
Total	112	

The revenue and loss after tax included in the consolidated statement of profit and loss since date of acquisition upto March 31, 2022 contributed by Samya.ai is Rs 35 million and Rs 80 million.

Had Samya.AI been consolidated from April 01, 2021 the consolidated statement of profit and loss for the year ended March 31, 2022 would have included revenue of Rs 45 million and loss after tax of Rs 125 million.



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(b) Acquisition of Senseforth.ai Group

During the previous year, on August 31, 2021 (acquisition date) the Group acquired 100% of outstanding shares of Senseforth AI Research Private Limited and Senseforth Inc. (Senseforth.AI) (referred to as 'Senseforth.ai Group'), resulting in full control of the entities. The Group had acquired controlling stake in Senseforth.AI for a cash consideration of Rs 478 million by entering into share transfer agreement.

Senseforth.AI had a Conversational AI platform and other Products forming part of the conversational AI platform that help increase revenue, enhance operational efficiency and reduce support costs for its customers. Senseforth.AI focus on AI based platform and product add adjacencies to Groups offerings and is the primary factor that underscore the strategic rationale for this transaction. The work to date validates the differentiated positioning that the combined entity would enjoy.

The Group had carried out purchase price allocation from an independent valuer as at the date of acquisition and recognised identifiable Intangible assets at fair values. The following table summarises the amounts of the assets acquired and liabilities assumed at the acquisition date, as well as the fair value at the acquisition date.

Particulars	(Rs in Million)		
	Acquiree's carrying amount	Fair value adjustment	Purchase price allocated
Assets			
Property plant and equipment**	0	-	0
Intangible assets	9	93	102
Trade receivables	22	-	22
Cash and cash equivalents	34	-	34
Other financial assets	2	-	2
Other assets	8	-	8
Total assets (A)	75	93	168
Liabilities			
Trade payables	5	-	5
Other financial liabilities**	0	-	0
Other liabilities	1	-	1
Provisions	3	-	3
Deferred tax liabilities	(1)	10	9
Total liabilities (B)	8	10	18
Total fair value of Net assets acquired as on date of acquisition (C=(A-B))	67	83	150
Consideration paid (D)			478
Goodwill (C-D)*			328

*Goodwill recognised is not deductible for income tax purposes

**denotes amount less than Rs 1 million

Intangible assets	Rupees in Million	Useful life
Client relationships	44	10 Years
Internally generated intangible assets	49	5 Years
Total	93	

The revenue and loss after tax included in the consolidated statement of profit and loss for the year ended March 31, 2022 since date of acquisition contributed by Senseforth.ai is Rs 61 million and Rs 31 million.

Had Senseforth.ai been consolidated from April 01, 2021 the consolidated statement of profit and loss for the year ended March 31, 2022 would have included revenue of Rs 107 million and loss after tax of Rs 91 million.



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(c) Acquisition of Neal Analytics Group

During the previous year, on December 29, 2021 (acquisition date) the Group acquired 100 % of Neal Analytics LLC and Neal Analytics Private Limited (referred to as 'Neal Analytics Group'). The Group had acquired controlling stake in Neal for a cash consideration of Rs 2,984 million (USD 40 million) by entering into share transfer agreement.

Neal has expertise and capabilities across each of Azure, Dynamics 365 and Microsoft 365 that helps increase revenue and provide high quality of services to its existing customers.

The Group has carried out purchase price allocation from an independent valuer as at the date of acquisition and recognised identifiable intangible assets at fair values. The following table summarises the amounts of the assets acquired and liabilities assumed at the acquisition date, as well as the fair value at the acquisition date.

Particulars	(Rs in Million)		
	Acquiree's carrying amount	Fair value adjustment	Purchase price allocated
Assets			
Property, plant and equipment***	0	-	0
Right of use assets	38	-	38
Intangible assets	-	744	744
Trade receivables	247	-	247
Cash and cash equivalents	120	-	120
Other financial assets	3	-	3
Other current assets	12	-	12
Deferred tax assets	1	-	1
Total assets (A)	421	744	1,165
Liabilities			
Trade payables	33	-	33
Lease liabilities	40	-	40
Other current liabilities	210	-	210
Provisions	-	-	-
Current tax liabilities	18	-	18
Total liabilities (B)	301	-	301
Total fair value of Net assets acquired as on date of acquisition (C=(A-B))	120	744	864
Consideration paid (D)*			2,984
Goodwill (D-C)**			2,120

*Includes consideration amount payable of Rs 126 million and is disclosed in other current financial liabilities.

**Goodwill recognised is not deductible for income tax purposes.

***denotes amount less than Rs 1 million

Intangible assets	Rupees Million	Useful life
Client relationships	744	10 Years
Total	744	

The revenue and profit after tax included in the consolidated statement of profit and loss for the year ended March 31, 2022 since date of acquisition contributed by Neal Analytics is Rs 488 million and Rs 46 million.

Had Neal been consolidated from April 01, 2021 the consolidated statement of profit and loss for the year ended March 31, 2022 would have included revenue of Rs 1,840 million and profit of Rs 283 million.



Fractal Analytics Private Limited

Notes to Consolidated financial statements for year ended March 31, 2023

(d) Acquisition of Analytics Vidhya Educon Private Limited

During the previous year, on November 22, 2021 (acquisition date) the Group acquired 55.92 % of outstanding ordinary shares of Analytics Vidhya Educon Private Limited ("Analytics Vidhya"). The Group has paid cash consideration of Rs 408 million (USD 5.52 million) by entering into share transfer agreement.

Analytics Vidhya is a platform for continuous upskilling and hiring in the Industry. By owning a controlling stake in Analytics Vidhya, the Group aims to become a leading community knowledge portal, launch top industry focused certificate programmes and become the largest pool of data tech candidates and jobs.

The Group has carried out purchase price allocation from an independent valuer as at the date of acquisition and recognised identifiable intangible assets at fair values. The following table summarises the amounts of the assets acquired and liabilities assumed at the acquisition date, as well as the fair value at the acquisition date.

Particulars	Rs (in Million)		
	Acquiree's carrying amount	Fair value adjustment	Purchase price allocated
Assets			
Property, plant and equipment	3	-	3
Intangible assets	-	132	132
Trade receivables	9	-	9
Cash and cash equivalents	275	-	275
Other financial assets	1	-	1
Other assets	7	-	7
Deferred tax assets**	0	-	0
Total assets (A)	295	132	427
Liabilities			
Trade payables	10	-	10
Other financial liabilities	1	-	1
Other current liabilities	6	-	6
Provisions	4	-	4
Total liabilities (B)	21	-	21
Total fair value of Net assets acquired as on date of acquisition (C=(A-B))	274	132	406
Group's Share in Analytics Vidhya (D)		55.92%	227
Fair value of Non controlling interests		44.08%	179
Consideration paid (E)			408
Goodwill (E-D)*			181

*Goodwill recognised is not deductible for income tax purposes

**denotes amount less than Rs 1 million

Intangible assets	Rupees Million	Useful life
Developed Content	102	10 Years
Brand	30	5 Years
Total	132	

The revenue and profit after tax included in the consolidated statement of profit and loss for the year ended March 31, 2022 since date of acquisition contributed by Analytics Vidhya is Rs 36 million and Rs 1 million.

Had Analytics Vidhya been consolidated from April 01, 2021 the consolidated statement of profit and loss for the year ended year ended March 31, 2022 would have included revenue of Rs 95 million and profit after tax of Rs 5 million.



Fractal Analytics Private Limited

Notes to Consolidated financial statements for year ended March 31, 2023

(36) Particulars of subsidiaries considered in the preparation of the consolidated financial statements:

Subsidiaries	Country of Incorporation	As at March 31, 2023	As at March 31, 2022
(a) Subsidiaries directly held			
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	98.15%	98.31%
Qure.ai Technologies Private Limited* (up to April 08, 2022)	India	-	94.58%
Final Mile Consultants Private Limited	India	100.00%	100.00%
Theremin AI Solutions Private Limited*	India	97.30%	97.30%
Eugene Technologies Private Limited	India	100.00%	100.00%
Asper.AI Technologies Private Limited (Formerly known as Samya.ai Technologies Private Limited (w.e.f June 11, 2021)	India	100.00%	100.00%
Senseforth AI Research Private Limited (w.e.f August 27, 2021)	India	100.00%	100.00%
Analytics Vidya Educon Private Limited (w.e.f November 22, 2021)	India	55.92%	55.92%
Neal Analytics Services Private Limited (w.e.f December 24, 2021)	India	100.00%	100.00%
Fractal Alpha Private Limited (w.e.f March 3, 2022)	India	100.00%	100.00%
(b) Subsidiaries indirectly held			
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	98.15%	98.31%
4I Consulting Inc.	United States of America	100.00%	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%
Qure.ai Inc* (up to April 08, 2022)	United States of America	-	94.58%
Qure.ai Technologies Limited, UK* (up to April 08, 2022)	United Kingdom	-	94.58%
Fractal Analytics Australia Pty. Ltd	Australia	100.00%	100.00%
Theremin MultiStrategy Fund LLP	India	97.30%	97.30%
Asper.AI Limited (Formerly known as Samya.AI Limited (w.e.f June 15, 2021)	United Kingdom	100.00%	100.00%
Asper.AI Inc (Formerly known as Samya.AI Inc (w.e.f June 15, 2021)	United States of America	94.76%	100.00%
Senseforth AI Research Inc (w.e.f August 31, 2021)	United States of America	100.00%	100.00%
Eugene Inc. (w.e.f December 16, 2021)	United States of America	100.00%	100.00%
Neal Analytics LLC (w.e.f December 31, 2021)	United States of America	100.00%	100.00%
Fractal Analytics FZ LLC (w.e.f September 02, 2022)	United Arab Emirates	100.00%	100.00%
Fractal Forienters, Inc (w.e.f March 03, 2022)	United States of America	100.00%	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.



Fractal Analytics Private Limited

Notes to Consolidated financial statements for year ended March 31, 2023

(37) As per Schedule III of the Companies Act 2013, the required information on subsidiaries is provided in the following table:

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013
For year ended March 31, 2023

(in Rupees million)

Name of the subsidiaries	Net Assets Less 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
Parent								
Fractal Analytics Private Limited	112%	15,005	-28%	(560)	20%	20	-25%	(540)
Subsidiaries								
Fractal Analytics Inc., USA	6%	746	-63%	(1,272)	0%	-	-60%	(1,272)
Fractal Private Limited, Singapore	1%	117	0%	7	0%	-	0%	7
Cuddle Artificial Intelligence Private Limited	-6%	(791)	-16%	(324)	0%	0	-15%	(324)
Final Mile Consultants Private Limited	1%	147	1%	17	0%	(0)	1%	17
Theremin AI Solutions Private Limited	0%	8	-6%	(129)	0%	0	-6%	(129)
Eugenie Technologies Private Limited	0%	(44)	1%	16	-1%	(1)	1%	15
Fractal Alpha Private Limited	0%	(0)	0%	(5)	0%	-	0%	(5)
Samya.AI Technologies Private Limited	1%	109	1%	24	0%	0	1%	24
Senseforth AI Research Private Limited	-1%	(193)	-13%	(259)	-1%	(1)	-12%	(260)
Analytics Vidya Educon Private Limited	1%	136	-7%	(143)	0%	0	-7%	(143)
Neal Analytics Services Private Limited	1%	81	2%	33	-2%	-2	1%	31
Step down Subsidiaries								
Fractal Analytics UK Limited	3%	353	8%	164	0%	-	8%	164
4i Consulting Inc	-3%	(432)	1%	28	0%	-	1%	28
Samya.ai Inc	0%	(62)	-13%	(272)	0%	-	-13%	(272)
Senseforth AI Research Inc	1%	104	-3%	(54)	0%	-	-3%	(54)
Samya.AI Limited, UK	0%	4	0%	0	0%	-	0%	-
Neal Analytics LLC	2%	243	-10%	(207)	0%	-	-10%	(207)
Fractal Analytics (Switzerland) GmbH	0%	16	0%	0	0%	-	0%	-
Fractal Analytics Malaysia SDN BHD	0%	6	0%	0	0%	-	0%	-
Fractal Analytics (Germany) GmbH	0%	9	0%	3	0%	-	0%	3
Fractal Analytics (Canada) Inc.	0%	54	2%	35	0%	-	2%	35
Fractal Analytics Netherlands B.V	0%	7	0%	5	0%	-	0%	5
Fractal Analytics Australia Pty. Limited	0%	66	2%	36	0%	-	2%	36
Fractal Analytics Sweden AB	0%	1	0%	0	0%	-	0%	-
Fractal Analytics (Shanghai) Limited	0%	31	0%	3	0%	-	0%	3
Fractal Frontiers, Inc	0%	(0)	0%	(0)	0%	-	0%	-
Limited Liability Company "Symphony (Ukraine)	0%	28	0%	6	0%	-	0%	6
Final Mile Consulting LLP	-2%	(283)	-1%	(30)	0%	-	-1%	(30)
Cuddle.ai Inc	-3%	(424)	-21%	(427)	0%	-	-20%	(427)
Eugenie.AI INC	-2%	(262)	-11%	(231)	0%	-	-11%	(231)
Theremin Multistrategy Fund LLP	0%	-	0%	-	0%	-	0%	-
Total	110%	14,780	-174%	(3,536)	17%	16	-165%	(3,520)
Adjustments arising out of Consolidation:	-9%	(1,146)	270%	5,480	83%	81	261%	5,561
Non controlling interest	-2%	(203)	4%	86	0%	-	4%	86
Total	100%	13,431	100%	2,030	100%	97	100%	2,127



Fractal Analytics Private Limited

Notes to Consolidated financial statements for year ended March 31, 2023

For year ended March 31, 2022

Name of the subsidiaries	(In Rupees million)							
	Net Assets i.e Total Assets minus Total		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
Parent								
Fractal Analytics Private Limited	144%	13,821	2%	(26)	-34%	(28)	4%	(54)
Subsidiaries								
Fractal Analytics Inc., USA	16%	1,649	48%	(701)	-53%	(43)	54%	(744)
Fractal Private Limited, Singapore	3%	255	0%	3	0%	-	0%	3
Cuddle Artificial Intelligence Private Limited	-5%	(468)	18%	(261)	2%	1	19%	(260)
Qure.ai Technologies Private Limited	6%	539	17%	(242)	0%	(0)	17%	(242)
Final Mile Consultants Private Limited	1%	130	0%	5	-1%	(1)	0%	4
Theremin AI Solutions Private Limited	1%	132	2%	(26)	0%	(0)	2%	(26)
Eugenie Technologies Private Limited	-1%	(58)	3%	(40)	1%	1	3%	(39)
Fractal Alpha Private Limited	0%	0	0%	0	0%	-	0%	-
Samya.AI Technologies Private Limited	1%	85	-1%	13	0%	0	-1%	13
Senseforth AI Research Private Limited	0%	31	0%	(1)	-3%	(3)	0%	(4)
Analytics Vidya Educon Private Limited	3%	275	0%	1	1%	0	0%	1
Neal Analytics Services Private Limited	1%	50	0%	6	0%	0	0%	6
Step down Subsidiaries								
Fractal Analytics UK Limited	2%	175	-4%	54	0%	-	-4%	54
AI Consulting Inc	-4%	(424)	-1%	15	0%	-	-1%	15
Samya.ai Inc.	2%	183	6%	(92)	0%	-	7%	(92)
Senseforth AI Research Inc	2%	147	2%	(30)	0%	-	2%	(30)
Samya.AI Limited, UK	0%	4	0%	(0)	0%	-	0%	-
Neal Analytics LLC	1%	175	-3%	39	0%	-	-3%	39
Fractal Analytics (Switzerland) GmbH	0%	14	0%	0	0%	-	0%	-
Fractal Analytics Malaysia SDN BHD	0%	7	0%	(2)	0%	-	0%	(2)
Fractal Analytics (Germany) GmbH	0%	3	0%	2	0%	-	0%	2
Fractal Analytics (Canada) Inc.	0%	9	-1%	10	0%	-	-1%	10
Fractal Analytics Netherlands B.V	0%	4	0%	(2)	0%	-	0%	(2)
Fractal Analytics Australia Pty. Limited	0%	13	-1%	17	0%	-	-1%	17
Fractal Analytics Sweden AB	0%	1	0%	(2)	0%	-	0%	(2)
Fractal Analytics (Shanghai) Limited	0%	25	0%	3	0%	-	0%	3
Limited Liability Company "Symphony (Ukraine)	0%	22	0%	3	0%	-	0%	3
Final Mile Consulting LLP	-2%	(232)	1%	(9)	0%	-	1%	(9)
Qure.ai Inc, USA	1%	52	0%	1	0%	-	0%	1
Qure.ai Limited, UK	0%	5	0%	2	0%	-	0%	2
Cuddle.ai Inc	0%	11	0%	6	0%	-	0%	6
Eugenie.AI INC	0%	(25)	2%	(28)	0%	-	2%	(28)
Theremin Multistrategy Fund LLP	0%	-	0%	-	0%	-	0%	-
Total	172%	16,442	87%	(1,282)	-89%	(73)	98%	(1,355)
Adjustments arising out of Consolidation:	-87%	(8,311)	11%	(168)	189%	154	1%	(14)
Non controlling interest	15%	1,449	1%	(17)	0%	0	1%	(17)
Total	100%	9,580	100%	(1,467)	100%	81	100%	(1,386)

Amount appearing as zero denotes amount less than Rs 1 million



Fractal Analytics Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2023

(38) Investment in associate

Qure.ai Technologies Private Limited ('Qure.ai') incorporated in India is building machine learning algorithms which can automatically interpret radiology images such as MRIs, CT Scans and X-rays. Its solutions help radiologists improve the accuracy of their reporting. It also improves radiologists' productivity by automating the easy tasks and allowing them to focus on the difficult ones, thus improving quality of care.

During the year, Qure.ai' has sought investment from external investors resulting in Group's deemed loss of control in Qure.ai. Consequently, post this transaction, the Group has assessed that it has significant influence over Qure.ai and has considered it as associate company with effect from date of transaction i.e. April 08, 2022. For the administrative convenience, deemed loss of control and significant influence thereafter is considered with effect from April 01, 2022.

Pursuant to this change in relationship, the Group has derecognised all the assets and liabilities as at April 01, 2022 and has recorded the investment in Qure.ai at fair value as at April 01, 2022. This has resulted in gain of Rs 5,410 million which have been recorded under exceptional items and deferred tax liability there on in statement of Profit and loss for the year ended March 31, 2023. The Group holds 37.23% in Qure.ai on fully diluted basis as at March 31, 2023.

	(in Rupees million)
(a) Movement of investment in associates	As at March 31, 2023
Deemed cost of investment	4,769
Share of loss for the year (Refer note c below)	(290)
Aggregate carrying amount of investment	4,479
(b) Summary of Balance sheet	As at March 31, 2023
Non Current assets	334
Current assets	3,312
Non current liabilities	(19)
Current liabilities	(769)
Equity	2,858
(c) Summary of Statement of Profit and Loss	Year ended March 31, 2023
Revenue from operations and other income	913
Total expenses	1,691
Net loss before tax	(778)
Total comprehensive loss for the year	(776)
Group's share of loss in associate	(291)
Group's share of Other comprehensive income in associate	1
Group's share of Total comprehensive income in associate	(290)



Fractal Analytics Private Limited

Notes to Consolidated financial statements for year ended March 31, 2023

(39) Earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(Loss) attributable to the equity holders of the Parent Company (in Rupees million)	2,030	(1,167)
Weighted average number of equity shares (in nos)	30,320,356	27,457,315
Adjustment for calculation of diluted EPS (in nos)	2,382,100	2,103,015
Weighted average number of equity shares for Diluted EPS (in nos)	32,702,456	29,560,330
Earnings per share (in Rs.):		
- Basic	66.95	(53.43)
- Diluted	62.07	(53.43)
Face value per equity share (Rs.)	1.00	1.00

Options granted to employees under the stock option plan are considered to be potential equity shares. 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 the previous year ended March 31, 2022, the options are anti-dilutive. Accordingly, there is no variation between basic and dilutive earnings per share.

(40) Commitments and contingent liabilities

Particular	(in Rupees million)	
	As at March 31, 2023	As at March 31, 2022
(a) Commitments		
Unused Revolving credit facility from lenders	1,479	1,354
Guarantee given to financial institution on behalf of subsidiary	5,693	5,211
Capital commitments	19	103
(a) Contingent liabilities		
Claims against the Group not acknowledged as debt:		
For income tax matters under appeal*	98	96

*The Group believes that these claims are not tenable and hence no provision has been made in this regard

(41) Corporate social responsibility

Particular	(in Rupees million)	
	As at March 31, 2023	As at March 31, 2022
Corporate social responsibility expenditure		
Amount required to be spent as per Section 135 of the Companies Act, 2013	6	9
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) Purposes other than (i) above	6	9
(iii) nature of CSR activities		
i) Contribution to Public Trust	-	6
ii) Contribution to Charitable Trust	6	3

The amount during the year has been spent towards education of underprivileged children and teachers, self-reliant rural society assured of food security, gender equity, low child mortality etc.

(42) Other Statutory Information

- (i) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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 company (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 fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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 Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



Fractal Analytics Private Limited

Notes to Consolidated financial statements for year ended March 31, 2023

(43) Subsequent events after March 31, 2023 :

(a) Subsequent to year-end, Group Company Cuddle Artificial Intelligence Private Limited ("Cuddle") vide board resolution dated April 26, 2023 has proposed to transfer the product/ intellectual property along with associated assets, liabilities, licenses, intellectual property rights, regulatory approvals, permits, contracts and employees in relation to the product by means of a business transfer from the Cuddle to Fractal Analytics Private Limited, as a going concern by way of slump sale. Also, based on the financial position of the Cuddle, the Company and other Group Company has given approval towards waiver of outstanding borrowings and payables vide board resolution dated April 26, 2023.

(b) Subsequent to year-end, Group Company Neal Analytics Services Private Limited ("Neal") vide board resolution dated April 26, 2023 has proposed to transfer the assets, liabilities, regulatory approvals, permits, contracts and employees of the Neal to Fractal Analytics Private Limited, as a going concern by way of slump sale.

(c) Subsequent to year-end, Final Mile Consultants Private Limited ("Final Mile") vide board resolution dated May 26, 2023 has proposed to transfer the assets, liabilities, regulatory approvals, permits, contracts and employees of the Final mile to Fractal Analytics Private Limited, as a going concern by way of slump sale.

(44) The financial statements were authorised for issue by the Parent's Board of directors on July 19, 2023.

(45) Previous year figures have been regrouped/ reclassified to confirm to current year presentation.

AS Per our report of even date attached

FORBSR & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022



Rajesh Mehra

Partner

Membership Number: 103145

Mumbai

Date: July 19, 2023

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

CIN: U72400MH2000PTC125369



Srikanth Velamakanni

Whole-time Director

DIN: 01722758

New Delhi

Date: July 19, 2023



Gulu Mirchandani

Director

DIN: 00026664

Mumbai

Date: July 19, 2023



Somya Agarwal

Company Secretary

Membership number: A17336

Mumbai

Date: July 19, 2023



NOTICE

Registered Address:
Fractal Analytics Limited

Level 7, Commerz II,
International Business Park,
Oberoi Garden City,
Off Western Express Highway,
Goregaon East, Mumbai - 400 063.
Phone: +91 22 6850 5800
info@fractal.ai
www.fractal.ai

CIN U72400MH2000PLC125369

NOTICE is hereby given that the **24th Annual General Meeting (AGM)** of the members of **Fractal Analytics Limited** ('Company') will be held on **Friday, August 30, 2024, at 11:00 a.m.** 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, 2024, 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, 2024, 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, 2024, 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. Srikanth Velamakanni as a Director, liable to retire by rotation

To appoint a Director in place of Mr. Srikanth Velamakanni (DIN: 01722758), who retires by rotation, and being eligible, has offered himself for 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 and other applicable provisions of the Companies Act, 2013, the approval of members of the Company be and is hereby accorded to re-appoint Mr. Srikanth Velamakanni (DIN: 01722758) as Director, who retires by rotation and is eligible 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 and/or Ms. Somya Agarwal, Company Secretary of the Company, be and are hereby severally authorized to certify a copy of the above resolutions and issue the same to all concerned parties.

Item No. 3 – Appointment of Mr. Pranay Agrawal as a Director, liable to retire by rotation

To appoint a director in place of Mr. Pranay Agrawal (DIN-00485739), who retires by rotation, and being eligible, has offered himself for 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 and other applicable provisions of the Companies Act, 2013, the approval of members of the Company be and is hereby accorded to re-appoint Mr. Pranay Agrawal (DIN-00485739) as director, who retires by rotation and is eligible 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 and/or Ms. Somya Agarwal, Company Secretary of the Company, be and are hereby severally authorized to certify a copy of the above resolutions and issue the same to all concerned parties.

Item No. 4 – Re-appointment of M/S. B S R & Co. LLP (FRN: 101248W/W-100022), Chartered Accountants as Statutory Auditors

To re-appoint M/S. B S R & Co. LLP (FRN: 101248W/W-100022), Chartered Accountants as Statutory Auditors of the Company, to hold office for a period of 5 (Five) years from the conclusion of the ensuing 24th Annual General Meeting until the conclusion of 29th Annual General Meeting and to fix remuneration 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 the provisions of Section 139, 141 and 142 of Companies Act, 2013, read with the Companies (Audit and Auditors) made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to re-appoint **M/S. B S R & Co. LLP (FRN: 101248W/W-100022)**, Chartered Accountants as Statutory Auditors of the Company to hold office for period of 5 (Five) years from the conclusion of the ensuing 24th Annual General Meeting until the conclusion of 29th Annual General Meeting of the Company on such terms and remuneration as may be mutually agreed upon between Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT each of the Directors of the Company and/or Somya Agarwal, Company Secretary of the Company, be and is hereby authorized to sign and submit necessary documents, papers and e-forms electronically, with the office of concerned Registrar of Companies and to do all such acts, deeds and things as may be necessary and expedient to give effect to the said resolution.

RESOLVED FURTHER THAT each of the directors of the Company and/or Ms. Somya Agarwal, Company Secretary of the Company, Mr. Ashwath Bhat, Mr. Abhishek Rathi, and Mr. Satish Raman, authorized signatories of the Company be and are hereby severally authorized to certify a copy of the above resolutions and issue the same to all concerned parties.

SPECIAL BUSINESS:

Item No. 5- Appointment of Mr. Sasha Gulu Mirchandani (DIN: 01179921) as Non-Executive Director of the Company.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014, the memorandum and articles of association of the Company, as amended and the restated shareholders’ agreement dated December 12, 2021 read along with the amendment agreements (**“SHA”**) thereof entered into by and amongst the Company, Quinag Bidco Ltd. (“Apax”), Mr. Pranay Agrawal, Mr. Srikanth Velamakanni, Ms. Chetana Kumar, Ms. Rupa Krishnan Agrawal and Mr. Narendra Kumar Agrawal (collectively “Founder Group”), Mr. Gulu Mirchandani and Ms. Gita Mirchandani (collectively “OLMO Capital”) and TPG Fett Holdings Pte. Ltd. (“TPG”) (“SHA”) and the consent given by Mr. Sasha Gulu Mirchandani (DIN: 01179921) in Form DIR-2 under Section 152(5) of Companies Act, 2013, and as recommended by the Nomination and Remuneration Committee, Mr. Sasha Gulu Mirchandani (DIN: 01179921) who was appointed as Additional Director of the Company w.e.f. April 26, 2024 and whose term of office as Additional Director expires at the ensuing Annual General Meeting, and in respect of whom a notice u/s 160 has been received from him proposing his candidature as a Director, be and is hereby appointed as Non–Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, each of the directors of the Company and/or Ms. Somya Agarwal, Company Secretary of the Company, Mr. Ashwath Bhat and Mr. Satish Raman, authorized Signatories of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, proper or desirable for such purpose, and to make any filings, including with the Registrar of Companies, Maharashtra at Mumbai, furnish any returns or submit any other documents to any government, statutory or regulatory authorities as may be required, and to settle any question, difficulty or doubt and to negotiate, finalize and execute all documents, papers, instruments and writings as they may deem necessary, proper, desirable or expedient and to give such directions and/or instructions as they may from time to time decide and to accept and give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as may be required from time to time.

RESOLVED FURTHER THAT each of the directors of the Company and/or Ms. Somya Agarwal, Company Secretary of the Company, Mr. Ashwath Bhat and Mr. Satish Raman, authorised signatories of the Company be and are hereby severally authorized to certify a copy of the above resolutions and issue the same to all concerned parties.

RESOLVED FURTHER THAT duly certified copies of the above resolutions be furnished to any governmental or regulatory authority as may be required from time to time.”

Item No. 6 – Approval of re-appointment of Mr. Srikanth Velamakanni (DIN: 01722758) as a Whole-time Director of the Company and renewal of terms of his appointment and remuneration.

To consider and if thought fit, pass the following resolution with or without modification(s) as a **special resolution**:

“**RESOLVED THAT** on the basis of the recommendation of the Nomination and Remuneration Committee, and the Board of Directors of the Company (the ‘Board’) and pursuant to the applicable provisions of Section 196, 197, 198, 203 & Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the applicable rules made thereunder (including any statutory modification or re-enactment thereof for the time being enforce), and in accordance with the Articles of Association of the Company, consent of the members be and is hereby accorded for the re-appointment of Mr. Srikanth Velamakanni (DIN - 01722758) as Whole-time Director of the Company for further period of 5 years effective from June 30, 2024 till June 29, 2029 in accordance with following terms and conditions:

A. Terms of the re-appointment – period of 5 years with effect from June 30, 2024.

B. Business Designation/Title: Group Chief Executive and Executive Vice-Chairman

C. Terms of the revised remuneration – the remuneration structure is as follows:

	FY23-24 (Current)	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Base Salary*	\$574,327	\$800,000	\$840,000	\$882,000	\$926,100	\$972,405
Assumed increment			5%#	5%#	5%#	5%#
Variable Pay**	\$220,500	\$400,000	\$420,000	\$441,000	\$463,050	\$486,203
Total Salary*	\$794,827	\$1,200,000	\$1,260,000	\$1,323,000	\$1,389,150	\$1,458,608
INR/USD	82.6	83.48	83.48	83.48	83.48	83.48
INR Salary	₹ 65,302,986	₹ 100,176,000	₹ 105,184,800	₹ 110,444,040	₹ 115,966,242	₹ 121,764,554

*Any pay mentioned in USD is a reference point and will be converted to INR every year at the beginning of the year, based on the average of the past 3 months exchange rate

^On goal achievement set and agreed to by the Nomination and Remuneration Committee

#Increment percentage mentioned here is only a reference point. The actual increment percentage year on

year will be lower of inflation (US CPI) or 5%

D. Other terms and conditions: There is no change being proposed from previous terms.

Summary of previous terms and conditions for reference.

Severance: Severance of 12 months (Base pay)

Non-compete Fee: Payment of 6 months (Base pay) on complying with the non-compete terms for 12 months post termination.

Other Benefits:

- Healthcare Benefits: Group Health Insurance for Self, Spouse, two dependent Children & Parents (Self / Spouse)
- Group Life Insurance & Personal Accidental Insurance
- Flexitime & Flexspace
- Mobile phone bills for official business calls
- All business-related travel, accommodation and business development expenses.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year, during the currency of tenure commencing from the June 30, 2024 until June 29, 2029 of Mr. Srikanth Velamakanni, (DIN 01722758) as the Whole time director of the Company, he shall be paid remuneration as specified under of Schedule V of the Companies Act, 2013 as minimum remuneration.

RESOLVED FURTHER THAT the differential remuneration between his current employment agreement and the new employment agreement will be paid to him for the period April 2024 to June 2024.

RESOLVED FURTHER THAT each of the director of the Company and Ms. Somya Agarwal, Company Secretary of the Company and Ms. Rohini Singh, Chief People Officer, be and are hereby severally authorized to execute any other related documents or make all such necessary filings, intimations with or to the concerned regulatory, statutory or governmental authorities or third parties, as may be applicable, and do all such acts, deeds and things, as may be required for and on behalf of the Company pursuant to, or for giving effect to this resolution.

RESOLVED FURTHER THAT each of the director of the Company and Ms. Somya Agarwal, Company Secretary of the Company, be and are hereby severally authorized as an authorized signatory to sign, issue and deliver a certified true copy of the foregoing resolution to the concerned person/authority, as may be required, in this regard.”

Item No. 7- Alteration to the Articles of Association of the Company.

To consider and if thought fit, pass the following resolution with or without modification(s) as a **special resolution**:

“**RESOLVED THAT** pursuant to the amended and restated Shareholders' Agreement dated December 12, 2021 read along with the amendment agreements (“SHA”) thereof, executed by and between the Company, TPG Fett Holdings Pte. Ltd, Quinag Bidco Ltd., Mr. Pranay Agrawal, Mr. Srikanth Velamakanni, Ms. Chetana Kumar, Ms. Rupa Krishnan Agrawal, Mr. Narendra Kumar Agrawal, Mr. Gulu Mirchandani

and Ms. Gita Mirchandani(/OLMO') and Section 5, 14 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) or any other law thereof for the time being in force), and other applicable laws and regulations and such requisite approvals, permissions, sanctions and consents as may necessary in this regards, and on such terms and conditions as accepted by the Board of Directors of the company (the 'Board'), the consent and approval of the Members be and is hereby accorded for replacing the existing set of Articles of Association with the new set of Articles of Association to incorporate below changes in line with the third amendment agreement to the SHA:

1. Insertion of below Article 1.1.130 in Part B:

1.1.130 "Second Amendment Effective Date" shall mean 27 December 2022.

2. Renumbering of Articles 1.1.131 to 1.1.163 pursuant to above insertion.

3. Replacing article 2.1 and 2.1.1 of Part B in entirety and substituting with the following:

2.1 Number of Directors

2.1.1 The Shareholders agree that, with effect from the Closing Date, the Board shall consist of a maximum of 11 (eleven) Directors, and shall be constituted in the following manner:

- a. the Founder Group shall be collectively entitled to nominate 2 (two) Directors on the Board;
- b. the OLMO Capital Group shall be entitled to nominate 1 (one) Director on the Board;
- c. subject to ARTICLE 3.3.4, Apax Group shall be entitled to nominate 2 (two) Directors on the Board;
- d. subject to ARTICLE 3.3.4, TPG Group shall be entitled to nominate 2 (two) Directors on the Board; and
- e. subject to ARTICLE 3.3.4, the Investors shall be entitled to jointly nominate 1 (one) non-executive non-independent director ("Joint Non-Executive Director") on the Board. The Investors, acting jointly, shall have the right to require the removal or replacement of the Joint Non-Executive Director following a written notice to the Board. Upon the resignation by a Joint Non-Executive Director or removal / replacement of a Joint Non-Executive Director by the Investors, the Investors shall have the right to nominate a replacement as the Joint Non-Executive Director and the Investors may, in connection with identification of candidates for appointment as a Joint Non- Executive Director, at their sole discretion, jointly engage an executive search firm to identify suitable candidates for appointment as Joint Non-Executive Director who will be appointed by the Company, on such terms and conditions as may be agreed between the Company and such executive search firm. On and from the Second Amendment Effective Date, Mr. Gavin Patterson shall be deemed to be the Joint Non-Executive Director appointed jointly by the Investors and Mr Gavin Patterson shall remain as the Joint Non-Executive Director until such time as: (i) he resigns; or (ii) both Investors request

jointly in writing, for any reason whatsoever, his removal as the Joint Non-Executive Director. Upon resignation of Mr. Gavin Patterson as a director of the Company or on receipt of written joint request from both Investors for the removal of Mr. Gavin Patterson, each Party hereto shall take all actions necessary to effect such removal and appoint a replacement in accordance with this ARTICLE 2.1.1 (e).; and

- f. 3 (three) Independent Directors will be appointed based on approval by a simple majority of the Board, who shall hold office until: (i) such Independent Directors resign; or (ii) the Board may, for any reason whatsoever, remove either or all of them, as Independent Directors pursuant to an approval by a simple majority of the Board; or (iii) expiry of their tenure pursuant to the terms of their appointment or applicable Law. In the event of a vacancy arising on account of resignation and/or removal of an Independent Director or the office of the Independent Director becoming vacant for any reason, the Board will have the right to fill any such vacancy in accordance with ARTICLE 2.1.2. The initial Independent Directors who have been appointed on the Board pursuant to the second amendment agreement dated 27 December 2022 to the Shareholders Agreement pursuant to this ARTICLE 2.1.1(f) are Ms. Karenann Terrell and Ms. Neelam Dhawan.

4. Paragraph (e) of Annexure - 2 and Paragraph (c) of Annexure – 3 shall stand substituted and be replaced in its entirety by the following paragraph:

Board Size: Increase in the size of the Board beyond 11 (Eleven) directors, other than a re-constitution of the Board in accordance with ARTICLE 2.3.3 pursuant to an IPO approved by the IPO Committee.

RESOLVED FURTHER THAT each of the directors or Ms. Somya Agarwal, Company Secretary of the Company, be and are hereby jointly, and/or severally authorized to make all necessary filings, notifications and intimations with relevant governmental, regulatory or statutory authorities (including relevant Registrar of Companies) or third parties, as the case may be and execute all such deeds and documents and take all such steps and do all such acts, matters, deeds and things as may be necessary, expedient or desirable to give effect to the aforementioned resolutions.

RESOLVED FURTHER THAT each of the directors or Ms. Somya Agarwal, Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be expedient and necessary to give effect to this resolution, including without limitation signing, issuing and delivering a certified true copy of the foregoing resolution to any concerned persons / authority."

Item No. 8 – Appointment of Ms. Janaki Akella (DIN: 10680793) as Non-Executive Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the ‘Act’) (including any statutory modification or re-enactment thereof for the time being in force), and the Companies (Appointment and Qualification of Directors) Rules,

2014 read with Schedule IV to the Act and in accordance with the Memorandum and Articles of Association of the Company, amended and restated shareholders' agreement dated December 12, 2021 read along with the amendment agreements ("SHA") thereof, Ms. Janaki Akella (DIN: 10680793), who was appointed as an Additional Non-Executive Independent Director by the Board of Directors of the Company (the 'Board') on August 01, 2024 on the basis of the recommendations of the Nomination and Remuneration Committee, and who holds office upto the date of the ensuing Annual General Meeting of the Company (AGM) and being eligible for appointment has consented to act as a Director of the Company and has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act, and in respect of whom a notice u/s 160 has been received from Ms. Somya Agarwal, member of the Company proposing her candidature as a Director be and is hereby appointed as Non-Executive Independent Director of the Company to hold office for a term of three (3) consecutive years on the Board of the Company, upto July 31, 2027."

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, each of the directors of the Board and/or Ms. Somya Agarwal, Company Secretary of the Company, Mr. Ashwath Bhat and Mr. Satish Raman, Authorized Signatories of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, proper or desirable for such purpose, and to make any filings, including with the Registrar of Companies, Maharashtra at Mumbai, furnish any returns or submit any other documents to any government, statutory or regulatory authorities as may be required, and to settle any question, difficulty or doubt and to negotiate, finalize and execute all documents, papers, instruments and writings as they may deem necessary, proper, desirable or expedient and to give such directions and/or instructions as they may from time to time decide and to accept and give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as may be required; and any documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Board in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Board, as the case may be.

RESOLVED FURTHER THAT each of the directors of the Company and/or Ms. Somya Agarwal, Company Secretary of the Company, Mr. Ashwath Bhat and Mr. Satish Raman, authorised signatories of the Company be and are hereby severally authorized to certify a copy of the above resolutions and issue the same to all concerned parties.

RESOLVED FURTHER THAT duly certified copies of the above resolutions be furnished to any governmental or regulatory authority as may be required from time to time."

Item No. 9 - Consideration and approval of the payment of remuneration to Ms. Janaki Akella, Non-Executive Independent Director of the Company.

To consider and if thought fit, pass the following resolution with or without modification(s) as a **special resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') (including any statutory amendment, modification or re-enactment thereof for the time being in force), the rules, regulations, directions, and notifications issued/ framed

hereunder, and pursuant to the approval of the Board, on the basis of the recommendation of Nomination & Remuneration Committee, the consent of the members of the Company be and is hereby accorded for Payment of remuneration upto a maximum of USD 100,000 per annum to Ms. Janaki Akella, Non-executive Independent Director of the Company, in case of no profits/ inadequacy of profits for a period of 3 (three) years commencing from the financial year 2024-25 till 2026-27.

RESOLVED FURTHER THAT the members hereby approve that disbursement of all amounts which Ms. Janaki Akella, is entitled to receive pursuant to the terms of her Letter of Appointment (LoA).

RESOLVED FURTHER THAT each of the directors of the Board, Ms. Somya Agarwal, Company Secretary of the Company, Mr. Ashwath Bhat and/or Mr. Satish Raman, authorised signatories of the Company be and are severally authorized to execute necessary documents or make all such necessary filings, intimations with or to the concerned regulatory, statutory or governmental authorities or third parties, as may be applicable in this regard, and do all such acts, deeds and things, as may be required for and on behalf of the Company, pursuant to, or for giving effect to this resolution.

RESOLVED FURTHER THAT duly certified copies of the above resolutions be furnished to any governmental or regulatory authority as may be required from time to time.”

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


Somya Agarwal
Company Secretary
M No: A17336



Place: Mumbai

Date: August 5, 2024

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**
- 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 intending to send their authorized representatives to attend the meeting are requested 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 Act, 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 notify any change of address or email id to the Company immediately.
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.

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	Srikanth Velamakanni	Pranay Agrawal
DIN	01722758	00485739
Date of Birth (Age)	February 16, 1974, 50 years	February 12, 1975, 4 9 years
Nationality	Indian	Indian
Date of first appointment on the Board	March 28, 2000	March 28, 2000
Designation	Whole Time Director	Director
Qualification	<ul style="list-style-type: none"> • BS Electrical Engineering • MBA from the Indian Institute of Management (IIM), Ahmedabad 	<ul style="list-style-type: none"> • Bachelor's in accounting from Bangalore University • MBA from the Indian Institute of Management (IIM), Ahmedabad • Certified Financial Risk Manager from the Global Association of Risk Professionals (GARP)
Experience/ Expertise	<ul style="list-style-type: none"> • Srikanth leads Fractal group of companies which includes Fractal.ai & Fractal alpha (Qure.ai, analytics Vidhya, asper.ai) • Prior to Fractal, Srikanth has also worked with financial institutions – ICICI Bank & ANZ Investment Bank • He is member of the executive council of NASSCOM and has chaired Nasscom's collaboration with MeitY on Open Government Data and was invited to the Prime Minister's AI advisory council. • He serves as non-executive Chairman on the board of Ideaforge, a deep-tech drone startup. Additionally, 	<ul style="list-style-type: none"> • Pranay is the co-founder of Fractal Group of companies and CEO of Fractal.ai. • He is a certified Financial Risk Manager from the Global Association of Risk Professionals. • Prior to Fractal, Pranay has also worked with financial institutions – ICICI Bank & ANZ Grindlays Bank. • He has been recognized as one of Analytics India Magazine's Top 20 CEOs of Data Science Service Providers 2023. • He has been recognized with Young Alumni Achiever's Award 2018-19 by IIM Ahmedabad.

	<p>holds positions as an Independent Director in Metro Brands, BARC India, and NIIT Ltd.</p> <ul style="list-style-type: none"> • He is the Founder and trustee at Plaksha University - a collective philanthropic effort to reimagine technology education and research. • He has been recognized with Young Alumni Achiever's Award 2018-19 by IIM Ahmedabad. 	
Terms and Conditions of Appointment or Reappointment.	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	*INR 10,01,76,000	# ¹
Remuneration last drawn	*INR 5,67,64,491	# ²
Number of Board Meetings attended during their tenure in the F.Y. 2023-24	5	4
Shareholding in the Company (Equity Shares of Rs. 1/- each).	15,27,378 Equity shares	16,96,174 Equity shares
List of Directorship held in other Companies (including Private Limited Companies)	<ol style="list-style-type: none"> 1. NIIT Limited 2. IdeaForge Technology Limited 3. Broadcast Audience Research Council 4. Fractal Analytics Limited 5. Fractal Analytics Inc. (USA)Limited 6. Fractal Private Limited (Singapore) 7. Fractal Analytics Sweden AB 	<ol style="list-style-type: none"> 1. Fractal Analytics Limited 2. Fractal Analytics Inc. (USA) 3. Asper.Ai Technologies Private Limited (Formerly knowns as Samya.Ai Technologies Private Limited) 4. Asper.Ai Inc. (Formerly known as Samya.Ai Inc.) 5. Asper.ai Limited (Formerly known as Samya.Ai Limited)

¹ Mr. Pranay Agrawal, Director of the Company, is also a director of Fractal Analytics Inc., a wholly owned subsidiary of the Company and draws remuneration from the above subsidiary.

² Mr. Pranay Agrawal, Director of the Company, is also a director of Fractal Analytics Inc., a wholly owned subsidiary of the Company and draws remuneration from the above subsidiary.

	8. Fractal Analytics Germany GmbH 9. Theremin AI Solutions Private Limited 10. Metro Brands Limited	
Membership/Chairmanship of Committees of other Boards	As per Annexure A	NIL
Relationship with other Directors, KMP of the Company.	-	-

*Note: The above pay mentioned is converted to INR every year at the beginning of the year, based on the average of the past 3 months exchange rate. The exchange rate for the year is INR 83.48 for every USD.

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 5,6,7, 8 & 9 of the AGM Notice.

Item No. 5

Appointment of Mr. Sasha Gulu Mirchandani (DIN: 01179921) as Non-Executive Director of the Company.

Mr. Sasha Gulu Mirchandani (DIN: 01179921), was appointed as Additional Non-Executive Director of the Company by the Board of Directors w.e.f. April 26, 2024, basis the recommendation of the Nomination and Remuneration Committee. As per the amended and restated Shareholders' Agreement dated December 12, 2021, read along with the amendment agreements thereof, OLMO Capital group is entitled to nominate 1 director on the Board of Directors of the Company. Accordingly, pursuant to the resignation tendered by Mr. Gulu Mirchandani w.e.f. the close of business hours of April 26, 2024, his son Mr. Sasha Gulu Mirchandani was nominated by OLMO Capital group, on the Board of the Company in accordance with the aforesaid agreement.

The Company has received from him all statutory disclosures / declarations including, (i) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act.

Pursuant to the provisions of Section 161 of the Act, an Additional director, appointed by the Board shall hold office up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Mr. Sasha Gulu Mirchandani (DIN: 01179921) holds office as an Additional Non-Executive director up to the date of the ensuing Annual General Meeting and accordingly his appointment is proposed for the approval of the members.

The Board recommends the ordinary resolution as set out at Item no: 5 of the Notice for the approval of members.

Except Mr. Sasha Mirchandani, being appointee, none of the Directors, Key Managerial Personnel or any of their relatives are in anyway concerned or interested, financially or otherwise, in the said resolution.

Details pursuant to SS-2 issued by the Institute of Company Secretaries of India for appointment of Directors is stated herewith:

Name	Sasha Gulu Mirchandani
DIN	01179921
Date of Birth (Age)	February 26, 1972 (52 years)
Nationality	Indian
Date of first Appointment as Director	April 26, 2024

Designation	Additional Non-Executive Director
Qualification	He completed his Business Administration from Strayer University and did his MMDP at IIM Ahmedabad.
Experience/Expertise	<ul style="list-style-type: none"> • Sasha Mirchandani is the Founder & Managing Partner at Kae Capital and Co-founder of Mumbai Angels. • Previously, he was at BlueRun Ventures as Managing Director for India. Before joining BlueRun Ventures he was CEO and Founder of Imercius Technologies. • Prior to that he was at Mirc Electronics (Onida) where he was Head of Corporate Affairs and new business. • Sasha sits on the Boards of Hathway Cable and Datacom Limited, Nazara Technologies Limited, Healthkart, YPO Gold Mumbai Chapter among others. • He is a Charter Member at TiE Mumbai and was inducted into their 2019 Hall of Fame as an Outstanding Angel Investor. • He is also a past President of Entrepreneurs Organisation (EO) Mumbai. • His investments include: Zetwerk, Porter, Fractal Analytics, InMobi, Myntra, Tata 1Mg, Healthkart etc. Previously he served on the Boards of Zee Entertainment, Myntra, Tata 1Mg, Ador Welding Limited among others.
Terms and Conditions of Appointment	Appointed as Additional Non-Executive director w.e.f. April 26, 2024. The terms and conditions of the appointment shall be as mutually agreed between Mr. Sasha Gulu Mirchandani and the Board of the Company.
Remuneration sought to be paid	Not Applicable
Remuneration last drawn	Not Applicable
Number of Meetings of the Board attended during the year	Not Applicable
Shareholding in the Company	³ Nil
List of Other Directorships	<ol style="list-style-type: none"> 1. Hathway Cable and Datacom Limited 2. Nazara Technologies Limited 3. Bright Lifecare Private Limited 4. Proparent Solutions Private Limited. 5. Theremin AI Solutions Private Limited 6. Kae Capital Management Private Limited 7. Mumbai Angel Venture Mentors 8. HST Solar Farms Inc. 9. Cloudbyte Inc.
List of Chairmanship or membership of various Committees in other companies	As per Annexure A

³ Mr. Sasha Gulu Mirchandani does not have any direct shareholding in the Company through.

Relationship with other Directors of the Company	Not Related
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Item No. 6

To approve the re-appointment of Mr. Srikanth Velamakanni (DIN: 01722758) as a Whole-time Director and renewal of terms of appointment and remuneration

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board at its meeting held on April 01, 2021, had re-appointed Mr. Srikanth Velamakanni, as a Whole-Time Director ('WTD') of the Company for a period of 3 years from April 01, 2021, to March 31, 2024.

Further, based on the recommendation of the NRC, the Board at its meeting held on March 27, 2024, had extended the term of appointment of Mr. Srikanth Velamakanni for a further period of 90 days till the terms of his appointment are finalized.

Pursuant to the conversion of Company from private company limited by shares to public company limited by shares the exception of non-applicability of sub-section 4 and 5 of Section 196 of Companies Act, 2013 as per the MCA Notification dated June 05, 2015, was no longer available to the Company.

Accordingly, pursuant to the provisions of Section 196(4), 197 of the Companies Act, 2013 and Schedule V of the Companies Act, 2013, the appointment of Mr. Srikanth Velamakanni and terms and conditions of his appointment and remuneration payable by the Company should be approved by the members by a special resolution passed at the ensuing general meeting of the company

Accordingly, it was proposed to consider and approve the re-appointment and renewal of his term as a Whole-time Director of the Company for a further period of 5 years effective from June 30, 2024, till June 29, 2029, on such terms and conditions and at such revised remuneration,

Further, the differential remuneration between his current employment agreement and the new employment agreement will be paid to him for the period April 2024 to June 2024.

Further, in accordance with the terms of the amended and restated shareholders' agreement dated December 12, 2021, including amendment thereto (the "SHA") and the Articles of Association of the Company, prior written consent or an affirmative vote at the meeting was required to be obtained from Apax Director or the Apax Group and TPG Director or TPG group (as defined under the SHA) in relation to this Investor reserved matter (as defined under SHA) for the said matter.

Since, his tenure as Whole-time director shall be completed on June 30, 2024, it is now proposed to re-appoint Mr. Srikanth Velamakanni as Whole-time Director of the Company for a period of 5 consecutive years effective from June 30, 2024, till June 29, 2029, in accordance with following terms and conditions:

A. Terms of the re-appointment – period of 5 years with effect from June 30, 2024.

B. Business Designation/Title: Group Chief Executive and Executive Vice-Chairman

C. Terms of the revised remuneration – the remuneration structure is as follows:

	FY23-24 (Current)	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Base Salary*	\$574,327	\$800,000	\$840,000	\$882,000	\$926,100	\$972,405
Assumed increment			5%#	5%#	5%#	5%#
Variable Pay*^	\$220,500	\$400,000	\$420,000	\$441,000	\$463,050	\$486,203
Total Salary*	\$794,827	\$1,200,000	\$1,260,000	\$1,323,000	\$1,389,150	\$1,458,608
INR/USD	82.6	83.48	83.48	83.48	83.48	83.48
INR Salary	₹ 65,302,986	₹ 100,176,000	₹ 105,184,800	₹ 110,444,040	₹ 115,966,242	₹ 121,764,554

*Any pay mentioned in USD is a reference point and will be converted to INR every year at the beginning of the year, based on the average of the past 3 months exchange rate

^On goal achievement set and agreed to by the Nomination and Remuneration Committee

#Increment percentage mentioned here is only a reference point. The actual increment percentage year on year will be lower of inflation (US CPI) or 5%.

D. Other terms and conditions: There is no change being proposed from previous terms.

Summary of previous terms and conditions for reference.

Severance: Severance of 12 months (Base pay)

Non-compete Fee: Payment of 6 months (Base pay) on complying with the non-compete terms for 12 months post termination.

Other Benefits:

- Healthcare Benefits: Group Health Insurance for Self, Spouse, two dependent Children & Parents (Self / Spouse)
- Group Life Insurance & Personal Accidental Insurance
- Flexitime & Flexspace
- Mobile phone bills for official business calls
- All business-related travel, accommodation and business development expenses.

Further, the Board hereby recommends to the members for approval by way of a special resolution, the payment of remuneration as listed above to Mr. Srikanth Velamakanni as Whole-time Director of the Company for a period of 5 consecutive years effective from June 30, 2024, till June 29, 2029, in case of no profits/ inadequacy of profits, in accordance with the provisions of 197, 198 read with Schedule V and

all other applicable provision of the Companies Act, 2013 read with applicable rules, regulations (including any statutory modification(s) thereto or re-enactments thereof, for the time being in force.

Accordingly, the Board recommends the special resolution as set out at Item No: 6 of the Notice for the approval of Members.

Except Mr. Srikanth Velamakanni, to whom the resolution relates, none of the Directors, Key Managerial Personnel or any of their relatives are in anyway concerned or interested in the said resolution.

Item No. 7

Alteration to the Articles of Association of the Company.

It is proposed to make consequent amendments to the existing Articles of Association ("AoA") of the Company in order to align the same with the terms of the Third Amendment Agreement to the Shareholders' Agreement dated December 12, 2021 between the Company, TPG Fett Holdings Pte. Ltd. ('TPG'), Quinag Bidco Ltd. ('Apax'), Mr. Pranay Agrawal, Mr. Srikanth Velamakanni (collectively referred to as the 'Founders'), Mr. Gulu Mirchandani, Ms. Gita Mirchandani (collectively referred to as the 'OLMO Capital'), Ms. Chetana Kumar, Ms. Rupa Krishnan Agrawal and Mr. Narendra Kumar Agrawal.

The members may note that the board of directors of the Company ('Board') vide resolution no. 16/2024-25/BM dated July 26, 2024, had approved the alteration to the Articles of Association of the Company ("Articles"), subject to approval of the members, by substituting existing Articles of Association of the Company with a new set of Articles of Association of the Company to incorporate the terms and conditions of the Third Amendment Agreement to the restated shareholders' Agreement dated December 12, 2021 as produced below:

1. Insertion of below Article 1.1.130 in Part B

1.1.130 "Second Amendment Effective Date" shall mean 27 December 2022.

2. Renumbering of Articles 1.1.131 to 1.1.163 pursuant to above insertion.
3. Replacing article 2.1 and 2.1.1 of Part B in entirety and substituting with the following:

2.1 Number of Directors

2.1.1 The Shareholders agree that, with effect from the Closing Date, the Board shall consist of a maximum of 11 (eleven) Directors, and shall be constituted in the following manner:

- a. the Founder Group shall be collectively entitled to nominate 2 (two) Directors on the Board;
- b. the OLMO Capital Group shall be entitled to nominate 1 (one) Director on the Board;
- c. subject to ARTICLE 3.3.4, Apax Group shall be entitled to nominate 2 (two) Directors on the Board;

- d. subject to ARTICLE 3.3.4, TPG Group shall be entitled to nominate 2 (two) Directors on the Board; and
 - e. subject to ARTICLE 3.3.4, the Investors shall be entitled to jointly nominate 1 (one) non-executive non-independent director ("Joint Non-Executive Director") on the Board. The Investors, acting jointly, shall have the right to require the removal or replacement of the Joint Non-Executive Director following a written notice to the Board. Upon the resignation by a Joint Non-Executive Director or removal / replacement of a Joint Non-Executive Director by the Investors, the Investors shall have the right to nominate a replacement as the Joint Non-Executive Director and the Investors may, in connection with identification of candidates for appointment as a Joint Non- Executive Director, at their sole discretion, jointly engage an executive search firm to identify suitable candidates for appointment as Joint Non-Executive Director who will be appointed by the Company, on such terms and conditions as may be agreed between the Company and such executive search firm. On and from the Second Amendment Effective Date, Mr. Gavin Patterson shall be deemed to be the Joint Non-Executive Director appointed jointly by the Investors and Mr Gavin Patterson shall remain as the Joint Non-Executive Director until such time as: (i) he resigns; or (ii) both Investors request jointly in writing, for any reason whatsoever, his removal as the Joint Non-Executive Director. Upon resignation of Mr. Gavin Patterson as a director of the Company or on receipt of written joint request from both Investors for the removal of Mr. Gavin Patterson, each Party hereto shall take all actions necessary to effect such removal and appoint a replacement in accordance with this ARTICLE 2.1.1 (e).; and
 - f. 3 (three) Independent Directors will be appointed based on approval by a simple majority of the Board, who shall hold office until: (i) such Independent Directors resign; or (ii) the Board may, for any reason whatsoever, remove either or all of them, as Independent Directors pursuant to an approval by a simple majority of the Board; or (iii) expiry of their tenure pursuant to the terms of their appointment or applicable Law. In the event of a vacancy arising on account of resignation and/or removal of an Independent Director or the office of the Independent Director becoming vacant for any reason, the Board will have the right to fill any such vacancy in accordance with ARTICLE 2.1.2. The initial Independent Directors who have been appointed on the Board pursuant to the second amendment agreement dated 27 December 2022 to the Shareholders Agreement pursuant to this ARTICLE 2.1.1(f) are Ms. Karenann Terrell and Ms. Neelam Dhawan.
4. Paragraph (e) of Annexure - 2 and Paragraph (c) of Annexure – 3 of the AOA shall stand substituted and be replaced in its entirety by the following paragraph:

Board Size: Increase in the size of the Board beyond 11 (Eleven) directors, other than a re-constitution of the Board in accordance with ARTICLE 2.3.3 pursuant to an IPO approved by the IPO Committee.

In terms of Section 14 of the Companies Act, 2013, the consent of the members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

Further, in terms of the amended and restated Shareholders' Agreement dated December 12, 2021 read along with the amendment agreements (together, the 'SHA') and the restated Articles of Association of the Company, written consent or affirmative vote is required to be received from an Apax Director or the Apax Group and TPG Director or TPG group (as defined under the SHA) in relation to this Investor reserved matter (as defined under the SHA) for the said matter.

The copies of the existing and proposed altered new set of Articles of Association of the Company (after making consequential changes) are available for inspection by the members at the registered office of the Company on all working days, during business hours up to the ensuing Annual general meeting and will also be made available at the Annual general meeting.

As per above stated provisions of the Act and the rules made thereunder, approval of members of the Company by way of special resolution are required for above mentioned approvals.

None of the directors, key managerial personnel, of the Company or the relatives of the aforementioned persons are in any way, financially or otherwise concerned or interested in the said resolution, except to the extent of their shareholding in the Company.

The Board recommends the resolution set out at Item No 7 of the accompanying Notice for approval of the members as a special resolution.

Item No 8

To appoint Ms. Janaki Akella (DIN: 10680793) as Non-Executive Independent Director of the Company.

The Board of Directors of the Company (the 'Board'), basis the recommendations of the Nomination and Remuneration Committee, had vide Board resolution no. 17/2024-25/BM dated July 26, 2024 had approved the appointment of Ms. Janaki Akella (DIN: 10680793) as an Additional Non – Executive Independent Director of the Company for a period of three (3) consecutive years with effect from August 1, 2024. Ms. Janaki Akella shall hold upto the date of the ensuing Annual General Meeting and is eligible for appointment as Director in capacity of Independent Director.

The Company has received from her all-statutory disclosures / declarations including, (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Ms. Janaki Akella, is having around 27 years of experience in the field of blending technology background with global strategy consulting.

The brief summary of Ms. Janaki Akella –

Janaki is an intrepid, insightful strategy & operations executive with a solid foundation in technology. She is visionary strategy and operations executive with a strong tech background, driving digital

transformations across industries like energy, high-tech, healthcare, and finance. Her expertise spans data, cloud, mobile tech, advertising, privacy, and AI/ML. Janaki's global perspective and role as the first woman partner in McKinsey's Business Technology Office highlight her leadership she leads as Google's Women in Ads ERG and shapes McKinsey's Business Technology Office

She fulfils the conditions for independence as specified in the Act, the Rules made thereunder, for the time being in force, to the extent applicable to the Company.

Ms. Janaki Akella is entitled to sitting fees in accordance with the policies of the Company and remuneration by way of profit-based commission or any other payment in case of inadequacy of profits as may be recommended by the Board, up to a maximum of USD 1,00,000 per annum, subject to the provisions of the Act and within the overall ceiling limits under the Act and approved by the Shareholders from time to time. Further, the Company may pay or reimburse such fair and reasonable expenditure in accordance with the Company's policy, as may have been incurred, on reasonable out of pocket actuals while discharging duties as an Independent Director of the Company. This may include reimbursement of reasonable out-of-pocket expenditure incurred for attending Board / Committee meetings, annual general meetings, extraordinary general meetings, court convened meetings and such other functions as may be prescribed by the Board, in furtherance of duties as an Independent Director. The Company will reimburse business class travel expenses for Board meetings attended in person and make stay and local hospitality arrangements.

A copy of the draft appointment letter appointing Ms. Janaki Akella as an independent director and setting out the terms and conditions of her appointment will be available for inspection as the registered office of the Company.

Pursuant to the provisions of Section 161 of the Act, an additional director appointed by the Board shall hold office up to the date of the ensuing AGM and shall be appointed as a director by the members. Accordingly, Ms. Janaki Akella (DIN:10680793) holds office as an Additional Non-Executive Independent director up to the date of the ensuing Annual General Meeting and her appointment is hereby placed for the approval of members.

The Board recommends the ordinary resolution as set out at Item No: 8 of the Notice for the approval of members.

Except Ms. Janaki Akella, to whom the resolution relates, none of the Directors, Key Managerial Personnel or any of their relatives are in anyway concerned or interested in the said resolution.

Details pursuant to SS-2 issued by the Institute of Company Secretaries of India for appointment of above mentioned Directors as per item no. 8 is stated herewith:

Name	Janaki Akella
DIN	10680793
Date of Birth (Age)	October 12, 1960, 63 years
Nationality	United States of America
Date of Appointment as Director	August 1, 2024

Designation	Additional Non-Executive Independent Director
Qualification	<ul style="list-style-type: none"> Ph.D., Electrical and Computer Engineering, Carnegie Mellon University, Pittsburgh, PA M.S., Electrical and Computer Engineering, Boston University, Boston, Ma B.E. (Honors and Distinction), Electronics & Computer Engineering College of Engineering, Guindy, India
Experience/Expertise	<p>Experience</p> <ul style="list-style-type: none"> Independent Director at Southern Company Independent Director at Sallie MAE acted as the Google Cloud CIO, Chief of Business Operations, Director, Ads Privacy and Safety, Chief of Staff for Search at Google Partner as Mc Kinsey & Company,
Terms and Conditions of Appointment	Non-Executive Independent Director appointed for a term of three (3) consecutive years w.e.f. August 1, 2024, and not liable to retire by rotation.
Remuneration sought to be paid	As per the terms of Appointment letter
Remuneration last drawn	Not applicable
Justification for choosing the appointees for appointment as Independent Directors	Given her expertise and knowledge as already detailed above, the board considers her appointment would be of immense benefit to the Company.
Number of Meetings of the Board attended during the year	Not Applicable
Shareholding in the company	Nil
List of Other Directorships	<ol style="list-style-type: none"> Southern Company Sallie Mae AverQ Inc.
List of Chairmanship or membership of various Committees in other companies	As per Annexure A
Relationship with other Directors of the Company	Not Applicable

Item No 9

To consider and approve the payment of remuneration to Ms. Janaki Akella, Non-Executive Independent Directors of the Company.

Basis the recommendations of the Nomination and Remuneration Committee (NRC), the Board vide resolution no. 17/2024-25 dated July 26, 2024, had approved the appointment of Ms. Janaki Akella as Additional Non-Executive Independent Director of the Company and at such remuneration such that each of them be respectively paid sitting fee (if any), in accordance with the policies of the Company and remuneration by way of profit based commission or any other payment in case of inadequacy of profits as may be recommended by the Board, up to a maximum of USD 100,000 per annum and reimbursed expenses for attending Board and Board committee meetings as per Article of Association of the

Company, as may be approved by the Board from time to time in accordance with the applicable laws and approved by the members from time to time.

The Board accordingly, hereby recommends to the members for approval the payment of remuneration to Ms. Janaki Akella, a Non-Executive Independent Director of the Company in case of no profits/inadequacy of profits, in accordance with the provisions of Section 149(9) and all other applicable provision of the Companies Act, 2013 read with applicable rules, regulations (including any statutory modification(s) thereto or re-enactments thereof, for the time being in force, for a period of 3 (Three) years starting from the financial year 2024-25 till 2026- 27.

It is further informed that that disbursement of all amounts which Ms. Janaki Akella, is entitled to receive pursuant to the terms of her Letter of Appointment (LoA).

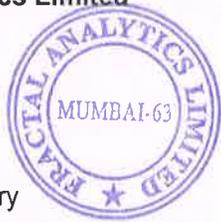
Except for Ms. Janaki Akella, to whom the resolution relates, none of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolution.

The Board recommends the special resolution set out at Item No. 9 of the Notice for the approval of the Members.

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



Somya Agarwal
Company Secretary
M No: A17336



Place: Mumbai
Date: August 5, 2024

ANNEXURE A

List of Chairmanship or membership of various Committees in other companies

Mr. Sasha Gulu Mirchandani

S. No.	Name of the Company	Name of the Committee	Chairperson/ Member
1.	Hathway Cable and Datacom Limited	Nomination and Remuneration Committee	Chairman
		Audit Committee	Member
2.	Nazara Technologies Limited	Corporate Social Responsibility Committee	Member

Mr. Srikanth Velamakanni

Sr. No.	Name of the Company	Name of the Committee	Chairperson/ Member
1.	Ideaforge Technology Ltd.	Nomination and Remuneration Committee	Member
2.	NIIT Ltd.	Nomination and Remuneration Committee	Member
3.	Metro Brands Ltd.	Corporate Social Responsibility Committee	Member

Ms. Janaki Akella

Sr. No.	Name of the Company	Name of the Committee	Chairperson/ Member
1.	Southern Company	Business Security and Resilience Committee	Chairperson
		Audit Committee	Member
2.	Sallie Mae	Audit Committee	Member
		Operational Risk and Compliance Committee	Member

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

24th Annual General Meeting – Friday, August 30, 2024, at 11:00 a.m.

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 24th Annual General Meeting of the Company held on Friday, August 30, 2024, at 11:00 a.m. (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 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

24th Annual General Meeting – Friday, August 30, 2024, at 11:00 a.m.

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:.....

or failing him / her as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 24th Annual General Meeting of the Company, to be held on Friday, August 30, 2024, at 11:00 a.m. (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
Ordinary Business:	
1.	Ordinary Resolution for adoption of Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon.
2.	Ordinary Resolution for appointment of Mr. Srikanth Velamakanni as a director, liable to retire by rotation.
3.	Ordinary Resolution for appointment of Mr. Pranay Agrawal as a director, liable to retire by rotation
4.	Ordinary Resolution for re-appointment of M/S. B S R & Co. LLP (FRN: 101248W/W-100022), Chartered Accountants as Statutory Auditors.
Special Business:	
5.	Ordinary Resolution for appointment of Mr. Sasha Gulu Mirchandani (DIN: 01179921) as Non-Executive Director of the Company.
6.	Special Resolution for approval of re-appointment of Mr. Srikanth Velamakanni (DIN: 01722758) as a Whole-time Director and renewal of terms of appointment and remuneration
7.	Special Resolution for approval of the alteration to the Articles of Association ('AOA') of the Company.
8.	Ordinary Resolution for appointment of Ms. Janaki Akella (DIN: 10680793) as Non-Executive Independent Director of the Company.
9.	Special Resolution for payment of remuneration to Non-Executive Independent Director of the Company

Signed this day of....., 2024

.....
Signature of Shareholder

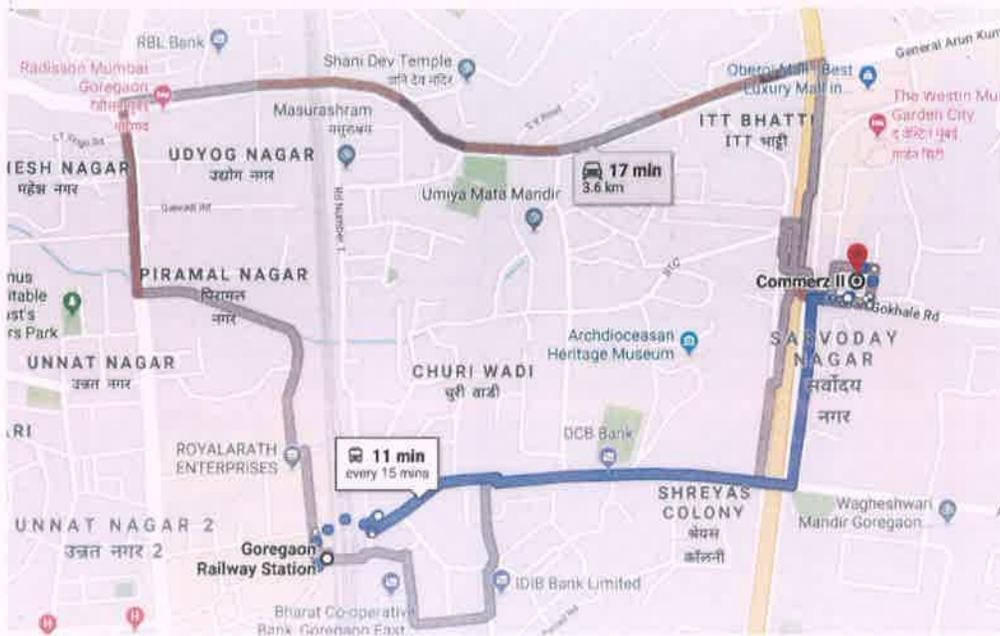
Affix
Revenue
Stamp

.....
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 before the commencement of the meeting. The members are also requested to share the scanned copy of the form at somya.agarwal@fractal.ai before the commencement of the ensuing Annual General Meeting.

ROUTE MAP FOR THE VENUE TO THE 24th ANNUAL GENERAL MEETING



Fractal Analytics Limited

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

Registered Address:
Fractal Analytics Limited

Level 7, Commerz II,
International Business Park,
Oberoi Garden City,
Off Western Express Highway,
Goregaon East, Mumbai - 400 063.
Phone: +91 22 6850 5800
info@fractal.ai
www.fractal.ai

CIN U72400MH2000PLC125369

BOARD'S REPORT

Dear Shareholders,

Your Board of Directors ('Board') hereby present the 24th Annual Report on the business and operations of the Company along with the Audited Financial Statements (standalone & consolidated) for the financial year ended March 31, 2024.

FINANCIAL PERFORMANCE OF THE COMPANY

The Audited Financial Statements of your Company as on March 31, 2024, 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, 2024, is depicted below:

Particulars	Standalone		Consolidated	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	(INR in Million)	(INR in Million)	(INR in Million)	(INR in Million)
Total Income	11,830	10,524	22,419	20,437
Less: Total Expenses	10,994	10,308	22,506	22,252
Profit/(Loss) before exceptional items	837	216	(250)	(2,105)
Less: Exceptional items	(469)	368	(55)	5,239
Profit/(Loss) before tax	1,306	(152)	(305)	3,134
Less: Provision for Tax	76	159	242	1,190
Profit/(Loss) after Tax	1,230	(311)	(547)	1,944
Other comprehensive income/ (loss)	45	18	48	97
Total Comprehensive income/ (loss)	1,275	(293)	(499)	2,041

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 12.41% from INR 10,524 million in the previous financial year to INR 11,830 million. Profit before tax for the period under review stood at INR 1,306 million as against loss of INR 152 million in the previous financial year. Profit after tax for the period under review stood at INR 1,230 million as against loss of INR 311 million in the previous financial year.

At the consolidated level, the total income of the Company during the financial year under review increased by 9.70% from INR 20,437 million in the previous financial year to INR 22,419 million. Loss before tax stood at INR 305 million as against profit of INR 3,134 million in the previous financial year. Loss after tax stood at INR 547 million as against profit of INR 1,944 million in the previous financial year.

DIVIDEND

Your Board of Directors (the 'Board') feel 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, 2024.

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 considered decisions. 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

As the Company was about to reach the threshold of maximum number of members for private companies, the Board at its meeting held on March 04, 2024 considered and recommended to the shareholders for approval at their meeting held on March 28, 2024, the conversion of Company's status from 'Private company limited by shares' to 'Public company limited by shares' and adoption of new set of articles and memorandum of association of the Company consequent to the conversion to a public company limited by shares.

The Company received its revised Certificate of Incorporation (COI) pursuant to the conversion on May 16, 2024, and is a public company limited by shares w.e.f. such date.

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

Apart from the status change, as disclosed above, no other material changes.

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 Company is a public company limited by shares w.e.f. May 16, 2024. The Board, basis the recommendations of the Nomination & 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.

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, 2024, 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:

1. 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 of the Board, the Board of Directors on August 09, 2023, by way of a circular resolution, had approved the appointment of Mr. Anurag Sud (DIN: 09591664) as an Additional Non-Executive Director of the Company who holds office up to the date of 23rd Annual General Meeting and subsequently the Members of the company at their 23rd Annual General Meeting held on August 31, 2023, approved the appointment of Mr. Anurag Sud (DIN: 09591664) as Non-Executive Director of the Company.
2. 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 of Directors on October 26, 2022, by way of a circular resolution, had approved the appointment of Ms. Karen Ann Terrell (DIN: 09764751) as an Additional Independent (Non-Executive) Director and subsequently the Members of the company at their 23rd Annual General Meeting held on August 31, 2023, approved the appointment of Ms. Karen Ann Terrell (DIN: 09764751) as an Independent Non-Executive director for a period of 3 (Three) consecutive years commencing from October 26, 2022 and who shall not be liable to retire by rotation.
3. 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 of Directors on October 11, 2022, by way of a circular resolution, had approved the appointment of Ms. Neelam Dhawan (DIN: 00871445) as an Additional Independent (Non-Executive) Director and subsequently the Members of the Company at their 23rd Annual General Meeting held on August 31, 2023, approved the appointment of Ms. Neelam Dhawan (DIN: 00871445) as an Independent Non-Executive director for a period of 3 (Three) consecutive years commencing from October 11, 2022 and who shall not be liable to retire by rotation.
4. Mr. Shashank Singh (DIN: 02826978) 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 August 03, 2023, due to his pre-occupation. The Board took note of the same and placed on record its appreciation for the services rendered by him.
5. Mr. Srikanth Velamakanni (DIN: 01722758) was appointed as Whole-time Director of the Company for a period of three years that commenced on April 01, 2021, and expired on March 31, 2024. The Board, basis the recommendation of the Nomination and Remuneration Committee, at its meeting held on March 27, 2024, had approved the extension of term of appointment of Mr. Srikanth Velamakanni as Whole-time director of the Company for a further period of 90 days.

Changes in the Board composition post March 31, 2024

1. 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 age and health issues. The Board took note of the same and placed on record its appreciation for the services rendered by him.

- 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 of Directors on April 30 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 who holds office up to the date of the ensuing Annual General Meeting.

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. Srikanth Velamakanni and Mr. Pranay Agrawal, being longest in the office, are liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, have offered himself/themselves for reappointment. The Board recommends the same for the approval of the Members of the Company.

B) KEY MANAGERIAL PERSONNEL

During the financial year under review, there was no change in Key Managerial Personnel.

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 sitting fees, 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 and the Company's Code of Conduct for Board Members and Senior Management.

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 of Directors have taken note of the annual evaluation of the performance of Board committees, individual directors and the Board, at their meeting held on March 04, 2024, based on the recommendation of the Nomination &

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. The Company had further conducted a familiarization program for its Independent Directors.

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.	April 26, 2023	Board meeting (Serial number: 01/2023-24)
2.	July 19, 2023	Board meeting (Serial number: 02/2023-24)
3.	November 09, 2023	Board meeting (Serial number: 03/2023-24)
4.	March 04, 2024	Board meeting (Serial number: 04/2023-24)
5.	March 27, 2024	Board meeting (Serial number: 05/2023-24)

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 18, 2024	Independent Directors meeting (Serial number: 01/2023-24)

3. *Audit and Risk Committee:

Total no of meetings held – 4 Meetings.

Sr. No.	Date of meeting	Number of meeting
1.	April 26, 2023	Audit and Risk Committee (Serial number: ARC-1/2023-24)
2.	July 19, 2023	Audit and Risk Committee (Serial number: ARC-2/2023-24)
3.	November 09, 2023	Audit and Risk Committee (Serial number: ARC-3/2023-24)
4.	March 04, 2024	Audit and Risk Committee (Serial number: ARC-4/2023-24)

4. *Nomination and Remuneration Committee:

Total no of meetings held – 2 Meetings.

Sr. No.	Date of meeting	Number of meeting
1.	March 04, 2024	Nomination and Remuneration Committee (Serial number: NRC-1/2023-24)
2.	March 27, 2024	Nomination and Remuneration Committee (Serial number: NRC-2/2023-24)

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

Total no of meetings held – 1 Meeting.

Sr. No.	Date of meeting	Number of meeting
1.	November 09, 2023	Corporate Social Responsibility & Environment, Social and Governance Committee (Serial number: 1/2023-24)

6. **Annual General Meeting:**

Sr. No.	Date of meeting	Number of meetings
1.	August 31, 2023	23 rd Annual General Meeting

7. **Extra-ordinary General Meeting:**

Sr. No.	Date of meeting	Number of meetings
1.	March 28, 2023	01/2023-24 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

During the financial year under review, the Board of the Company on October 31, 2023 pursuant to the amended and restated Shareholders' Agreement dated December 12, 2021, read along with the amendment agreements ("SHA"), approved the reconstitution of Nomination and Remuneration Committee (NRC) and Corporate Social Responsibility & Environmental, Social, and Governance ('CSR & ESG') committee in line with the provisions of the Companies Act, 2013.

The details of reconstitution are as follows:

A. Audit and Risk Committee:

Sr. No.	Name of the Director	Category
1.	Mr. Gavin Patterson	Chairman
2.	Mr. Puneet Bhatia	Member
3.	Mr. Rohan Haldea	Member
4.	Mr. Srikanth Velamakanni	Member
5.	Mr. Gulu Mirchandani	Member

B. Nomination and Remuneration Committee:

Sr. No.	Name of the Director	Category
1.	Mr. Rohan Haldea	Chairman
2.	Mr. Srikanth Velamakanni	Member
3.	Mr. Gulu Mirchandani	Member
4.	Mr. Puneet Bhatia	Member

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

Sr. No.	Name of the Director	Category
1.	Mr. Anurag Sud	Chairman
2.	Mr. Puneet Bhatia	Member
3.	Mr. Gulu Mirchandani	Member
4.	Mr. Srikanth Velamakanni	Member

Further, pursuant to change in the status of the Company to a Public Limited company w.e.f. May 16, 2024 the above committee were reconstituted as follows:

A. Audit and Risk Committee:

Sr. No.	Name of the Director	Category
1.	Mr. Gavin Patterson	Chairman
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

Resolution passed by Circulation:

In case of a special and urgent business need, the Board's/ Committees' approval was taken by passing resolution by circulation pursuant to the applicable provisions of the Companies Act 2013 and the same were noted and confirmed at the respective subsequent Board / Committee Meeting.

The following Circular Resolutions were passed during the financial year 2023-24:

1. Board of Directors:

Sr. No.	Circular Resolution No.	Date of passing
1.	01/2023-24/BM	April 13, 2023
2.	02/2023-24/BM to 04/2023-24/BM	May 20, 2023
3.	05/2023-24/BM	June 05, 2023
4.	06/2023-24/BM to 15/2023-24/BM	June 28, 2023
5.	16/2023-24/BM to 27/2023-24/BM	July 25, 2023
6.	28/2023-24/BM to 32/2023-24/BM	August 08, 2023
7.	33/2023-24/BM	August 09, 2023
8.	34/2023-24/BM to 36/2023-24/BM	August 15, 2023
9.	37/2023-24/BM	September 08, 2023
10.	38/2023-24/BM	September 28, 2023
11.	39/2023-24/BM	October 17, 2023
12.	40/2023-24/BM to 45/2023-24/BM	October 31, 2023
13.	46/2023-24/BM & 47/2023-24/BM	December 02, 2023
14.	48/2023-24/BM	December 06, 2023
15.	49/2023-24/BM	December 18, 2023
16.	50/2023-24/BM	December 26, 2023
17.	51/2023-24/BM	January 17, 2024
18.	52/2023-24/BM to 54/2023-24/BM	January 22, 2024
19.	55/2023-24/BM	January 29, 2024
20.	56/2023-24/BM	February 26, 2024
21.	58/2023-24/BM to 59/2023-24/BM	March 27, 2024

2. Committee Meetings:

Sr. No.	Circular Resolution No.	Date of passing
Audit and Risk Committee		
No Circular Resolutions passed		
Nomination and Remuneration Committee		
1.	01/2023-24/NRC & 02/2023-24/NRC	May 04, 2023
2.	03/2023-24/NRC & 04/2023-24/NRC	May 23, 2023
3.	05/2023-24/NRC	June 19, 2023
4.	06/2023-24/NRC to 08/2023-24/NRC	July 17, 2023
5.	09/2023-24/NRC	July 21, 2023
6.	10/2023-24/NRC to 13/2023-24/BM/NRC	August 02, 2023
7.	14/2023-24/NRC	August 08, 2023
8.	15/2023-24/NRC to 18/2023-24/NRC	November 15, 2023
9.	19/2023-24/NRC	January 11, 2024

Corporate Social Responsibility Committee		
1.	01/2023-24/CSR & ESG	May 16, 2023
2.	02/2023-24/CSR & ESG to 04/2023-24/CSR & ESG	June 20, 2023
3.	05/2023-24/CSR & ESG	December 12, 2023

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed with no material departures;
- (b) 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, 2024 and of the profits of the Company for the year ended on that date;
- (c) 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;
- (d) the directors had prepared the annual financial statements on a 'going concern' basis; and
- (e) 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.

SHARE CAPITAL

Authorised Share Capital

As on March 31, 2024, the authorised share capital of the Company stood at 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 only) 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 only) 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).

Paid up Share Capital

As on March 31, 2024, the total issued and subscribed capital of the company stood at INR 3,08,41,393 (Indian Rupees Three Crores Eight Lakhs Forty One Thousand Three Hundred Ninety Three only) and paid-up share capital of the Company stood at INR 3,05,08,964/- (Indian Rupees Three Crores Five Lakhs Eight Thousand Nine Hundred Sixty Four only) consisting of ¹2,63,17,789 (Two Crores Sixty Three Lakhs Seventeen Thousand Seven Hundred Eighty Nine only) equity shares of INR 1/- (Indian Rupee one) each and 45,23,604 (Forty-Five Lakhs Twenty Three Thousand Six Hundred and Four only) Compulsory Convertible Preference Shares of INR 1/- (Rupee one) each.

Allotments made during the financial year.

During the financial year under review, the Company had allotted 1,19,661 Equity Shares and 8,274 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

¹ Out of the above 2,63,01,248 Equity Shares, 664,858 Equity shares issued and allotted to Mr. Srikanth Velamakanni are partly paid-up equity shares of face value of INR 0.5 per share and premium of INR 0.5 per share.

Company on exercising the vested stock options (ESOPs & Time-based MIPs, respectively) granted to them under the Fractal's respective stock incentive plans.

The details of the Equity shares at face value allotted at par/premium are stated hereunder:

Sr. No.	Date of Allotment	No. of Equity Shares	Face Value (in INR)	Exercise Price (incl premium)	Total Consideration	Physical/ Demat
1	13-04-2023	25	1	846	21,150.00	Physical
2		25	1	846	21,150.00	Demat
3		25	1	846	21,150.00	Demat
4		25	1	846	21,150.00	Demat
5		25	1	846	21,150.00	Demat
6		25	1	846	21,150.00	Demat
7		25	1	846	21,150.00	Demat
8		113	1	846	95,598.00	Demat
9		388	1	846	3,28,248.00	Demat
10		25	1	846	21,150.00	Demat
11		1863	1	846	15,76,098.00	Demat
12		25	1	846	21,150.00	Demat
13		25	1	846	21,150.00	Physical
14		10	1	846	8,460.00	Demat
15		25	1	846	21,150.00	Demat
16		250	1	846	2,11,500.00	Demat
17		25	1	846	21,150.00	Demat
18		25	1	846	21,150.00	Demat
19		25	1	846	21,150.00	Demat
20		50	1	846	42,300.00	Demat
21		25	1	846	21,150.00	Demat
22		250	1	846	2,11,500.00	Demat
23		25	1	846	21,150.00	Physical
24		25	1	846	21,150.00	Demat
25		25	1	846	21,150.00	Demat
26		50	1	846	42,300.00	Demat
27		10	1	846	8,460.00	Demat
28		75	1	846	63,450.00	Demat
29		113	1	846	95,598.00	Demat
30		25	1	846	21,150.00	Demat
31		41	1	846	34,686.00	Demat
32		100	1	846	84,600.00	Demat
33		153	1	846	1,29,438.00	Demat

34		25	1	846	21,150.00	Demat
35		25	1	846	21,150.00	Demat
36		25	1	846	21,150.00	Demat
37	20/05/2023	25	1	846	21,150.00	Demat
38		25	1	846	21,150.00	Demat
39		25	1	846	21,150.00	Demat
40		50	1	846	42,300.00	Demat
41		25	1	846	21,150.00	Demat
42		8	1	846	6,768.00	Demat
43		10	1	846	8,460.00	Demat
44		75	1	846	63,450.00	Demat
45		713	1	846	6,03,198.00	Demat
46		100	1	846	84,600.00	Demat
47		75	1	846	63,450.00	Demat
48		25	1	846	21,150.00	Demat
49		25	1	846	21,150.00	Demat
50		1	1	846	846.00	Demat
51		10	1	846	8,460.00	Demat
52		10	1	846	8,460.00	Demat
53		25	1	846	21,150.00	Demat
54		1	1	846	846.00	Demat
55		113	1	846	95,598.00	Demat
56		25	1	846	21,150.00	Demat
57		80	1	846	67,680.00	Demat
58		550	1	846	4,65,300.00	Demat
59		25	1	846	21,150.00	Demat
60	20/05/2023	500	1	640	3,20,000.00	Demat
61		2500	1	640	16,00,000.00	Demat
62	20/05/2023	5000	1	1	5000.00	Physical
63	05/06/2023	50	1	846	42,300.00	Demat
64		25	1	846	21,150.00	Demat
65		113	1	846	95,598.00	Demat
66		50	1	846	42,300.00	Demat
67		50	1	846	42,300.00	Demat
68		25	1	846	21,150.00	Demat
69		25	1	846	21,150.00	Demat
70		50	1	846	42,300.00	Demat
71	05/06/2023	1250	1	640	8,00,000.00	Demat
72	05/06/2023	80000	1	610	4,88,00,000.00	Physical

73	25/07/2023	200	1	2,270	4,54,000.00	Demat
74	25/07/2023	553	1	846	4,67,838.00	Demat
75		250	1	846	2,11,500.00	Demat
76		1110	1	846	9,39,060.00	Demat
77		625	1	846	5,28,750.00	Demat
78		25	1	846	21,150.00	Demat
79		25	1	846	21,150.00	Demat
80		438	1	846	3,70,548.00	Demat
81		75	1	846	63,450.00	Demat
82		400	1	846	3,38,400.00	Demat
83		25	1	846	21,150.00	Demat
84		25	1	846	21,150.00	Demat
85		25	1	846	21,150.00	Demat
86		10	1	846	8,460.00	Demat
87		200	1	846	1,69,200.00	Demat
88		25	1	846	21,150.00	Demat
89		25	1	846	21,150.00	Demat
90		438	1	846	3,70,548.00	Demat
91		25	1	846	21,150.00	Demat
92		25	1	846	21,150.00	Demat
93		25	1	846	21,150.00	Demat
94	75	1	846	63,450.00	Demat	
95	25/07/2023	1250	1	640	8,00,000.00	Demat
96		500	1	640	3,20,000.00	Demat
97		1750	1	640	11,20,000.00	Demat
98	25/07/2023	750	1	279.81	2,09,857.50	Demat
99	08/08/2023	40	1	846	33,840.00	Demat
100		25	1	846	21,150.00	Demat
101		25	1	846	21,150.00	Demat
102		613	1	846	5,18,598.00	Demat
103	08/08/2023	216	1	640	1,38,240.00	Physical
104	28/09/2023	25	1	846	21,150.00	Demat
105		25	1	846	21,150.00	Demat
106		25	1	846	21,150.00	Demat
107		25	1	846	21,150.00	Demat
108		50	1	846	42,300.00	Demat
109		25	1	846	21,150.00	Demat
110		75	1	846	63,450.00	Demat
111		25	1	846	21,150.00	Demat

112		250	1	846	2,11,500.00	Demat
113		250	1	846	2,11,500.00	Demat
114		50	1	846	42,300.00	Demat
115		500	1	846	4,23,000.00	Demat
116		25	1	846	21,150.00	Demat
117		25	1	846	21,150.00	Demat
118		25	1	846	21,150.00	Demat
119		25	1	846	21,150.00	Demat
120	28/09/2023	2000	1	640	12,80,000	Demat
121	31/10/2023	165	1	846	1,39,590.00	Demat
122	31/10/2023	25	1	846	21,150.00	Demat
123		25	1	846	21,150.00	Demat
124		25	1	846	21,150.00	Demat
125		50	1	846	42,300.00	Demat
126		25	1	846	21,150.00	Demat
127	31/10/2023	625	1	640	4,00,000.00	Demat
128		625	1	640	4,00,000.00	Demat
129		500	1	640	3,20,000.00	Demat
130	02/12/2023	25	1	846	21,150.00	Demat
131		10	1	846	8,460.00	Demat
132		25	1	846	21,150.00	Demat
133		50	1	846	42,300.00	Demat
134		50	1	846	42,300.00	Demat
135		1	1	846	846.00	Demat
136	02/12/2023	275	1	40	11,000.00	Demat
137	22/01/2024	250	1	2270	5,67,500.00	Demat
138	22/01/2024	40	1	846	33,840.00	Demat
139		25	1	846	21,150.00	Demat
140		75	1	846	63,450.00	Demat
141		25	1	846	21,150.00	Demat
142		50	1	846	42,300.00	Demat
143		25	1	846	21,150.00	Demat
144		1	1	846	846.00	Demat
145		525	1	846	4,44,150.00	Demat
146		50	1	846	42,300.00	Demat
147		40	1	846	33,840.00	Demat
148		50	1	846	42,300.00	Demat
149		1	1	846	846.00	Demat
150		75	1	846	63,450.00	Demat

151		25	1	846	21,150.00	Demat
152		25	1	846	21,150.00	Demat
153		100	1	846	84,600.00	Demat
154		10	1	846	8,460.00	Demat
155		50	1	846	42,300.00	Demat
156		25	1	846	21,150.00	Demat
157		50	1	846	42,300.00	Demat
158		50	1	846	42,300.00	Demat
159		50	1	846	42,300.00	Demat
160		1	1	846	846.00	Demat
161		50	1	846	42,300.00	Demat
162		400	1	846	3,38,400.00	Demat
163		25	1	846	21,150.00	Demat
164		25	1	846	21,150.00	Demat
165	22/01/2024	700	1	640	4,48,000.00	Demat
166	22/01/2024	1	1	40	40.00	Demat
167	26/02/2024	25	1	846	21,150.00	Demat
168		25	1	846	21,150.00	Demat
169		27	1	846	22,842.00	Demat
170		50	1	846	42,300.00	Demat
171		25	1	846	21,150.00	Demat
172		25	1	846	21,150.00	Demat
173		25	1	846	21,150.00	Demat
174		25	1	846	21,150.00	Demat
175		25	1	846	21,150.00	Demat
176		50	1	846	42,300.00	Demat
177		250	1	846	2,11,500.00	Demat
178		25	1	846	21,150.00	Demat
179		25	1	846	21,150.00	Demat
180		25	1	846	21,150.00	Demat
181		463	1	846	3,91,698.00	Demat
182		50	1	846	42,300.00	Demat
183		50	1	846	42,300.00	Demat
184		113	1	846	95,598.00	Demat
185		50	1	846	42,300.00	Demat
186		25	1	846	21,150.00	Demat
187		25	1	846	21,150.00	Demat
188		25	1	846	21,150.00	Demat
189		100	1	846	84,600.00	Demat

190		50	1	846	42,300.00	Demat
191		25	1	846	21,150.00	Demat
192	26/02/2024	1443	1	846	12,20,778.00	Demat
193	26/02/2024	500	1	640	3,20,000.00	Demat
194		1000	1	640	6,40,000.00	Demat
195	27/03/2024	3776	1	846	31,94,496	Demat
196		777	1	846	6,57,342	Demat
197	27/03/2024	50	1	846	42,300	Demat
198		50	1	846	42,300	Demat
199		50	1	846	42,300	Demat
200		50	1	846	42,300	Demat
201		25	1	846	21,150	Demat
202		75	1	846	63,450	Demat
203		200	1	846	1,69,200	Demat
204		100	1	846	84,600	Demat
205		513	1	846	4,33,998	Demat
206		100	1	846	84,600	Demat
207		25	1	846	21,150	Demat
208		25	1	846	21,150	Demat
209		10	1	846	8,460	Demat
210		50	1	846	42,300	Demat
211		50	1	846	42,300	Demat
212	27/03/2024	2250	1	640	14,40,000	Demat
213		1000	1	640	6,40,000	Demat
		1,27,935			8,15,85,515.50	

³ Out of the above 2,63,01,248 Equity Shares, 664,858 Equity shares issued and allotted to Mr. Srikanth Velamakanni are partly paid-up equity shares of face value of INR 0.5 per share and premium of INR 0.5 per share.

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, 2024.

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/associates as on March 31, 2024, 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* ²	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

*The Board of Directors, for the sake of simplification of the group structure, at its meeting held on March 04, 2024, had sought in-principle approval for restructuring of group entities.

⁴ With effect from May 13, 2023, Fractal Analytics Private Limited (the 'Company') has acquired minority shares of Cuddle Artificial Intelligence Private Limited (Cuddle) which resulted in Cuddle being a wholly owned subsidiary of the Company.

³ Following are the step-down subsidiaries of the Company as on March 31, 2024:

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	Fractal Private Limited, Singapore

²With effect from May 13, 2023, Fractal Analytics Private Limited (the 'Company') has acquired minority shares of Cuddle Artificial Intelligence Private Limited (Cuddle) which resulted in Cuddle being a wholly owned subsidiary of the Company.

³ With effect from April 01, 2023, 4i Consulting Inc. ('4i US'), wholly owned subsidiary of Fractal Analytics Inc. ('Fractal US') has been merged with Fractal US.

		New South Wales (Sydney)	
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.	Cuddle.ai Inc.#	Delaware	Cuddle Artificial Intelligence Private Limited
12.	Final Mile Consulting LLC	Delaware	Fractal Analytics Inc., USA
13.	Theremin Multi Strategy Fund LLP	India	Theremin AI Solutions Private Limited
14.	**Neal Analytics, LLC#	United States of America (Bellevue)	Fractal Analytics Inc., USA
15.	Senseforth, Inc.	United States of America	Fractal Analytics Inc., USA
16.	Asper.ai Inc	United States of America	Fractal Analytics Inc., USA
17.	Asper.AI Limited	United Kingdom.	Asper.AI Inc, USA
18.	Asper. AI Technologies Private Limited ⁴	India	Asper.AI Inc, USA
19.	Fractal Frontiers, Inc	United States of America	Fractal Alpha Private Limited
20.	Eugenie.ai Inc	Delaware	Fractal Analytics Inc., USA
21.	Fractal LLC-FZ	Meydan Free zone, UAE	Fractal Private Limited, Singapore
22.	Fractal Japan KK	Japan	Fractal Private Limited, Singapore
23.	Analytics Vidhya Inc (USA) ⁵	United States of America	Analytics Vidhya Educon Private Limited

**The Board of Directors at their meeting held on March 04, 2024, had proposed the merger or demerger of below mentioned entities:*

- 1. 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.*
- 2. Cuddle.ai Inc (Delaware) – Board of Cuddle.ai inc has approved the dissolution on March 31, 2024 and Secretary of State of Delaware have approved it w.e.f. April 24, 2024.*

During the financial year, the Board of directors ('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,

⁴ With effect from August 20, 2023, Fractal Analytics Private Limited has transferred its equity shares in Asper.ai Technologies Private Limited to Asper.ai Inc. (Asper USA) thus Asper.ai Technologies Private Limited will be a wholly owned subsidiary of Asper US

⁵ With effect from August 08, 2023, Analytics Vidhya Educon Private Limited acquired the stake in Analytics Vidhya Inc (USA) thus Analytics Vidhya Inc will be a wholly owned subsidiary of Analytics Vidhya Educon Private Limited.

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, 2024.

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 financial year under review.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the annual return in the prescribed Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the applicable rules made thereunder, is set out herewith as '**Annexure C**' to this report.

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 D**'.

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)

During the financial year under review, there is no modification in any of the prevalent ESOP Schemes i.e. 2019 Fractal Employees Stock Option Plan (Fractal ESOP 2019) and 2007 Fractal Employees Stock Option Plan (Fractal ESOP 2007). 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 during the financial year under review and other particulars with regard to stock options are set out in '**Annexure E**' to this report.

TIME BASED KEY EMPLOYEE STOCK INCENTIVE PLAN 2019 & PERFORMANCE BASED KEY EMPLOYEE STOCK INCENTIVE PLAN 2019 ('MIP PLANS')

During the financial year under review, there is no modification in Management Incentive Plans ('MIP') i.e. Time Based MIP 2019 and Performance Based MIP 2019. Pursuant to the provisions of Rule 12 of the Companies (Share capital and debentures) Rules, 2014 the information on options granted by the Company pursuant to the MIP plans during the financial year under review and other particulars with regard to stock options are set out under '**Annexure E**' to this report.

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 of Directors.

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 approved the ERM Policy to align the same in line with leading ERM practices and global Enterprise Risk Management (ERM) standards. Further, on November 09, 2023, the Board of Directors 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 Directors of the 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 3 complaints and the 2 were resolved.

New cases received	Communication ongoing with complainant clubbed as one case.	Total Issue raised	Resolved	Cases received in 2022 and resolved in June and July 2023
5	3	3 <i>(1 which is clubbed of 3 case and rest 2 which are resolved)</i>	2	2

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. The 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.

INTERNAL AUDIT

M/s. PricewaterhouseCoopers Services LLP, Chartered Accountants, were re-appointed as internal auditors of your Company on July 19, 2023, for a period of 1 year i.e., from financial year 2023-24. Further, the Board at its meeting held on June 17, 2024 recommends 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 (Financial year 2024-25 to Financial year 2026-27). For the period under review, the Internal auditor had submitted their report to the Audit committee at periodic intervals. Significant audit observations and corrective actions thereon are presented to the Audit 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 appointed as statutory auditors of your company at 19th AGM held on September 30, 2019, for a term of five consecutive years to hold office from the conclusion of the said AGM until the conclusion of 24th AGM of the Company.

Accordingly, the Board recommends the reappointment of M/s. B S R & Co. LLP (FRN: 101248W/W-100022), Chartered Accountants as the Statutory Auditors of your company for a term of five consecutive years from the conclusion of the 24th AGM until the conclusion of 29th AGM of the Company which will further be approved by the members of the Company at the ensuing AGM of the Company.

The statements made by the statutory auditors in their report are self-explanatory and do not call for any further comments. The auditor's reports, enclosed with the standalone financial statements in the Annual Report, do not contain any qualification, reservation, or adverse remark on the financial statements for the year ended March 31, 2024.

Note – At the Standalone level, the auditor's reports do not contain any qualifications, or observations or adverse remarks except as provided in point b. of para 2A that in respect of the back-up of a project ticketing software which forms part of the 'books of account and other relevant books and papers in electronic mode' of those subsidiaries, has not been maintained on the servers physically located in India.

Note – At the consolidated level, the auditor's reports do not contain any qualifications, or observations or adverse remarks except as provided in point b. of para 2A that in respect of Eight (8) subsidiaries, the back-up of a project ticketing software which forms part of the 'books of account and other relevant books and papers in electronic mode' of those subsidiaries, has not been maintained on the servers physically located in India.

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

Since the Company was a private company limited by shares during the period under review and the Company's status changed to a public limited company w.e.f. May 16, 2024, Secretarial Audit of the Company for the period under review is not applicable.

MAINTAINANCE 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. During the reviewed period, we have strived to conserve energy and safeguard the environment.

Improvements achieved in the considered financial year.

- Energy Efficiency - Fractal's office designs prioritize energy-efficient systems and technologies, contributing to reduced energy consumption and a lower carbon footprint. Additionally, Fractal Mumbai is 100% powered by green energy from its electricity consumption, we have been on green energy since December 2021. This accounts for >50% of its Scope 2 emissions. This has reduced indirect emissions significantly from Fractal's baseline year (FY2019-20).
- Fractal continues to invest in and work on transitioning other corporate workspaces to green energy. Fractal's Bengaluru office at Embassy tech village receives a Green power attribute from its landlord Embassy group, in addition to this Fractal purchases green energy from BESCO (regional power distribution company) in proportion to BESCO's ability to generate & distribute green energy.
- These transitions are also supported by migrating the lease corporate surface travel fleet to electric vehicles (EVs). Currently about 38% of Fractal's employee home drop transportation runs on EVs.
- Fractal is committed to proactively promoting and adopting practices to conserve energy, water, and natural resources, by practicing reuse and recycle. By design, all waste is segregated at source within Fractal's directly operated facilities. Depending on the type of waste, the material is either reused, recycled or repurposed. For example, our disposed water is either used for sanitation or gardening purposes as Fractal has Sewage Treatment Plant units in all these offices. Additionally, the e-waste that is generated by Fractal offices is disposed in an ethical and responsible manner by partners who are authorized by the local authorities in the relevant jurisdictions to dispose of waste. Fractal also receives an e-waste certificate upon responsible disposal of such waste. The wet food waste that is generated in Fractal offices are subsequently converted into manure, by Fractal's base builder.
- 100% sensor-based water taps across more than 75% Fractal facilities, have timers that prevent any opportunistic water wastage.
- Air conditioning temperature across Fractal locations are set at 24 (+/- 1) degree centigrade. This enables an energy consumption reduction by approx.10%.
- Ethically disposed spare water dispensers, thus reducing out fugitive emissions under scope-1 by approximately 8-10% (under review by environmental consultant for determining the reduction potential)
- Fractal abides with highest level of standards when it comes to waste management. Two of the largest offices of Fractal are LEED certified. The largest place also complies with WELL standards (WELL Platinum at Mumbai). These standards help us in minimizing the waste, upcycling/recycling the created waste, for e.g., these offices have STP units which recycles water, fresh air circulation rate across 90% of Fractal facilities has reduced the requirement of frequent duct cleaning.

- Wastepaper is given to strategic upcycling vendor who in-turn helps in upcycling these products. Apart from these, there are multiple other avenues like PIR sensor based lights, ambient sensors, water aerators etc. for optimizing building services.
- IAQ – indoor air quality enhancement measures have been implemented at Fractal’s Mumbai, Gurugram & Bengaluru office. This setting has enabled complete air sanitization & real time monitoring of air parameters like:
 - Carbon dioxide (CO2)
 - Volatile Organic Compound (VOC)
 - Temperature
 - Relative humidity

The following initiatives in progress that should further reduce our carbon footprint:

1. Fractal has initiated water flow meter installation process at Bengaluru office in tandem with Embassy team, installation will likely be completed by end of July 2024.
2. We have initiated to onboard IoT solution for centrally monitoring PAN India critical room temp. and humidity parameters through a dashboard. Techno-commercial discussion is underway.

TECHNOLOGY ABSORPTION

Your Company has adopted ZERO trust and SASE based architecture and as part of overall security enhancement have deployed following tools:

Endpoint Detection and Response Solution (EDR)

Your Company has deployed Sentinel One EDR solution which is very well positioned in protecting your Company’s Laptops and Servers from any real time External and Internal Cyber Threats by making use of its threat intelligence and AI/ ML Features.

Security Incident and Event Monitoring (SIEM)

Your Company has deployed Next Gen IBM Qradar SIEM solution to significantly reduce the time to identify, investigate and respond to advanced security threats. With an Analytics-driven approach, IBM Qradar helps security teams gain unparalleled visibility, detect and respond to threats faster than before and indeed help improve SOC efficiency.

Cloud Access Security Broker (CASB Solution)

Your Company has deployed Netskope which is Market Leader CASB Solution and uses its patented technology Cloud XD by going deeper than any other security provider to quickly target and control activities across thousands of cloud (SaaS and IaaS) services and millions of websites offering features such as Controlling Data Upload, Leakage of sensitive data and Report User credential sharing related threats

Zero Trust Network Access (ZTNA)

Your Company has deployed Zscaler ZTNA on all laptops as it focuses on the zero-trust principal of least privilege providing secure access to specific resources one at a time based on a user’s access context.

Zscaler Public Internet access (ZPIA)

Your Company has deployed Cloud based Zscaler Proxy on all laptops to control Internet browsing traffic and protect organization from millions of malicious websites. It also offers User control access feature enabling organization to provide granular control on Internet access for different project users such as HC, Finance, IT, Legal and Client Specific.

Email Security

Your Company has deployed IronScales Email Security which is an AI-powered Self learning and Anti-Phishing tool and helps protect organization from Phishing mail by offering enhanced security features such as Mailbox-level Behavioural Analysis, File Sandboxing, Community-led Threat Protection, Impersonation Protection. It also enables users to report any suspicious mail as Spam or Phishing received on their mailbox.

Data Leak Prevention tool

Your company has deployed a Data Leak Prevention tool over endpoints and email to prevent sensitive information from being lost, stolen, or exposed to unauthorized individuals. This involves implementing policies, procedures, and technology to monitor and control the flow of data within the organization, ensuring that sensitive data is protected. This further minimizes the risk of data loss and protects the company's valuable assets from unauthorized access or exposure.

Cloud Protection Security Manager

Your Company has deployed PRISMA CPSM Tool keeping into mind increasing infrastructure landscape from on prem to Cloud. This tool will help govern complete Security Posture of Cloud Infra and highlight in case any security gaps to be further tightened as part of continuous improvement.

Backup and Restoration

Your Company has deployed VEEAM Backup tool on all Onprem servers & production instances on Cloud platforms (GCP deployment is in progress) to achieve business continuity and restoration policy of your Company's daily, weekly and monthly backups are taken to avoid any data loss in case of any server breakdown.

Infrastructure Monitoring Tool

Your Company has deployed all in one monitoring tool Site 24x7 to gain complete control of hybrid infrastructure of cloud and on-prem offering key features such as real time monitoring, customized dashboards, centralized logging, and application performance management in order to make sure they are immediately reported to their respective teams via automation and attain minimize response time in order to minimize any potential outage or downtime.

Web application firewall

Your Company has deployed Advanced Web Application Firewall (WAF) solution to protect web applications from various security threats and attacks, Prophaze WAF is deployed in front of web applications and acts as a gatekeeper, inspecting incoming traffic for malicious activity and filtering out any potentially harmful requests before they can reach the application layer.

Privileged Access Manager

Your Company has deployed Privileged Access Manager (PAM) solution PAM 360 for server and CyberArk EPM for endpoints. PAM is a solution to secure, control, and monitor access to critical assets by privileged users. This includes administrators, operators, and any accounts that have elevated permissions to access systems, applications, and data. PAM tools are designed to prevent security breaches by managing and auditing privileged accounts and access.

Configuration Management Tool

Your Company has deployed Configuration Management tool, SCCM, Intune and JAMF to manage all the end points for Windows and Mac Devices, this enables applications management, software and end point management.

FOREIGN EXCHANGE EARNINGS AND OUTGO

As of March 31, 2024, the Company's total foreign exchange earnings are INR 9,79,82,75,690 and total foreign exchange out flow is INR 3,14,27,341. 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, 2024 (INR in Million)	March 31, 2023 (INR in Million)
Income from consultancy	1,310	1,068
Inter Company Sales	8,488	7,099
Third Party Product Sales	-	-
Total	9,798	8,167

Expenditure incurred in Foreign Currency:

Particulars	March 31, 2024 (INR in Million)	March 31, 2023 (INR in Million)
Remuneration & Allowances to Employees for On-site Work.	Nil	9.77
Professional Fees	13.29	34.47
Others	18.13	21.31
Total	31.42	65.55

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

Particulars	March 31, 2024 (INR in Million)	March 31, 2023 (INR in Million)
Capital Goods	Nil	-
Total	Nil	-

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND AFTER BALANCE SHEET DATE, IF ANY

1. During the financial year under review the following business integration had taken place:
 - a. Cuddle Artificial Intelligence Private Limited, a wholly-owned subsidiary of your Company, vide board resolution dated April 26, 2023, has approved the transfer its product/ intellectual property along with associated assets, liabilities, licenses, intellectual property rights, regulatory approvals, permits, contracts and employees in relation to the product by means of a business transfer to your Company, as a going concern, by way of slump sale.
 - b. Neal Analytics Services Private Limited, a wholly owned subsidiary of your Company, vide board resolution dated April 26, 2023, has approved the transfer its assets, liabilities, regulatory approvals, permits, contracts and employees to your Company, as a going concern, by way of slump sale.
 - c. Final Mile Consultants Private Limited, a wholly owned subsidiary of your Company, vide board resolution dated May 26, 2023, has approved the transfer of its assets, liabilities, regulatory approvals, permits, contracts and employees to your Company, as a going concern, by way of slump sale. Further, Final Mile Consultants Private Limited had divested it's stake in Final Mile Consulting LLC, to Fractal Analytics Inc., w.e.f. August 14, 2023
 - d. Pursuant to the amendments in ODI regulations, the Board of Directors of the Company vide its board resolution dated July 19, 2023, had transferred its shareholding in Asper.ai Technologies Private Limited (Asper India) to Asper.ai Inc (Asper US) and as a result of, which Asper.ai Technologies Private Limited ceased to be a wholly owned subsidiary of the Company.
 - e. The Board of Directors of your Company, for the sake of simplification of the group structure (thereby reducing administrative cost and multiplicity of legal and regulatory compliances) had at its meeting held on March 04, 2024, proposed the restructuring of specific entities/business within the group. Pursuant to the same, the following actions have taken place:
 - i. *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. *Board of Cuddle.ai Inc (Delaware) has approved the dissolution on March 31, 2024 and Secretary of State of Delaware have approved it w.e.f. April 24, 2024.*
 - f. The Company as an integral part of its business strategy for the upcoming financial year had proposed to undertake the restructuring of the Company basis the performance evaluation, rationalisation and for the sake of operational convenience, on a going concern basis by way of slump sale. Company has three segments:
 - a) Product development unit
 - b) Services unit – Right to exploit the business through payment of royalty to Senseforth, Inc. ('Senseforth US') (IP owner)
 - c) Flyfish IP unit – Currently Fractal is the reseller

Accordingly, it was proposed by Senseforth India Board on April 1, 2024 to integrate, business segments - Unit a and Unit b of Senseforth India with the Company by way of transfer of the assets, liabilities, employees, patents, patent applications, trade names, trademarks, trademark registrations, service marks, service mark registrations, copyrights, trade secrets and similar intellectual property rights, regulatory approvals, permits, contracts by means of a business transfer from Senseforth India to the Company, on a going concern basis by way of slump sale.

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 of Directors of your Company vide Circulation resolution dated June 28, 2023 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.

CSR policy is available on website of the Company at <https://fractal.ai/csr/>

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. 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.

As part of its CSR initiatives, the Company contributed funds to “Fractal BAIF Project, Providing Artificial Aids and appliances to disabled, Operation of I Mobile labs, Scholarship Support for Higher Education”. 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.

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 this policy and complaints received, if any, during the year are set out under ‘**Annexure G**’ to this report

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:

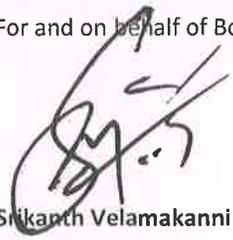
There has been no such instance, hence the disclosure under this head is not applicable to your Company.

ACKNOWLEDGEMENT

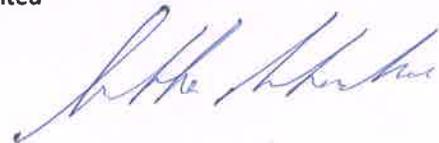
Your directors would like to express sincere gratitude to all the valuable stakeholders of the Company viz., customers, shareholders, vendors, bankers, business associates, regulatory authorities, Central and State Government Departments, government authorities for their excellent support and co-operation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

The Board of Directors 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**


Srikanth Velamakanni
Whole-time Director
DIN: 01722758
Date: June 17, 2024
Place: London




Sasha Mirchandani
Additional Director
DIN: 01179921
Date: June 17, 2024
Place: London

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 Boards' 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 2023-24 is as follows:

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

* One Independent Directors meeting was held on March 18, 2024.

§One Corporate Social Responsibility & Environmental, Social and Governance Committee was held during the financial year 2023-24. Rest of the business matters were approved by passing the resolutions through circulation, pursuant to the provisions of Companies Act, 2013 read with Secretarial Standards on Meetings of Board of Directors issued by Institute of Company Secretaries of India.

Two Nomination and Remuneration Committee meetings were held during the financial year 2023-24 and all the business matters relating to Nomination and Remuneration Committee were approved by passing resolution through circulation, pursuant to the provisions of Companies Act, 2013 read with Secretarial Standards on Meetings of Board of Directors issued by Institute of Company Secretaries of India.

© Four Audit & Risk Committee meetings were held during the financial year 2023-24.

¹ Mr. Shashank Singh (DIN: 02826978) resigned from the directorship of the Company with effect from the close of business hours on August 3, 2023.

² Mr. Anurag Sud (DIN: 09591664) was appointed on the Board of the Company with effect from August 9, 2023.

ANNEXURE B

(This annexure forms part of the Boards' 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 Rs.)

I. Details of subsidiaries:

(Direct Subsidiaries)

(Value in Rupees)

Sr. No.	1	2	3	4	5	6
Name of the subsidiary	Fractal Analytics Inc. ^[1]	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	02-10-2003	26-09-2003	04-07-2016 13-05-2023 ^[2]	01-03-2008	27-12-2018	10-10-2020
Financial year ended	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
Reporting currency	USD	SGD	INR	INR	INR	INR
Average Rate	82.7767	61.5700	-	-	-	-
Closing rate	83.3363	61.8162	-	-	-	-
Share Capital	8,21,59,330	27,12,987	16,33,60,913	2,19,550	20,23,95,475	10,00,000
Reserves & Surplus	(66,94,54,187)	12,93,94,470	(15,72,53,407)	16,43,12,137	(21,80,46,176)	(3,61,35,433)
Total Assets	12,26,38,63,169	14,74,30,902	2,36,38,772	16,54,67,719	1,17,35,796	3,08,34,921
Total Liabilities	12,85,11,58,025	1,53,23,444	1,75,31,266	9,36,033	2,73,85,997	6,59,70,355
Investments	4,68,52,43,739	90,033,967	-	15,67,74,614	-	31,39,450

Turnover	17,18,88,21,645	15,55,13,809	76,71,338	77,70,352	51,40,438	6,82,67,669
Profit before taxation	(65,31,11,847)	1,67,07,308	79,52,62,722	1,81,17,265	(2,34,34,455)	62,03,965
Provision for taxation	(31,64,027)	(29,40,032)	-	(3,40,841)	-	(48,049)
Profit after taxation	(65,62,75,874)	1,37,67,277	79,52,62,722	1,77,76,424	(2,34,34,455)	61,55,917
Proposed Dividend	-	-	-	-	-	-
% of share-holding	100% by Fractal Analytics Private Limited	71.03 ^[3] by Fractal Analytics Private Limited	100% % by Fractal Analytics Private Limited			

* The Board of Directors, for the sake of simplification of the group structure, at its meeting held on March 04, 2024 has considered and approved the consolidation of below mentioned group entities with that of Senseforth AI Research Private Limited by way of Statutory merger:

1. Final Mile Consultants Private Limited ('FM India')
2. Neal Analytics Services Private Limited ('Neal India')
3. Cuddle Artificial Intelligence Private Limited ('Cuddle India')
4. Theremin AI Solutions Private Limited
5. Eugenie Technologies Private Limited

(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	27-08-2021	23-11-2021	24-12-2021	03-03-2022
Financial year ended	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
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	(26,56,58,468)	2,94,10,083	8,31,85,980	(55,65,655)
Total Assets	13,20,64,445	15,01,74,258	8,47,42,735	5,57,975
Total Liabilities	39,67,22,913	11,84,92,564	14,56,754	11,23,630
Investments	4,06,32,186	-	8,02,78,775	-

Turnover	15,77,58,176	13,21,78,456	3,93,963	-
Profit before taxation	(9,41,62,680)	(11,49,58,493)	30,81,626	(4,41,923)
Provision for taxation	-	1,75,298	(11,40,066)	-
Profit after taxation	(9,41,63,680)	(11,47,83,195)	19,41,560	(4,41,923)
Proposed Dividend	-	-	-	-
% of share-holding	100% by Fractal Analytics Private Limited	55.92% ^[4] by Fractal Analytics Private Limited	100% by Fractal Analytics Private Limited	100% by Fractal Analytics Private 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	12-09-2016
The date since when the subsidiary was acquired	02-09-2022	11-06-2021 20-08-2023 ^[5]	19-03-2010	11-12-2013	16-06-2014	12-09-2016
Financial year ended	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
Reporting currency	AED	INR	GBP	CAD	CHF	EURO
Average Rate	22.5400	-	104.0200	61.3900	92.5069	89.7800
Closing Rate	22.6917	-	105.2532	61.5496	92.4993	89.9572
Share Capital	22,37,473	9,67,46,430	11,206	6,07,266	16,35,763	20,98,638
Reserves & Surplus	72,73,318	4,34,75,829	55,31,41,391	784,66,662	1,67,69,594	70,81,586
Total Assets	1,81,29,239	25,82,99,895	79,66,49,062	14,87,14,198	2,24,71,649	1,43,43,390
Total Liabilities	86,18,448	11,80,77,636	24,34,96,464	6,96,40,272	40,66,292	51,63,166
Investments	-	-	-	-	-	-
Turnover	7,66,46,102	31,08,16,813	1,35,98,66,127	54,57,30,524	2,11,99,970	1,70,68,833
Profit before taxation	67,38,642	3,10,01,986	12,61,62,020	4,93,55,274	20,66,427	17,34,561
Provision for taxation	0	(8,31,492)	(4,34,91,830)	(2,42,82,797)	(4,27,150)	(16,17,516)
Profit after taxation	67,38,642	30,170,494	8,26,70,191	2,50,72,477	16,39,277	1,17,045

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
Name of the subsidiary	Cuddle.ai Inc[#]	Fractal Analytics Netherland B.V.	Limited Liability Company "Symphony (Ukraine)"	Final Mile Consulting LLC	Fractal Analytics Australia Pty Ltd.	Analytics Vidhya Inc(USA)
The date since when the subsidiary was incorporated	02-03-2017	18-07-2017	01-08-2017	06-07-2012	06-06-2018	---
The date since when the subsidiary was acquired	02-03-2017	18-07-2017	01-08-2017	06-07-2012	06-06-2018	08-08-2023 ^[6]
Financial year ended	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
Reporting currency	USD	EURO	UAH	USD	AUD	USD
Average Rate	82.7767	89.7800	2.1098	82.7767	54.4500	82.7767
Closing Rate	83.3363	89.9572	2.1382	83.3363	54.3626	83.3363
Share Capital	6,385	16,78,910	2,02,71,386	9,85,912	2,82,87,573	---
Reserves & Surplus	(1,13,817)	1,06,03,578	92,01,187	(28,50,86,973)	6,01,20,295	---
Total Assets	21,35,110	2,31,39,449	4,94,05,252	12,17,11,203	18,02,77,564	---
Total Liabilities	22,42,542	1,08,56,961	1,99,32,680	40,58,12,264	9,18,69,695	---
Investments	-	-	-	-	-	---
Turnover	21,93,581	7,68,63,496	7,61,85,815	16,87,44,749	57,25,41,889	---
Profit before taxation	42,70,10,953	71,60,730	30,88,078	45,60,156	5,39,11,360	---
Provision for taxation	(4,222)	(21,51,391)	(1,38,324)	(19,02,456)	(3,04,62,720)	---
Profit after taxation	42,70,06,731	50,09,339	29,49,754	26,57,700	2,34,48,639	---

Proposed Dividend	-	-	-	-	-	---
% of share-holding	100% by Cuddle Artificial intelligence Private Limited	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% subsidiary of Analytics Vidhya Educon Private Limited

(Step-down subsidiaries)

Sr. No.	23	24	25	26	27	28
Name of the subsidiary	Fractal Analytics Sweden AB	Fractal Analytics (Shanghai) Limited	Fractal Analytics Malaysia SDN BDH	Fractal Frontiers, Inc	Theremin Multi Strategy Fund LLP	Fractal Japan KK#
The date since when the subsidiary was incorporated	20-12-2018	19-11-2018	04-09-2018	03-03-2022	16-03-2021	21-08-2023 ^[2]
The date since when the subsidiary was acquired	20-12-2018	19-11-2018	04-09-2018	03-03-2022	16-03-2021	---
Financial year ended	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
Reporting currency	SEK	CNY	MYR	USD	INR	---
Average Rate	7.8138	11.5460	17.6298	82.7767	-	--
Closing	7.8259	11.5440	17.6485	83.3363	-	--
Share Capital	-	2,04,66,616	89,85,779	-	1,00,000	---
Reserves & Surplus	10,38,167	1,20,63,114	(35,50,276)	(16,06,892)	-	---
Total Assets	15,78,470	3,47,53,062	58,02,871	1,43,170	1,00,000	---
Total Liabilities	5,40,303	22,23,332	3,67,369	17,50,063	-	---
Investments	-	-	-	-	-	---
Turnover	13,52,132	2,88,37,676	3,80,436	-	-	---
Profit before taxation	1,52,768	27,75,629	12,052	(1,07,226)	-	---
Provision for taxation	(17,179)	0	(1,45,032)	(10,38,847)	-	---

Profit after taxation	1,35,589	27,75,629	(1,32,980)	(11,46,073)	-	---
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% subsidiary of Fractal Private Limited (Singapore)

(Step-down subsidiaries)

Sr. No.	29	30	31	32	33
Name of the subsidiary	Neal Analytics LLC [#]	Senseforth Inc	Asper.AI Limited ^[8]	Asper.AI Inc. ^[9]	Eugenie.ai Inc [#]
The date since when the subsidiary was incorporated	10-05-2011	23-02-2017	07-11-2019	10-05-2019	15-02-2021
The date since when the subsidiary was acquired	29-12-2021	31-08-2021	07-11-2019	15-06-2021	15-02-2021
Financial year ended	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
Reporting currency	USD	USD	GBP	USD	USD
Average Rate	82.7767	82.7767	104.0200	82.7767	82.7767
Closing Rate	83.3363	83.3363	105.2532	83.3363	83.3363
Share Capital	37,65,41,265	8,417	52,58,526	1,42,535	4,42,724
Reserves & Surplus	(12,34,97,788)	5,37,57,099	(9,58,361)	(36,10,89,533)	(37,35,47,816)
Total Assets	72,26,68,441	5,49,21,449	1,71,82,312	40,55,53,780	48,14,295
Total Liabilities	46,96,24,964	11,55,933	1,28,82,147	76,65,00,777	37,79,19,387
Investments	-	-	-	14,35,49,715	-
Turnover	69,34,170	3,22,74,053	2,65,75,079	21,82,07,555	24,17,022
Profit before taxation	4,72,52,267	(4,79,69,320)	2,56,487	(29,13,75,847)	(9,23,29,869)
Provision for taxation	4,78,697	(35,53,441)	-	(68,29,941)	(4,139)
Profit after taxation	4,77,30,965	(5,15,22,761)	2,56,487	(29,82,05,788)	(9,23,34,008)
Proposed Dividend	-	-	-	-	-
% of share-holding	100% by Fractal Analytics Inc. (USA)	100% by Fractal Analytics Inc. (USA)	100% by Asper.AI Inc. (USA)	96.97% by Fractal Analytics Inc. (USA)	94.12% by Fractal Analytics Inc. (USA)

*The Board of Directors in their meeting held on March 04, 2024 had proposed the merger or demerger of below mentioned entities:

1. Cuddle.ai Inc ('Cuddle US')
2. Neal Analytics, LLC ('Neal US')
3. Eugenie.ai Inc. ('Eugenie US')
4. Fractal Japan KK ('Fractal Japan')

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

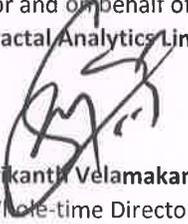
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Particulars	Details
1	Name of the Associate/ Joint Venture.	Qure.ai Technologies Private Limited
2	Latest Audited Balance Sheet Date	31-Mar-2024
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)	36.92% (on a fully diluted basis as on March 31, 2024)
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 (INR'000)	25,35,564
8	Profit or Loss for the year (INR'000)	(448,498)
	i. Considered in Consolidation	(165,586)
	ii. Not Considered in Consolidation	(282,912)

III. **Other details:**

1. Names of subsidiaries which are yet to commence operations – Fractal Alpha Private Limited, Fractal Frontiers Inc., Theremin Multi Strategy Fund LLP, and Analytics Vidhya Inc (USA). Fractal Japan KK has not yet commenced its operation and therefore the shareholders on April 15 2024 has passed the resolution for dissolution of the company.
2. Names of subsidiaries which have been liquidated or sold during the year – The Board of Directors of your Company, for the sake of simplification of the group structure (thereby reducing administrative cost and multiplicity of legal and regulatory compliances) had at its meeting held on March 04, 2024, proposed the restructuring of Cuddle.ai Inc ('Cuddle US'), a step down subsidiary of the company. The Board of Cuddle.ai inc had approved the same on March 31, 2024 and the Secretary of State of Delaware had approved the dissolution on April 24, 2024.
3. Names of associates or joint ventures which are yet to commence operations – None
4. Names of associates or joint ventures which have been liquidated or sold during the year – None

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


Srikanth Velamakanni
Whole-time Director
DIN: 01722758
Date: June 17, 2024
Place: London


Sasha Mirchandani
Additional Director
DIN: 01179921
Date: June 17, 2024
Place: London



^[1] With effect from April 01, 2023, 4i Consulting Inc. ('4i US'), wholly owned subsidiary of Fractal Analytics Inc. ('Fractal US') has been merged with Fractal US.

^[2] With effect from May 13, 2023, Fractal Analytics Private Limited (the 'Company') has acquired minority shares of Cuddle Artificial Intelligence Private Limited (Cuddle) which resulted in Cuddle being a wholly owned subsidiary company of the Company

^[3] The percentage of shares held is in proportion to the total shares of the Company which includes equity and preference shares.

^[4] The percentage of shares held is on as is basis.

^[5] With effect from August 20, 2023, Fractal Analytics Private Limited has transferred its equity shares in Asper.ai Technologies Private Limited to Asper.ai Inc. (Asper USA) thus Asper.ai Technologies Private Limited will be a wholly owned subsidiary of Asper US.

^[6] With effect from August 08, 2023, Analytics Vidhya Educon Private Limited acquired the stake in Analytics Vidhya Inc (USA) thus Analytics Vidhya Inc will be a wholly owned subsidiary of Analytics Vidhya Educon Private Limited.

^[7] Incorporated on August 21, 2023

^[8] The name has been changed from 'Samya.AI Limited' to 'Asper.AI Limited' with effect from November 17, 2022.

^[9] The name has been changed from 'Samya.AI Inc' to 'Asper.ai Inc' with effect from November 4, 2022.

ANNEXURE C

(This annexure forms part of the Boards' Report)

**FORM NO. MGT 9
Extract of Annual Return**

As on financial year ended on March 31, 2024

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. Registration & other details:

i	CIN	U72400MH2000PLC125369
ii	Registration Date	March 28, 2000
iii	Name of the Company	Fractal Analytics Limited
iv	Category/Sub-category of the Company	Company limited by shares
v	Address of the Registered office & contact details	Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon (E), Mumbai- 400063. Contact No: +91 22 6850 5800
vi	Whether listed company	No
vii	Name, address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400 083. Contact No.: +91 22 49186000

II. Principal business activities of the Company.

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Data processing/managing and advanced analytics, information technology enabled consultancy services	62011, 62099 and 63111 (as per National Industrial Classification 2008)	100

iii. Particulars of holding, subsidiary & associate companies:

Sr. No	Name & Address of the Company	CIN/GLN	Holding/subsidiary/associate	Percentage of shares held
1	Fractal Analytics Inc. 1 World Trade Center 76j, New York 10007 United States.	N.A.	Wholly owned Subsidiary	100% ⁽ⁱ⁾
2	Fractal Private Limited 30 Raf-Fles Place #23-01, Oxley @ Raffles, 048622 Singapore	N.A.	Wholly owned Subsidiary	100%
3	Cuddle Artificial Intelligence Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon (E), Mumbai 400063	U74999MH2016P TC283206	Wholly owned Subsidiary	100% ⁽ⁱⁱ⁾
4	Qure.ai Technologies Private Limited 6th Floor, Wing E, Times Square, Andheri-Kurla Road, Marol, Andheri (East), Marol Naka, Mumbai - 400059, Maharashtra	U74999MH2016P TC283891	Associate	44.93% ⁽ⁱⁱⁱ⁾
5	Final Mile Consultants Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon (E), Mumbai 400063	U74140MH2008P TC177641	Wholly owned Subsidiary	100%
6	Theremin AI Solutions Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon €, Mumbai 400063	U72900MH2018P TC318795	Subsidiary	71.03% ^(iv)
7	Eugenie Technologies Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon (E), Mumbai 400063	U74999MH2020P TC347625	Wholly owned Subsidiary	100%
8	Fractal Analytics UK Limited C/O Corporation Service Company (UK) Limited, 5 Churchill Place 10th Floor, London England E14 5HU	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Analytics Inc. (USA)
9	Fractal Analytics (Canada) Inc. 160 ELGIN Street, # 2600 Ottawa, Ontario, Canada K1P 1C3	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)

10	Fractal Analytics (Switzerland) GmbH Zedra Trust Company (Suisse) SA, Zweigniederlassung Zug	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
11	Fractal Analytics Germany GmbH Äußere Sulzbacher Straße 100 90491 Nürnberg	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
12	Cuddle.ai Inc. C/o CSC, 251, Little Falls Drive, Wilmington, New Castle-19808	N.A.	Step-down Subsidiary	100% subsidiary of Cuddle Artificial Intelligence Private Limited
13	Fractal Analytics Netherland B.V. High Tech Campus 9, Bèta gebouw, unit K1.04, 5656AE Eindhoven	N.A.	Step-down Subsidiary	100% subsidiary of Fractal Private Limited (Singapore)
14	Limited Liability Company Symphony (Ukraine) 14 Vasylykivska Street, Building D, Kyiv city, 03040, Ukraine.	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
15	Final Mile Consulting LLC 1 World Trade Center 76j, New York 10007, United States	N.A.	Step-down Subsidiary	100 % Subsidiary of Fractal Analytics Inc. (USA)
16	Fractal Analytics Australia Pty Ltd Level 16, Tower 2, Darling Park 201 Sussex Street, Sydney, NSW-2000, Australia.	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
17	Fractal Analytics Malaysia SDN BHD Unit No- 17-2, Level 17, Wisma UOA II, No 21, Jalan Pinang 50450 Kuala Lumpur, Wilayah, Persekutuan	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
18	Fractal Analytics (Shanghai) Limited 2F/1B, No.84 Sanlin Road Pudong New District Shanghai, China	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
19	Fractal Analytics Sweden AB C/O Advokatfirman Engström & Co AB Jungmansgatan 12, SE-211 11 Malmö, Sweden.	N.A.	Step-down Subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
20	Eugenie.ai Inc. C/o CSC, 251, Little Falls Drive, Wilmington, New Castle-19808, State of Delaware, United States.	N.A.	Step-down Subsidiary	94.12% subsidiary of Fractal Analytics Inc. (USA)

21	Theremin Multi Strategy Fund LLP Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W. E. Highway, Goregaon (E), Mumbai 400063	AAW-3436	Step-down Subsidiary	99.9% by Theremin AI Solutions Private Limited
22	Asper.AI Inc. 251 Little Falls Drive Wilmington, Delaware 19808-1674 USA	NA	Step down subsidiary	96.97% Subsidiary of Fractal Analytics Inc. (USA)
23	Asper.AI Limited 2 Churchill Court, 58 Station Road, North Harrow, Middlesex, United Kingdom, HA2 7S, United Kingdom.	NA	Step down subsidiary	100% Subsidiary of Asper.AI Inc. (USA)
24	Senseforth AI Research Private Limited 4th Floor, Indiqube-Gamma, Unit GA-E-088 To GA-E-091, Survey No. 293/154/172, Outer Ring Road, Kadubeesanahalli, Marathalli, Bangalore-560103.	U72900KA2017PT C101706	Wholly owned subsidiary	100%
25	Senseforth Inc. 1013 Centre Road, Suite 403- B, in the City of Wilmington, Country of New Castle, Zip Code 19805- 127	NA	Step down subsidiary	100% Subsidiary of Fractal Analytics Inc. (USA)
26	Neal Analytics Services Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon (East), Mumbai 400063	U72900MH2014F TC254858	Wholly owned subsidiary	100%
27	Neal Analytics LLC 11911 NE 1st St, Ste. 206, Bellevue, WA 98005	NA	Step down subsidiary	100% Subsidiary of Fractal Analytics Inc. (USA) ⁶
28	Fractal Alpha Private Limited Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon (East), Mumbai 400063	U72900MH2022P TC377868	Wholly owned subsidiary	100%
29	Fractal Frontiers, Inc. 251 Little Falls Drive, Wilmington, DE, New Castle - 19808, State of Delaware, United States.	NA	Step down subsidiary	100% Subsidiary of Fractal Alpha Private Limited (India) ⁷

⁶ Neal Analytics, LLC has been merged with Fractal Analytics Inc. Effective Date in Washington: April 29,2024; Effective Date in New York: April 9,2024.

⁷ 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.

30	Fractal LLC-FZ The Meydan Hotel, Grandstand, 6th floor, Meydan Road, Nad Al Sheba, Dubai, U.A.E	NA	Step down subsidiary	100% Subsidiary of Fractal Private Limited (Singapore)
31	Asper.AI Technologies Private Limited IndiQube Alpha, 3rd floor, Wing-B4(B), Plot 19/4 & 27, Kadubeesanahalli Village, Varthur Hobli, Bellandur, Bangalore 560 103, Karnataka, India	U72900KA2019FT C128045	Step down subsidiary	100% subsidiary of Asper.AI Inc. ^(v) (USA)
32	Analytics Vidhya Educon Private Limited 207 B Block, (Chamber-1) Corporate House 169, RNT Marg, Indore MP 452001 IN	U80904MP2014P TC032389	Subsidiary	55.92% ^(vi)
33	Analytics Vidhya Inc^(vii) (USA) 251 Little Falls Drive, Wilmington, DE 19808	NA	Step down subsidiary	100% subsidiary of Analytics Vidhya Educon Private Limited
34	Fractal Japan KK^(viii) Hirakawa-cho Bldg. 7F, 2-6-1, Hirakawa- cho, Chiyoda-ku, Tokyo	NA	Step down subsidiary	100% subsidiary of Fractal Private Limited (Singapore)

Notes

⁽ⁱ⁾ With effect from April 01, 2023, 4i Consulting Inc. ('4i US'), wholly owned subsidiary of Fractal Analytics Inc. ('Fractal US') has been merged with Fractal US.

⁽ⁱⁱ⁾ With effect from May 13, 2023, Fractal Analytics Private Limited (the 'Company') has acquired minority shares of Cuddle Artificial Intelligence Private Limited (Cuddle) which resulted in Cuddle being a wholly owned subsidiary company of the Company.

⁽ⁱⁱⁱ⁾ Shareholding is basis total paid up share capital.

^(iv) Shareholding is basis total paid up share capital.

^(v) With effect from August 20, 2023, Fractal Analytics Private Limited has transferred its equity shares in Asper.ai Technologies Private Limited to Asper.ai Inc. (Asper USA) thus Asper.ai Technologies Private Limited will be a wholly owned subsidiary of Asper US.

^(vi) Shareholding is basis total paid up capital.

^(vii) With effect from August 08, 2023, Analytics Vidhya Educon Private Limited acquired the stake in Analytics Vidhya Inc (USA) thus Analytics Vidhya Inc will be a wholly owned subsidiary of Analytics Vidhya Educon Private Limited.

^(viii) Incorporated on August 21, 2023.

IV. Shareholding pattern (Equity Share Capital Break up as % to total Equity)

i. Category-wise Shareholding

Category of shareholders	No. of shares held at the beginning of the year i.e. 01-04-2023				No. of shares held at the end of the year i.e. 31-03-2024				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Central Govt. or State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies corporate	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bank/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other-Indian relatives of promoters	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL: (A)(1)	0	0	0	0.00%	0	0	0	0.00%	0.00%
(2) Foreign (shares held by non-residents on non-repatriation basis)									
a) NRI-Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%

i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	10,46,359	5,54,967	16,01,326	6.11%	12,64,553	4,76,583	17,41,136	6.61%	0.50%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	78,14,367	34,80,727	1,12,95,094	43.13%	23,52,216	34,65,838	58,18,054	22.11%	(21.02)%
c) Others	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL: (B)(2)	2,21,54,160	40,35,694	2,61,89,854	100%	1,70,28,812	39,42,421	2,09,71,233	79.68%	(20.32)%
Total Public Shareholding (B) = (B)(1) + (B)(2)	2,21,54,160	40,35,694	2,61,89,854	100%	2,23,75,368	39,42,421	2,63,17,789	100%	0.00%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0.00%
GRAND TOTAL (A+B+C)	2,21,54,160	40,35,694	2,61,89,854	100%	2,23,75,368	39,42,421	2,63,17,789	100%	0.00%

ii. Shareholding of Promoters Group: Not Applicable

Sr. No	Shareholders Name	No. of shares held at the beginning of the year i.e. 01-04-2023			No. of shares held at the end of the year i.e. 31-03-2024			% change in share- holding during the year*
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
-	-	0	0%	0%	0	0%	0%	0%
	Total	0	0%	0%	0	0%	0%	0%

iii. **Change in Promoters' Group Shareholding: Not Applicable**

Sr. No	Particulars	Shareholding at the beginning of the year i.e. 01-04-2023		Cumulative shareholding during the year 2023-2024	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	0	0.00%	0	0.00%
2	Date wise increase/decrease in Promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0.00%	0	0.00%
3	At the end of the year	0	0.00%	0	0.00%

iv. **Shareholding pattern of top ten shareholders with changes, if any (other than directors, promoters group & Holders of GDRs & ADRs)**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01-04-2023		Cumulative Shareholding during the year 2023-24	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	1,91,51,017	73.12%		
2	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	#	#	#	#
3	At the end of the year (or on the date of separation, if separated during the year)			2,14,68,167	81.57%

Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)

Name of the shareholders	Shareholding at the beginning of the year i.e. 01-04-2023		Rank as on 31.03.2023	Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year 2023-24		Rank as on 31.03.2024	Shareholding at the end of the year i.e. 31-03-2024	
	No. of shares	% of total shares of the Company					No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
TPG FETT HOLDINGS PTE LTD	73,53,814	28.08%	1	08/09/2023	Increase	Transfer	74,72,423	28.39%	1	74,72,423	28.39%
Quinag Bidco Ltd.	59,39,620	22.68%	2	-	No Change during the year	-	59,39,620	22.57%	2	59,39,620	22.57%
GLM Family Trust	-	-	NA	24/01/2024	Increase	Transfer	52,96,556	20.13%	3	52,96,556	20.13%
Chetana Kumar	13,49,151	5.15%	4	06/12/2023	Decrease	Transfer	13,25,431	5.04%	4	13,25,431	5.04%
Narendra Kumar Agrawal	8,90,637	3.40%	5	08/09/2023	Decrease	Transfer	8,59,024	3.26%	5	8,59,024	3.26%
Rupa Agrawal	1,97,420	0.75%	6	08/09/2023	Decrease	Transfer	1,65,782	0.63%	6	1,65,782	0.63%
Arpan Dasgupta	58,125	0.22%	10	05/06/2023	Increase	Allotment	1,38,125	0.52%	7	1,38,125	0.52%
Satya Remala jointly with Rao V. Remala	1,06,140	0.41%	7	-	No Change during the year	-	1,06,140	0.40%	8	1,06,140	0.40%
Gita Mirchandan	31,31,260	11.96%	3	24/01/2024	Decrease	Transfer	1,00,000	0.38%	9	1,00,000	0.38%
Satish Raman	64,850	0.25%	8	31/10/2023	Increase	Transfer	65,066	0.25%	10	65,066	0.25%

Prashant Warrior	60,000	0.23%	9	-	No change during the year	-				
TOTAL OF TOP 10 SHAREHOLDERS AT THE BEGINNING OF THE YEAR	1,91,51,017	73.12%						TOTAL OF TOP 10 SHAREHOLDERS AT THE END OF THE YEAR	2,14,68,167	81.57%

*Difference in % of total shares of the Company is on account of various allotments of shares made during the year and consequential increase in the total number of shares.

iv. **Shareholding Pattern of Directors and Key managerial personnel**

Sr. No.	Name of the Director/Key Managerial Personnel		Shareholding at the beginning of the year i.e. 01.04.2023		Cumulative Shareholding during the year 2023-24	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Gulu Mirchandani					
	At the beginning of the year		23,65,296	9.03%		
	Change during the year					
	Date	Reason				
	16/01/2024	Transfer	22,65,296	(8.61)%		
	At the end of the year				1,00,000	0.38%
2	Pranay Agrawal					
	At the beginning of the year		17,27,812	6.60%		
	Change during the year					
	Date	Reason				
	08/09/2023	Transfer	31,638	(0.7)%		

	At the end of the year			16,96,174	6.53%
3	Srikanth Velamakanni				
	At the beginning of the year	15,27,378	5.83%		
	Change during the year	No change during the year			
	At the end of the year			15,27,378	4.60%*
4	Gavin Patterson				
	At the beginning of the year	61,199	0.23%		
	Changes during the year	No change during the year			
	At the end of the year			61,199	0.24%
5	Anurag Sud				
	At the beginning of the year	0	0.00%		
	Change during the year	No change during the year			
	At the end of the year			0	0.00%
6	Rohan Haldea				
	At the beginning of the year	0	0.00%		
	Change during the year	No change during the year			
	At the end of the year			0	0.00%
7	Puneet Bhatia				
	At the beginning of the year	0	0.00%		
	Change during the year	No change during the year			
	At the end of the year			0	0.00%
8	Vivek Mohan				
	At the beginning of the year	0	0.00%		
	Change during the year	No change during the year			
	At the end of the year			0	0.00%
9	Karen Ann Terrell	Not Applicable			

10	Neelam Dhawan	Not Applicable			
11	Somya Agarwal (Company Secretary)				
	At the beginning of the year	2250	0.01%		
	Change during the year	No change during the year			
	At the end of the year			2250	0.01%

*Difference in % of total shares of the Company is on account of various allotments of shares made during the year and consequential increase in the total number of shares.

IV (B) Shareholding pattern (Preference Share Capital Break up as % of total preference)

(i) Category-wise Shareholding

Category of shareholders	No. of shares held at the beginning of the year i.e. 01-04-2023				No. of shares held at the end of the year i.e. 31-03-2024				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Central Govt. or State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies corporate	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bank/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other-Indian relatives of promoters	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL: (A)(1)	0	0	0	0.00%	0	0	0	0.00%	0.00%
(2) Foreign (shares held by non-residents on non-repatriation basis)									
a) NRI- Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies corporate	0	0	0	0.00%	0	0	0	0.00%	0.00%

d) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL: (A)(2)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Total Shareholding of Promoter Group (A) = (A)(1) + (A)(2)	0	0	0	0.00%	0	0	0	0.00%	0.00%
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Fund	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIIS	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL: (B)(1)	0	0	0	0.00%	0	0	0	0.00%	0.00%
(2) Non Institutions									
a) Bodies corporate									
i) Indian	0	0	0	0.00%	0	0	0	0.00%	0.00%
ii) Overseas	45,23,604	0	45,23,604	100.00%	45,23,604	0	45,23,604	100.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0.00%	0	0	0	0.00%	0.00%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Others	0	0	0	0.00%	0	0	0	0.00%	0.00%

SUB TOTAL: (B)(2)	45,23,604	0	45,23,604	100.00%	45,23,604	0	45,23,604	100.00%	0.00%
Total Public Shareholding (B) = (B)(1) + (B)(2)	45,23,604	0	45,23,604	100.00%	45,23,604	0	45,23,604	100.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0.00%
GRAND TOTAL (A+B+C)	45,23,604	0	45,23,604	100.00%	45,23,604	0	45,23,604	100.00%	0.00%

- (ii) **Shareholding of Promoters Group:** Not Applicable
- (iii) **Change in Promoters' Group Shareholding:** Not Applicable
- (iv) **Shareholding pattern of top ten shareholders on preference shares basis with changes, if any (other than directors, promoters group & Holders of GDRs & ADRs)**

Sr. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01-04-2023		Cumulative Shareholding during the year 2023-24	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	45,23,604	100.00%		
2	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/swe at equity etc.)	#	#	#	#
3	At the end of the year (or on the date of separation, if separated during the year)			45,23,604	100.00%

Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)

Name of the shareholder	Shareholding at the beginning of the year i.e. 01-04-2023		Rank as on 31.03.2023	Date	Increase/Decrease in shareholding	Reasons	Cumulative Shareholding during the year 2023-24		Rank as on 31.03.2024	Shareholding at the end of the year i.e. 31-03-2024	
	No. of shares	% of total shares of the Company					No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company

Quinag Bidco Ltd.	33,37,505	73.78%	1	-	No Change during the year	-	33,37,505	73.78%	1	33,37,505	73.78%
TPG FETT HOLDING S PTE LTD	11,86,099	26.22%	2	-	No change during the year	-	11,86,099	26.22%	2	11,86,099	26.22%
Total	45,23,604	100.00%					45,23,604	100.00%		45,23,604	100.00%

V. Indebtedness: NIL

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—
Change in Indebtedness during the financial year				
Additions	—	—	—	—
Reduction	—	—	—	—
Net Change	—	—	—	—
Indebtedness at the end of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—

VI. Remuneration of directors and key managerial personnel

A. Remuneration to Managing Director, Whole time director and/or Manager:

(Amount in Rs Million)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
		Srikanth Velamakanni	
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax, 1961.	56.57	56.57
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	2.08	2.08
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify Reimbursement of expenses	0.20	0.20
	Total (A)	58.85	58.85
	Ceiling as per the Act	As per applicable provisions of Companies Act, 2013.	

B. Remuneration to other directors:

(Amount in Rs Million)

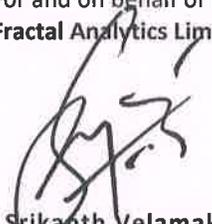
Sr. No.	Particulars of Remuneration	Independent Directors		Non-Executive Director	Total Amount
1	Name of the Director	Karen Ann Terrell	Neelam Dhawan	-	
	(a) Fee for attending board/committee meetings	5.39	7.38	-	12.77
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	(d)	-	-	-	-
	Total	5.39	7.38		12.77
	Ceiling as per the Act	As per applicable provisions of Companies Act, 2013.			

C. Remuneration to key managerial personnel other than MD/Manager/WTD:

(Amount in Millions)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
			Somya Agarwal		
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961:	—	10.28	—	—
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	—	0.01	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—		—	—
2	Stock Option	—		—	—
3	Sweat Equity	—		—	—
4	Commission	—		—	—
	as % of profit	—		—	—
	others, specify	—		—	—
5	Others, please specify	—	0.03	—	—
	Total	—	10.32	—	—

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


Srikanth Velamakanni
Whole-time Director
DIN: 01722758
Date: June 17, 2024
Place: Mumbai





Sasha Mirchandani
Additional Director
DIN: 01179921
Date: June 17, 2024
Place: Mumbai

Registered Office Address:

Level 7, Commerz II, International Business Park,
Oberoi Garden City, Off. Western Express Highway,

ANNEXURE D

(This annexure forms part of the Boards' 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	N.A.
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	
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	

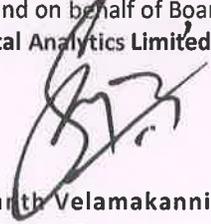
II. Details of material contracts or arrangement or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	Fractal Analytics Inc., 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	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	-
e)	Date(s) of approval by the Board	NA
f)	Amount paid as advances, if any:	NA

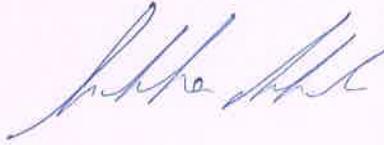
a)	Name(s) of the related party and nature of relationship	Final Mile Consultants Private Limited, WOS of the Company - by virtue of shareholding held by Ms. Chetana Kumar in the Company and she is being a relative of director in the Company and a director in Final Mile Consultants Private Limited.
b)	Nature of contracts/arrangements/transactions	Not Applicable
c)	Duration of the contracts / arrangements/transactions	-

d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
e)	Date(s) of approval by the Board	19-Jan-2024
f)	Amount paid as advances, if any:	NA

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


Srikanth Velamakanni
Whole-time Director
DIN: 01722758
Date: June 17, 2024
Place: Mumbai




Sasha Mirchandani
Additional Director
DIN: 01179921
Date: June 17, 2024
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 E

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

Details pertaining to Fractal Employees Stock Option Plan ("Fractal ESOP") for the financial year 2023-24

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)	2,20,650		-	-
2	Options vested	4,75,226		3,34,076	
3	Options exercised	1,19,661		8,274	-
4	The total number of shares arising as a result of exercise of option	1,19,661		8,274	-
5	Options lapsed	2,02,239		45,049	1,00,434
6	Options granted in FY 22-23 and rescinded during the FY 23-24.	-		-	-
7	The exercise price	The exercise price of Options granted: Rs. 2270/- each	The exercise price of shares allotted: Rs. 1/- each (At par), Rs. 40/- each, Rs. 279.81/- each, Rs. 610/- each, Rs. 640/- each Rs. 846/- each, Rs. 2270/- each,	The exercise price of shares allotted: Rs. 846/- each, Rs 2270/- each	-
8	Variation of terms of options ¹	-		-	-

9	Money realized by exercise of options	7,43,00,911.50	72,84,604	-
10	Total number of options in force	24,96,131	10,07,279	20,29,338
11	Employee wise details of options granted to:			
a.	Key managerial personnel	-	-	-
b.	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	1. Ashwath Bhat - 25,000 2. Suraj Amonkar- 20,000 3. Mrunali Majmudar - 20,000 4. Dipita Chakraborty-20,000 5. Shashidhar Ramakrishnaiah-20,000	-	-
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 F

(This annexure forms part of the Boards' 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.**

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 listed under Schedule VII to the Companies Act, 2013 ('the Act') such as –

- Scholarship Programs for education
- Providing health aids and appliances to the disabled
- Providing infrastructure and other learning aids
- Developing climate resilience and improving livelihoods for marginalized rural farmers.
- Participating for a cause through events
- Teaching, mentorship and reading Programs through school libraries
- Training and enhancing skills of underprivileged women and children

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 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 committee [renamed as Corporate Social Responsibility & Environmental, Social and Governance (CSR & ESG) Committee] as on March 31, 2024, 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	*Mr. Anurag Sud	Director & Chairman	1	1
2	Mr. Puneet Bhatia	Director and member	1	1
3	Mr. Srikanth Velamakanni	Director and member	1	1
4	Mr. Gulu Mirchandani	Director and member	1	1

*The Board of the Company vide circular resolution dated October 31, 2023, reconstituted the composition of CSR & ESG Committee.

** The committee was further reconstituted in June 2024 as follows:

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

During the year under review, one (1) Corporate Social Responsibility & Environmental, Social and Governance Committee meeting was held during the financial year 2023-24. Rest of the business matters were approved by passing the resolutions through circulation, pursuant to the provisions of Companies Act, 2013 read with Secretarial Standards on Meetings of Board of Directors issued by Institute of Company Secretaries of India.

The details of Resolutions passed by way of circulation and meeting are provided below:

Corporate Social Responsibility & Environment, Social and Governance (CSR & ESG) Committee			
Sr. No.	Particulars	Date of Approval	Matters for approval.
1.	CR: 01/2023-24/CSR&ESG	May 16, 2023	Recommendation to the Board of Directors of the Company, the approval, and deployment of INR 60,00,000/- to be incurred for the Corporate Social Responsibility initiatives to be undertaken through CSR/NGO partners.

2.	CR: 02/2023-24/CSR&ESG	June 20, 2023	Approval and recommendation to the Board of Directors the Annual CSR Report forming part of Board's Report for the Financial Year 2022-23.
3.	CR: 03/2023-24/CSR&ESG	June 20, 2023	Noting of the CSR Expenditure made for the Financial Year 2022-23 and take note of the CSR Utilization Certificate.
4.	CR: 04/2023-24/CSR&ESG	June 20, 2023	Consider and review the amendments to the existing Corporate Social Responsibility & Environmental, Social, and Governance ('CSR & ESG') Policy and recommend the same to the Board of Directors for their consideration and approval.
5.	01/2023-24/CSR&ESG	November 09, 2023	<ol style="list-style-type: none"> 1. Noting of Circular Resolutions passed by the committee in the F.Y. 2019-20. 2. Noting of Circular Resolutions passed by the committee in the F.Y. 2020-21. 3. Noting of Circular Resolutions passed by the committee in the F.Y. 2021-22. 4. Noting of Circular Resolutions passed by the committee in the F.Y. 2022-23. 5. Noting of Circular Resolutions passed by the committee in the F.Y. 2023-24. 6. CSR update. 7. Consideration and approval of the annual action plan for financial year 2023-24 and recommendation of the same to the board of directors for their consideration and approval. 8. Approval and recommendation to the board of directors, the expenditure to be incurred towards the corporate social responsibility initiatives for the financial year 2023-24.
5.	CR: 05/2023-24/CSR&ESG	December 12, 2023	Consideration, review and thereafter recommendation to the Board of Directors the draft Environmental, Social and Governance (ESG) policy for consideration and approval.

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 committee (renamed as 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	26,03,64,608
b)	Two percent of average net profit of the company as per sub-section (5) of section 135	52,07,292
c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
d)	Amount required to be set-off for the financial year, if any.	NIL
	Total CSR obligation for the financial year [(b)+(c)-(d)].	52,07,292

F. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

a. (i) Amount spent on CSR on Ongoing Project-

a. (ii) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the project and activity identified	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in INR)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Fractal BAIF project: Promotion of Bamboo Plantation in Tribal parts of Maharashtra Project	Schedule VII (iv)- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga]	Yes	Maharashtra	Dahanu	INR 18,69,175	No, through implementation agency	BAIF Institute for Sustainable Livelihoods and Development	CSR00000259
2	Providing Artificial aids and appliances to disabled	Schedule VII (iii)- promoting gender equality,	No	Rajasthan	Jaipur	INR 15,00,500	No, through implementation	Shree Bhagwan Mahaveer Viklang	CSR00001480

		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.					ntation agency	Sahayata Samiti	
3	i-Mobile Program	Schedule VII (ii) Promoting education, including special education among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Maharashtra	Mumbai	INR 17,02,563.50	No, through Implementation Agency	Agastya International Foundation	CSR00003442

4	Scholarship Support for Higher Education	Schedule VII (ii) Promoting education, including special education among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Gujrat, Karnataka, Delhi &NCR	Ahmed abad, Bengal uru, Gurugram	INR 9,30,817	No, through Implementation Agency	Concern India Foundation	CSR00000898
Total						INR 60,03,055.50			

- b. Amount spent in Administrative Overheads - INR 3,60,710.36
c. Amount spent on Impact Assessment, if applicable: Not applicable.
d. Total amount spent for the Financial Year (a+b+c): INR 60,03,055.50/-
e. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per subsection (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
60,03,055.50	Nil			Nil	

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

Sr. No	Particular	Amount (in Rs).
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	52,07,292
(ii)	Total amount spent for the Financial Year	60,03,055.50
(iii)	Excess amount spent for the Financial Year	4,35,053.14
(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.

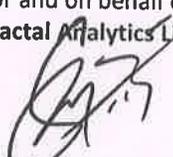
1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified 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 Rs)	Deficiency, if any
					Amount (in Rs)	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


Srikanth Velamakanni
Whole-time Director
DIN: 01722758
Date: June 17, 2024
Place: London



Neelam Dhawan
Director and Chairperson of CSR & ESG Committee
DIN: 00871445
Date: June 17, 2024
Place: London

Registered Office Address:

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

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 and iii) improving quality & affordability of healthcare, safe housing solutions. 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 has developed and published its ESG Policy that represents the Environmental, Social & Governance (ESG) commitments and aspirations of Fractal.**
 - a. Fractal commits to initiating implementation of the ESG and sustainability commitments across all offices and business operations in a strategic and phase-wise manner to ensure management of risks and to add value for all stakeholders.
 - b. Fractal aspires to set ambitious targets and to strive for continuous improvement in ESG performance for offices and operations where ESG implementation is at mature stages.
 - c. Fractal believes that a proactive, science-based, solution-oriented approach will help embed environmental stewardship in its operations and deliver on Fractal's commitment towards environmental responsibility to stakeholders.
 - i. Fractal is publicly committed to achieving Net Zero emissions in accordance with the SBTi Net Zero standard and is presently in the process of setting and validating its targets by or before April 2025.
 - ii. Fractal also reflects on the SBTi, and We Mean Business Coalition portals as a result of its public commitment to environmental stewardship.
 - d. 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 global call for corporate climate action recommended by the Science Based Targets initiative (SBTi).
 - e. 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, and FY 2022-23, covering all the

years of Fractal’s carbon accounting/GHG inventory. Fractal tracks and communicates its progress on UN SDG 13.

- f. **Taskforce On Climate Related Financial Disclosures (TCFD) reporting:** Fractal is also currently in the process of completing its TCFD reporting. This will serve as a comprehensive framework for assessing and disclosing climate-related risks and opportunities. Through this exercise, Fractal aims to enhance our understanding of the potential of climate-related impact on our business and value chain and will establish a solid foundation for addressing these issues effectively.
- g. **Carbon Disclosure Project (CDP) Reporting and Fractal’s first EcoVadis Assessment:** Fractal has been privately reporting on CDP for the last 3 years on client request and has most recently scored a **B** rating. Fractal has also recently completed its submission to Ecovadis for the fiscal year 2022-23 and received its EcoVadis score as an EcoVadis committed organization.
- h. **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 continued to be powered by renewable energy from the grid, accounting for around 55% of its corporate real estate in FY 2023-24; 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).

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

Fractal CSR outreach: Fractal contributed INR 6,003,055.50 (INR 6 M) for FY 2023-2024. This amount was greater than the mandatory required deployment of INR 5,207,292 (INR 5.2 M).

 <p style="text-align: right; font-size: 2em; font-weight: bold;">01</p> <p>13,750 bamboo germplasm plantation + creation of 125 vegetable gardens creating future and interim income for marginalized tribal farmers. Interim income impact: INR 6,000/family/month. Climate resilience, UN SDG 13 action.</p>	 <p style="text-align: right; font-size: 2em; font-weight: bold;">02</p> <p>1,400 students reached via the iMobile innovation lab program in its 3rd year. Expected outcome: Increase in comfort with science lessons due to hands on learning exposure through the year</p>
 <p style="text-align: right; font-size: 2em; font-weight: bold;">03</p> <p>Sponsorship of artificial limbs, calipers, mobility aids to the economically severely under privileged. Impact: 280 people linked to critical mobility aids enabling their social inclusion and disability support.</p>	 <p style="text-align: right; font-size: 2em; font-weight: bold;">04</p> <p>Financial aid and career guidance to talented female students from underprivileged backgrounds to significantly improve their career prospects. Impact: Scholarships to 10 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.

Key volunteering initiative: Fractal FFE Mentorship Program

Fractal CSR sponsored the mentorship of 25 academically gifted and financially deserving students in India pursuing degrees in Engineering (BE)/Technology and (BTech). FFE’s scholars are academically gifted, but due to a lack of beyond community exposure, often lack essential job readiness skills. The FFE mentoring program has been specially developed for third year FFE Engineering scholars to help them acquire essential career-relevant skills that are necessary for building a foundation for a good career. FFE’s Mentoring Program is also designed with employability as its focus to enable students to better their chances of internships and placements at reputed organizations /Institutions. The mentorship program at Fractal was conducted virtually. Mentors and mentees both reported a positive and meaningful set of interactions and mentees reported improved understanding of soft skills, time management and business communication.

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 **279** Fractalites across levels participated in this campaign with the remainder of the kits sponsored by Fractal. In total **700** kits amounting to **INR 3,50,000** were contributed to children across the communities at Fractal base locations. Please find below the location wise details.

Locations	CSR partner	School name and Grade	What's in the kit	No of students
Bengaluru	Embassy - ETV	Government Kannada Higher Primary School, Sanjaynagar and Ashwathnagara Grade 1-7	Health kit +Drawing Book + Notebook and story book	250
Chennai	Embassy - ETV	Government ADW Primary School Nagalkeni Grade 1-7	Health kit + Drawing Book + Notebook and story book	50
Gurugram	Agastya International Foundation	Government Senior Secondary School Garhi Harsaru Grade 8	Geometry box + 2 story books + drawing book + art supplies	100

Mumbai	Akanksha Foundation	Mahatma Phule Market Mumbai Public School – Mumbai Grade 8-10	Activity book + Long notebooks + Geometry box	125
		Wadi Bandar Mumbai, Public school Mazgaon Grade 8-10	Activity book + Writing pad	125
Pune	Agastya International Foundation	Ram Bhou Parulekar Vidya Niketan Grade 8	Scholarship guide and set of 2 Story books	50

Annual volunteering initiative: TCS World 10K Bengaluru (May, 2023), Vedanta Delhi Half Marathon (October, 2023) and the TATA Mumbai Marathon (Jan, 2024)

Fractal has expanded its involvement in city marathons to include employees from Bengaluru and Gurugram. Fractal sponsored over 20 Fractalites from Bengaluru to participate in the TCS World 10K Bengaluru Marathon, encompassing the open run and the 'Majja Run' categories. Additionally, more than 35 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 45 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.

Upheld our commitment to the environment through a series of events leading up to 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 400 mango grafts, with more than 30 Fractalites volunteering to plant 100 mango grafts in the Jawahar region of Palghar district.

Fractal collaborated with the United Way of Mumbai to organize a beach clean-up drive, aiming to raise awareness about the detrimental effects of plastic pollution on the marine ecosystem and local wildlife. More than 30 Fractal volunteers participated in preserving the beach environment by ensuring it remained free of waste.

4. Fractal's continued commitment towards ESG responsibilities – social procurement and building diversity and sustainability in the value chain at Fractal.

Increase in diverse, sustainable social procurement by Fractal.

Fractal recognizes the importance of having a diverse supplier base. Fractal CSR actively procures products from non-profits and other concerns run by the differently abled, women entrepreneurs and organizations that regularly recycle and up-cycle resources to produce sustainable products.

On the occasion of annual holiday mementoes in India, Fractal provided an opportunity to 4 sustainable enterprises and sourced sustainably designed products worth USD 150,000 for employees across India and other stakeholders across the globe. For the fiscal FY 2023-24, this was an increase of 19 % over the previous year's diverse and sustainable sourcing initiatives.

Sirohi - Sirohi is a sustainable, luxe brand dedicated to empowering artisans in India. Their products are made of natural fibers, textile waste and industrial plastic waste. They not only promote sustainable products for conscious buyers but also actively contribute to uplifting Indian artisans.

Clan Earth - Clan Earth makes eco-friendly products from sustainable materials such as cotton, cork, and jute, along with completely plastic-free and zero-waste packaging. The brand places a strong emphasis on conducting life cycle assessments for each product. Additionally, for every product sold, Clan Earth plants 5 saplings, with a remarkable count of over 17,000 saplings planted so far.

ReCharkha - ReCharkha is an eco-social enterprise that focuses on conserving our environment and heritage and enabling livelihoods for women and artisans from remote tribal rural areas. The focus is on resolving the issue of Waste Management by upcycling all plastic waste and produce handicraft items using traditional charkha and handloom methods, avoiding electricity and chemicals, minimizing water and carbon footprint.

White Light Elements - White light Elements designs innovative products that are conceptualizes on mindfulness practices & habits. These sustainable products are meticulously handmade, utilizing natural materials like wood and metal, with a commitment to supporting underprivileged craftsmen and artisans.

Empowering women run businesses that empower other women.

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 at Fractal but targeted towards women colleagues.

Empowering diverse and sustainable businesses: Mindful workshop in line with UN theme 'Invest in women, accelerate progress' for the International Women's Day

Fractal CSR Organized an interactive, sustainable workshop for engaging Fractalites with beneficiaries of Fractal's social procurement initiatives, under the aegis of International Women's Day. Representatives from Millet Bank, Sirohi, and reCharkha visited Fractal India offices, engaging Fractalites with their crafts and sustainable ethos.

ANNEXURE G

(This annexure forms part of the Boards' Report)

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	N.A.

In compliance with the Prevention of Sexual Harassment Act 2013, the 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, the 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.

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" or "the Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the consolidated balance sheet as at 31 March 2024, 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 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 associate as at 31 March 2024, of its consolidated loss and other comprehensive income, 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 associate 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 associate 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 associate 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

Registered Office:



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

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 associate 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 associate 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 associate 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 associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

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 nine subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs.857.52 million as at 31 March 2024, total revenues (before consolidation adjustments) of Rs.690.00 million and net cash inflows (before consolidation adjustments) of Rs.34.82 million for the year ended on that date, as considered in the consolidated financial statements. 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 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 the reports of the other auditors.

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.

- b. The financial statements/financial information of twenty two subsidiaries (including step-down subsidiaries), whose financial statements/financial information reflects total assets (before consolidation adjustments) of Rs. 2,767.14 million as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 3,403.55 million and net cash outflows (before consolidation adjustments) of Rs. 191.28 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net loss (and other comprehensive loss) of Rs. 165.59 million for the year ended 31 March 2024, as considered in the consolidated financial statements, in respect of one associate (including its step down subsidiaries), whose financial statements/financial information have not been audited by us or by other auditors. These unaudited financial statements/financial information has 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 associate, 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 associate, 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.



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

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 financial statements of such subsidiaries 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 except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and that the back-up of the books of account and other relevant books and papers in electronic mode in respect of the Holding Company and eight subsidiaries 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 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 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) 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 and its subsidiary 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 financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:
 - a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group and its associate. Refer Note 39(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 associate.



Independent Auditor's Report (*Continued*)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

- 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 2024.
- d (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies respectively that, to the best of their knowledge and belief, as disclosed in the Note 41(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 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 ("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 incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies respectively that, to the best of their knowledge and belief, as disclosed in the Note 41(ii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies 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 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 incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or 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 has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks and that performed by the respective auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, except for instances mentioned below, the Company and its subsidiary companies have used accounting softwares for maintaining its books of account, which along with access management tool, as 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 the Holding Company and its eight subsidiaries, the feature of recording audit trail (edit log) facility was not enabled for the accounting software used for maintaining the general ledger for the entire year
- ii. In respect of the Holding Company and its eight subsidiaries, the feature of recording audit trail (edit log) facility was not enabled for the accounting software used for maintaining the revenue transactions for the period April 2023 to August 2023 at application level and for the period April 2023 to June 2023 at database level
- g. iii. In respect of the Holding Company and its eight subsidiaries, in the absence of an independent auditor's report in relation to controls at a service organisation for an accounting software used for maintaining payroll master, 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



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

throughout the year for all the relevant transactions recorded in the software.

- h. iv. In respect of the Holding Company and its eight subsidiaries, in the absence of an independent auditor's report in relation to controls at a service organisation for an accounting software used for payroll processing, 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 during the period 1 October 2023 to 31 March 2024 for all the relevant transactions recorded in the software.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we and the auditors of the subsidiary companies did not come across any instance of audit trail feature being tampered with during the course of the audits.

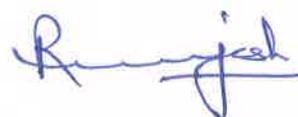
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the provisions of Section 197 of the Act are not applicable to the Holding Company and its subsidiary companies incorporated in India since none of these companies is a public company. 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.:101248WW-100022



Rajesh Mehra

Partner

Place: Mumbai

Date: 17 June 2024

Membership No.: 103145

ICAI UDIN:24103145BKFWLL2819

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 2024

(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 its 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	(xvii) relating to cash losses
2	Senseforth AI Research Private Limited	U72900KA2017PTC101706	Subsidiary	(xvii) relating to cash losses
3	Analytics Vidhya Educon Private Limited	U80904MP2014PTC032389	Subsidiary	(xvii) relating to cash losses

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report.

Name of the entities	CIN	Subsidiary/ JV/ Associate
Qure.ai Technologies Private Limited	U74999MH2016PTC283891	Associate



B S R & Co. LLP

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 2024 (Continued)

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

Chartered Accountants

Firm's Registration No.:101248WW-100022



Rajesh Mehra

Partner

Place: Mumbai

Date: 17 June 2024

Membership No.: 103145

ICAI UDIN:24103145BKFW/LL2819

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 2024

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 2024, 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,, as of that date.

In our opinion and based on the consideration of report of the other auditor on internal financial controls with reference to financial statements of a subsidiary company, as were audited by the other auditor, the Holding Company and such company incorporated in India which is its subsidiary 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 2024, 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 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 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.



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 2024 (Continued)

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the relevant subsidiary company in terms of their report 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 statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

The internal financial controls with reference to financial statements insofar as it relates to one associate company, which is a company incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditor. In our opinion and according to the information and explanations given to us by the Management, such unaudited associate company is not material to the Holding Company.



B S R & Co. LLP

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 2024 (Continued)

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

Place: Mumbai

Date: 17 June 2024

Membership No.: 103145

ICAI UDIN:24103145BKFWLL2819

Fractal Analytics Limited

(Formerly known as Fractal Analytics Private Limited)

Consolidated Balance Sheet as at March 31, 2024

(in Rupees million)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	(3)	227	412
(b) Right-of-use assets	(4)	1,166	468
(c) Goodwill	(5)	3,513	3,475
(d) Other Intangible assets	(6)	1,356	1,229
(e) Intangible assets under development	(6.1)	59	7
(f) Investment accounted for under the equity method	(7)	4,259	4,479
(g) Financial assets			
(i) Investments	(7)	79	12
(ii) Other financial assets			
- Bank deposits	(11)	9	80
- Others	(11)	164	187
(h) Deferred tax assets (net)	(13)	479	399
(i) Income tax assets (net)		193	162
(j) Other non-current assets	(12)	12	40
Total non-current assets (A)		11,516	10,950
(B) Current assets			
(a) Financial assets			
(i) Investments	(7)	4,455	2,906
(ii) Trade receivables	(8)	5,333	5,009
(iii) Cash and cash equivalents	(9a)	812	2,132
(iv) Bank balances other than (iii) above	(9b)	66	71
(v) Loans	(10)	282	269
(vi) Other financial assets	(11)	65	-
(b) Other current assets	(12)	1,391	1,150
Total current assets (B)		12,404	11,537
Total assets (A+B)		23,920	22,487
EQUITY AND LIABILITIES			
(A) Equity			
(a) Share capital	(14)	31	31
(b) Other equity	(15)	14,026	13,400
Equity attributable to equity holders of the Company		14,057	13,431
(c) Non-controlling interest		142	203
Total equity (C)		14,199	13,634
(B) Liabilities			
(I) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	(16)	2,501	3,221
(ii) Lease liabilities	(30)	913	243
(iii) Other financial liabilities	(18)	310	140
(b) Provisions	(20)	187	118
(c) Deferred tax liabilities	(13)	1,016	1,016
Total non-current liabilities (D)		4,927	4,738
(II) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	(16)	-	35
(ii) Lease liabilities	(30)	218	273
(iii) Trade payables	(17)		
- Total outstanding dues of micro and small enterprises		40	5
- Total outstanding dues of creditors other than micro and small enterprises		472	566
(iv) Other financial liabilities	(18)	2,454	1,866
(b) Other current liabilities	(19)	1,408	1,242
(c) Provisions	(20)	148	110
(d) Current tax liabilities (net)		54	18
Total current liabilities (E)		4,794	4,115
Total liabilities (D+E)		9,721	8,853
Total Equity and Liabilities (C+D+E)		23,920	22,487

Material accounting policies

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



Rajesh Mehra

Partner

Membership Number: 103145

Mumbai

Date: June 17, 2024

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

CIN: U72400MH2000PLC125369



Srikanth Velamakanni

Whole-time Director

DIN: 01722758

London

Date: June 17, 2024




Sasha Gulu Mirchandani

Director

DIN: 01179921

London

Date: June 17, 2024



Somya Agarwal

Company Secretary

Membership number: A17336

London

Date: June 17, 2024

Fractal Analytics Limited
(formerly known as Fractal Analytics Private Limited)

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(in Rupees million)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
(1) Income			
(a) Revenue from operations	(21)	21,963	19,854
(b) Other income	(22)	456	583
Total Income		22,419	20,437
(2) Expenses			
(a) Employee benefits expense	(23)	17,370	16,085
(b) Employee stock option expense	(33)	963	1,587
(c) Finance costs	(24)	445	453
(d) Depreciation and amortisation expense	(25)	832	781
(e) Other expenses	(26)	2,896	3,346
Total Expenses		22,506	22,252
(3) (Loss) before share of loss of an associate, exceptional items and tax expense (1-2)		(87)	(1,815)
(4) Share of (loss) of an associate	(37)	(163)	(290)
(5) (Loss) before exceptional items and tax expense (3-4)		(250)	(2,105)
(6) Exceptional items	(26.1)	(55)	5,239
(7) (Loss) / Profit before tax expense (5-6)		(305)	3,134
(8) Tax expense	(13)		
(a) Current tax		325	179
(b) Deferred tax (credit)/charge		(83)	1,011
Total tax expense		242	1,190
(9) (Loss) / Profit for the year (7-8)		(547)	1,944
(10) Other comprehensive income			
(1) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement of defined employee benefit plans		23	24
(b) Income tax on item (a) above		(6)	(7)
(2) Items that will be reclassified subsequently to profit or loss			
(a) Effective portion of gains on derivatives designated as cash flow hedge		50	-
(b) Effective portion of gains on derivatives designated as cash flow hedge reclassified to profit or loss		(7)	-
(c) Income tax on items (a) & (b) above		(11)	-
(d) Share of loss of associate (net of taxes) recognised in other comprehensive income		(2)	1
(e) Exchange differences on translation of foreign operations		1	79
Total other comprehensive income		48	97
(7) Total comprehensive (Loss) / income for the year		(499)	2,041
(Loss) / Profit for the year attributable to:			
Owners of the parent		(475)	2,030
Non-Controlling Interest		(72)	(86)
Total		(547)	1,944
Other comprehensive income for the year attributable to:			
Owners of the parent		48	97
Non-Controlling Interest*		(0)	0
Total		48	97
Total comprehensive (loss) / income for the year attributable to:			
Owners of the parent		(427)	2,127
Non-Controlling Interest		(72)	(86)
Total		(499)	2,041
Earnings per share (Rupees per share)	(38)		
Face value of Rs 1 each			
(1) Basic EPS		(15.60)	66.96
(2) Diluted EPS		(15.60)	62.08

* Amount less than Rs 1 million

Material accounting policies

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

As per our report of even date attached.

For BSR & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022



Rajesh Mehra

Partner

Membership Number: 103145

Mumbai

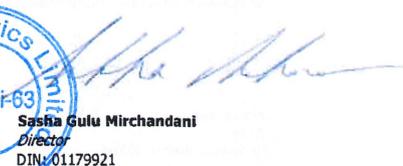
Date: June 17, 2024

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

CIN: U72400MH2000PLC125369



Srikanth Velamakanni
Non-time Director
DIN: 01722758

Sashu Gulu Mirchandani
Director
DIN: 01179921

London

Date: June 17, 2024

London

Date: June 17, 2024



Soniya Agarwal
Company Secretary

Membership number: A17336

London

Date: June 17, 2024

Particulars	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
(A) Cash flows from operating activities		
Profit before tax expense	(305)	3,134
Adjustment for:		
Depreciation and amortization expense	583	535
Depreciation on right of use asset	249	246
Interest expense on borrowings and lease liabilities	445	433
Interest income on bank deposits and loan to directors	(30)	(12)
Net gain on redemption/fair valuation of financial instruments	(285)	(165)
Unrealised (loss)/gain on forward contracts	(51)	45
Interest income on unwinding of security deposits	(12)	(11)
Gain on loss of control of subsidiary (Refer note 26.1 and 37)	-	(5,410)
Unrealised foreign exchange (gain)/loss (net)	41	(32)
Employee stock option expense	963	1,587
Group's share of losses in associate	163	290
Remeasurement of retained interest in associate	55	-
Impairment in value of assets	-	171
Provision for tax settlement (Refer note 2b(a))	5	80
Bad debts	1	-
Provision for expected credit loss and doubtful advances	43	54
Operating cash flow before working capital changes	1,865	945
Adjustment for changes in working capital:		
(Increase) in trade receivables	(398)	(1,347)
(Increase) / Decrease in other current financial assets	(8)	96
(Increase) in other non current financial assets	(13)	(82)
(Increase) in other current assets	(257)	(259)
Decrease / (Increase) in other non current assets	28	(14)
(Decrease) / Increase in trade payables	(58)	54
Increase in other non current financial liabilities	170	140
Increase in other current financial liabilities	310	616
Increase in provisions	124	45
Increase / (Decrease) in other current liabilities	155	(288)
Cash generated from operations	1,918	(94)
Tax paid (net of refunds)	(323)	(212)
Net cash flow generated from / (used in) operating activities	1,595	(306)
(B) Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(245)	(339)
Loans repayment	-	251
Payment towards subscription of equity shares	(0)	-
Amount received on sale of financial assets	5	-
Payment towards acquisition of shares from Non controlling interest	(4)	-
Maturity of bank deposits (net)	76	182
Payment of deferred consideration	(16)	(137)
Purchase of mutual fund units	(8,203)	(6,651)
Maturity proceeds on redemption of mutual fund units	6,866	7,939
Interest on bank deposits	20	4
Net cash flow (used in) / generated from investing activities	(1,501)	1,249
(C) Cash flow from financing activities		
Proceeds from issue of equity shares and share application money pending allotment	100	151
Proceeds from issue of equity shares issued by subsidiary company to Non controlling interest	0	14
Repayment of Lease liabilities (Refer Note 30)	(313)	(325)
Interest paid during the year	(401)	(389)
Repayments of borrowing	(836)	(25)
Net cash flow used in financing activities	(1,450)	(574)
Net (Decrease) / Increase in cash and cash equivalents (A+B+C)	(1,356)	369
Cash and cash equivalents at the beginning of the year	2,132	1,832
Derecognition of Cash and cash equivalents of subsidiary	-	(159)
Effect of exchange rate changes	36	90
Cash and cash equivalents at the end of the year	812	2,132
Cash and cash equivalents comprise of:		
Cash in hand*	0	0
Balance with banks:		
In current accounts	812	2,132
Total cash and cash equivalents	812	2,132

*Amount less than Rs 1 million

- The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- Purchase of property, plant and equipment and intangibles are shown inclusive of movements in Intangible asset under development.

3. Details of borrowings

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	3,256	3,009
Cash movement (net)	(836)	(25)
Effect of exchange rate changes	81	272
Balance at the end of the year	2,501	3,256

Material accounting policies

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

As per our report of even date attached.

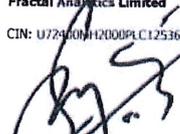
For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number: 101248W/W-100022


Rajesh Mehra
Partner
Membership Number: 103145

Mumbai
Date: June 17, 2024

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

CIN: U72400MH2000PLC125369


Srikanth Velamkanni
Whole-time Director
CIN: U72275B

London
Date: June 17, 2024


Sasha Gulu Mirchandani
Director
DIN: 01179921

London
Date: June 17, 2024


Somya Agarwal
Company Secretary
Membership number: A17336

London
Date: June 17, 2024



Consolidated Statement of Changes in Equity for the year ended March 31, 2024

(A) Equity share capital

(in Rupees million)		
Particulars	Note	Amount
Balance as at April 01, 2023		26
Changes in equity share capital during the year*	(14)	0
Balance as at March 31, 2024		26
Balance as at April 01, 2022		26
Changes in equity share capital during the year*	(14)	0
Balance as at March 31, 2023		26

* Amount less than Rs 1 million

(B) Instruments and equity in nature - Series B 0.001 % Compulsorily convertible preference shares

(in Rupees million)		
Particulars	Note	Amount
Balance as at April 01, 2023		5
Changes in preference share capital during the year	(14)	-
Balance as at March 31, 2024		5
Balance as at April 01, 2022		5
Changes in preference share capital during the year	(14)	-
Balance as at March 31, 2023		5

(C) Other equity

Particulars	Reserve and Surplus				Share application money pending allotment	Items of other comprehensive income		Total attributable to Owners of the Company	Attributable to Non controlling Interest	Total equity
	Securities premium	Employee stock option reserve (ESOP)	Retained earnings	Remeasurement of defined benefit plans		Exchange differences on translating the financial statements of a foreign operation	Effective portion of gains on derivatives designated as cash flow hedge (net)			
Balance as at April 01, 2023	11,977	2,017	(636)	(127)	3	166	-	13,400	203	13,603
Profit/(loss) for the year	-	-	(475)	-	-	-	-	(475)	(72)	(547)
Other comprehensive income*	-	-	-	15	-	1	32	48	(0)	48
Total comprehensive income	-	-	(475)	15	-	1	32	(427)	(72)	(499)
Issue of equity shares*	81	-	-	-	(3)	-	-	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)	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	12,108	2,880	(1,071)	(112)	22	167	32	14,026	142	14,168
Balance as at April 1, 2022	11,786	487	(2,660)	(151)	-	87	-	9,549	1,450	10,999
Profit/(loss) for the year	-	-	2,030	-	-	-	-	2,030	(86)	1,944
Other comprehensive income	-	-	-	18	-	79	-	97	0	97
Total comprehensive income	-	-	2,030	18	-	79	-	2,127	(86)	2,041
Issue of equity shares	148	-	-	-	-	-	-	148	14	162
Share application money received during the year	-	-	-	-	3	-	-	3	-	3
Derecognition of non controlling interest due to change in relationship from subsidiary entity to associate entity (Refer note 37)	-	-	-	-	-	-	-	-	(1,189)	(1,189)
Transfer of other comprehensive loss of associate entity to retained earnings	-	-	(6)	6	-	-	-	-	-	-
Employee stock option expense	-	1,573	-	-	-	-	-	1,573	14	1,587
Transfer to retained earnings on account of vested ESOP lapsed*	-	(0)	0	-	-	-	-	-	-	-
Transfer to securities premium on account of exercised ESOP	41	(43)	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	11,977	2,017	(636)	(127)	3	166	-	13,400	203	13,603

* Amount less than Rs 1 million

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 option reserve**: This relates to stock options granted by the parent to its employees under an Employee stock options plan.
- (c) **Retained earnings**: Retained earnings are the profits that the Group has earned till date net of appropriations.
- (d) **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. Rs. 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 or Loss on the disposal of the foreign operation.
- (e) **Share application money pending allotment**: Share application money pending allotment represents application money received on account of employees stock option scheme.
- (f) **Remeasurement of defined benefit plans** : Comprises actuarial gains and losses and return on plan assets (excluding interest income).
- (g) **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 period in which the underlying hedged transactions are settled.

Material accounting policies

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: 101248/W-100022

For and on behalf of the Board of Directors of
Fractal Analytics Limited
CIN: U72400MH2000PLC125369

Rajesh Mehra
Partner
Membership Number: 103145

Srinivasa Velamakanni
Whole time Director
DIN: 01722758

Sasha Gulu Mirchandani
Director
DIN: 01179921

Somya Agarwal
Company Secretary
Membership number: A17336

Mumbai
Date: June 17, 2024

London
Date: June 17, 2024

London
Date: June 17, 2024

London
Date: June 17, 2024



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

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

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 certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), Employees Stock Option plan as per fair value of the option and Employee's net defined benefit (asset) / liability at fair value of plan assets less the present value of the defined benefit obligation..

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.

These consolidated financial statements were authorised for issuance by the Board of Directors at their meeting held on June 17, 2024.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and its associate as at and for the year ended March 31, 2024.

The consolidated financial statements 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.



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

- (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.



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

- (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 off 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 statements, 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.



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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

2.6 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.



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The estimated useful lives are as follows:

Description of assets	Useful life of assets (Years)
Computer Software	3
Client Relationships	3
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.

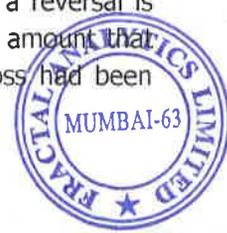
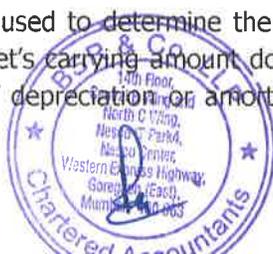
An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss.

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 the property, plant and equipment or intangible 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



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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 statements 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.

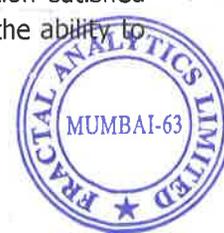
On consolidation, exchange differences are recognized in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

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:

(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 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.



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Revenue from time and material contracts is recognised 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.



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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 and provident fund 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.

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 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.



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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.

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

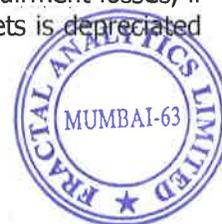
The Group as a lessee

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.



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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. Under Ind AS 116, it will result in increase in cash outflows in financing activities and increase in cash inflows in operating activities.

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.

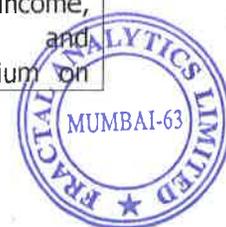
The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and
- 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	At fair value plus transaction costs that are directly attributable to the acquisition	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on

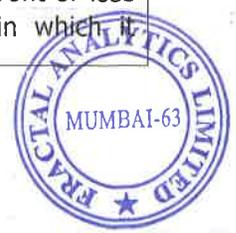


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		payments of principal and interest on principal amount outstanding are measured at amortized cost.	of the financial asset	acquisition. EIR amortization is included in finance income. Any gain or loss on derecognition of the financial Instrument measured 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 Consolidated Statement of Profit and Loss Interest income, transaction cost and discount or premium on acquisition are recognized in the Consolidated 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 Consolidated Statement of Profit and Loss in other gain and loss head.
	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 are expensed to Statement of Consolidated	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



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			Statement of Profit and Loss	<p>arises.</p> <p>Changes in fair value of such assets are recorded in Consolidated Statement of Profit and Loss as other gains/ (losses) in the period in which it arises.</p> <p>Interest income from these financial assets is included in the finance income.</p>
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	<p>Changes in fair value of such instruments are recorded in OCI.</p> <p>On disposal of such instruments, no amount is reclassified to Consolidated 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 Consolidated 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 Consolidated Statement of Profit and Loss	Changes in fair value of such assets are recorded in Consolidated Statement of Profit and Loss.



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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.

Initial and subsequent measurement of Cash flow hedges:

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value exceeds the contract amount and as financial liabilities when the fair value is less than the contract amount. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Consolidated Statement of Profit and Loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to Consolidated Statement of Profit and Loss when the hedge item affects profit and loss upon settlement of transactions.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

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 to profit or loss.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

(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.



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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.

B. 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)



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(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 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.

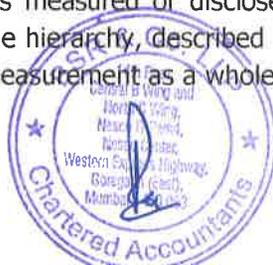
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes 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 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:



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- 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.



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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 Balance Sheet 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 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.

2.20 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.

2.21 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.



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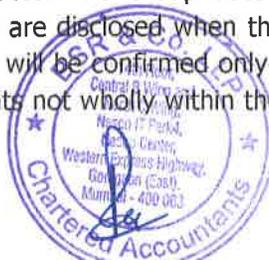
The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Group's normal operating cycle is twelve months.

2.22 Significant accounting estimates, judgements and assumptions:

The preparation of the Group's consolidated 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 consolidated 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 Group's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the consolidated financial statements:

- 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



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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 statements.

- 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.



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2.23 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, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.



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(3) Property, plant and equipment

(in Rupees million)

Particulars	Computers and accessories	Leasehold improvements	Furniture and fixtures	Vehicles	Office equipment	Total
Gross carrying amount						
As at April 01, 2023	834	260	64	-	392	1,550
Reclassification [^]	-	220	-	-	(220)	-
Additions	72	-	1	-	4	77
Disposals*	(19)	(1)	(0)	-	(3)	(23)
Exchange differences on translating the financial statements of foreign operation	2	3	-	-	-	5
As at March 31, 2024	889	482	65	-	173	1,609
Accumulated depreciation						
As at April 01, 2023	517	232	36	-	353	1,138
Reclassification [^]	-	196	-	-	(196)	-
Charge for the year	202	51	5	-	4	262
Disposals*	(19)	(1)	(0)	-	(3)	(23)
Exchange differences on translating the financial statements of foreign operation*	2	3	-	-	0	5
As at March 31, 2024	702	481	41	-	158	1,382
Net carrying amount as at March 31, 2024	187	1	24	-	15	227
Gross carrying amount						
As at April 01, 2022	693	260	64	1	368	1,386
Additions*	182	-	0	-	4	186
Derecognition on account of loss of control of subsidiary company (Refer note 37)*	(33)	-	-	-	(0)	(33)
Disposals*	(11)	-	(0)	(1)	(0)	(12)
Exchange differences on translating the financial statements of foreign operation*	3	-	-	-	20	23
As at March 31, 2023	834	260	64	-	392	1,550
Accumulated depreciation						
As at April 01, 2022	361	203	31	1	295	891
Derecognition on account of loss of control of subsidiary company (Refer note 37)*	(18)	-	-	-	(0)	(18)
Charge for the year	181	29	5	-	41	256
Disposals*	(9)	-	-	(1)	(0)	(10)
Exchange differences on translating the financial statements of foreign operation*	2	-	-	-	17	19
As at March 31, 2023	517	232	36	-	353	1,138
Net carrying amount as at March 31, 2023	317	28	28	-	39	412

*Amount less than Rs 1 million

[^] Leasehold improvement is reclassified for one of the office premises from office equipment.

Note : The Group does not hold any immovable properties.

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(4) Right of use assets

(in Rupees million)

Particulars	Amount
Gross carrying amount	
As at April 01, 2023	1,224
Additions	948
Disposals	(793)
Exchange differences on translating the financial statements of foreign operations	4
As at March 31, 2024	1,383
Accumulated depreciation	
As at April 01, 2023	756
Charge for the year	249
On disposals	(790)
Exchange differences on translating the financial statements of foreign operations	2
As at March 31, 2024	217
Net carrying amount as at March 31, 2024	1,166
Gross carrying amount	
As at April 01, 2022	1,148
Additions	276
Disposals	(218)
Exchange differences on translating the financial statements of foreign operations	18
As at March 31, 2023	1,224
Accumulated depreciation	
As at April 01, 2022	689
Charge for the year	246
On disposals	(187)
Exchange differences on translating the financial statements of foreign operations	8
As at March 31, 2023	756
Net carrying amount as at March 31, 2023	468

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.



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Notes to Consolidated financial statements as at and for year ended March 31, 2024

(5) Goodwill

(in Rupees million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Goodwill at the beginning of the year	3,475	3,261
Add: Exchange differences on translating the financial statements of foreign operations	38	214
Goodwill at the end of the year	3,513	3,475

The carrying amount of goodwill allocated to acquisitions are as follows:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Final Mile Consultants Private Limited	278	278
4i Consulting Inc (Refer Note 35)	221	218
Senseforth.ai Group	366	362
Asper.ai Group	123	122
Analytics Vidhya Educon Private Limited	182	181
Neal Analytics Group (Refer Note 35)	2,343	2,314
Total	3,513	3,475

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% (March 31, 2023 : 3% to 5%) Terminal growth rate and discount rate of 18 % to 30% (March 31, 2023 : 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).



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(6) Other Intangible assets

(in Rupees million)

Particulars	Computer Software	Client relationship	Internally generated Intellectual Property	Brand	Developed Content	Patent	Total
Gross carrying amount							
As at April 01, 2023	107	927	981	30	102	4	2,151
Additions	313	-	119	-	-	-	432
Exchange differences on translating the financial statements of foreign operation	4	12	9	-	-	1	26
As at March 31, 2024	424	939	1,109	30	102	5	2,609
Accumulated amortization							
As at April 01, 2023	65	165	666	8	14	4	922
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
As at March 31, 2024	108	261	841	14	24	5	1,253
Net carrying amount as at March 31, 2024	316	678	268	16	78	-	1,356
Gross carrying amount							
As at April 01, 2022	56	859	885	30	102	4	1,936
Additions	48	-	231	-	-	-	279
Derecognition on account of loss of control of subsidiary company (Refer note 37)	-	-	(183)	-	-	-	(183)
Exchange differences on translating the financial statements of foreign operation	3	68	48	-	-	-	119
As at March 31, 2023	107	927	981	30	102	4	2,151
Accumulated amortization							
As at April 01, 2022	49	68	505	2	4	4	632
Derecognition on account of loss of control of subsidiary company (Refer note 37)	-	-	(108)	-	-	-	(108)
Charge for the year	13	93	157	6	10	-	279
Provision for Impairment loss	-	-	84	-	-	-	84
Exchange differences on translating the financial statements of foreign operation	3	4	28	-	-	-	35
As at March 31, 2023	65	165	666	8	14	4	922
Net carrying amount as at March 31, 2023	42	762	315	22	88	-	1,229

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, 2024 is as follows :

Year ending 31 March	In Rupees Million
2025	368
2026	318
After 2026	670

Note 3 : During the previous year the Group had assessed the carrying value of its intangible assets of one of the subsidiary and basis its assessment, the recoverable amount is less than the carrying value and accordingly has provided for impairment loss of Rs 84 million.

(6.1) Intangible Assets Under Development (IAUD)

Particulars	(in Rupees million) Amount
Gross carrying amount	
As at April 01, 2023	7
Additions	171
Less: Capitalisation	(119)
As at March 31, 2024	59
Gross carrying amount	
As at April 01, 2022	299
Additions	102
Less: Capitalisation	(231)
Less : Provision for Impairment in value of IAUD (Refer note below)	(87)
Less : Derecognition of assets on account of Loss of control of subsidiary company (Refer note 37)	(76)
As at March 31, 2023	7

Note 1 : During the previous year the Group has assessed the carrying value of its intangible assets in a subsidiary company and basis its assessment the recoverable amount is less than the carrying value and accordingly has provided for impairment loss of Rs 4 million.

Note 2: Based on the evaluation done by the Group as at March 31, 2023, one of the subsidiary company does not foresee commercial operation in near future date, leading to intangible asset under development's recoverable amount to be below its carrying amount and hence 100% impairment provisioning is recognised amounting to Rs 83 million.

Ageing of Projects in progress (at gross value)

	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, 2024	59	13	15	59	146
As at March 31, 2023	20	15	13	46	94

Breakup of nature of expenses which has been capitalised

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Salaries, wages and bonus	88	95
Other expenses	83	7
Total	171	102



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Particulars	(In Rupees million)	
	As at March 31, 2024	As at March 31, 2023
(7) Investments (Non-current)		
A. Investment in equity instruments of Associates accounted under the equity method		
Investments in unquoted equity instruments		
Qure.ai Technologies Private Limited 250,000,000 (March 31, 2023: 250,000,000) equity shares of Rs 1 fully paid up (Refer note 37)	4,259	4,479
Total carrying value	4,259	4,479
B. Common stock (Unquoted, measured at fair value through profit and loss) Commure, Inc. (March 31, 2024 : 5,003 shares of common stock) (March 31, 2023 : Nil shares of common stock)	33	-
C. Preferred stock (Unquoted, measured at fair value through profit and loss) Commure, Inc. (March 31, 2024 : 6,941 shares of series D preferred stock) (March 31, 2023 : Nil shares of series D preferred stock)	46	-
D. Preferred stock (Unquoted, measured at fair value through profit and loss) RX.health, Inc. (March 31, 2024 : Nil shares of series Seed-2 preferred stock) (March 31, 2023 : 658,761 shares of series Seed-2 preferred stock)	-	12
D. Equity (Unquoted, measured at amortised cost) QI-Cap Investments Private Limited* (March 31, 2024 : 132,567 shares of face value Rs 1 each March 31, 2023 : Nil)	0	-
	79	12
Total (non-current)	4,338	4,491
(7) Investments (Current)		
(Measured at fair value through profit and loss) Investment in liquid mutual funds (unquoted)	4,455	2,906
Total other investments	4,455	2,906
(a) Aggregate carrying value of unquoted investments	8,793	7,397

Note 1 : During the year ended March 31, 2024, the Group has 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. Accordingly, the investment is fair valued and gain of Rs 67 million is recognised in the Consolidated Statement of Profit and Loss.

*Amount less than Rs 1 million



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Notes to Consolidated financial statements as at and for year ended March 31, 2024

(in Rupees million)

Particulars	As at	
	March 31, 2024	March 31, 2023
(8) Trade receivables		
<i>Trade receivables</i>		
- Unsecured, considered good	3,825	3,454
- Unsecured, credit impaired	12	12
- Unbilled receivables - Unsecured, considered good	1,596	1,609
Sub Total	5,433	5,075
Allowances for expected credit loss	(100)	(66)
Current trade receivables	5,333	5,009

Ageing of Trade receivables As at 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	
Trade receivables							
(i) Undisputed Trade receivables – considered good	3,230	550	10	28	6	1	3,825
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	12	12
	3,230	550	10	28	6	13	3,837
Less: Allowances for expected credit loss							(100)
							3,737
Trade receivables - Unbilled							1,596
Total							5,333

As at March 31, 2023

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	
Trade receivables							
(i) Undisputed Trade receivables – considered good	3,103	285	45	17	4	-	3,454
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	12	12
	3,103	285	45	17	4	12	3,466
Less: Allowances for expected credit loss							(66)
							3,400
Trade receivables - Unbilled							1,609
Total							5,009

(9a) Cash and cash equivalents

Cash on hand *	0	0
Balance with banks		
In current accounts	812	2,132
Total cash and cash equivalents	812	2,132

(9b) Bank balances other than above

In fixed deposit account (with original maturity of more than 3 months but less than 12 months)	66	71
Total other bank balances	66	71

(10) Current loans

Secured, considered good		
Loan to directors (Refer note 29)	282	269
Total current loans	282	269

Type of Borrower	As at March 31, 2024		As at March 31, 2023	
	Amount of loan outstanding	% of total Loans	Amount of loan outstanding	% of total Loans
Loan to directors	282	100%	269	100%
Total	282	100%	269	100%

Note : Loan is given to a director on December 8, 2021 which is repayable on demand. Loan to director is secured against the said shares held by the director on full recourse basis. Loan given is solely for directors own account and beneficial interest.

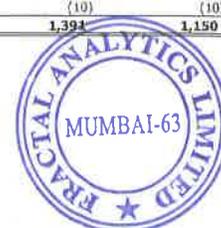
(11) Other financial assets

Non-current financial assets		
Other bank deposits	9	80
Sub total (A)	9	80
Derivative asset - forward contract	17	-
Security deposits	147	187
Sub total (B)	164	187
Total non-current financial assets	173	267
Current financial assets		
Derivative asset - forward contract	53	-
Security deposits	4	-
Receivables from related parties (Refer note 29)*	5	-
Others advances	3	-
Total current financial assets	65	-

(12) Other assets

Non-Current assets		
Prepaid expenses	12	35
Employee advances	-	5
Total non-current assets	12	40
Current assets		
Prepaid expenses (Refer note below)	403	383
Contract assets (Refer note 27)	896	555
Advances to vendors and others	14	35
Balance with government authorities	86	187
Less : Provision for doubtful advances	(10)	(10)
Total current assets	1,391	1,150

Note : Prepaid expenses includes Rs 128 million (March 31, 2023 :Rs 114 million) towards payments for initial public offer and is to be shared between the Company and selling shareholders.



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(13) Deferred tax assets/(liabilities)

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Significant components of deferred tax assets		
Deferred tax assets/(liabilities)		
Business losses/ unabsorbed depreciation	378	368
Property, plant & equipment and intangible assets	59	29
Mark to market gain on derivative forwards	(17)	7
Right-of-use assets	(226)	(54)
Lease liabilities	224	68
Others*	61	(19)
Total Deferred tax assets (net)	479	399
*Others include impact for mark to market gain/loss on fair value of current investments and other temporary differences		
Fair value of Associate Company	(1,016)	(1,016)
Total Deferred tax liabilities	(1,016)	(1,016)

(a) Movements in deferred tax assets/(liabilities)

Particulars	(in Rupees million)						
	Mark to market gain on derivative forwards	Property, plant & equipment and intangible assets	Business losses/ unabsorbed depreciation	Fair value of Associate Company	Right-of use asset and lease liabilities	Others	Total
At April 01, 2023	7	29	368	(1,016)	14	(19)	(617)
(Charged) / Credited							
- to profit or loss	(13)	32	-	-	(16)	80	83
- to other comprehensive income	(11)	-	-	-	-	-	(11)
- Exchange differences on translating the financial statements of foreign operations	-	(2)	10	-	-	-	8
At March 31, 2024	(17)	59	378	(1,016)	(2)	61	(537)
At April 01, 2022	(5)	9	341	-	21	1	367
(Charged) / Credited							
- to profit or loss	12	19	-	(1,016)	(7)	(19)	(1,011)
- to other comprehensive income	-	-	-	-	-	-	-
- Exchange differences on translating the financial statements of foreign operations	-	1	27	-	-	(1)	27
At March 31, 2023	7	29	368	(1,016)	14	(19)	(617)

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 Rs 512 million (March 31, 2023 - Rs 390 million).

(b) The tax losses of the Group will lapse in subsequent years as follows:

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
0 - 5 years	396	131
From 5 - 8 years	496	961
Beyond 8 years	1,778	1,753
Indefinite	3,194	2,791

(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, 2024	Year ended March 31, 2023
Profit and loss		
(a) Current Tax		
- For the year	227	174
- Tax adjustment for earlier year	98	5
(b) Deferred tax charge / (credit)	(83)	1,011
Total current tax expense	242	1,190

(d) Reconciliation of tax expense and the book profit computed by applying income tax rate:

Particulars	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
(Loss) / Profit before tax	(305)	3,134
Tax rate	25.17%	25.17%
Computed tax expense	(77)	789
Adjustments:		
Current year losses/utilisation of losses for which deferred tax asset is not recognised	189	364
Expenses not deductible for tax purpose	34	146
Tax adjustment for earlier years	98	5
Impact of different tax rate	(13)	(155)
Share of loss of associate	41	73
State taxes	4	13
Others	(34)	(45)
Tax expense	242	1,190



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(14) Equity share capital

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Authorised		
349,200,000 equity shares of face value Rs. 1 each (March 31, 2023 : 349,200,000 equity shares of face value Rs. 1 each) ^	349	349
38,100,000 Series B 0.001 % Compulsorily convertible preference shares of face value Rs.1 each (March 31, 2023 : 38,100,000 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each)	38	38
	387	387
^The authorised share capital of the Company has been increased vide board resolution date July 22, 2022.		
Issued share capital		
26,31,789 equity shares of face value Rs. 1 (March 31, 2023 : 26,189,854 equity shares of Rs. 1 each)	26	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each (March 31, 2023 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each)	5	5
	31	31
Subscribed and fully paid-up		
25,652,931 equity shares of face value Rs. 1 each fully paid up (March 31, 2023 : 25,524,996 equity shares of Rs. 1 each fully paid up)	26	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each (March 31, 2023 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 fully paid up)	5	5
	31	31
Subscribed but not fully paid-up		
664,858 equity share of face value Rs. 1 (Rs 0.5 paid up)* (March 31, 2023 : 664,858 equity share of face value Rs. 1 (Rs 0.5 paid up))	0	0
	0	0
	31	31

*Amount less than Rs 1 million

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	2,61,89,854	26	2,59,47,598	26
Add :- Shares issued during the year under				
- employee stock option plan (Refer note (i) below)	1,27,935	-	2,32,856	-
- Private placement of shares (Refer note (ii) below)	-	-	9,400	-
At the end of the year	2,63,17,789	26	2,61,89,854	26
*Amount less than Rs 1 million				
(i) During the year 1,27,935 shares (March 31, 2023: 232,856 shares) were issued under employee stock option plan at various price (Refer note 33).				
(ii) During the year Nil shares (March 31, 2023 : 9400 shares) were issued on a private placement basis.				
Instruments entirely equity in nature - Series B 0.001 % Compulsorily convertible preference shares				
At the commencement of the year	45,23,604	5	45,23,604	5
Issued during the year	-	-	-	-
At the end of the year	45,23,604	5	45,23,604	5

(b) Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
(a) Equity shares of Rs. 1 each fully paid-up held by				
Quinag Bidco Limited	22.57%	59,39,620	22.68%	59,39,620
TPG Fett Holdings Pte Limited	28.39%	74,72,423	28.08%	73,53,814
Gulu Mirchandani (on behalf of GLM Family Trust)	20.13%	52,96,556	-	-
Gita Mirchandani	0.38%	1,00,000	11.96%	31,31,260
Gulu Mirchandani	0.38%	1,00,000	9.03%	23,65,296
Pranay Agrawal	6.44%	16,96,174	6.60%	17,27,812
Srikanth Velamakanni*	5.80%	15,27,378	5.83%	15,27,378
Chetana Kumar	5.04%	13,25,431	5.15%	13,49,151
(b) Series B 0.001 % Compulsorily Convertible Preference Shares of Rs. 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

* Includes 664,858 partly paid up shares issued on private placement basis



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(c) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs 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 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.

Note - Refer (a) and (d) for conversion of CCPS

(e) Shares reserved for issued under options

Particulars	March 31, 2024	March 31, 2023
	No. of shares	No. of shares
Equity shares of Rs. 1 each reserved for issue under employee stock option scheme (refer note 33)	60,08,873	61,36,808

(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, 2024 and March 31, 2023.

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023

(15) Other equity

Securities premium	12,108	11,977
Employee stock option reserve	2,880	2,017
Remeasurement of defined benefit plans	(112)	(127)
Effective portion of gains on derivatives designated as cash flow hedge (net)	32	-
Share application money pending allotment	22	3
Exchange differences on translating the financial statements of a foreign operation	167	166
Retained earnings	(1,071)	(636)
Total other equity	14,026	13,400

Note : For movement during the year, refer Consolidated Statement of Changes in Equity.

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Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
(16) Borrowings		
Non-current borrowings (at amortised cost)		
Secured		
- Term loan (Refer note (a) below)	2,623	3,416
Less : Arrangement fees	(122)	(160)
Less : Current maturities of long term debt	-	(35)
Total secured borrowings	2,501	3,221
Current borrowings		
Secured		
- Current maturities of long term debt - Term loan (Refer note (a) below)	-	35
Total current borrowings	-	35

Note :

(a) The Group has availed foreign currency floating interest term loan from financial institutions as per term sheet dated December 21, 2021 amounting to USD 42 million.

The Group has incurred transaction cost amounting to USD 2.2 million till current date in respect of the said transaction which are disclosed as net from the actual proceeds and are amortised over the tenor of the loan to the Consolidated Statement of Profit and Loss. The Group has repaid USD 10 million on May 16, 2023 and current outstanding as on March 31, 2024 is USD 31.48 million. Given below are various terms pertaining to the term loan.

Particulars	Total	Current	Non Current	Interest rate	Duration	Repayment terms	Purpose of borrowings
Term loans	2,623	-	2,623	Term SOFR ("Secured Overnight Financing Rate") + 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 with out prepayment penalty	Permitted Acquisitions and other Investments permitted under the Loan Documents
	2,623	-	2,623				

Collateral :

- (a) Pledge of charge over 100% (one hundred percent) equity shares from time to time, equivalent to 997,951 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 organised under the laws of United States of America
(b) 65% share Pledge of Fractal UK Private Limited an entity organised under the laws of United Kingdom.
(c) Hypothecation/ charge over all Intellectual property owned by the Group from India or United States of America .

Guarantor :

The above borrowing is backed by the guarantee given by Fractal Analytics Private Limited, Cuddle Inc USA, Neal Analytics LLC and Final Mile Consulting LLC. (Refer note 35)

(17) Trade payables

Trade payables

- Total outstanding dues of micro enterprise and small enterprises (Refer below note)	40	5
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Related parties* (Refer note 29)	1	-
- Others	471	566
Total trade payables	512	571

*Amount less than Rs 1 million

Particulars	As at March 31, 2024	As at March 31, 2023
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Dues of micro and small enterprises

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;	40	5
- 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	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

As at March 31, 2024

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		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
Total	4	40	19	7	-	70
Accrued expenses						442
Total						512

As at March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	1	4	-	-	-	5
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	123	101	-	-	-	224
(iii) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	7	-	-	7
Total	124	105	7	-	-	236
Accrued expenses						335
Total						571



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Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
(18) Other financial liabilities		
Non-current financial liabilities		
Employee related obligation	310	140
Total non-current financial liabilities	310	140
Current financial liabilities		
Employee related obligation	2,135	1,825
Capital creditors	315	-
Derivative liability - forward contract	-	24
Deferred consideration payable	-	16
Interest accrued and due	4	1
Total current financial liabilities	2,454	1,866
(19) Other liabilities		
Current liabilities		
Unearned revenue (Refer note 27)	1,031	868
Advance from customer	40	12
Statutory dues payable**	337	348
Other payables	-	14
Total current liabilities	1,408	1,242
**Includes tax deducted at sources, provident fund payable, professional taxes		
(20) Provisions		
Non-current provisions		
Gratuity (Refer note 28)	187	118
Total non-current provisions	187	118
Current provisions		
Gratuity (Refer note 28)	2	1
Compensated absences (Refer note 28)	61	29
Other provisions (Refer note 26.a)	85	80
Total current provisions	148	110
Movement of other provisions		
Opening balance	80	-
Provision created during the year	5	80
Provision reversed/utilised during the year	-	-
Closing balance	85	80

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Notes to Consolidated financial statements as at and for year ended March 31, 2024

(in Rupees million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(21) Revenue from operations		
Sale of services (Refer note 27)	21,963	19,854
Total Revenue from operations	21,963	19,854
(22) Other income		
Interest on :		
- bank deposits	20	4
- Loan to directors (Refer note 29)	10	8
- unwinding of security deposits given	12	11
Fair value gain on derivative forward contracts	50	-
Fair valuation gain of financial Instruments	122	69
Gain on redemption/sale of financial instruments	163	96
Foreign exchange loss / (gain), net	65	306
Miscellaneous income	14	89
Total other income	456	583
(23) Employee benefits expense		
Salaries, wages and bonus *	16,398	15,261
Contribution to provident funds (Refer note 28)	229	182
Gratuity (Refer note 28)	189	148
Staff welfare expense	554	494
Total employee benefits expense	17,370	16,085
*During the year ended March 31, 2024, the Group received government grants amounting to Rs 76 million (March 31, 2023: Rs Nil million) from government of United Kingdom on compliance of several employment-related conditions and accordingly, accounted as a credit to employee benefits expense.		
(24) Finance costs		
Interest on :		
- borrowings	361	358
- lease liabilities (Refer note 30)	41	45
- others	43	30
Other borrowing cost*	0	20
Total finance costs	445	453
*Amount less than Rs 1 million		
(25) Depreciation and amortisation expense		
Depreciation on property, plant and equipment (Refer note 3)	262	256
Depreciation on right of use assets (Refer note 4)	249	246
Amortisation on intangible assets (Refer note 6)	321	279
Total depreciation and amortisation expense	832	781
(26) Other expenses		
Outsourced manpower cost	600	598
Legal and professional fees	463	560
Software maintenance charges	435	432
Travelling and conveyance	346	327
Communication charges	323	269
Recruitment expenses	33	169
Advertising and publicity expense	193	234
Repairs and maintenance - Computers and others	63	78
Facility management expenses	41	38
Rent, rates and taxes (Refer note a below)	94	169
Insurance	45	45
Subcontracting expense	30	56
Fair value loss on derivative and forward contracts	-	152
Provision for doubtful advances	9	10
Bad debts	1	-
Allowances for expected credit loss	34	44
Membership and subscription charges	57	64
Corporate social responsibility (Refer note 40)	7	6
Miscellaneous expenses	122	95
Total other expenses	2,896	3,346



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(26) Other expenses (continued)

- a. During the previous year ended March 31, 2023 the Company and all the Directors of the Company has received show cause notice 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 Rs 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 or 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.

The total amount of Rs 85 million is the estimated compounding fee for the Company and Directors, computed basis compounding guidelines under the Income-tax Act, 1961 which is disclosed under Rent, rates and taxes for Rs 5 million in the current year (March 31, 2023 Rs 80 Million).

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
(26.1) Exceptional Items		
Impairment in value of assets (Refer note 6 and 6.1)	-	171
Remeasurement of retained interest in associate (Refer note 37)	55	-
Gain on loss of control of subsidiary (Refer note 37)	-	(5,410)
	<u>55</u>	<u>(5,239)</u>

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(27) Revenue from contracts with customers

The Group disaggregates revenue from contracts with customers by nature of services.

Revenue disaggregation by nature of services is as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Analytical services	21,721	19,691
Subscriptions income	242	163
Total	21,963	19,854

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 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.

Contract Balances

Particulars	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Contract assets	896	555

Changes in contract assets are as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	555	524
Derecognition on account of change in relationship from subsidiary to associate	-	(116)
Revenue recognized during the year	6,417	3,650
Invoices raised during the year	(6,084)	(3,538)
Exchange differences on translating the financial statements of foreign operations	8	35
Balance at the end of the year	896	555

Changes in unearned revenue are as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	868	836
Derecognition on account of change in relationship from subsidiary to associate	-	(146)
Revenue recognized that was included in the unearned balance at the beginning of the year	(410)	(422)
Increase due to invoicing during the year, excluding amounts recognized as revenue during the year	562	546
Exchange differences on translating the financial statements of foreign operations	11	54
Balance at the end of the year	1,031	868

Reconciliation of revenue recognized with the contracted price is as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Contracted price	22,221	20,056
Reductions towards variable consideration components	(258)	(202)
Revenue recognized	21,963	19,854

Note : Variable consideration includes volume discount / service credit to customers.



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(28) Employee benefits

The Group contributes to the following post-employment defined contribution plan and defined benefit plans in India.

(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. The obligation of the Group is limited to the amount contributed and it has neither further contractual nor any constructive obligation.

(in Rupees million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employer's contribution to provident fund	229	182

Included in 'Contribution to provident 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.

(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	March 31, 2024	March 31, 2023
Discount rate	7.15%	7.50%
Future salary increases	9.00%	10.00%
Attrition rate		
Based on Completed Years of service		
Up to 2 years	10.00%	23.00%
3 - 4 years	6.00%	5.00%
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	March 31, 2024		March 31, 2023	
	Funded Plan*	Unfunded Plan	Funded Plan*	Unfunded Plan
Present value of obligation at the beginning of the year	383	47	296	40
Derecognition of liability on account of change of relationship of subsidiary entity to associate entity (Refer note 37)	-	-	-	(10)
Interest cost	29	2	21	3
Current service cost	173	8	127	13
Transfer in/(out)	20	(20)	-	-
Benefits paid^	(33)	(0)	(33)	(3)
Remeasurement recognised in other comprehensive income due to				
Actuarial loss/(gain) arising from change in financial assumptions^	(26)	(0)	(15)	3
Actuarial loss/(gain) arising on account of experience changes^	6	(5)	(24)	0
Actuarial loss arising on account of demographical assumptions^	1	0	11	1
Present value of obligation at the end of the year	553	32	383	47

*The Group has invested the amounts in pension fund with Life Insurance Corporation of India.

^Amount less than Rs 1 million



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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	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning of the year	311	214
Expected returns on plan assets	(1)	(2)
Interest on plan assets	23	15
Contributions made by the Company	63	84
Fair value of plan assets at the end of the year	396	311

(in Rupees million)		
Reconciliation of present value of defined benefit obligation and the fair value of assets	March 31, 2024	March 31, 2023
Present value of funded obligation at the end of the year	585	430
Fair value of plan assets as at the end of the period	(396)	(311)
Net liability in Consolidated Balances Sheet	189	119
- liability of funded plan	157	72
- liability of unfunded plan	32	47

(in Rupees million)		
Amount recognised in the Consolidated Statement of Profit and Loss	March 31, 2024	March 31, 2023
Current service cost	181	140
Interest cost (net)	8	8
Total expense recognized in the Consolidated Statement of Profit and Loss	189	148
- Total expense recognized for obligation with funded plan	179	133
- Total expense recognized for obligation with unfunded plan	10	15

(in Rupees million)		
Amount recognised in other comprehensive income	March 31, 2024	March 31, 2023
Remeasurements during the year due to		
Changes in financial assumptions	(26)	(12)
Changes in demographic assumptions	1	12
Experience adjustments	1	(24)
Expected return on plan assets	1	-
Amount recognised in other comprehensive income during the year	(23)	(24)
- Total expense / (income) recognized for obligation with funded plan	(18)	(28)
- Total expense / (income) recognized for obligation with unfunded plan	(5)	4

c. The sensitivity of significant assumptions used for valuation of defined benefit obligation is as follows :

(in Rupees million)		
Impact on percentage point increase / decrease in	March 31, 2024	March 31, 2023
Discount rate +100 basis points	(484)	(355)
Discount rate -100 basis points	710	521
Salary increase rate +100 basis points	654	476
Salary increase rate -100 basis points	(500)	(380)
Attrition Rate +50%	(566)	(393)
Attrition Rate -50%	602	431

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.



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d. Maturity profile of defined benefit obligation :

Particulars	As at March 31, 2024	As at March 31, 2023
Gratuity Plan	20 Years	21 Years

e. Expected future benefit payments on undiscounted basis

Expected cash flows for following year	(in Rupees million)	
	March 31, 2024	March 31, 2023
Expected total benefit payments in next		
1 year	9	6
Year 2 - 5 years	62	43
6 - 10 years	108	82
More than 10 years	2,782	2,279

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 Rs 157 Millions.

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.

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(29) Related party transactions

(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
4	Qure Technologies Inc., USA (Subsidiary of Qure.ai Technologies Private Limited)	Subsidiary of Associate Company
5	Qure.ai Technologies Limited, UK (Subsidiary of Qure.ai Technologies Inc.)	Subsidiary of 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 (w.e.f. April 26, 2024)	Additional Director
5	Mr. Rohan Haldea	Non- Executive Director
6	Mr. Anurag Sud	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**	Independent Director
11	Ms. Neelam Dhawan**	Independent Director
12	Ms. Somya Agarwal ^	Company Secretary

(c) Enterprise in which Director is interested

Sr. No	Particulars
1.	Tario Partners LLP

(d) Transactions and balances

Sr. No	Nature of Transaction	(in Rupees million)	
		March 31, 2024	March 31, 2023
A	Transactions		
1.	Managerial remuneration		
	Srikanth Velamakanni	57	54
	Pranay Agrawal	61	62
	Somya Agarwal	10	10
2.	Interest income		
	Pranay Agrawal	10	8
3.	Loan given		
	Pranay Agrawal	8	-
4.	Repayment of loan		
	Pranay Agrawal	8	251
5.	Consulting services		
	Tario Partners LLP	10	7
6.	Expenses incurred on behalf of associate company		
	Qure Technologies Inc.*	8	0

**The sitting fees paid to independent directors amounting to Rs 16 million and Rs 7 million for the year ended March 31, 2024 and March 31, 2023 respectively.

^Total employee stock option expense for the years ended March 31, 2024 and March 31, 2023 includes a charge of Rs 106 million and Rs 143 million, respectively, towards key management personnel.

Sr. No	Balances	March 31, 2024	March 31, 2023
1.	Loans including interest accrued		
	Pranay Agrawal	282	269
2.	Other receivables		
	Qure Technologies Inc.*	5	0
3.	Trade payables (Including provision)		
	Qure.ai Technologies Private Limited	1	1

*Amount less than Rs 1 million

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 (except loan to director) at the year-end are unsecured and settlement occurs in cash.



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(30) Leases

Group as lessee

The Group entities have entered into cancellable leasing arrangement in respect of office premises for a period of 3-5 years which are renewable on mutual consent.

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Ind AS 116 - Lease liabilities		
Non-current	913	243
Current	218	273
Total	1,131	516

(i) Movement in Lease Liabilities:

Particulars of Lease Liabilities	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	516	543
Add: Additions on account of new leases	885	277
Add: Finance cost accrued during the year	41	45
Less: Termination/cancellation	(2)	(33)
Add: Exchange differences on translating the financial statements of foreign operations	4	9
Less: Payment of Lease Liabilities	(313)	(325)
Closing Balance	1,131	516

(ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Payable within one year	317	313
Payable later than one year and not later than five years	1,084	268
Payable after five years	-	28

(iii) Lease payments recognised for short term leases in Consolidated Statement of Profit and Loss during the year

	80	33

(iv) Following amounts are recognised in the Consolidated Statement of Profit and Loss

Particulars	(in Rupees million)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Right of use assets	249	246
Interest expense on lease liabilities	41	45
Expense relating to low value assets/short term leases (Included in other expense)	80	33

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.

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(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.

(in Rupees million)			
Fair value through profit and loss (FVTPL)	Level	March 31, 2024	March 31, 2023
Assets			
Investments (Refer note a below)	2	4,455	2,906
Investments (Refer note b below)	3	79	12
Derivative asset - Forward contract receivable	2	27	-
Total assets		4,561	2,918
Liabilities			
Derivative liability - Forward contract payable	2	-	24
Total liabilities		-	24

(in Rupees million)			
Fair value through other comprehensive income	Level	March 31, 2024	March 31, 2023
Assets			
Derivative asset - Forward contract receivable	2	43	-
Total assets		43	-

(in Rupees million)			
Amortised cost		March 31, 2024	March 31, 2023
Assets			
Investments*		0	-
Trade receivables		5,333	5,009
Cash and cash equivalents		812	2,132
Other bank balances		75	151
Loans		282	269
Other financial assets		159	187
Total assets		6,661	7,748
Liabilities			
Borrowings		2,501	3,256
Trade payables		512	571
Other financial liabilities		2,764	1,982
Total liabilities		5,777	5,809

*denotes amount less than Rs 1 million

Note: Carrying amounts of cash and cash equivalents, bank balances, loans, trade receivables, borrowings and trade payables as at March 31, 2024 and March 31, 2023 approximate the fair value.

- (a) Valuation technique : Fair value of current investments 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.

(b) Reconciliation of fair value measurement of the investment categorised at level 3:

(in Rupees million)		
Particulars	As at March 31, 2024	As at March 31, 2023
At fair value through profit and loss		
Opening Balance	12	12
Addition during the year	-	-
Sale/reduction during the year	-	-
Fair valuation gain of financial instruments (refer note 22)	67	-
Exchange differences on translating the financial statements of foreign operations	-	-
Closing Balance	79	12

Sensitivity of level 3 financial instrument's fair value to changes in significant unobservable inputs used in their fair valuation:

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Commure Inc common stock/preferred stock		
- Increase by 5%	4	
- Decrease by 5%	(4)	

Valuation is determined basis transaction price determined pursuant to merger.

Note:

There are no transfers between any of these levels during the current and previous year.



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Notes to Consolidated financial statements as at and for year ended March 31, 2024

(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 Company.

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 invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Group considers that the related credit risk is low.

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 two customer contribute to more than 10% of outstanding trade receivables (including unbilled receivables) as at March 31, 2024 (one customer as at March 31, 2023).

The movement in the allowance for expected credit loss in respect of trade receivables is as follows:

Particulars	(in Rupees million)	
	March 31, 2024	March 31, 2023
Balance at the beginning of the year	66	22
Movement during the year	34	44
Balance at the end of the year	100	66

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 at the year ended March 31, 2024 amounting to USD 18 million (USD 18 million at the year ended March 31, 2023) which could be used for the working capital needs as and when required.



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Notes to Consolidated financial statements as at and for year ended March 31, 2024

(32) Financial risk management framework (continued)

Maturities of financial liabilities

The below table analyses the Group'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 amounts		
		<12months	1 - 2 years	More than 2 years
(in Rupees million)				
March 31, 2024				
Non derivative financial instruments				
Trade payables	512	512	-	-
Other financial liabilities	2,764	2,454	310	-
Lease liabilities	1,131	317	277	807
Borrowings	2,501	-	-	2,623
March 31, 2023				
Non derivative financial instruments				
Trade payables	571	571	-	-
Other financial liabilities	1,982	1,842	140	-
Lease liabilities	516	313	107	189
Borrowings	3,256	35	35	3,347
Derivative financial instruments				
Other financial liabilities - forward contract	24	24	-	-

(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, is as follows:

As at March 31, 2024

Particulars	(in Rupees million)			
	USD	EUR	GBP	Others
Financial assets				
Trade receivables	5,970	704	17	105
Net exposure to foreign currency (assets)	5,970	704	17	105
Financial liabilities				
Trade payables	38	1	-	-
Other financial liabilities	3	-	-	-
Net exposure to foreign currency (liabilities)	41	1	-	-
Net exposure to foreign currency	5,929	703	17	105

As at March 31, 2023

Particulars	(in Rupees million)			
	USD	EUR	GBP	Others
Financial assets				
Trade receivables	6,083	507	131	90
Net exposure to foreign currency (assets)	6,083	507	131	90
Financial liabilities				
Trade payables	343	-	-	17
Net exposure to foreign currency (liabilities)	343	-	-	17
Net exposure to foreign currency	5,740	507	131	73



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(32) Financial risk management framework (continued)

Sensitivity analysis of currency risk

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at March 31, 2024 and March 31, 2023 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,

Particulars	(in Rupees million)	
	Impact on profit after tax and equity	
	March 31, 2024	March 31, 2023
USD		
- Increase by 5%	222	215
- Decrease by 5%	(222)	(215)
EUR		
- Increase by 5%	26	19
- Decrease by 5%	(26)	(19)
GBP		
- Increase by 5%	1	5
- Decrease by 5%	(1)	(5)
Others		
- Increase by 5%	4	3
- Decrease by 5%	(4)	(3)

Outstanding Derivative contracts

The Group hedges exposures to changes in foreign currency. The counterparty for these contracts is a bank. Forward 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	(in Rupees million)			
	As at March 31, 2024		As at March 31, 2023	
	Notional amount of contracts (in million)	Notional amount of contracts (Rs in million)	Notional amount of contracts (in million)	Notional amount of contracts (Rs in million)
(fair valuation through profit and loss)				
USD	17	1,411	51	4,282
EUR	-	-	6	501
(fair valuation through other comprehensive income)				
USD	61	5,184	-	-
EUR	7	634	-	-

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.

Particulars	(in Rupees million)	
	Impact on profit after tax and equity	
	March 31, 2024	March 31, 2023
(fair valuation through profit and loss)		
USD		
- Increase by 5%	53	160
- Decrease by 5%	(53)	(160)
EUR		
- Increase by 5%	-	19
- Decrease by 5%	-	(19)
(fair valuation through other comprehensive income)		
USD		
- Increase by 5%	194	-
- Decrease by 5%	(194)	-
EUR		
- Increase by 5%	24	-
- Decrease by 5%	(24)	-



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Notes to Consolidated financial statements as at and for year ended March 31, 2024

(32) Financial risk management framework (continued)

(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. 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 as at March 31, 2024 pursuant to movement in Term SOFR. 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:

Particulars	(in Rupees million)	
	Impact on profit after tax and equity	
	March 31, 2024	March 31, 2023
Change in Term SOFR		
- Increase by 1%	(20)	(26)
- Decrease by 1%	20	26

(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)	
	March 31, 2024	March 31, 2023
Borrowings	2,501	3,256
Less : Cash and cash equivalents	(812)	(2,132)
Less : Other bank balances	(75)	(151)
Less : Investment in liquid mutual funds and other assets	(4,455)	(2,906)
Net Debt (A)	(2,841)	(1,933)
Total Equity (B)	14,199	13,634
Net Gearing Ratio (A/B)	0.20	0.14

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(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, 2024	Year ended March 31, 2023
Employee Stock Options Scheme (Refer note b)	641	1,019
Management Stock Options Scheme (Refer note c)	307	554
Employee Stock Options Scheme expense pertaining to subsidiaries*	15	14
Total	963	1,587

*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

The Company has granted 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 during financial years 2008 to 2024. 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, 2024		As at March 31, 2023	
	Nos	WAEP	Nos	WAEP
Options outstanding at the beginning of the year	25,97,381	952	28,56,378	787
Options granted during the year	2,20,650	2,270	2,61,406	2,120
Options lapsed during the year	(2,02,139)	1,021	(2,34,810)	1,026
Options settled/cancelled during the year	(100)	846	(55,737)	846
Options revived during the year	-	-	3,000	640
Options exercised during the year	(1,19,661)	621	(2,32,856)	506
Options outstanding at the end of the year	24,96,131	1,078	25,97,381	952
Options exercisable at the end of the year	13,52,786	850	10,56,133	707

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 was Rs 933 (March 31, 2023 : Rs 1109).

The weighted average stock price of the options granted during the year ended March 31, 2024 is Rs 2,270 (March 31, 2023 :Rs 2,270).

Weighted average remaining contractual life (years) of the options based on the exercise price :

Exercise Price	1*	40*	280	595	610	640	846	2,270	3,128
No. of options outstanding	5,000	15,924	1,11,539	32,500	24,700	2,47,209	15,94,868	3,96,850	67,541
Weighted average remaining contractual life (in years)	0.25	0.30	5.12	5.00	7.12	7.69	7.96	9.01	8.12

*Time limit for vested options have been extended for one employee vide Circular Resolution No: 20/2023-24/NRC dated April 3, 2024.

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	ESOP	
	2023-24	2022-23
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 %	9.76 %
Expected Growth in Dividend	- 63.91 %	- 63.91 %
	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.



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(33) Employee Stock Options Scheme (ESOP) (continued)

(c) Management Stock Options Scheme

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 financial year 2023-2024. 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	
	As at March 31, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2023	
	No. of options	WAEP						
Options outstanding at the beginning of the year	10,60,602	1,055	21,29,772	1,044	10,55,156	1,054	21,35,688	1,054
Options granted during the year	-	-	-	-	53,016	1,580	1,06,184	1,579
Options lapsed during the year	(45,049)	1,676	(1,00,434)	1,598	(27,940)	1,702	(56,060)	1,702
Options settled/cancelled during the year	-	-	-	-	(19,630)	1,582	(56,040)	1,787
Options exercised during the year	(8,274)	880	-	-	-	-	-	-
Options outstanding at the end of the year	10,07,279	1,029	20,29,338	1,016	10,60,602	1,055	21,29,772	1,044
Options exercisable at the end of the year	6,55,513	1,024	-	-	3,35,679	1,046	-	-

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 was Nil (March 31, 2023: 1,351).

The weighted average stock price of the options granted during the year ended March 31, 2024 is Nil (March 31, 2023 : 2,270).

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	26,64,787	3,71,830
Weighted average remaining contractual life (in years)*	7.77	7.97

*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:

Particulars	MSOP	MSOP
	2023-24	2022-23
Risk Free Rate	5.75% to 7.13%	5.75% to 7.13%
Option Life	5 years	5 years
(Based on Simplified Average Method)		
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.



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to Consolidated financial statements as at and for year ended March 31, 2024

(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. We leverage these competencies to provide bespoke AI consulting services and AI products, as a part of the Fractal.ai segment

In addition, we set 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 current year, 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 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.

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) Operating income is derived after deducting employee related expenses and other expenses of respective segments
- iii) Expenses and Incomes that are directly identifiable with the segments are considered for determining the segment result. 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 years ended March 31, 2024 and March 31, 2023, is as follows:

(in Rupees million)

March 31, 2024

Particulars	Fractal.ai	Fractal.alpha	Unallocated	Intersegment elimination	Total
Revenue from operations	21,615	365	-	(17)	21,963
Operating income*	1,233	(494)	(5)	-	734
Other income					456
Finance cost					(445)
Depreciation and amortisation					(832)
Share of (loss) of associate					(163)
Exceptional items					(55)
Profit before tax					(305)

*Operating income for Fractal.ai and Fractal alpha segment is net of one time bonus paid of Rs 347 million and Rs 36 million respectively.

March 31, 2023

Particulars	Fractal.ai	Fractal.alpha	Unallocated	Intersegment elimination	Total
Revenue from operations	19,691	190	-	(27)	19,854
Operating income*	(315)	(788)	(80)	-	(1,183)
Other income					431
Finance cost					(453)
Depreciation and amortisation					(781)
Share of (loss) of associate					(290)
Exceptional items					5,410
Profit before tax					3,134

*Operating income for Fractal.ai and Fractal alpha segment is net of one time bonus paid of Rs 413 million and Rs 58 million respectively.



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to Consolidated financial statements as at and for year ended March 31, 2024

(34) Operating Segment (continued)

	March 31, 2024	March 31, 2023
Segment Asset		
Fractal.ai	12,290	12,855
Fractal alpha	5,567	5,808
Unallocated	6,063	3,824
	23,920	22,487
Segment Liabilities		
Fractal.ai	5,910	4,993
Fractal alpha	178	91
Unallocated	3,633	3,769
	9,721	8,853
Capital Employed		
Fractal.ai	6,380	7,862
Fractal alpha	5,389	5,717
Unallocated	2,430	55
	14,199	13,634

Geographical disclosure

Geographical revenue is allocated based on the location of the customer. Information regarding geographical revenue is as follows :

(in Rupees million)		
Country	As at March 31, 2024	As at March 31, 2023
America	14,323	13,339
Europe	4,209	3,467
APAC & Others	3,431	3,048
	21,963	19,854

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, 2024	As at March 31, 2023
America	4,068	3,919
APAC & Others	2,439	1,840
Europe	19	33
Total	6,526	5,792

Disclosure of top customer having sales more than 10 % of the total revenues

(in Rupees million)		
Customer	% of Total sales	
	As at March 31, 2024	As at March 31, 2023
Customer A	12%	15%



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to Consolidated financial statements as at and for year ended March 31, 2024

(36) As per Schedule III of the Companies Act 2013, the required information on subsidiaries is provided in the following table:

Additional information, as required under schedule III to the Companies Act, 2013, of entities consolidated as subsidiaries :
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
Parent								
Fractal Analytics Private Limited	119%	16,898	-146%	799	93%	45	-169%	844
Subsidiaries								
Fractal Analytics Inc., USA	4%	587	120%	(656)	0%	-	132%	(656)
Fractal Private Limited, Singapore	-1%	(132)	0%	3	0%	-	-1%	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)	-6%	30
Senseforth AI Research Private Limited	2%	265	17%	(94)	6%	3	18%	(91)
Analytics Vidya Educon Private Limited	0%	(32)	21%	(115)	0%	0	23%	(115)
Neal Analytics Services Private Limited	-1%	(83)	0%	2	0%	-	0%	2
Step down Subsidiaries								
Fractal Analytics UK Limited	-4%	(553)	-15%	83	0%	-	-17%	83
4i Consulting Inc	0%	-	0%	-	0%	-	0%	-
Asper.AI Inc	-3%	(361)	54%	(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%	-
Total	115%	16,393	-175%	955	102%	50	-202%	1,005
Adjustments arising out of Consolidation:	-47%	(6,595)	222%	(1,212)	0%	(0)	244%	(1,212)
Adjustment for associate entity accounted under equity method	30%	4,259	40%	(218)	-2%	(2)	44%	(220)
Non controlling interest	2%	142	13%	(72)	0%	(0)	14%	(72)
Total	100%	14,199	100%	(547)	100%	48	100%	(499)

Amount appearing as zero denotes amount less than Rs 1 million



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to Consolidated financial statements as at and for year ended March 31, 2024

(36) As per Schedule III of the Companies Act 2013, the required information on subsidiaries is provided in the following table:

Additional information, as required under schedule III to the Companies Act, 2013, of entities consolidated as subsidiaries :

For year ended March 31, 2023

(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
Parent								
Fractal Analytics Private Limited	112%	15,005	-28%	(560)	20%	20	-25%	(540)
Subsidiaries								
Fractal Analytics Inc., USA	6%	746	-63%	(1,272)	0%	-	-60%	(1,272)
Fractal Private Limited, Singapore	1%	117	0%	7	0%	-	0%	7
Cuddle Artificial Intelligence Private Limited	-6%	(791)	-16%	(324)	0%	0	-15%	(324)
Final Mile Consultants Private Limited	1%	147	1%	17	0%	(0)	1%	17
Theremin AI Solutions Private Limited	0%	8	-6%	(129)	0%	0	-6%	(129)
Eugenie Technologies Private Limited	0%	(44)	1%	16	-1%	(1)	1%	15
Fractal Alpha Private Limited	0%	(0)	0%	(5)	0%	-	0%	(5)
Samya.AI Technologies Private Limited	1%	109	1%	24	0%	0	1%	24
Senseforth AI Research Private Limited	-1%	(193)	-13%	(259)	-1%	(1)	-12%	(260)
Analytics Vidya Educon Private Limited	1%	136	-7%	(143)	0%	0	-7%	(143)
Neal Analytics Services Private Limited	1%	81	2%	33	-2%	-2	1%	31
Step down Subsidiaries								
Fractal Analytics UK Limited	3%	353	8%	164	0%	-	8%	164
4i Consulting Inc	-3%	(432)	1%	28	0%	-	1%	28
Samya.ai Inc.	0%	(62)	-13%	(272)	0%	-	-13%	(272)
Senseforth AI Research Inc	1%	104	-3%	(54)	0%	-	-3%	(54)
Samya.AI Limited, UK	0%	4	0%	0	0%	-	0%	-
Neal Analytics LLC	2%	243	-10%	(207)	0%	-	-10%	(207)
Fractal Analytics (Switzerland) GmbH	0%	16	0%	0	0%	-	0%	-
Fractal Analytics Malaysia SDN BHD	0%	6	0%	0	0%	-	0%	-
Fractal Analytics (Germany) GmbH	0%	9	0%	3	0%	-	0%	3
Fractal Analytics (Canada) Inc.	0%	54	2%	35	0%	-	2%	35
Fractal Analytics Netherlands B.V	0%	7	0%	5	0%	-	0%	5
Fractal Analytics Australia Pty. Limited	0%	66	2%	36	0%	-	2%	36
Fractal Analytics Sweden AB	0%	1	0%	0	0%	-	0%	-
Fractal Analytics (Shanghai) Limited	0%	31	0%	3	0%	-	0%	3
Fractal Frontiers, Inc	0%	(0)	0%	(0)	0%	-	0%	-
Limited Liability Company "Symphony (Ukraine)	0%	28	0%	6	0%	-	0%	6
Final Mile Consulting LLP	-2%	(283)	-1%	(30)	0%	-	-1%	(30)
Cuddle.ai Inc	-3%	(424)	-21%	(427)	0%	-	-20%	(427)
Eugenie.AI INC	-2%	(262)	-11%	(231)	0%	-	-11%	(231)
Theremin Multistrategy Fund LLP	0%	-	0%	-	0%	-	0%	-
Total	112%	14,780	-174%	(3,536)	16%	16	-172%	(3,520)
Adjustments arising out of Consolidation:	-46%	(5,828)	15%	446	83%	80	26%	526
Adjustment for associate entity accounted under equity method	33%	4,479	263%	5,120	1%	1		5,121
Non controlling interest	1%	203	-4%	(86)	0%	-	-4%	(86)
Total	100%	13,634	100%	1,944	100%	97	100%	2,041

Amount appearing as zero denotes amount less than Rs 1 million



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to Consolidated financial statements as at and for year ended March 31, 2024

(37) Investment in associate

The Group has 36.92 % (March 31, 2023 : 37.39 %) interest in Qure.ai Technologies Private Limited ('Qure.ai'). During the previous year Qure.ai sought investment in its equity shares from external investors resulting in Group losing control of Qure.ai. The Company has assessed that it has significant influence over Qure.ai and has considered it as associate Company with effect from April 08, 2022. For the administrative purpose, loss of control and significant influence thereafter is considered with effect from April 01, 2022.

Pursuant to this change in relationship, the Company has derecognised all the assets and liabilities as at April 01, 2022 and has recorded the investment in Qure.ai at fair value. This has resulted in gain of Rs 5,410 Millions which has been recorded in statement of Profit and loss for the previous year ended March 31, 2023.

(in Rupees million)

(a) Movement of investment in associates	As at	As at
	March 31, 2024	March 31, 2023
Opening value of investment in associate company	4,479	4,768
Loss for the year	(165)	(289)
Remeasurement of retained interest in associate	(55)	-
Aggregate carrying amount of investment	4,259	4,479

(b) Summary of Statement of Balance sheet	As at	As at
	March 31, 2024	March 31, 2023
Non current assets	555	334
Current assets	3,270	3,312
Non current liabilities	(96)	(19)
Current liabilities	(1,193)	(769)
Equity	2,536	2,858

(c) Summary of Statement of Profit and loss	Year ended	Year ended
	March 31, 2024	March 31, 2023
Revenue from operations and other income	1,540	913
Net loss after tax	(442)	(778)
Total comprehensive loss for the year	(448)	(776)
Group's share of loss in associate	(163)	(290)
Group's share of Other comprehensive income in associate	(2)	1
Group's share of Total comprehensive income in associate	(165)	(289)

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Fractal Analytics Limited
(formerly known as Fractal Analytics Private Limited)

Notes to Consolidated financial statements as at and for year ended March 31, 2024

(38) Earnings per share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit/(Loss) attributable to the equity holders of the Parent Company (in Rupees million)	(475)	2,030
Weighted average number of equity shares for Basic EPS (in nos)	3,04,71,259	3,03,20,356
Add : Potential equity shares on exercise of options (in nos)	27,38,085	23,82,100
Weighted average number of equity shares for Diluted EPS (In nos)	3,32,09,344	3,27,02,456
Earnings per share (In Rs.):		
- Basic	(15.60)	66.96
- Diluted	(15.60)	62.08
Face value per equity share (Rs.)	1.00	1.00

Options granted to employees under the stock option plan are considered to be potential equity shares. 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 the current year March 31, 2024, the options are anti-dilutive. Accordingly, there is no variation between basic and diluted earnings per share.

(39) Commitments and contingent liabilities

Particular	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
(a) Commitments		
Capital commitments	11	19
(b) Contingent liabilities		
Claims against the Group not acknowledged as debt: For income tax matters under appeal*	76	98

*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 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.

(40) Corporate social responsibility

Particular	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Corporate social responsibility expenditure		
Amount required to be spent as per Section 135 of the Companies Act, 2013	7	6
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) Purposes other than (i) above	7	6
(iii) nature of CSR activities		
i) Contribution to Public Trust		
ii) Contribution to Charitable Trust (The amount during the year has been spent towards scholarship support for higher education, promotion of bamboo plantation and vegetable cultivation in Tribal part, providing artificial aids and appliances to disabled, etc.)	7	6

(41) 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:
- (a) 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
- (b) 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
- (vii) The Group does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the

(42) The financial statements were authorised for issue by the Parent's Board of directors on June 17, 2024.

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: June 17, 2024

For and on behalf of the Board of Directors of
Fractal Private Limited

CIN: U72400MH2000PLC125369

Srikanth Yelamakanni
Whole-time Director
DIN: 01722758

London
Date: June 17, 2024



Sasha Gulu Mirchandani
Director
DIN: 01179921

London
Date: June 17, 2024

Somya Agarwal
Company Secretary
Membership number: A17336

London
Date: June 17, 2024

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 known as Fractal Analytics Private Limited) (the "Company") in which are included the separate financial information of Cuddle Artificial Intelligence Private Limited ('Cuddle'), Final Mile Consultants Private Limited ('Final Mile') and Neal Analytics Services Private Limited ('Neal') (together referred to as "components") for the period from 1 April 2023 till the respective date of slump sale pursuant to the business transfer agreements (Refer Note 35) audited by another firm of chartered accountants ("other auditor"), which comprise the standalone balance sheet as at 31 March 2024, 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, and based on the consideration of reports of the other auditor on separate financial information of the components for the period from 1 April 2023 till the respective date of slump sale, 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 2024, and its profit and other comprehensive income, 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 obtained by us along with the consideration of reports of the other auditor referred to in paragraph (a) of the "Other Matters" section below, 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. The Management and Board of Directors of the company and respective components are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company/component 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

Registered Office:



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

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 ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the financial reporting process of the Company.

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the components of the Company to express an opinion on the standalone financial statements. For the components included in the standalone financial statements, which have been audited by other auditor, such other auditor 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 Company regarding, among other matters,



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

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 Matter(s)

We did not audit the financial information of the components referred to above, whose financial information reflect total assets (before acquisition adjustments) of Rs 247 million as at the date of slump sale, total revenue (before acquisition adjustments) of Rs. 16 million and net cash flows (before acquisition adjustments) of Rs Nil for the period from 1 April 2023 till the date of slump sale (refer Note 35), as considered in the standalone financial statements. The financial information of these components has been audited by other auditor whose reports have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of these components, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid components is based solely on the reports of the other auditor.

Our opinion is not modified in respect of this matter.

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 auditor on separate financial information of components as were audited by other auditor, 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.
 - 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 matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India..
 - 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 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 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) 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".



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

- 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 auditor on separate financial information of the components, as noted in the "Other Matters" paragraph:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 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 of the Company represented to us 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 of the Company represented to us 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 performed 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, except for instances mentioned below, the Company has used accounting softwares for maintaining its books of accounts, which along with access management tool, as 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. the feature of recording audit trail (edit log) facility was not enabled for the accounting software used for maintaining the general ledger for the entire year
 - ii. the feature of recording audit trail (edit log) facility was not enabled for the accounting software used for maintaining the revenue transactions for the period April 2023 to August 2023 at application level and for the period April 2023 to June 2023 at database level
 - iii. in the absence of an independent auditor's report in relation to controls at a service organisation for an accounting software used for maintaining payroll master, 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.



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

- iv. In the absence of an independent auditor's report in relation to controls at a service organisation for an accounting software used for payroll processing, 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 during the period 1 October 2023 to 31 March 2024 for all the relevant transactions recorded in the software.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with during our course of audit.

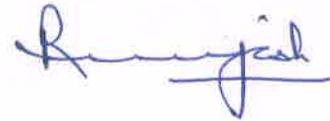
- A. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company is not a public company during the year under audit. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company for the year ended 31 March 2024. 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.:101248WW-100022



Rajesh Mehra

Partner

Place: Mumbai

Date: 17 June 2024

Membership No.: 103145

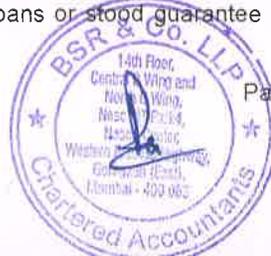
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Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) for the year ended 31 March 2024

(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.
- (i) (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. No material discrepancies were noticed on such verification.
- (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 retruns for the quarter ended 31 March 2024 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, granted loans and advances in the nature of loans, unsecured, to companies and other parties during the year, in respect of which the requisite information is as below. The Company has not made any investments and has not granted any loans or advances in the nature of loans, secured or unsecured, to firms or limited liability partnerships during the year. The Company has not provided any guarantee or security to companies, firms, limited liability partnerships or any 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 and stood guarantee for subsidiaries. The Company has not given any loans or stood guarantee for associate and has not given any advances in the nature of loans to or provided security for any subsidiaries and associate. The Company does not hold any investment in any joint ventures.

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 to parties other than subsidiaries and associate as listed below. The Company has not given any loans or stood guarantee or provided security to parties other than subsidiaries and associate.



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 2024 (Continued)

Particulars (Rs. in Million)	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
Subsidiaries*	-	-	121	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others	-	-	-	8
Balance outstanding as at balance sheet date				
Subsidiaries*	5,750	-	237	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others*	-	-	-	4

**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 and the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, 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 Rs.10 million. Recovery of loans including interest thereon aggregating to Rs.204.06 million given to two subsidiaries has been waived during the year and Rs.83.7 million has been adjusted against consideration towards acquired business of a subsidiary (refer note 35). The other subsidiaries to whom loans have been given are regular in payment of interest as stipulated.
- (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 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 its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):



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 2024 (Continued)

	Related Parties (INR in Million)
Aggregate of loans/advances in nature of loan	
- Repayable on demand (A)	237
- Agreement does not specify any terms or period of Repayment (B)	-
Total (A+B)	237
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 the records of the Company, the Company has not provided any security as specified under Section 186 of the Companies Act, 2013 ("the Act"). In respect of loans given, investments made and guarantee provided by the Company, in our opinion, the provisions of Section 185 and 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 for the services rendered 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 amounts deducted / accrued in the books of account in respect of 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, though there have been slight delays in a few cases of Provident Fund, Income Tax and Professional tax.

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 2024 for a period of more than six months from the date they became payable.

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



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 2024 (Continued)

Name of the statute	Nature of the dues	Amount (INR in Million)	Paid/adjusted under protest (INR in Million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income tax Act, 1961	Income Tax	10.81	-	AY 2007-08	Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income Tax	6.32	0.95	AY 2007-08	Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income Tax	23.85	23.85	AY 2011-12	Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income Tax	4.81	4.81	AY 2018-19	Income Tax Appellate Tribunal (ITAT)	
Income tax Act, 1961	Income Tax	1.83	0.48	AY 2019-20	Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income Tax	19.34	19.34	AY 2020-21	Dispute Resolution Panel (DRP) & Commissioner of Income Tax (Appeals)	
Income tax Act, 1961	Income Tax	8.60	-	AY 2021-22	Dispute Resolution Panel (DRP) & Commissioner of Income Tax (Appeals)	



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 2024 (Continued)

Name of the statute	Nature of the dues	Amount (INR in Million)	Paid/adjusted under protest (INR in Million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
					Income Tax (Appeals)	
Central Excise Act, 1944	Service Tax	0.68	-	April 2015 - June 2017	Department of revenue - GST Audit II Mumbai	

- (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) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. 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 balance sheet 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) Based on examination of the books and records of the Company and according to the



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 2024 (Continued)

information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

- (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) Establishment of vigil mechanism is not mandated for the Company. We have taken into consideration the whistle blower complaints received under the vigil mechanism established voluntarily by the Company during the year and shared with us 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) The Company is a private limited company during the period of audit and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such 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



B S R & Co. LLP

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 2024 (Continued)

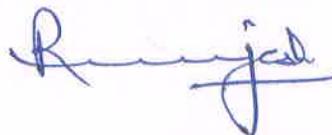
that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet 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

Place: Mumbai

Date: 17 June 2024

Membership No.: 103145

ICAI UDIN:24103145BKFWLM1500

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 2024

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 known as Fractal Analytics Private Limited) ("the Company") as of 31 March 2024 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 2024, based on the internal financial controls with reference to financial statements criteria established by the Company 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 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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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.



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 2024 (Continued)

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.

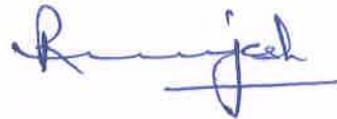
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Place: Mumbai

Date: 17 June 2024

Membership No.: 103145

ICAI UDIN:24103145BKFVLM1500

Fractal Analytics Limited

(Formerly known as Fractal Analytics Private Limited)

Standalone Balance Sheet as at March 31, 2024

Particulars	Note	(in Rupees million)	
		As at March 31, 2024	As at March 31, 2023*
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	3	167	308
(b) Right-of-use assets	4	954	221
(c) Goodwill	5	535	535
(d) Other intangible assets	6	64	120
(e) Intangible assets under development	6.1	32	1
(f) Financial assets			
(i) Investments	7	5,393	5,132
(ii) Other financial assets	11	213	304
(g) Deferred tax assets (net)	12	77	43
(h) Income tax assets (net)		159	143
(i) Other non-current assets	13	12	33
Total non-current assets		7,606	6,840
(B) Current assets			
(a) Financial assets			
(i) Investments	7	4,174	2,753
(ii) Trade receivables	8	6,798	6,523
(iii) Cash and cash equivalents	9	123	79
(iv) Loans	10	164	116
(v) Other financial assets	11	215	38
(b) Other current assets	13	442	441
Total current assets		11,916	9,950
Total Assets		19,522	16,790
EQUITY AND LIABILITIES			
(A) Equity			
(a) Share capital	14	31	31
(b) Other equity	15	16,852	14,530
Total equity		16,883	14,561
(B) Liabilities			
(I) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	30	722	42
(ii) Other financial liabilities	17	35	2
(b) Provisions	19	157	93
Total non-current liabilities		914	137
(II) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	30	168	229
(ii) Trade payables	16		
1. Total outstanding dues of micro enterprise and small enterprises		43	5
2. Total outstanding dues of creditors other than micro enterprises and small enterprises		220	675
(iii) Other financial liabilities	17	965	904
(b) Other current liabilities	18	244	181
(c) Provisions	19	85	80
(d) Current tax liabilities (net)		-	18
Total current liabilities		1,725	2,092
Total liabilities		2,639	2,229
Total Equity and Liabilities		19,522	16,790

* Refer note 35 for business combination

Material accounting policies

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



Rajesh Mehra

Partner

Membership Number: 103145

Mumbai

Date: June 17, 2024

For and on behalf of the Board of Directors of

Fractal Analytics Limited

CIN: U72400MH2000PLC125369



Shikant Velamakanni

Whole-Time Director

DIN: 01722758

London

Date: June 17, 2024




Sasha Gulu Mirchandani

Director

DIN: 01179921

London

Date: June 17, 2024



Somya Agarwal

Company Secretary

Membership number: A17336

London

Date: June 17, 2024

Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Standalone Statement of Profit and Loss for the year ended March 31, 2024

(in Rupees million)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023*
(1) Income			
(a) Revenue from operations	20	11,447	9,941
(b) Other income	21	383	583
Total Income		11,830	10,524
(2) Expenses			
(a) Employee benefits expense	22	8,844	7,265
(b) Employee stock option expense	33	555	1,049
(c) Finance costs	23	19	40
(d) Depreciation and amortisation expense	24	456	452
(e) Other expenses	25	1,120	1,502
Total Expenses		10,994	10,308
(3) Profit before exceptional items and tax expense (1-2)		837	216
(4) Exceptional items	26	(469)	368
(5) Profit/(Loss) before tax expense (3-4)		1,306	(152)
(6) Tax expense			
(a) Current tax	37	121	151
(b) Deferred tax (credit) / charge	12	(45)	8
Total tax expense		76	159
(7) Profit/(Loss) for the year (5-6)		1,230	(311)
(8) Other comprehensive income			
(1) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement of defined employee benefit plans	28	18	25
(b) Income tax on items (a) above		(5)	(7)
(2) Items that will be reclassified subsequently to profit or loss			
(a) Effective portion of gains on of derivatives designated as cash flow hedge		50	-
(b) Effective portion of gains on of derivatives designated as cash flow hedge reclassified subsequently to profit or loss		(7)	-
(c) Income tax on items (a) and (b) above		(11)	-
Total other comprehensive income		45	18
(9) Total comprehensive Income/(Loss) for the year (7+8)		1,275	(293)
Earnings per share (EPS)	36		
(1) Basic EPS		40.37	(10.25)
(2) Diluted EPS		37.04	(10.25)

* Refer note 35 for business combination

Material accounting policies

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



Rajesh Mehra

Partner

Membership Number: 103145

Mumbai

Date: June 17, 2024

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

CIN: U72400MH2000PLC125369



Srikant Velamakanni

Whole-Time Director

DIN: 01722758

London

Date: June 17, 2024




Sasha Gulu Mirchandani

Director

DIN: 01179921

London

Date: June 17, 2024



Somya Agarwal

Company Secretary

Membership number: A17336

London

Date: June 17, 2024

Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Standalone Statement of Cash flows for the year ended March 31, 2024

(In Rupees million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023*
(A) Cashflows from operating activities		
Profit / (loss) before tax expense	1,306	(152)
Adjustment for:		
Depreciation and amortization expense	262	263
Depreciation on right-of-use assets	194	189
Interest on lease liabilities	16	39
Interest income on intercompany loan*	(2)	(4)
Net gain on redemption/fair valuation of financial instruments	(198)	(157)
Guarantee commission income	(31)	(39)
Gain on sale of investment in subsidiary company	(17)	-
Interest income on unwinding of security deposits	(11)	(11)
Unrealised foreign exchange loss / (gain) (net)	43	(35)
Unrealised fair value (gain) / loss on derivatives (net)	(51)	45
Employee stock option expense	555	1,049
Allowance for expected credit loss	32	8
Provision for doubtful advances	3	10
Provision for tax settlements (Refer note 25)	5	80
Impairment in value of investments and recoverable from subsidiaries and writeback of payable to subsidiaries	(469)	368
Impact on account of acquisition of business (Refer note 35)	19	176
Operating cash flow before working capital changes	1,656	1,829
(Increase) in trade receivables	(352)	(2,857)
(Increase) in other current financial assets	(82)	(109)
(Increase) / Decrease in other non current financial assets	(6)	1
Decrease in other non current assets	21	15
(Increase) in other current assets	(9)	(2)
Increase / (Decrease) in trade payables	25	(14)
Increase in other current financial liabilities	279	184
Increase in current and non-current provisions	82	17
(Decrease) / Increase in other non current financial liabilities	(1)	2
Increase / (Decrease) in other current liabilities	64	(171)
Cash generated from operations	1,677	(1,105)
Taxes paid (net of refunds)	(160)	(127)
Net cashflows generated / (used in) from operating activities	1,517	(1,232)
(B) Cashflows from investing activities		
Purchase of property, plant and equipment and intangible assets	(96)	(156)
Intercompany loan given during the year	(121)	(298)
Intercompany loan received back during the year	10	121
Interest received during the year	-	21
Maturity proceeds on redemption of mutual fund units	6,806	7,866
Purchase of mutual fund units	(8,030)	(6,514)
Proceeds from sale of investments in subsidiary	231	-
Investment in equity instruments of subsidiary	(3)	(5)
Amount paid for acquisition of business (Refer note 35)	(109)	-
Net cashflows (used in) / generated from investing activities	(1,312)	1,035
(C) Cashflows from financing activities		
Proceeds from issue of equity shares and share application money pending allotment	100	151
Repayment of lease liabilities including interest (Refer note 30)	(261)	(257)
Net cashflows from / (used in) financing activities	(161)	(106)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	44	(303)
Cash and cash equivalents at the beginning of the year	79	382
Cash and cash equivalents at the end of the year	123	79
Cash and cash equivalents comprise of:		
Cash in hand*	0	0
Balance with banks:		
In current accounts	123	79
Total cash and cash equivalents	123	79

* Refer note 35 for business combination

**denotes amount less than Rs. 1 million

Notes :

- Refer note 30 for movement in lease liabilities under financing activities.
- The statement of cashflows has been prepared under the indirect method as set out in Indian Accounting standard (Ind AS 7) Statement of cash flows' as specified under section 133 of the Companies Act, 2013.

Material accounting policies

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



Rajesh Mehra

Partner

Membership Number: 103145

Mumbai

Date: June 17, 2024

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

CIN: U72400MH2000PLC125369

Srikanti Velamakanni

Whole Time Director

DIN: 01722758

London

Date: June 17, 2024

Somya Agarwal

Company Secretary

Membership number: A17336

London

Date: June 17, 2024



Sasha Gulu Mirchandani

Director

DIN: 01179921

London

Date: June 17, 2024



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Standalone Statement of Changes in Equity for the year ended March 31, 2024

(A) Equity share capital

Particulars	(in Rupees million)	
	Amount	
Balance as at April 1, 2023	26	
Changes in equity shares capital during the year*	0	
Balance as at March 31, 2024	26	
Balance as at April 1, 2022	26	
Changes in equity shares capital during the year*	0	
Balance as at March 31, 2023	26	

*Amount less than Rs 1 million

(B) Instruments entirely equity in nature - Series B 0.001 % Compulsorily convertible preference shares

Particulars	(in Rupees million)	
	Amount	
Balance as at April 1, 2023	5	
Changes in preference share capital during the year	-	
Balance as at March 31, 2024	5	
Balance as at April 1, 2022	5	
Changes in preference share capital during the year	-	
Balance as at March 31, 2023	5	

(C) Other equity

Particulars	Reserve and Surplus				Capital Reserve	Share application money pending allotment	Items of other comprehensive income Effective portion of gains on derivatives as cash flow hedge (net)	Total equity
	Securities premium	Employee stock option reserve (ESOP)	Retained earnings	Remeasurement of defined employee benefit plans				
Balance as at April 1, 2023	11,977	2,017	650	(125)	8	3	-	14,530
Profit for the year	-	-	1,230	-	-	-	-	1,230
Other comprehensive income	-	-	-	13	-	-	32	45
Total comprehensive income/(loss)	-	-	1,230	13	-	-	32	1,275
Issue of Equity shares	81	-	-	-	-	(3)	-	78
Share application money received during the year	-	-	-	-	-	22	-	22
Additions on account of business combinations (Refer note 35)	-	-	-	-	(1)	-	-	(1)
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	-	-	-	-	-
Balance as at March 31, 2024	12,108	2,880	1,915	(112)	7	21	32	16,852
Balance as at April 1, 2022	11,786	487	1,659	(142)	-	-	-	13,790
Additions on account of business combinations (Refer note 35)	-	-	(698)	(1)	8	-	-	(691)
(Loss) for the year	-	-	(311)	-	-	-	-	(311)
Other comprehensive income	-	-	-	19	-	-	-	18
Total comprehensive income/(loss)	-	-	(311)	18	-	-	-	(293)
Issue of Equity shares	148	-	-	-	-	-	-	148
Share application money received during the year	-	-	-	-	-	3	-	3
Employee stock option expense (Refer note 33)	-	1,573	-	-	-	-	-	1,573
Transfer to securities premium on account of exercise of ESOP	43	(43)	-	-	-	-	-	-
Transfer to retained earnings on account of vested ESOP lapsed*	-	(0)	0	-	-	-	-	-
Balance as at March 31, 2023	11,977	2,017	650	(125)	8	3	-	14,530

*Amount less than Rs 1 million

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.
- (g) **Effective portion of gains 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 (Refer note 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: 101246/WV-100022



Rajesh Mehra

Partner

Membership Number: 103145

Mumbai

Date: June 17, 2024

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

CIN: U72900MH2003PLC125369



Srikanth Velamakanni
Whole-Time Director
DIN: 01722758

London

Date: June 17, 2024



Somya Agarwal

Company Secretary

Membership number: AL7336

London

Date: June 17, 2024




Sasha Gulu Mirchandani

Director

DIN: 01179921

London

Date: June 17, 2024

Fractal Analytics Limited

(Formerly known as Fractal Analytics Private Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

1. Corporate Information

Fractal Analytics Limited ('Fractal' or 'the Company') is a limited Company, incorporated and domiciled in India. 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 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 Company

2.1 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 certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), Employees Stock Option plan as per fair value of the option and Employee's net defined benefit (asset) / liability at fair value of plan assets less the present value of the defined benefit obligation.

The standalone financial statements are presented in Indian rupees (INR), which is Company's presentation and functional currency. All values are rounded off to nearest million, except when otherwise indicated.

These standalone financial statements were authorised for issuance by the Board of Directors at their meeting held on June 17, 2024.

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 consolidated financial statement of the Company in the same form in which they appeared in the financial statements of the acquired entity or businesses. 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.



Fractal Analytics Limited

(Formerly known as Fractal Analytics Private Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

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.



Fractal Analytics Limited

(Formerly known as Fractal Analytics Private Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

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
Client Relationships	3
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.

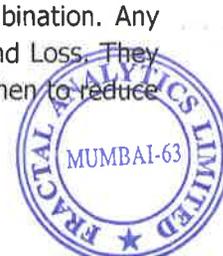
An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Standalone Statement of Profit and Loss account.

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 the property, plant and equipment or intangible 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 the carrying amount of any goodwill allocated to CGU and then to reduce



Fractal Analytics Limited

(Formerly known as Fractal Analytics Private Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

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 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 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 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.



Fractal Analytics Limited

(Formerly known as Fractal Analytics Private Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

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.

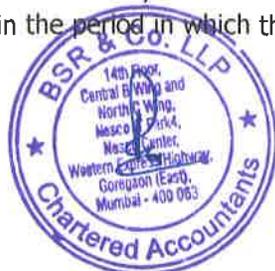
2.8 Employee benefits

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.



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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 Company provides benefits such as gratuity, pension and provident fund 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.

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.

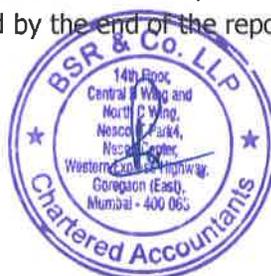
Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

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.

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.

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.



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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 account, 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. 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
- (ii) 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 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 statement of cash flows. Under Ind AS



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116, it will result in increase in cash outflows in financing activities and increase in cash infows in operating activities.

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 classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and
- 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



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				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	<p>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 account</p> <p>Interest income, transaction cost and discount or premium on acquisition are recognized in the Standalone Statement of Profit and Loss account (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 account 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 are expensed to Statement of Standalone 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</p>



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				<p>the period in which it arises.</p> <p>Interest income from these financial assets is included in the finance income.</p>
Equity instruments	FVOCI	<p>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.</p>	<p>At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset</p>	<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	<p>When no such election is made, the equity instruments are measured at FVTPL</p>	<p>At fair value. Transaction costs of financial assets expensed to Standalone Statement of Profit and Loss</p>	<p>Changes in fair value of such assets are recorded Standalone Statement of Profit and Loss.</p>

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.



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Initial and subsequent measurement of Cash flow hedges:

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value exceeds the contract amount and as financial liabilities when the fair value is less than the contract amount. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Standalone Statement of Profit and Loss account, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to Standalone Statement of Profit and Loss when the hedge item affects profit and loss upon settlement of transactions.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

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 to profit or loss.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

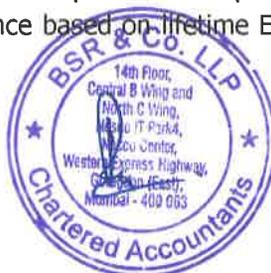
(ii) Impairment

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.



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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
- (b) 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

B. 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



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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 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).



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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 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 Balance Sheet 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.



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2.16 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.

2.17 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:

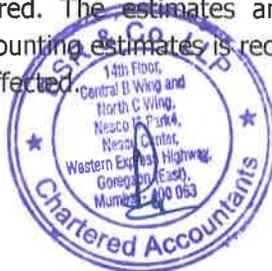
- (a) it is expected to be settled in the normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period; or
- (d) the Company has no unconditional right to defer the settlement of the liability for at 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.



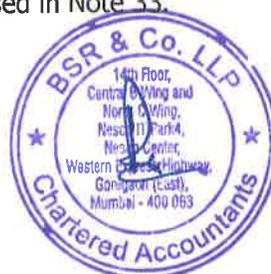
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In the process of applying the Company's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the standalone financial statements:

- 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.



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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 uses 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 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, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

3 Property, plant and equipment

(in Rupees million)

Particulars	Computers and accessories	Vehicles	Leasehold improvements	Furniture and fixtures	Office Equipment	Total
Gross carrying amount						
As at April 01, 2023	717	-	256	59	132	1,164
Additions	56	-	-	1	2	59
Disposals*	(17)	-	(1)	(0)	(3)	(21)
As at March 31, 2024	756	-	255	60	131	1,202
Accumulated depreciation						
As at April 01, 2023	469	-	227	32	128	856
Charge for the year	165	-	27	5	3	200
On disposals*	(17)	-	(1)	(0)	(3)	(21)
As at March 31, 2024	617	-	253	37	128	1,035
Net carrying amount as at March 31, 2024	139	-	2	23	3	167
Gross carrying amount						
As at April 01, 2022	572	-	256	59	128	1,015
Additions on account of business combinations (Refer note 35)*	11	1	-	0	0	12
Additions*	140	-	-	0	4	144
Disposals*	(6)	(1)	-	(0)	(0)	(7)
As at March 31, 2023	717	-	256	59	132	1,164
Accumulated depreciation						
As at April 01, 2022	307	-	198	27	126	658
Additions on account of business combinations (Refer note 35)*	11	1	-	0	0	12
Charge for the year	157	-	29	5	2	193
On disposals*	(6)	(1)	-	(0)	(0)	(7)
As at March 31, 2023	469	-	227	32	128	856
Net carrying amount as at March 31, 2023	248	-	29	27	4	308

*denotes amount less than Rs. 1 million

Note : The Company does not hold any immovable properties

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Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2024

4 Right-of-use assets

Particulars	(in Rupees million) Amount
Gross carrying amount	
As at April 01, 2023	949
Additions	927
Disposals	(754)
As at March 31, 2024	1,122
Accumulated depreciation	
As at April 01, 2023	728
Charge for the year	194
On disposals	(754)
As at March 31, 2024	168
Net carrying amount as at March 31, 2024	954
Gross carrying amount	
As at April 01, 2022	918
Additions on account of business combinations (Refer note 35)	4
Additions	31
Disposals	(4)
As at March 31, 2023	949
Accumulated depreciation	
As at April 01, 2022	540
Additions on account of business combinations (Refer note 35)	3
Charge for the year	189
On disposals	(4)
As at March 31, 2023	728
Net carrying amount as at March 31, 2023	221

Note:

1. The Right-of-use assets as per Ind AS-116 comprises of lease of office premises.
2. The aggregate depreciation expense on Right-of-use assets is included under depreciation and amortisation expenses in the Statement of Profit and Loss.

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Notes to the standalone financial statements as at and for the year ended March 31, 2024

5 Goodwill

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Goodwill at the beginning of the year	535	-
Additions on account of business combinations (Refer note 35)	-	535
Goodwill at the end of the year	535	535

The carrying amount of goodwill was allocated to major cash-generating units as follows:

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Final Mile Consultants Private Limited	278	278
Neal Analytics Services Private Limited	257	257
Total	535	535

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% (March 31, 2023 : 3% to 5%) terminal growth rate and discount rate of 18% to 30% (March 31, 2023 : 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).



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

6 Other intangible assets

(in Rupees million)			
Particulars	Computer Software	Internally generated Intellectual Property	Total
Gross carrying amount			
As at April 01, 2023	76	452	528
Additions	-	6	6
Disposals	-	-	-
As at March 31, 2024	76	458	534
Accumulated amortisation			
As at April 01, 2023	64	344	408
Charge for the year	4	58	62
On disposals	-	-	-
As at March 31, 2024	68	402	470
Net carrying amount as at March 31, 2024	8	56	64
Gross carrying amount			
As at April 01, 2022	63	170	233
Additions on account of business combinations (Refer note 35)	-	195	195
Additions	13	87	100
Disposals	-	-	-
As at March 31, 2023	76	452	528
Accumulated amortization			
As at April 01, 2022	61	139	200
Additions on account of business combinations (Refer note 35)	-	138	138
Charge for the year	3	67	70
On disposals	-	-	-
As at March 31, 2023	64	344	408
Net carrying amount as at March 31, 2023	12	108	120

The estimated amortisation of intangibles assets for the years subsequent to March 31, 2024 is as follows :

Year ending 31 March	in Rupees Million
2025	29
2026	28
2027	7
	64

6.1 Intangible assets under development ('IAUD')

(in Rupees million)	
Particulars	Total
Gross carrying amount	
As at April 01, 2023	1
Additions	37
Less: Capitalised	(6)
As at March 31, 2024	32
Gross carrying amount	
As at April 01, 2022	-
Additions on account of business combinations (Refer note 35)	59
Additions	29
Less: Capitalised	(87)
As at March 31, 2023	1

Ageing of Projects in progress

(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, 2024	32	-	-	-	32
	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, 2023	1	-	-	-	1

6.2 Details of expenses which has been capitalised:

(in Rupees million)		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	8	27
Other expenses	21	2
Total	29	29



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7 Investments

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Investments (Non-current)		
Investments in equity instruments in subsidiaries		
<i>(at cost)</i>		
A. Unquoted equity shares		
Fractal Private Limited, Singapore 100,000 (March 31, 2023: 100,000) equity shares of SGD 1 fully paid up	3	3
Fractal Analytics Inc., United States of America 997,951 (March 31, 2023: 997,951) equity shares of USD 1 fully paid up	3,426	3,426
Cuddle Artificial Intelligence Private Limited** 163,360,913 (March 31, 2023: 160,344,828) equity shares of Rs 1 fully paid up	7	-
Final Mile Consultants Private Limited** 21,955 (March 31, 2023: 21,955) equity shares of Re 1 fully paid up	143	159
Theremin AI Solutions Private Limited 100,000,010 (March 31, 2023: 100,000,010) equity shares of Rs 1 fully paid up	100	100
Eugenie Technologies Private Limited 100,000 (March 31, 2023: 100,000) equity shares of Rs 1 fully paid up	1	1
Asper.AI Technologies Private Limited (formerly known as Samva.AI Technologies Private Limited) (Refer note 29) Nil (March 31, 2023: 9,674,643) equity shares of Rs 10 fully paid up	-	121
Senseforth AI Research Private Limited 100,000 (March 31, 2023: 100,000) equity shares of Rs 10 fully paid up	130	130
Analytics Vidhya Educon Private Limited 127,023 (March 31, 2023: 127,023) equity shares of Rs 10 fully paid up	408	408
Neal Analytics Services Private Limited** 10,000 (March 31, 2023: 10,000) equity shares of Rs 10 fully paid up	81	77
Fractal Alpha Private Limited 5,000,000 (March 31, 2023: 5,000,000) equity shares of Rs 1 fully paid up	5	5
B. Unquoted preference shares		
(at amortised cost)		
Theremin AI Solutions Private Limited 43,767,172 (March 31, 2023: 43,767,172) 0.0001% Series B Compulsorily convertible cumulative preference shares of Rs 1 each fully paid up	53	53
C. Unquoted Compulsory Convertible Debentures		
(at amortised cost)		
Eugenie Technologies Private Limited Nil (March 31, 2023: 9,200) 0.1% Compulsory Convertible Debentures of Rs 10,000 each fully paid up	-	92
D. Deemed Investment in subsidiaries		
Fractal Analytics Incorporated, USA	654	390
Fractal Analytics UK Limited, UK	342	233
Theremin Ai Solutions Private Limited	2	2
Senseforth AI Research Private Limited	65	46
Neal Analytics LLC***	19	19



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

7 Investments

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Investments in equity instruments in associate (at cost)		
A. Unquoted equity shares		
Qure.ai Technologies Private Limited 250,000,000 (March 31, 2023 :250,000,000 equity shares of Rs 1 fully paid up)	250	250
B. Other investments (Unquoted, measured at amortised cost)		
Qi-Cap Investments Private Limited* (March 31, 2024 : 132,567 shares of face value Rs 1 each March 31, 2023 : Nil)	0	-
Less : Provision for impairment of Investment (Refer note 26)	(296)	(383)
Total (Non-current)	5,393	5,132
Other investments (Current)		
Investment in mutual funds units (unquoted) (at fair value through profit and loss)		
Investment in liquid mutual funds units (unquoted)	4,174	2,753
Total other investments	4,174	2,753
(a) Aggregate carrying amount of unquoted investments	9,567	7,885
(b) Aggregate amount of impairment in value of investments	296	383

*denotes amount less than Rs 1 million

** The gross value of investments in the above subsidiaries is as per the table below. The change in carrying value of investment of these subsidiaries is due to impact given on account of acquisition of business as explained in note 35.

Particulars	As at March 31, 2024	As at March 31, 2023
Cuddle Artificial Intelligence Private Limited	168	165
Final Mile Consultants Private Limited	474	474
Neal Analytics Services Private Limited	300	300
Total gross value of investments	942	939
Total net carrying value of investments	231	236

*** Subsequent to year end, Neal Analytics LLC has been merged to subsidiary Fractal Analytics Inc. vide board resolution dated April 04, 2024.

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, 2024 and 2023, 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, 2023 : 3% to 5%) terminal growth rate and discount rate of 18% to 30% (March 31, 2023 : 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 Rs. 155 million (March 31, 2023 : Rs. 155 million) in Theremin AI Solutions Private Limited, Rs. 1 million (March 31, 2023 : Rs. 93 million) in Eugenie Technologies Private Limited, Rs. 16 million (March 31, 2023 : Rs. 16 million) in Analytics Vidhya Educon Private Limited, Rs. 119 million (March 31, 2023 : Rs. 119 million) in Senseforth AI Research Pvt. Ltd, Rs. 5 million (March 31, 2023 : Rs Nil million) in Fractal Alpha Private Limited.



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
8 Trade receivables		
Unsecured, considered good		
- Third parties	772	546
- Related parties (Refer note 29)	2,488	4,759
- Unbilled receivables -- Third parties	143	149
- Related parties -- Unbilled (Refer note 29)	3,132	1,074
Unsecured, credit impaired		
- Third parties	12	12
Sub Total	6,847	6,540
Allowance for expected credit loss	(49)	(17)
Current trade receivables	6,798	6,523

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	
Trade receivables							
(i) Undisputed Trade receivables – considered good	677	1,870	703	5	4	1	3,260
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	12	12
	677	1,870	703	5	4	13	3,272
Less: Allowance for expected credit loss							(49)
Trade receivables - Unbilled							3,575
Total							6,798

Ageing for Trade receivables : March 31, 2023

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	
Trade receivables							
(i) Undisputed Trade receivables – considered good	1,220	3,913	163	8	1	-	5,305
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	12	12
	1,220	3,913	163	8	1	12	5,317
Less: Allowance for expected credit loss							(17)
Trade receivables -- Unbilled							1,223
Total							6,523

9 Cash and cash equivalents

Cash on hand*	0	0
Balance with banks		
In current accounts	123	79
Total cash and cash equivalents	123	79

*denotes amount less than Rs. 1 million

10 Loans

Current loans

Unsecured, considered good

Intercompany loan (Refer note 29)

Less: Loss allowance (Refer note 26)

Total current loans

237	126
(73)	(10)
164	116

Type of Borrower	March 31, 2024		March 31, 2023	
	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	237	100%	126	100%
Total	237		126	

Note : Loan given is repayable on demand. Interest on loan ranges between 7% to 7.3%.

11 Other financial assets

Non-current financial assets

Derivative assets -- forward contracts

Security deposits

Guarantee fee receivable (Refer note 29)

Total non-current financial assets

17	6
130	173
66	125
213	304

Current financial assets

Derivative assets -- forward contracts

Receivables from subsidiaries (Refer note 29)

Guarantee fee receivable (Refer note 29)

Interest receivable from subsidiary (Refer note 29)

Less: Loss allowance (Refer note 26)

Total current financial assets

53	-
185	104
66	-
3	4
(93)	(70)
215	38



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
12 Deferred tax assets (net)		
Significant components of deferred tax assets (net)		
Deferred tax assets		
Difference between book and tax value of property, plant and equipment and intangible assets	64	43
Financial guarantee contract	(3)	(2)
Right of use assets	(226)	(54)
Lease liabilities	224	68
Mark to market (MTM) gain on derivative forwards	(18)	6
MTM on investment in liquid funds	(28)	(18)
Others	60	-
Total Deferred tax assets	74	43

Movements in deferred tax assets/(liabilities)

Particulars	Mark to market(MTM) gain on derivative forwards	Right of use: assets and Leases	MTM on investment in liquid funds	Property, plant & equipment and intangible assets	Others*	Financial guarantee contract	Total
At April 1, 2023	6	14	(18)	43	-	(2)	43
(Charged) / Credited							
- to profit or loss	(13)	(16)	(10)	21	60	(1)	42
- to other comprehensive income	(11)	-	-	-	-	-	(11)
At March 31, 2024	(18)	(2)	(28)	64	60	(3)	74
At March 31, 2021				33	15	(0)	48
At April 1, 2022	(5)	21	(1)	35	-	(1)	49
Additions on account of business combinations (Refer note 35)	-	-	-	-	2	-	2
(Charged) / Credited							
- to profit or loss	11	(7)	(17)	8	(2)	(1)	(8)
- to other comprehensive income	-	-	-	-	-	-	-
At March 31, 2023	6	14	(18)	43	-	(2)	43

*Others include tax impact for allowance for expected credit loss, loans and other temporary differences

13 Other assets

Non-Current assets

Prepaid expenses	12	28
Employee advances	-	5
Total non-current assets	12	33

Current assets

Prepaid expenses (Refer note below)	291	230
Contract assets (Refer note 27)	89	29
Advances to vendors and others	10	33
Balance with government authorities	62	159
Less: Provision for doubtful advances	(10)	(10)
Total current assets	442	441

Note : Prepaid expenses includes Rs. 128 million (March 31, 2023: Rs. 55 million) towards planning for initial public offer and is to be shared between the Company and selling shareholders.



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
14 Equity share capital		
Authorised		
349,200,000 equity shares of face value Rs. 1 each (March 31, 2023 : 349,200,000 equity shares of face value Rs. 1 each)^	349	349
38,100,000 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each (March 31, 2023 : Series B 0.001 % 38,100,000 Compulsorily convertible preference shares of face value Rs. 1 each)	38	38
	387	387
^The authorised share capital of the Company was increased vide board resolution date July 22, 2022.		
Issued share capital		
26,317,789 equity shares of face value Rs. 1 each (March 31, 2023 : 26,189,854 equity shares of Rs. 1 each)	26	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each (March 31, 2023 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each)	5	5
	31	31
Subscribed and fully paid-up		
25,652,931 equity shares of face value Rs.1 each fully paid up (March 31, 2023 : 25,524,996 equity shares of face value Rs.1 each fully paid up)	26	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each (March 31, 2023 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each fully paid up)	5	5
	31	31
Subscribed but not fully paid-up		
664,858 equity share of face value Rs.1 (Rs 0.5 paid up) (Refer note a(ii) below)* (March 31, 2023 : 664,858 equity share of face value Rs.1 (Rs 0.5 paid up) (Refer note a(ii) below)*)	0	0
	0	0
	31	31

*denotes amount less than Rs. 1 million

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount (in Rupees million)	Number of shares	Amount (in Rupees million)
Equity shares				
At the commencement of the year	2,61,89,854	26	2,59,47,598	26
Add : Shares issued during the year under				
- employee stock option plan (Refer note a(i) below)	1,27,935	-*	2,32,856	-*
- private placement of shares (Refer note a(ii) below)	-	-*	9,400	-*
At the end of the year	2,63,17,789	26	2,61,89,854	26

*denotes amount less than Rs. 1 million

(i) During the year 127,935 shares (March 31, 2023: 232,856 shares) were issued under employee stock option plan at various price (Refer note 33).

(ii) During the year Nil shares (March 31, 2023: 9,400 shares) were issued on a private placement basis.

Instruments entirely equity in nature - Series B 0.001 % Compulsorily convertible preference shares

At the commencement of the year	45,23,604	5	45,23,604	5
Issued during the year	-	-	-	-
At the end of the year	45,23,604	5	45,23,604	5

(b) Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
(a) Equity shares of Rs. 1 each fully paid-up held by				
Quinag Bidco Limited	22.57%	59,39,620	22.68%	59,39,620
TPG Fett Holdings Pte Limited	28.39%	74,72,423	28.08%	73,53,814
Gulu Mirchandani (on behalf of GLM Family Trust)	20.13%	52,96,556	-	-
Gita Mirchandani	0.38%	1,00,000	11.96%	31,31,260
Gulu Mirchandani	0.38%	1,00,000	9.03%	23,65,296
Pranay Agrawal	6.44%	16,96,174	6.60%	17,27,812
Srikanth Velamakanni*	5.80%	15,27,378	5.83%	15,27,378
Chetana Kumar	5.04%	13,25,431	5.15%	13,49,151
* includes 664,858 partly paid-up shares issued on private placement basis				
(b) Series B 0.001 % Compulsorily Convertible Preference Shares of Rs. 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



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(c) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 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 par passu with the equity shares on liquidation and shall have no liquidation preference.

(e) Shares reserved for issue under options

Particulars	March 31, 2024	March 31, 2023
	No. of shares	No. of shares
Equity shares of Rs. 1 each reserved for issue under employee stock option scheme (Refer note 33)	60,08,873	61,36,808

Note -- Refer note (a) and (e) 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, 2024 and March 31, 2023.

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
15 Other equity		
Securities premium reserve	12,108	11,977
Employee stock option reserve	2,880	2,017
Retained earnings	1,915	650
Remeasurement of defined employee benefit plans	(112)	(125)
Capital Reserve	7	8
Share application money pending allotment	22	3
Effective portion of cashflow hedge	32	-
Total other equity	16,852	14,530

Note : For movement during the year, refer statement of changes in equity.



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
16 Trade payables		
Current trade payables		
- Total outstanding dues of micro enterprise and small enterprises (Refer below note)		
- Others	38	5
- Related parties (Refer note 29)	5	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Others	220	208
- Related parties (Refer note 29)	-	467
Total current trade payables	263	680

Dues of micro and small enterprises

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;	43	5
- 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	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.	-	-

March 31, 2024

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		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	35	1	-	-	71
(iii) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	7	-	7
Total	37	43	1	7	-	88
Accrued expenses						175
Total						263

March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises*	0	4	-	-	-	4
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	16	54	171	19	113	373
(iii) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	7	-	-	7
Total	16	58	178	19	113	384
Accrued expenses						296
Total						680

*denotes amount less than Rs. 1 million.



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2024

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
17 Other financial liabilities		
Non-current financial liabilities		
Employee related obligations	1	2
Liabilities from financial guarantees (Refer note 29)	34	-
Total non-current financial liabilities	35	2
Current financial liabilities		
Derivative liability – forward contracts	-	30
Employee related obligations	881	682
Payable to subsidiaries (Refer note 29)	63	-
Liabilities from financial guarantees (Refer note 29)	21	80
Payable towards business acquisition (Refer note 35)	-	109
Payable to minority shareholders of subsidiary (Refer note 35)	-	3
Total current financial liabilities	965	904
18 Other liabilities		
Current liabilities		
Unearned revenue (Refer note 27)	71	53
Advances from customers	1	1
Statutory dues payable*	172	127
Total current liabilities	244	181
*Includes liability towards tax deducted at source, provident fund contribution and professional tax.		
19 Provisions		
Non-current provisions		
Gratuity (Refer note 28)	157	93
Total non-current provisions	157	93
Current provisions		
Other provisions (Refer note 25)	85	80
Total current provisions	85	80
Movement of other provisions		
Opening balance	80	-
Provision created during the year	5	80
Provision reversed/utilised during the year	-	-
Closing balance	85	80



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

(in Rupees million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
20 Revenue from operations		
Sale of services (Refer note 27)		
Income from rendering of services		
- Third party	2,946	2,390
- Related Party (Refer note 29)	8,501	7,551
Total Revenue from operations	11,447	9,941
21 Other income		
Interest on :		
- Intercompany loan (Refer note 29)*	2	4
- Unwinding of security deposits	11	11
- Unwinding of guarantee fees	7	9
Guarantee commission income	24	30
Fair value gain on derivative forward contracts	49	-
Foreign exchange gain, net	73	295
Net gain on redemption of financial instruments	156	91
Net gain on fair valuation of financial instruments	42	66
Gain on sale of investment in subsidiary company	17	-
Miscellaneous income	3	77
Total other income	383	583
*denotes amount less than Rs. 1 million		
22 Employee benefits expenses		
Salaries, wages and bonus	8,199	6,734
Contribution to provident fund (Refer note 28)	208	164
Gratuity expense (Refer note 28)	179	139
Staff welfare expense	258	228
Total employee benefits expenses	8,844	7,265
23 Finance costs		
Interest on :		
- lease liabilities (Refer note 30)	16	39
- others*	3	1
Total finance cost	19	40
*denotes amount less than Rs 1. million		
24 Depreciation and amortisation expense		
Depreciation on property, plant and equipment (Refer note 3)	200	193
Depreciation on right-of-use assets (Refer note 4)	194	189
Amortisation on intangible assets (Refer note 6)	62	70
Total depreciation and amortisation expense	456	452



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

(in Rupees million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
25 Other expenses		
Software maintenance charges	233	218
Legal and professional fees	172	185
Travelling and conveyance	172	140
Communication charges	127	117
Outsourced manpower cost	55	86
Insurance	38	36
Recruitment expenses	2	49
Repairs and maintenance - Computer	36	32
Facility management expenses	40	37
Payment to auditors (Refer note 25.1 below)	7	6
Rent, rates and taxes (Refer note below)	10	100
Fair value loss on derivatives	-	149
Cost of delivery (Refer note 29)	28	172
Provision for doubtful advances	3	10
Membership and subscription charges	20	17
Allowance for expected credit loss	32	8
Corporate social responsibility (Refer note 41)	7	6
Miscellaneous expenses	138	134
Total other expenses	1,120	1,502
25.1 Payment to auditors :		
For statutory audit	6	5
For tax audit*	0	0
For other services	1	1
Total payment to auditors	7	6

*denotes amount less than Rs. 1 million.

Note:

The Company and all the Directors of the Company has received show cause notice 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 Rs 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 show cause notice 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, has filed on December 7, 2022 an application for compounding of offence before the tax department.

The total amount of Rs. 85 million (March 31, 2023: Rs. 80 million) is the estimated compounding fee for the Company and Directors, computed basis compounding guidelines under the Income-tax Act, 1961.

26 Exceptional items

Payable balances to subsidiaries written back	(468)	-
Impairment in value of investments and recoverable from subsidiaries (Refer note below)	(1)	368
Total exceptional items	(469)	368

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 Rs. 2 million (March 31, 2023 : Rs. 124 million) in Theremin AI Solutions Private Limited, Rs. (95) million (March 31, 2023 : Rs. 109 million) in Eugenie Technologies Private Limited, Rs. Nil (March 31, 2023 : Rs. 16 million) in Analytics Vidhya Educon Private Limited, Rs. 84 million (March 31, 2023 : Rs. 119 million) in Senseforth AI Research Private Limited and Rs. 6 million (March 31, 2023 : Rs. Nil) in Fractal Alpha Private Limited.



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

27 Revenue from Contracts with Customers

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.

Revenue disaggregation by nature of services is as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Analytical services	11,447	9,941
	11,447	9,941

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.

No client individually accounted for more than 10% of the third party revenue for the years ended March 31, 2024 and March 31, 2023, respectively. Revenue details with related parties are disclosed in note 29 - Related parties.

Changes in contract assets are as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	29	44
Revenue recognized during the year	383	251
Invoices raised during the year	(323)	(266)
Balance at the end of the year	89	29

Contract assets represent right to receive consideration for services delivered but not billed.

Changes in unearned revenue are as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	53	50
Revenue recognized out of the balance at the beginning of the year	(23)	(30)
Increase due to invoicing during the year, excluding amounts recognized as revenue during the year	41	33
Balance at the end of the year	71	53

Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Contracted price	11,448	9,941
Less: Discount	(1)	-
Revenue recognised as per statement of profit and loss	11,447	9,941



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

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, 2024	Year ended March 31, 2023
Employer's contribution to provident fund	208	164

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, 2024	As at March 31, 2023
Discount rate	7.15%	7.50%
Future salary increases	9.00%	10.00%
Attrition rate		
Based on Completed Years of service		
Up to 2 years	10.00%	23.00%
3 - 4 years	6.00%	5.00%
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.



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

28 Employee benefits (Continued)

The amounts recognised in the balance sheet and movements in the net defined benefit obligation (DBO) over the year are as follows :

Change in the present value of obligation	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the beginning of the year	404	296
Liability on account of business combinations (Refer note 35)	-	14
Interest cost	29	22
Past service cost*	-	0
Current service cost	173	132
Benefits paid	(34)	(33)
Remeasurement due to		
Actuarial (Gain)/loss arising from change in financial assumptions	(26)	(14)
Actuarial (Gain)/loss arising on account of experience changes	6	(24)
Actuarial loss arising on account of demographical assumptions	1	11
Present value of obligation at the end of the year	553	404

*denotes amount less than Rs. 1 million.

The amounts recognised in the balance sheet and movements in the fair value of plan assets over the year are as follows :

Change in the fair value of plan assets	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at the beginning of the year	311	214
Expected returns on plan assets	(1)	(2)
Interest on plan assets	23	15
Contributions made by the Company	63	84
Fair value of plan assets at the end of the year	396	311

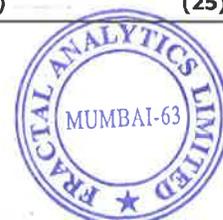
Note: The Company has invested 100% amounts in pension funds with Life Corporation of India (LIC).

Reconciliation of present value of defined benefit obligation and the fair value of assets	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Present value of funded obligation at the end of the year	553	404
Fair value of plan assets as at the end of the period	(396)	(311)
Net Deficit	157	93

Amount recognised in the statement of profit and loss	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	173	132
Past service cost*	-	0
Interest cost	6	7
Total expense recognized in the statement of profit and loss	179	139

*denotes amount less than Rs. 1 million.

Amount recognised in other comprehensive income	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Remeasurements during the year due to		
Changes in financial assumptions	(26)	(14)
Changes in demographic assumptions	1	11
Experience adjustments	6	(24)
Expected return on plan assets	1	2
Amount recognised in other comprehensive income during the year	(18)	(25)



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

28 Employee benefits (Continued)

(c) The sensitivity of significant assumptions used for valuation of defined benefit obligation is as follows :

Impact from percentage point increase / decrease in	(in Rupees million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate +100 basis points	(459)	(317)
Discount rate -100 basis points	674	469
Salary increase rate +100 basis points	621	427
Salary increase rate -100 basis points	(487)	(341)
Attrition Rate +50%	(536)	(367)
Attrition Rate -50%	572	403

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	As at	As at
	March 31, 2024	March 31, 2023
Weighted average duration (based on discounted cashflows)	20 years	21 years

(e) Expected future benefit payments on undiscounted basis

Expected cash flows for following year	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Expected total benefit payments in the next		
1 year	8	5
2 - 5 years	57	35
6 - 10 years	101	74
More than 10 years	2,647	2,074

(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

Expected cash flows for following year	(in Rupees million)	
	As at March 31, 2024	
The Company's best estimate of Contribution during the next year	157	

(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.



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2024

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	Qure.ai Technologies Private Limited	Associate Company
8	Qure.ai Technologies Private Limited (up to April 07, 2022)	Subsidiary Company
9	Final Mile Consultants Private Limited	Subsidiary Company
10	Therein AI Solutions Private Limited	Subsidiary Company
11	Eugenie Technologies Private Limited	Subsidiary Company
12	Asper.AI Technologies Private Limited (Up to August 31, 2023) (Refer note 3 below) (Formerly known as Samya.AI Technologies Private Limited)	Subsidiary Company
13	Senseforth AI Research Private Ltd	Subsidiary Company
14	Analytics Vidhya Educon Private Limited	Subsidiary Company
15	Neal Analytics Services Private Limited	Subsidiary Company
16	Fractal Analytics UK Limited, UK (Subsidiary of Fractal Analytics Inc., USA)	Step-down subsidiary
17	Fractal Analytics (Switzerland) GmbH (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
18	Fractal Analytics (Canada) Inc. (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
19	Fractal Analysis Germany GmbH. (Germany) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
20	Fractal Analytics Netherland B.V. (Netherlands) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
21	Cuddle.ai Inc. (USA) (Subsidiary of Cuddle Artificial Intelligence Private Limited) (Refer note 1 below)	Step-down subsidiary
22	4i Consulting Inc. (Subsidiary of Fractal Analytics Incorporated, USA) (merged in Fractal Analytics Incorporated, USA from April 01, 2023)	Step-down subsidiary
23	Symphony LLC (Ukraine) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
24	Final Mile Consulting LLC (Subsidiary of Fractal Analytics Inc., USA effective September 30, 2023) (Refer note 2 below)	Step-down subsidiary
25	Fractal Analytics Sweden AB (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
26	Fractal Analytics (Shanghai) Limited (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
27	Fractal Analytics Malaysia SDN BHD (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

29 Related party transactions (continued)

(a) Related parties

Sr. No	Name of the party	Nature of relationship
28	Qure Technologies Inc. (Subsidiary of Qure.ai Technologies Private Limited) (up to April 07, 2022)	Step-down subsidiary
29	Asper.AI Technologies Private Limited (w.e.f September 01, 2023) (Refer note 3 below) (Formerly known as Samya.AI Technologies Private Limited)	Step-down subsidiary
30	Fractal Analytics Australia Pty Limited (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
31	Theremin Multi Strategy Fund LLP (Subsidiary of Theremin AI Solutions Private Limited)	Step-down subsidiary
32	Asper.AI Inc (formerly known as Samya.AI Inc.) (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
33	Senseforth Inc. (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
34	Asper.AI Limited (formerly known as Samya.AI Limited)(Subsidiary of Samya.AI INC., USA)	Step-down subsidiary
35	Eugenie.ai Inc. (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
36	Neal Analytics LLC (Subsidiary of Fractal Analytics Incorporated, USA) (Refer note 4 below)	Step-down subsidiary
37	Analytics Vidhya Inc. (Subsidiary of Analytics Vidya Educon Private Limited, India) (w.e.f. August 8, 2023)	Step-down subsidiary
38	Fractal Frontier Inc (Subsidiary of Fractal Alpha Private Limited, India)	Step-down subsidiary
39	Fractal Japan KK (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
40	Qure.ai Technologies Limited , UK (Subsidiary of Qure.ai Technologies Inc.) (up to April 07, 2022)	Step-down subsidiary
41	Tario Partners LLP	Entity in which director is interested

Note 1 Subsequent to year end, 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, 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, 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 Subsequent to year end, Neal Analytics LLC has been merged to subsidiary Fractal Analytics Inc. vide board resolution dated April 04, 2024.

(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 (w.e.f. April 26, 2024)	Additional Director
5	Mr. Rohan Haldea	Non- Executive Director
6	Mr. Ahuraq Sud	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**	Independent Director
11	Ms. Neelam Dhawan**	Independent Director
12	Ms. Somya Agarwal	Company Secretary



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2024

29 Related party transactions (continued)

(c) Details of transactions with related parties

(in Rupees million)

Sr. No	Nature of Transaction	March 31, 2024	March 31, 2023
A	Transactions		
1	Managerial remuneration^		
	Mr. Srikanth Velamakanni	57	54
	Ms. Somya Aqarwal	10	10
2	Investment in equity shares of subsidiary company		
	Fractal Alpha Private Limited	-	5
3	Deemed Investment in subsidiary company (Refer note 7)		
	Fractal Analytics Incorporated, USA	264	253
	Fractal Analytics UK Limited, UK	109	216
	Senseforth AI Research Private Ltd	19	36
	Neal Analytics LLC	-	19
4	Reimbursement of expenses		
	Fractal Analytics Incorporated, USA	48	-
	Asper.AI Technologies Private Limited	52	27
	Fractal Analytics UK Limited	1	-
	Eugenie Technologies Private Limited	5	7
	Senseforth AI Research Private Ltd	7	14
	Theremin AI Solutions Private Limited	1	3
	Fractal Analytics (Canada) Inc.*	0	-
	Fractal Analytics Australia Pty Ltd.*	0	-
	Fractal L.L.C-FZ*	0	-
5	Expenses incurred for the Company		
	Senseforth AI Research Private Limited	5	-
	Eugenie Technologies Private Limited	1	-
	Cuddle.ai Inc, USA	-	2
	Fractal Alpha Private Limited*	0	-
	Cuddle Artificial Intelligence Private Limited	2	-
	Neal Analytics Services Private Limited	1	-
6	Reimbursement of expenses of shared office		
	Theremin AI Solutions Private Limited*	0	3
	Eugenie Technologies Private Limited	2	10
	Senseforth AI Research Private Limited	10	8
	Asper.AI Technologies Private Limited	9	5
7	Interest income		
	Eugenie Technologies Private Limited*	1	1
	Fractal Alpha Private Limited*^^	0	0
	Senseforth AI Research Pvt. Ltd^^	1	4
8	Revenue from operations		
	Fractal Analytics Incorporated, USA	8,463	7,160
	Final Mile Consulting LLC	36	39
	Cuddle.ai Inc, USA*	0	2
	Neal Analytics LLC USA*	0	350
	Final Mile Consultants Private Limited*	2	-

*denotes amount less than Rs 1 million.



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2024

29 Related party transactions (continued)

(in Rupees million)

Sr. No	Nature of Transaction	March 31, 2024	March 31, 2023
9	Income from unwinding of interest and guarantee fees Fractal Analytics Incorporated, USA	31	39
10	Intercompany loan/ advance given Eugenie Technologies Private Limited Fractal Alpha Private Limited Senseforth AI Research Pvt. Ltd Theremin AI Solutions Private Limited	- 1 120 3	10 6 116 -
11	Intercompany loans with interest repaid Eugenie Technologies Private Limited Fractal Alpha Private Limited	10 -	17 6
12	Intercompany advances recovered Theremin AI Solutions Private Limited	3	-
13	Redemption of investment in 0.1% Optional Convertible Debentures Eugenie Technologies Private Limited	92	-
14	Sale of investment in equity instruments of subsidiary Asper.AI Technologies Private Limited	138	-
15	Cost of delivery Senseforth AI Research Pvt. Ltd Analytics Vidya Educon Private Limited	13 -	- 10
16	Staff training expenses Analytics Vidya Educon Private Limited	15	9
17	Marketing support services availed from Cuddle.ai Inc, USA	-	162
17	Provision for doubtful receivables and loans Eugenie Technologies Private Limited Theremin AI Solutions Private Limited Senseforth AI Research Pvt. Ltd Fractal Alpha Private Limited	7 2 98 1	56 24 - -
18	Impairment provision for investment in equity instruments in subsidiary Fractal Alpha Private Limited Theremin AI Solutions Private Limited Eugenie Technologies Private Limited Analytics Vidya Educon Private Limited Senseforth AI Research Private Limited	5 - - - -	- 46 1 16 119
19	Impairment provision for investment in 0.1% Compulsory Convertible Debentures Eugenie Technologies Private Limited	-	52
20	Impairment provision for investment in preference shares in subsidiary Theremin AI Solutions Private Limited	-	53
21	Impairment provision for deemed investment in subsidiaries Theremin AI Solutions Private Limited	-	2
22	Reversal of provision for doubtful receivables and loans Eugenie Technologies Private Limited	10	-
23	Reversal of impairment provision for investment in 0.1% Compulsory Convertible Debentures Eugenie Technologies Private Limited	92	-
24	Business Consideration payable Final Mile Consultants Private Limited Neal Analytics Services Private Limited Cuddle Artificial Intelligence Private Limited	- - -	31 78 84

****Note:** The sitting fees paid to independent directors amounting to Rs 16 million and 7 million for the year ended March 31, 2024 and March 31, 2023 respectively.



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2024

29 Related party transactions (continued)

(in Rupees million)

Sr. No	Nature of Transaction	As at March 31, 2023	As at March 31, 2023
B	Closing balances		
1	Trade and other receivables including unbilled receivables (Gross)		
	Fractal Analytics Incorporated, USA	5,888	5,721
	Theremin AI Solutions Private Limited	25	24
	Eugenie Technologies Private Limited	53	47
	Fractal Analytics Limited, UK*	0	0
	Asper.AI Inc, USA	-	11
	Senseforth AI Research Pvt. Ltd	11	23
	Asper.AI Technologies Private Limited	78	-
	Final Mile Consultants Private Limited	0	-
	Final Mile Consulting LLC	32	5
	Fractal Analytics (Canada) Inc.*	0	-
	Fractal Analytics Australia Pty Ltd.*	0	-
	Fractal L.L.C-FZ*	0	-
	Cuddle Artificial Intelligence Private Limited	17	-
	Cuddle.ai Inc, USA	-	5
	Neal Analytics LLC	-	102
2	Trade and other payables		
	Analytics Vidhya Educon Private Limited	5	-
	Fractal Alpha Private Limited*	0	-
	Fractal Analytics Incorporated, USA	62	35
	Cuddle.ai Inc, USA	-	432
	Neal Analytics Services Private Limited	1	-
	Cuddle Artificial Intelligence Private Limited*	0	-
3	Intercompany loans (Gross)		
	Eugenie Technologies Private Limited	-	10
	Senseforth AI Research Pvt. Ltd	236	116
	Fractal Alpha Private Limited*	1	0
4	Interest receivable on intercorporate deposit		
	Senseforth AI Research Pvt. Ltd	3	3
	Eugenie Technologies Private Limited*	-	0
	Fractal Alpha Private Limited*	0	0
5	Interest receivable on Compulsory Convertible Debentures		
	Eugenie Technologies Private Limited*	0	-
6	Credit liabilities from financial guarantees		
	Fractal Analytics Incorporated, USA	55	80
7	Deemed Investment in subsidiaries (Refer note 7)		
	Fractal Analytics Inc, USA	654	390
	Fractal Analytics UK Limited, UK	342	233
	Theremin AI Solutions Private Limited	2	2
	Senseforth AI Research Pvt. Ltd	65	46
	Neal Analytics LLC	19	19
8	Investment in 0.1% Compulsory Convertible Debentures		
	Eugenie Technologies Private Limited	-	92
9	Investments in equity instruments in subsidiary		
	Fractal Private Limited, Singapore	3	3
	Fractal Analytics Incorporated, USA	3,426	3,426
	Theremin AI Solutions Private Limited	100	100
	Eugenie Technologies Private Limited	1	1
	Asper.AI Technologies Private Limited	-	121
	Senseforth AI Research Private Limited	130	130
	Analytics Vidya Private Limited	408	408
	Fractal Alpha Private Limited	5	5
	Final Mile Consultants Private Limited	143	159
	Neal Analytics Services Private Limited	81	77
	Cuddle Artificial Intelligence Private Limited	7	-
10	Investments in preference shares in subsidiary		
	Theremin AI Solutions Private Limited	53	53
11	Investments in equity shares in associate		
	Qure.ai Technologies Private Limited	250	250
12	Guarantee commission receivable		
	Fractal Analytics Incorporated, USA	132	125



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

29 Related party transactions (continued)

(in Rupees million)			
Sr. No	Nature of Transaction	March 31, 2024	March 31, 2023
13	Provision for doubtful receivables		
	Eugenie Technologies Private Limited	53	46
	Theremin Ai Solutions Private Limited	25	24
	Senseforth AI Research Private Limited	14	-
	Fractal Alpha Private Limited*	0	-
14	Provision for impairment on Inter corporate loan		
	Eugenie Technologies Private Limited	-	10
	Senseforth AI Research Private Limited	72	-
	Fractal Alpha Private Limited	1	-
15	Impairment provision for investment in equity instruments in subsidiary		
	Theremin Ai Solutions Private Limited	100	100
	Eugenie Technologies Private Limited	1	1
	Analytics Vidya Private Limited	16	16
	Senseforth AI Research Private Limited	119	119
	Fractal Alpha Private Limited	5	-
16	Impairment provision for investment in 0.1% Compulsory Convertible Debentures		
	Eugenie Technologies Private Limited	-	92
17	Impairment provision for investment in preference shares in subsidiary		
	Theremin Ai Solutions Private Limited	53	53
18	Impairment provision for deemed investment in subsidiaries		
	Theremin Ai Solutions Private Limited	2	2
19	Business Consideration payable		
	Final Mile Consultants Private Limited	-	31
	Neal Analytics Services Private Limited	-	78

*denotes amount less than Rs 1 million.

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.

^ Total employee stock option expense for the years ended March 31, 2024 and March 31, 2023 includes a charge of Rs. 63 million and Rs. 86 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, 2023 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, 2024.



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

30 Leases

Company as lessee

The Company has entered into cancellable leasing arrangement in respect of office premises for a period of 3-5 years which are renewable on mutual consent.

Ind AS 116 - Lease liabilities

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Non-current	722	42
Current	168	229
Total	890	271

(i) Movement in Lease liabilities:

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	271	457
Additions on account of business combinations (Refer note 35)	-	1
Add: Addition made during the year	864	31
Add: Finance cost accrued during the year	16	39
Less: Payment of Lease Liabilities	(261)	(257)
Closing Balance	890	271

(ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
Payable within one year	245	243
Payable later than one year and not later than five years	853	47

(iii) Lease payments recognized for short term leases in Statement of Profit and Loss

Lease payments recognized for short term leases in Statement of Profit and Loss	-	-
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(iv) Following amounts are recognised in the Statement of Profit and Loss

Particulars	(in Rupees million)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on right of use assets	194	189
Interest expense on lease liabilities	16	39
Expense relating to low value assets / short term leases (included in other expenses)	-	-

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.



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

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 and trade payables.

(a) Financial instruments by category

				(in Rupees million)	
(i) Fair value through profit and loss	Level	March 31, 2024	March 31, 2023		
Assets					
Investments	2	4,174	2,753		
Derivative asset - Forward contract receivable	2	27	6		
Total assets		4,201	2,759		
Liabilities					
Derivative liability - Forward contract receivable	2	-	30		
Total liabilities		-	30		
(ii) Fair value through other comprehensive income					
(ii) Fair value through other comprehensive income	Level	March 31, 2024	March 31, 2023		
Assets					
Derivative asset - Forward contract receivable	2	43	-		
Total assets		43	-		

				(in Rupees million)	
(iii) Amortised cost		March 31, 2024	March 31, 2023		
Assets					
Investments		53	145		
Trade receivables		6,798	6,523		
Cash and cash equivalents		123	79		
Loans		164	116		
Other financial assets		358	336		
Total assets		7,496	7,199		
Liabilities					
Trade payables		263	680		
Other financial liabilities		1,000	876		
Total liabilities		1,263	1,556		

Note: Carrying amounts of cash and cash equivalents, bank balances, trade receivables, unbilled receivables and trade payables as at March 31, 2024 and March 31, 2023 approximate their fair value due to their short-term nature.

Valuation technique for financial assets categorised at level 2 : Fair value of current investments is considered based on the valuation quotes received from mutual fund house for investments and bankers for derivative instruments.

Note :

There are no transfers between any of these levels during the year.

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis for which third party



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

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 and other receivables.

The Company's exposure to customers is diversified and one customer contributes more than 10% of outstanding trade receivables (including unbilled receivables) as at March 31, 2024 (one customer as at March 31, 2023).

The movement in the allowance for expected credit loss in respect of trade receivables is as follows:

Particulars	(in Rupees million)	
	March 31, 2024	March 31, 2023
Balance at the beginning of the period	17	1
Acquired on account of business combination	-	8
Movement during the year	32	8
Balance at the end of the period	49	17

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 when they are due.

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	(in Rupees million)		
		Undiscounted amount		
		<12months	1- 2 Years	> 2 Years
March 31, 2024				
Non Derivative financial instruments				
Trade payables	263	263	-	-
Lease liabilities	890	245	212	641
Other financial liabilities	1,000	965	21	13
March 31, 2023				
Non Derivative financial instruments				
Trade payables	680	680	-	-
Lease liabilities	271	243	47	-
Other financial liabilities	876	-	-	-
Derivative financial instruments				
Derivative liability -- forward contracts	30	-	-	-

The Company has given guarantee to financial institution on behalf loan taken by one of its subsidiary amounting to Rs. 5,750 million (March 31, 2023 : Rs. 5,693 million). The loan is repayable in December 2026.



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

32 Financial risk management framework

(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, 2024

Particulars	(In Rupees Million)		
	USD	EUR	Others*
Financial assets			
Trade receivables	5,924	416	-
Other financial assets*	0	-	1
Net exposure to foreign currency (assets)	5,924	416	1
Financial liabilities			
Trade payables	1	-	-
Employee benefit obligation	-	-	3
Net exposure to foreign currency (liabilities)	1	-	3
Net exposure to foreign currency	5,923	416	(2)

*denotes amount less than Rs 1 Million.

As at March 31, 2023

Particulars	(In Rupees Million)		
	USD	EUR	Others
Financial assets			
Trade receivables	5,829	303	-
Net exposure to foreign currency (assets)	5,829	303	-
Financial liabilities			
Trade payables	469	-	-
Net exposure to foreign currency (liabilities)	469	-	-
Net exposure to foreign currency	5,360	303	-

Sensitivity analysis of currency risk

A reasonably possible strengthening (weakening) of the Indian Rupee against all other 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.

Particulars	(In Rupees Million)	
	Impact on profit after tax and equity	
	March 31, 2024	March 31, 2023
USD		
- Increase by 5%	222	201
- Decrease by 5%	(222)	(201)
EUR		
- Increase by 5%	16	11
- Decrease by 5%	(16)	(11)



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

32 Financial risk management framework

Outstanding Derivative contracts

The Company hedges exposures to changes in foreign currency. The counterparty for these contracts is a bank. All instruments of forward contracts are valued at fair value through profit or loss and other comprehensive income.

The following table gives details in respect of outstanding hedge contracts:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Notional amount of contracts (in million)	Notional amount of contracts (Rs in million)	Notional amount of contracts (in million)	Notional amount of contracts (Rs in million)
(fair valuation through profit and loss)				
USD	17	1,411	51	4,282
EUR	-	-	6	501
(fair valuation through other comprehensive income)				
USD	61	5,184	-	-
EUR	7	634	-	-

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.

Particulars	(in Rupees Million)	
	Impact on profit after tax and equity	
	March 31, 2024	March 31, 2023
(fair valuation through profit and loss)		
USD		
- Increase by 5%	53	160
- Decrease by 5%	(53)	(160)
EUR		
- Increase by 5%	-	19
- Decrease by 5%	-	(19)
(fair valuation through other comprehensive income)		
USD		
- Increase by 5%	194	-
- Decrease by 5%	(194)	-
EUR		
- Increase by 5%	24	-
- Decrease by 5%	(24)	-

(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.



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33 Employee stock options expense

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, 2024	Year ended March 31, 2023
Management Stock Options Scheme	393	387
Employee Stock Options Scheme	162	662
Total	555	1,049

Total ESOP expenses incurred for year ended March 31, 2024 is Rs. 948 million (March 31, 2023 : Rs. 1,573 million) of which Rs. 393 million (March 31, 2023 : Rs. 524 million) are transferred to Fractal Analytics Incorporation, Fractal Analytics UK Limited and Senseforth AI Research Private Ltd 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 2023-24 is Rs. 555 million (March 31, 2023 : Rs 1,049 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 years 2008 to 2024. 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, 2024		As at March 31, 2023	
	No. of options	WAEP	No. of options	WAEP
Options outstanding at the beginning of the year	25,97,381	952	28,56,378	787
Options granted during the year	2,20,650	2,270	2,61,406	2,120
Options lapsed during the year	(2,02,139)	1,021	(2,34,810)	1,026
Options settled/cancelled during the year	(100)	846	(55,737)	846
Options revived during the year	-	-	3,000	640
Options exercised during the year	(1,19,661)	621	(2,32,856)	506
Options outstanding at the end of the year	24,96,131	1,078	25,97,381	952
Options exercisable at the end of the year	13,52,786	850	10,56,133	707

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 was Rs 933 (March 31, 2023: Rs. 1109).

The weighted average stock price of the options granted during the year ended March 31, 2024 is Rs 2,270 (March 31, 2023 : Rs 2,270).

Weighted average remaining contractual life (years) of the options based on the exercise price:

Exercise Price	1*	40*	279.81	595.26	610.00	640.00	846.00	2,270.00	3,128.00
No. of options outstanding	5,000	15,924	1,11,539	32,500	24,700	2,47,209	15,94,868	3,96,850	67,541
Weighted average remaining contractual life (in years)	0.25	0.30	5.12	5.00	7.12	7.69	7.96	9.01	8.12

Contracts with zero Weighted average remaining contractual life includes options where exercise date is extended.

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.

The key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

Particulars	ESOP 2023-24	ESOP 2022-23
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 Group's publicly traded equity shares during the period equivalent to the expected term of the options.

*Vested options have been extended for one employee vide Circular Resolution No: 20/2023-24/NRC dated April 3, 2024.



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

33

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 financial year 2023-2024. 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	
	As at March 31, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2023	
MSOPs	No. of options	WAEP						
Options outstanding at the beginning of the year	10,60,602	1,055	21,29,772	1,044	10,55,156	1,054	21,35,688	1,054
Options granted during the year	-	-	-	-	53,016	1,580	1,06,184	1,579
Options lapsed during the year	(45,049)	1,676	(1,00,434)	1,598	(27,940)	1,702	(56,060)	1,702
Options settled/cancelled during the year	-	-	-	-	(19,630)	1,582	(56,040)	1,787
Options exercised during the year	(8,274)	880	-	-	-	-	-	-
Options outstanding at the end of the year	10,07,279	1,029	20,29,338	1,016	10,60,602	1,055	21,29,772	1,044
Options exercisable at the end of the year	6,55,513	1,024	-	-	3,35,679	1,046	-	-

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 was Rs Nil (March 31, 2023: 1,351).

The weighted average stock price of the options granted during the year ended March 31, 2024 is Rs Nil (March 31, 2023 : Rs 2,270).

Weighted average remaining contractual life (years) of the options based on the exercise price :

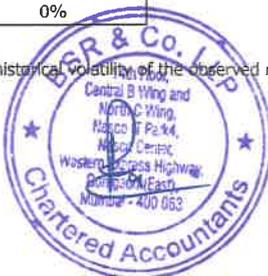
Exercise Price	846	2,270
No. of options outstanding	26,64,787	3,71,830
Weighted average remaining contractual life (in years)*	7.77	7.97

The fair valuation of option has been done by an independent firm of Chartered Accountants on the date of grant using the Binomial Model.

The key assumptions in the Binomial Model for calculating fair value as on the date of grant:

Particulars	MSOP 2023-24	MSOP 2022-23
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.



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Notes to the standalone financial statements as at and for the year ended March 31, 2024

34 Ratios

Ratio	Numerator	Denominator	March 31,2024	March 31,2023	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	6.91	4.76	45.23%	NA
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	7.82%	-2.25%	-448.50%	Variance due to loss in previous year on account of impairment provisioning.
Trade Receivable Turnover Ratio	Net credit sales – Gross credit sales - sales return	Average Trade receivables	1.72	1.98	-13.03%	NA
Trade Payable Turnover Ratio	Purchases of services and other expenses	Average Trade Payables	2.85	2.58	10.28%	NA
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Average Working capital	1.27	1.37	-7.18%	NA
Net Profit ratio	Net Profit after taxes	Net sales = Total sales - sales return	10.75%	-3.13%	-443.65%	Variance due to loss in previous year on account of impairment provisioning.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Net Worth + Borrowings + Deferred tax liability	7.85%	-0.77%	-1120.88%	Variance due to loss in previous year on account of impairment provisioning.
Return on Investment	Income generated from invested funds	Average Investments	5.72%	4.68%	22.21%	NA

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Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to the standalone financial statements as at and for the year ended March 31, 2024

35 Business Combination

- (a) During the current year, the Company has acquired businesses of three of its wholly owned subsidiaries 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 Company acquired businesses of the following entities:

- Cuddle Artificial Intelligence India Private Limited ('Cuddle') effective from June 01, 2023;
- Neal Analytics Services Private Limited ('Neal') effective from June 01, 2023;
- Final Mile Consultants Private Limited ('Final Mile') effective from November 01, 2023.

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 2022, 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 accordingly the corresponding figures for the year ended March 31, 2023 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:

Particulars	(in Rupees million)		
	Cuddle	Neal	Final Mile
Non current assets	97	99	44
Current assets*	6	1	0
Total assets (A)	103	100	44
Non current liabilities	-	-	-
Current liabilities	20	22	13
Total liabilities (B)	20	22	13
Net consideration payable (A-B)	83	78	31

*denotes amount less than Rs. 1 million

The above consideration has been settled in cash / adjusted against loan receivable from these entities.

The balance sheet as at April 01, 2022 post accounting of the business combinations effective April 01, 2022 is as follows:

Particulars	Fractal India as on April 01, 2022	Balances acquired on account of business combination			Eliminations / Adjustments	Fractal India restated as on April 01, 2022
		Cuddle	Neal	Final Mile		
Assets						
Property, plant and equipment*	357	0	0	0	-	357
Right-of-use assets	378	-	1	-	-	379
Goodwill	-	-	257	278	-	535
Intangible assets	33	51	-	6	-	90
Intangible assets under development	-	59	-	-	-	59
Investments	5,726	(162)	(218)	(426)	-	4,920
Current Investments	3,946	-	-	-	-	3,946
Trade receivables	3,467	45	50	135	(159)	3,538
Other financial assets	370	-	1	-	-	371
Other assets	483	16	1	1	-	501
Cash and cash equivalents	382	-	-	-	-	382
Loans	203	-	-	-	(186)	17
Income tax assets (net)	144	-	-	-	-	144
Deferred tax assets (net)	49	-	1	-	-	50
Total assets (A)	15,538	9	93	(6)	(345)	15,289
Liabilities						
Borrowings	-	102	-	-	(102)	-
Trade payables	244	440	1	6	(159)	532
Lease liabilities	457	-	1	-	-	458
Other financial liabilities	587	97	81	42	(84)	723
Other liabilities	346	-	-	4	-	350
Provisions	83	6	4	3	-	96
Total liabilities (B)	1,717	645	87	55	(345)	2,159
Share capital	31	-	-	-	-	31
Other equity	13,790	(636)	6	(61)	-	13,099
Total equity (C)	13,821	(636)	6	(61)	-	13,130

Movement in other equity on account of the business combination being effective from April 01, 2022 is as per the table below:

Particulars	(in Rupees million)	
	Amount	
Other equity as on April 01, 2022	13,790	
Retained earnings acquired on account of business combinations	(699)	
Capital reserve on account of business combinations	8	
Other equity as on April 01, 2022 post business combinations	13,099	



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to the standalone financial statements as at and for the year ended March 31, 2024

35 Business Combination

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, 2023 is as below:

Balance Sheet as at March 31, 2023:

Particulars	Pre business combination	Impact of business combination				Post business combination
		Cuddle	Neal	Final Mile	Elimination / Adjustments	
Total Assets (A)	16,607	(20)	139	3	61	16,790
Total equity (B)	15,005	(958)	38	(48)	524	14,561
Total liabilities (C)	1,602	938	101	51	(463)	2,229
Total equity and liabilities (B+C)	16,607	(20)	139	3	61	16,790

(in Rupees million)

The liabilities for Neal and Final Mile also include the business consideration payable on account of business transfer to respective entities by Fractal India.

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, 2023:

Particulars	Pre business combination	Impact of business combination				Post business combination
		Cuddle	Neal	Final Mile	Elimination / Adjustments	
Revenue from operations	9,476	74	350	52	(11)	9,941
Other Income	609	(40)	4	10	-	583
Total Income	10,085	34	354	62	(11)	10,524
Total expenses	9,602	354	306	51	(5)	10,308
Profit before tax and exceptional items	483	(320)	48	11	(6)	216
Exceptional items	898	-	-	-	(530)	368
Profit before tax	(415)	(320)	48	11	524	(152)
Tax expense*	145	(0)	14	(0)	-	159
Profit/(Loss) for the year	(560)	(320)	34	11	524	(311)
Other comprehensive income/(loss)	20	0	(2)	(0)	-	18
Total comprehensive Profit/(loss) for the year	(540)	(320)	32	11	524	(293)

(in Rupees million)

*denotes amount less than Rs. 1 million

The following table discloses the assets, liabilities, income and expenses accounted (before eliminations) from April 01, 2023 till the date of business combination in the financial statements of the Company for the year ended March 31, 2024:

Particulars	(in Rupees million)		
	Cuddle	Neal	Final Mile
Non Current Assets	(3)	4	(16)
Current Assets	(29)	(5)	10
Total Assets (A)	(32)	(1)	(6)
Share Capital	-	-	-
Other equity*	31	(0)	(1)
Total equity (B)	31	(0)	(1)
Non current liabilities*	-	-	-
Current liabilities	1	1	7
Total liabilities (C)	1	1	7
Total equity and liabilities (B+C)	32	1	6

*denotes amount less than Rs. 1 million

Particulars	(in Rupees million)		
	Cuddle	Neal	Final Mile
Revenue from operations*	8	0	8
Other Income*	-	0	0
Total Income	8	0	8
Total expenses	38	1	7
Profit before tax and exceptional items*	(30)	(0)	1
Exceptional items	-	-	-
Profit before tax*	(30)	(0)	1
Tax expense	-	-	-
Profit/(Loss) for the year*	(30)	(0)	1
Other comprehensive income/(loss)	-	-	-
Total comprehensive Profit/(loss) for the year*	(30)	(0)	1

*denotes amount less than Rs. 1 million



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to the standalone financial statements as at and for the year ended March 31, 2024

36 Earnings per share

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Profit / (loss) attributable to the equity holders of the Company (in Rupees Million)	1,230	(311)
Profit attributable to the equity holders of the company used in calculating diluted earnings per share		
Weighted average number of equity shares for Basic EPS (in no's)	3,04,71,259	3,03,20,356
Adjustment for calculation of Diluted EPS (in no's)	27,38,085	23,82,100
Weighted average number of equity shares for Diluted EPS (in no's)	3,32,09,344	3,27,02,456
Earnings per share (in Rs.):		
- Basic	40.37	(10.25)
- Diluted*	37.04	(10.25)
Face value per equity share (Rs.)	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 the previous year ended March 31, 2023, the options are anti-dilutive. Accordingly, there is no variation between basic and dilutive earnings per share.

37 Tax expense

(a) Total tax expense in Statement of Profit and Loss is as follows:

Particulars	(in Rupees Million)	
	Year ended	Year ended
	March 31, 2024	March 31, 2023
(a) Current tax		
- Current tax	124	147
- Tax expense relating to earlier years	(3)	4
(b) Deferred tax (charge)/credit	(45)	8
Total tax expense	76	159

(b) Reconciliation of tax expense and the book profit computed by applying income tax rate:

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Profit/(Loss) before tax	1,306	(152)
Tax rate	25.17%	25.17%
Computed tax expense	329	(38)
Income / expenses not taxable / deductible for tax purpose	(19)	126
Tax expense relating to earlier years	(3)	4
Impact due to lower tax rate	(3)	-
Impact on account of business transfer	(109)	79
Utilisation of losses	(90)	(15)
Others	(32)	3
Income tax expense	76	159

38 Segment reporting

The Company publishes these standalone financial statement 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
- 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

- 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).



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to the standalone financial statements as at and for the year ended March 31, 2024

40 Commitments and contingent liabilities

Particulars	(in Rupees million)	
	As at March 31, 2024	As at March 31, 2023
(a) Commitments		
Capital commitments	10	16
(b) Contingent liabilities		
Claims against the Company not acknowledged as debt: For income tax matters under appeal*	76	98

*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 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, 2024	As at March 31, 2023
Corporate social responsibility expenditure		
Amount required to be spent as per Section 135 of the Companies Act, 2013	5	6
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) Purposes other than (i) above	7	6
(iii) nature of CSR activities		
i) Contribution to Charitable Trust	7	6

The amount during the year has been spent towards education of underprivileged children and teachers, self-reliant rural society assured of food security, gender equity, low child mortality, etc.

42 Subsequent events after March 31, 2024 :

Subsequent to year end, Senseforth AI Research Private Limited vide board resolution dated April 01, 2024 has proposed to transfer the assets, liabilities, regulatory approvals, permits, contracts, and employees of its 'Development Services' business segment to Fractal Analytics Limited, as a going concern by way of slump sale.

43 These standalone financial statements were authorised for issue by the Company's Board of directors on June 17, 2024.

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: June 17, 2024

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

CIN: U72400MH2000PLC125369



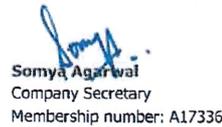
Srikanth Velamakanni
Director
DIN: 01722758

London
Date: June 17, 2024



Sasha Gulu Mirchandani
Director
DIN: 01179921

London
Date: June 17, 2024



Somya Agarwal
Company Secretary
Membership number: A17336

London
Date: June 17, 2024



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 25TH 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 a **Ordinary Resolution**:

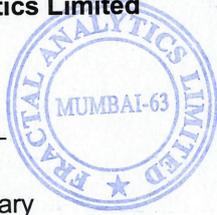
“RESOLVED THAT pursuant to the provisions of Section 188 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules 2014 and other applicable provisions of the Companies Act 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time 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**



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**
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.
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	Mr. Rohan Haldea	Mr. Gavin Echlin Patterson
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	- Bachelor of Technology in Manufacturing Science and Engineering from IIT Delhi - Master in Business Administration from Harvard University	- Master of Engineering from Cambridge University - Master of Arts from Cambridge University
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 Reappointment	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 FY 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"> 1. Anthracite Topco Inc 2. IG Topco Corporation 3. Reaper Topco Limited 4. Thoughtworks Holding Inc 	<ol style="list-style-type: none"> 1. Tario Ventures Ltd 2. Elixirr International PLC 3. Mobileum 4. Tario Partners Members Ltd 5. WIX 6. Kahoot! 7. X3T 8. Beamery 9. Malt 10. London School of Economics and Political Science 11. Ocado Group PLC 12. Zayo Europe Limited 13. Writer EMEA Advisory Board 14. Alzheimer's Research UK 15. AppLogic LLC
Membership/Chairmanship of Committees of other Boards	<ol style="list-style-type: none"> 1. Thoughtworks Holding Inc - Compensation and Talent Committee - Member 	<ol style="list-style-type: none"> 1. WIX - Compensation Committee - Member 2. Elixirr International PLC - Nomination Committee - Chairperson 3. Elixirr International PLC - Remuneration Committee - Chairperson 4. Beamery - Compensation Committee - Member 5. Ocado Group PLC - People Committee - Member 6. Ocado Group PLC - Remuneration Committee - Member

		7. Kahoot! - Nomination and Remuneration Committee - Member
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 a 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**



Somya Agarwal
Company Secretary
M No: A17336
Place: Mumbai
Date: May 21, 2025



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

25th 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 25th 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 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

25th 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:.....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 25th 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
Ordinary Business:	
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.
Special Business:	
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 before the commencement of the ensuing Annual General Meeting.

ROUTE MAP FOR THE VENUE TO THE 25th 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 25th 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
Profit/(Loss) before share of loss of an associate, exceptional items and tax expense	1,863	810	2407	(87)
Share of (loss) of an associate			(297)	(163)
Profit/(Loss) before exceptional items	1,863	810	2,110	(250)
Less: Exceptional items	98	(483)	270	(55)
Profit/(Loss) before tax	1,765	1,293	2,380	(305)
Less: Provision for Tax	444	75	174	242
Profit/(Loss) after Tax	1,321	1,218	2,206	(547)
Other comprehensive income/ (loss)	(37)	47	(50)	48
Total Comprehensive income/ (loss)	1,284	1,265	2,156	(499)

* 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 24th 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 24th 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 24th 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 24th 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 th 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

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

- (d) the directors had prepared the annual financial statements on a 'going concern' basis; and
- (e) 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.

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

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:

1. 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).

Other Disclosures

1. There was no revision in the financial statements of the Company.
2. 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:

- (a) 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;
- (b) 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;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,

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 [^]	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, Neat 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.

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.

Board'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 24th 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 29th 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	-	-
Total	10,687	9,798

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
Total	2.19	31.42

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
Total	NIL	NIL

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 Therein 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)

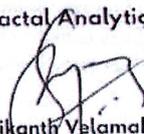
The Business Responsibility and Sustainability Report ("BRSR") for the Financial Year 2024-25 forms an integral part of this Board's Report and is annexed as **Annexure G**. The BRSR outlines the Company's performance on key Environmental, Social and Governance (ESG) parameters, covering essential and 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


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


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 [©]	Corporate Social Responsibility & Environmental, Social and Governance Committee [§]	Nomination and Remuneration Committee [#]
	No of Meetings held	5	1	4	3	4
	Directors' Attendance					
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 ¹	3	1	N.A	N.A	N.A
11.	Mr. Anurag Sud ²	4	N.A	N.A	2	N.A

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

§ 3 Corporate Social Responsibility & Environmental, Social and Governance Committee were held during the financial year 2024-25

4 Nomination and Remuneration Committee meetings were held during the financial year 2024-25.

© 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)

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
Name of the subsidiary	Cuddle.ai Inc~	Fractal Analytics Netherland B.V.	Limited Liability Company "Symphony (Ukraine)"	Final Mile Consulting LLC	Fractal Analytics Australia Pty Ltd.	Analytics Vidhya Inc (USA)
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
Name of the subsidiary	Fractal Analytics Sweden AB#	Fractal Analytics (Shanghai) Limited	Fractal Analytics Malaysia SDN BDH#	Fractal Frontiers, Inc	Theremin Multi Strategy Fund LLP®	Senseforth Inc
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 [#]	Fractal Analytics (Shanghai) Limited	Fractal Analytics Malaysia SDN BHD [#]	Fractal Frontiers, Inc	Theremin Multi Strategy Fund LLP [@]	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 [^]
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:

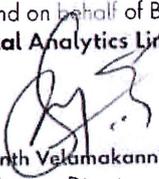
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

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


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


 Sasha Mirchandani
 Non- Executive Director
 DIN: 01199921
 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

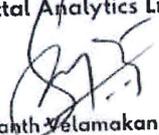
- | | | |
|----|---|-----|
| a) | Name(s) of the related party and nature of relationship | |
| b) | Nature of contracts/arrangements/transactions | |
| c) | Duration of the contracts / arrangements/transactions | |
| d) | Salient terms of the contracts or arrangements or transactions including the value, 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


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


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 recission)	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
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

MMJC

MMJB & Associates LLP

Company Secretaries

803-804, 8th Floor, Ecstasy, Citi of Joy, JSD Road, Mulund West, Mumbai – 400080. (T) +91 22 3100 8600
LLPIN AAR-9997

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

Digitally signed by DEEPTI
SUDHIR JOSHI
Date: 2025.05.20 15:16:26 +05'30'

Deepti Joshi
Designated Partner
FCS: 8167
CP: 8968
UDIN: F008167G000384730

Date: May 20, 2025
Place: Mumbai

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

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

Digitally signed by DEEPTI
SUDHIR JOSHI
Date: 2025.05.20 15:17:25 +05'30'

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

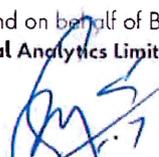
G. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(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 (in ₹)	Date of Transfer	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
1	FY-1				Nil			
2	FY-2				Nil			
3	FY-3				Nil			

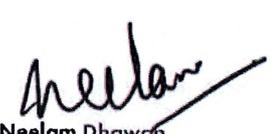
H. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year- No.
I. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135- Not applicable.

"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


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




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

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, 4th 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
Total	3382	1595	1735	2018	1443	5671

Unit: Mt CO2e

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.



Bamboo germplasm plantation + creation of 125 family vegetable gardens creating future and interim income for marginalized tribal farmers + 2 solar group irrigation systems.

Interim income impact: ₹ 6,000/family/month. Action for climate resilience, UN SDG 13 action.



Sponsored waterwheels to provide safe water and to reduce the burden of head loading for women carrying water for domestic use.

Expected outcome: 270 rural tribal women and their families, 1350 individuals (estimated)



Sponsorship of artificial limbs, calipers, mobility aids to the economically severely under privileged.

Impact: 476 people linked to critical mobility aids enabling their social inclusion and disability support.



Financial aid and career guidance to talented female students from underprivileged backgrounds to significantly improve their career prospects.

Impact: Scholarships to 13 resilient female students for higher professional education.

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: secretarial@fractal.ai
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.

Board's Report

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)
Employees								
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%
Workers								
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)
Differently abled employees								
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%
Differently abled workers								
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 [^]	3	33%
Key Management Personnel	2 [^]	1	50%

* 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.

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%
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	

Board's Report

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 31st 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 (NGBC):

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)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	
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. Link	0	0	-	0	0	-
Investors (other than shareholders)	Fractal has a dedicated portal to raise concerns. Link	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. Link 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. Link .	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 Ethicline web portal, hotline numbers, Ethicline 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 restarting 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
Policy and management processes									
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	Code of Conduct ABAC WB policy	Supplier Code of Conduct	Health & Safety policy	ESG Policy	Human Rights statement	ESG policy	Code of Conduct	CSR policy	Privacy Policy Fractal
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.								

Governance, leadership, and oversight

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	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%
Key Managerial Personnel			
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 Capex	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.		

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	

Board's Report

- 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)						
E-waste						
Hazardous waste						
Other waste						

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.

- 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	Total (A)	% of employees covered by									
		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)
Permanent employees											
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 st March 2025.	
Female	1487	1487	100%	1487	100%	1487	33%	-	-		
Other	2	2	100%	2	100%	-	-	-	-		
Total	4491	4491	100%	4491	100%	1487	33%	3002	66%		
Other than Permanent employees											
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%
Total	125	0	0%	0	0%	45	100%	0	0%	0	0%

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

Category	Total (A)	% of workers covered by									
		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)
Permanent workers											
Male	Not applicable as Fractal does not have permanent or other than permanent workers.										
Female	Not applicable as Fractal does not have permanent or other than permanent workers.										
Total	Not applicable as Fractal does not have permanent or other than permanent workers.										
Other than Permanent workers											
Male	Not applicable as Fractal does not have permanent or other than permanent workers.										
Female	Not applicable as Fractal does not have permanent or other than permanent workers.										
Total	Not applicable as Fractal does not have permanent or other than permanent workers.										

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	-	-		
Total	84%	88%		

*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 Link .
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)
Total permanent employees	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%
Total permanent workers	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)
Employees										
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%
Total	4616	2263	27%	3479	75%	3990	2061	52%	3084	77%
Workers	Not applicable as Fractal does not have permanent or other than permanent workers									
Male										
Female										
Total										

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)
Employees						
Male	2598	2571	99%	2321	2301	99%
Female	1350	1343	99%	1158	1142	99%
Other	2	1	50%	1	1	100%
Total	3950	3915	99%	3480	3444	99%
Workers	Not applicable as Fractal does not have permanent or other than permanent workers					
Male						
Female						
Total						

*The total number of employees subjected to career development reviews is determined based on the cut-off of 30th 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 Supplier Code of Conduct 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"> Employee satisfaction surveys Townhalls Training and awareness sessions Workshops Internal portal CSR through employee engagement 	Ongoing basis	<ul style="list-style-type: none"> Understand the pulse of employees Skill development Regular updates on business Health, safety and wellbeing Address Queries and Concerns
Clients	No	<ul style="list-style-type: none"> Client engagement surveys Client meetings Social media Emails 	Ongoing basis	<ul style="list-style-type: none"> Client satisfaction and feedback Project requirements, delivery and timelines

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"> Supplier meets Pre-onboarding Supplier assessments 	Need basis	<ul style="list-style-type: none"> Relationship Management Planning and execution of work orders
Shareholders/ Investors	No	<ul style="list-style-type: none"> Annual general shareholders meeting Annual Report 	Annually/ need basis	<ul style="list-style-type: none"> Understanding Shareholder expectations and responding to shareholder queries Annual/ regular communication such as, Annual Reports, notices of General Meetings, other regulatory requirements etc.
Community/NGO	Yes	<ul style="list-style-type: none"> Community and contracted interactions with NGOs Emails 	On a regular basis	<ul style="list-style-type: none"> Community development projects-based Fractal's CSR policy and based on local communities' needs Understanding opportunities for sustainable development

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)
Employees						
Permanent	4491	2808	62%	3885	1016	26%
Other than permanent	125	37	29%	105	19	18%
Total employees	4616	2845	62%	3990	1035	26%
Workers						
Permanent	Not applicable as Fractal does not have permanent or other than permanent workers.					
Other than permanent						
Total workers						

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)
Employees										
Permanent										
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%
Other than permanent										
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%
Workers										
Permanent	Not applicable as Fractal does not have permanent or other than permanent workers.									
Male										
Female										
Other than permanent	Fractal does not have other than permanent worker category.									
Male										
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. 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

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
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:

	% of value chain partners (by value of business done with such partners) that were assessed
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 Supplier Code of Conduct .
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)
From Renewable Sources		
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
Total energy consumed from renewable sources, GJ (A+B+C)	2862.00	3,768.13
From Non-Renewable Sources		
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
Total energy consumed from non-renewable sources, GJ (D+E+F)	2020.87	2,422.00
Total energy consumed, GJ (A+B+C+D+E+F)	4,882.87	6190.13
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	0.0000011
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)
Water withdrawal by source (in kilolitres)		
(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
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	6304.92	6,212
Total volume of water consumption (in kilolitres)	6304.92**	6,212
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	0.0000011
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)

Board's Report

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
Water discharge by destination and level of treatment (in kiloliters).		
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
Total water discharged (in kiloliters)	0.00	0.00

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)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	97.07	136.19
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	64.10	70.45
Total Scope 1 + Scope 2 emissions	Metric tonnes of CO ₂ equivalent	161.17	206.64
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue (in INR) from operations)	tCO ₂ e/INR turnover (in INR)	0.0000000112	0.0000000178
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)*	tCO ₂ e/INR turnover adjusted for PPP	0.000000023	0.000000037
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.04	0.05
Total Scope 1 and Scope 2 emission 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.

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)
Total waste generated (in metric tonnes)		
Plastic waste (A)	2.164	1.72
E-waste (B)	1.014	0.8936
Bio-medical waste (C)	0.0639	0.0549
Construction and demolition waste (D)	0.00	0.00
Battery waste (E)	0.00	0.00
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any (G)	0.00	0.00

Board's Report

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Other Non-hazardous waste generated (H) Please specify, if any (Break-up by composition i.e., by materials relevant to the sector)	26.15	24.92
Total (A+B + C + D + E + F + G + H)	29.40	27.59
Waste intensity per rupee of Turnover (Total waste generated (MT) /Revenue (in INR) from operations)	0.00000002045	0.0000000238
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (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
Total	0	0

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
Total	29.392343	27.595987

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)
Water withdrawal by source (in kilolitres)		
(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
Total volume of water withdrawal (in kilolitres)	0.00	0.00
Total volume of water consumption (in kilolitres)	0.00	0.00
Water intensity per rupee of turnover (Water consumed / turnover)	0.00	0.00
Water intensity (optional) - the relevant metric may be selected by the entity	0.00	0.00
Water discharge by destination and level of treatment (in kilolitres)		
(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
Total water discharged (in kilolitres)	0.00	0.00

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
Total Scope 3 emissions per rupee of turnover		0.0000003835	0.0000001066
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity in terms of physical output		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	Indoor Air Quality monitoring and purification	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	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 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	Energy efficiency and 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 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	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 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	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 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	Converting existing fleets to EVs	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	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	<ul style="list-style-type: none"> • 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. <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:

By the listed entity

By the top 10 (in terms of value of purchases and sales respectively) value chain partners

During FY 2024-25, Fractal did not generate or procure any Green Credits under the MoEFCC Green Credits Program. 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.

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%

Board's Report

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 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

Registered Office:



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

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



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

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 Rs. 2,774 million as at 31 March 2025, total revenues (before consolidation adjustments) of Rs. 3,221 million and net cash inflows (before consolidation adjustments) (net) amounting to Rs. 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 Rs. 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.



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

- c. The financial statements/financial information of fourteen subsidiaries, whose financial statements/financial information reflects total assets (before consolidation adjustments) of Rs. 637 million as at 31 March 2025, total revenues (before consolidation adjustments) of Rs. 720 million and net cash inflows (before consolidation adjustments) (net) amounting to Rs. 69 million for the year ended on that 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.



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

- 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



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

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 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 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. 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 maintaing 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



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited)

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

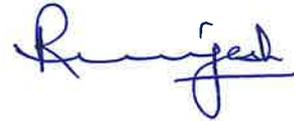
- A. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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.:101248WW-100022



Rajesh Mehra

Partner

Place: Mumbai

Membership No.: 103145

Date: 21 May 2025

ICAI UDIN:25103145BMOVSO1176

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 to 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 to cash losses
4	Senseforth AI Research Private Limited	U72900MH2017PTC436180	Subsidiary Company	Clause xvii - Pertaining to 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 to cash losses
8	Qure.ai Technologies	U74999MH2016PTC283891	Associate Company	Clause xvii - Pertaining to

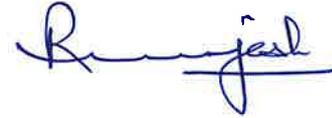
Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) for the year ended 31 March 2025 (Continued)

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
	Private Limited			cash losses

For B S R & Co. LLP

Chartered Accountants

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



Rajesh Mehra

Partner

Place: Mumbai

Date: 21 May 2025

Membership No.: 103145

ICAI UDIN:25103145BMOVSO1176

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.



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 (Continued)

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 Matters

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 above matter.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248WW-100022



Rajesh Mehra

Partner

Place: Mumbai

Date: 21 May 2025

Membership No.: 103145

ICAI UDIN:25103145BMOVSO1176

Fractal Analytics Limited
(Formerly known as Fractal Analytics Private Limited)

Consolidated Balance sheet as at March 31, 2025

(in Rupees million)

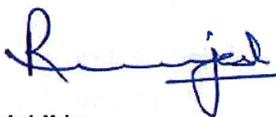
Particulars	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	3	316	227
(b) Right-of-use assets	4	1,602	1,166
(c) Goodwill	5	3,582	3,513
(d) Other Intangible assets	6	1,370	1,356
(e) Intangible assets under development	6.1	137	59
(f) Investment accounted for using 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
Total non-current assets (A)		12,330	11,516
(B) Current assets			
(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
Total current assets (B)		16,246	12,404
Total assets (A+B)		28,576	23,920
EQUITY AND LIABILITIES			
(A) Equity			
(a) Share capital	14	31	31
(b) Other equity	15	17,501	14,026
Equity attributable to owners of the Company		17,532	14,057
(c) Non-controlling interest		122	142
Total equity (C)		17,654	14,199
(B) Liabilities			
(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
Total non-current liabilities (D)		5,175	4,927
(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
Total current liabilities (E)		5,747	4,794
Total liabilities (D+E)		10,922	9,721
Total Equity and Liabilities (C+D+E)		28,576	23,920

Material accounting policies

The accompanying notes form an integral part of the consolidated financial statements.
As per our report of even date attached.

2

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

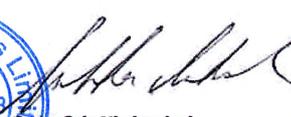
For and on behalf of the Board of Directors of
Fractal Analytics Limited

CIN: U72900MH2000PLC125369



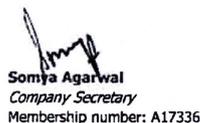
Saikant Velamakanni
Whole-time Director
DIN: 01722758

Mumbai
Date: May 20, 2025

Sashu Gulu Mirchandani
Director
DIN: 01179921

Mumbai
Date: May 20, 2025



Somya Agarwal
Company Secretary
Membership number: A17336

Mumbai
Date: May 20, 2025

Fractal Analytics Limited
(Formerly known as Fractal Analytics Private Limited)

Consolidated statement of profit and loss for the year ended March 31, 2025

(in Rupees million)

Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024
(1) Income			
(a) Revenue from operations	21	27,654	21,963
(b) Other income	22	508	456
Total Income		28,162	22,419
(2) Expenses			
(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
Total Expenses		25,755	22,506
(3) Profit / (Loss) before share of loss of an associate, exceptional items and tax expense (1-2)			
		2,407	(87)
(4) Share of (loss) of an associate	36	(297)	(163)
(5) Profit / (Loss) before exceptional items and tax expense (3-4)			
		2,110	(250)
(6) Exceptional items	26.1	270	(55)
(7) Profit / (Loss) before tax expense (5-6)			
		2,380	(305)
(8) Tax expense			
(a) Current tax	13	557	325
(b) Deferred tax (credit)		(383)	(83)
Total tax expense		174	242
(9) Profit / (Loss) for the year (7-8)			
		2,206	(547)
(10) Other comprehensive income			
(1) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement of defined employee benefit plans		16	23
(b) Income tax on item (a) above	28	(4)	(6)
(2) Items that will be reclassified subsequently to profit or loss			
(a) Effective portion of gains on derivatives designated as cash flow hedge		(88)	50
(b) Effective portion of gains on 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
Total other comprehensive income		(50)	48
(11) Total comprehensive Income / (Loss) for the year			
		2,156	(499)
Profit / (Loss) for the year attributable to:			
Owners of the parent		2,230	(475)
Non-Controlling Interest		(24)	(72)
Total		2,206	(547)
Other comprehensive income for the year attributable to:			
Owners of the parent		(50)	48
Non-Controlling Interest		0	0
Total		(50)	48
Total comprehensive income / (loss) for the year attributable to:			
Owners of the parent		2,180	(427)
Non-Controlling Interest		(24)	(72)
Total		2,156	(499)
Earnings per share (Rupees per share)			
Face value of Rs 1 each	37		
(1) Basic EPS		72.44	(15.60)
(2) Diluted EPS		66.82	(15.60)

Material accounting policies

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

2

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

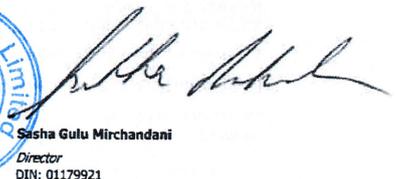
For and on behalf of the Board of Directors of
Fractal Analytics Limited

CIN: U72900MH2000PLC125369


Srikanth Veeramakanni
Whole-time Director
DIN: 01722758

Mumbai
Date: May 20, 2025




Susha Gulu Mirchandani
Director
DIN: 01179921

Mumbai
Date: May 20, 2025


Somya Agarwal
Company Secretary
Date: May 20, 2025

Mumbai
Date: May 20, 2025

Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Consolidated statement of cash flows for the year ended March 31, 2025

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
(A) Cash flows from operating activities		
Profit / (Loss) before tax expense	2,380	(305)
Adjustment for:		
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
Operating cash flow before working capital changes	4,431	1,865
Adjustment for changes in working capital:		
(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	(138)	(257)
Decrease in other non current assets	(9)	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
Cash generated from operations	4,527	1,918
Tax paid (net of refunds)	(557)	(323)
Net cash flow generated from operating activities	3,970	1,595
(B) Cash flow from investing activities		
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
Net cash flow used in investing activities	(1,810)	(1,501)
(C) Cash flow from financing activities		
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)
Net cash flow generated from / (used in) financing activities	(224)	(1,450)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	1,936	(1,356)
Cash and cash equivalents at the beginning of the year	812	2,132
Effect of exchange rate changes	(99)	36
Cash and cash equivalents at the end of the year	2,649	812
Cash and cash equivalents comprise of:		
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	-	-
Total cash and cash equivalents	2,649	812

1. Purchase of property, plant and equipment and intangibles are shown inclusive of movements in Intangible asset under development.

2. Details of borrowings

Particulars	As at	
	March 31, 2025	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
Balance at the end of the year	2,662	2,501

3. The proceeds has been settled on net basis of Rs 2,631 million (USD 31.48 Million). The Company has paid Rs 57 million as arrangement fees on refinancing of borrowings.

4. Refer note 30(i) for movement of lease liabilities.

Material accounting policies

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



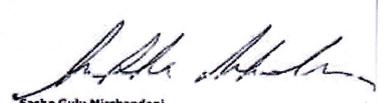
Rajesh Mehra
Partner
Membership Number: 103145

Mumbai
Date: May 21, 2025

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

CIN: U72900MH2000PLC125369


Srikanth Velamakanni
Whole-time Director
DIN: 01722758


Sasha Gulu Mirchandani
Director
DIN: 01179921

Mumbai
Date: May 20, 2025

Mumbai
Date: May 20, 2025


Somya Agarwal
Company Secretary
Membership number: A17336

Mumbai
Date: May 20, 2025



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Consolidated Statement of Changes in Equity for the year ended March 31, 2025

(A) Equity share capital

Particulars	Note	Amount
Balance as at April 1, 2024		26
Changes in equity share capital during the year	(14)	0
Balance as at March 31, 2025		26
Balance as at April 1, 2023		26
Changes in equity share capital during the year	(14)	0
Balance as at March 31, 2024		26

(B) Instruments entirely equity in nature - Series B 0.001 % Compulsorily convertible preference shares

Particulars	Note	Amount
Balance as at April 1, 2024		5
Changes in preference share capital during the year	(14)	-
Balance as at March 31, 2025		5
Balance as at April 1, 2023		5
Changes in preference share capital during the year	(14)	-
Balance as at March 31, 2024		5

(C) Other equity

Particulars	Share application money pending allotment	Reserve and Surplus				Items of other comprehensive income		Total attributable to Owners of the Company	Attributable to Non controlling interest	Total equity
		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)			
Balance as at April 01, 2024	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	-	(49)	(38)	0	(30)
Total comprehensive income	-	-	-	2,230	11	-	(49)	2,180	(24)	2,156
Issue of equity shares	(447)	447	-	-	-	(12)	-	-	-	-
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	-	376	(376)	-	-	-	-	-	-	-
Balance as at March 31, 2025	76	12,974	2,309	1,123	(89)	155	(17)	17,501	122	17,623
Balance as at April 01, 2023	3	11,927	2,017	(636)	(127)	166	-	13,400	207	13,607
(Loss) for the year	-	-	-	(475)	-	-	-	(475)	(72)	(547)
Other comprehensive income	-	-	-	-	15	-	32	48	(0)	48
Total comprehensive income	-	-	-	(475)	15	-	32	(427)	(72)	(499)
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)	-	-	-	-	-	-	-
Balance as at March 31, 2024	22	12,108	2,880	(1,071)	(112)	167	32	14,026	142	14,168

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. Rs. 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: 101249W/N-100022



Rajesh Mehra
Partner
Membership Number: 103145

Mumbai
Date: May 21, 2025

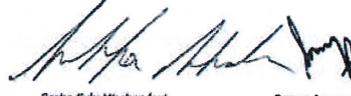
For and on behalf of the Board of Directors of
Fractal Analytics Limited

CIN: U72100MH2000PLC125369



Srikanth Velamakanni
Whole time Director
DIN: 01722758

Mumbai
Date: May 20, 2025



Sasha Gulu Mithchandani
Director
DIN: 01179921

Mumbai
Date: May 20, 2025



Samya Agarwal
Company Secretary
Membership number: A17336

Mumbai
Date: May 20, 2025

Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

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 Rs 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.



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- (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.



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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.

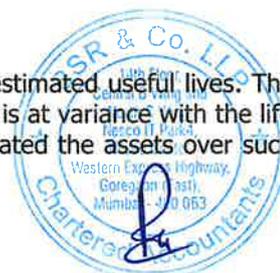
Capital work in progress includes cost of PPE under development as at the Balance Sheet date and is carried at cost, comprising of direct cost and directly attributable cost.

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.



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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



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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.



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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:

(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 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



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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.



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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.



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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.



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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.

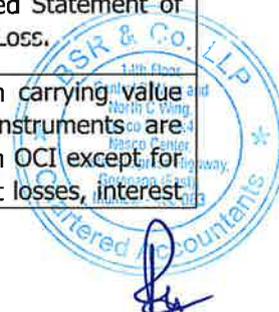
The Group initially classifies its financial assets in the following measurement categories:

- 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	Assets that are held for collection of contractual cash	At fair value plus transaction costs that are	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest



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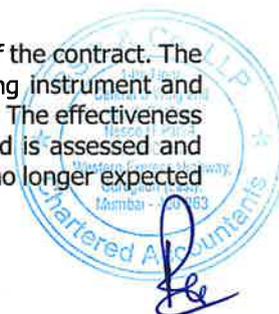
		election at the time of initial recognition to account for the equity investment (on an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	directly attributable to the acquisition of the financial asset	On disposal of such instruments, no amount is reclassified to Consolidated 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 Consolidated 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 Consolidated Statement of Profit and Loss	Changes in fair value of such assets are recorded Consolidated 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



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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.



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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



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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



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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.



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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:

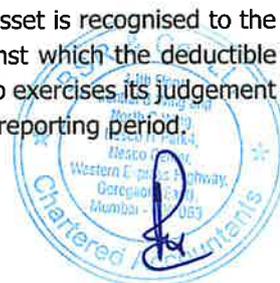


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- a. Useful lives of property, plant and equipment and intangible assets:** The Group reviews the useful lives of property, plant and equipment and intangibles at the end of each reporting period. This reassessment may result in change in depreciation 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.



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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.



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3 Property, plant and equipment

(in Rupees million)

Particulars	Computers and accessories	Leasehold improvements	Furniture and fixtures	Office equipment	Total
Gross carrying amount					
As at April 01, 2024	889	482	65	173	1,609
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
As at March 31, 2025	1,027	476	67	163	1,733
Accumulated depreciation					
As at April 01, 2024	702	481	41	158	1,382
Charge for the year	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
As at March 31, 2025	752	476	43	146	1,417
Net carrying amount as at March 31, 2025	275	-	24	17	316
Gross carrying amount					
As at April 01, 2023	834	260	64	392	1,550
Reclassification [^]	-	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
As at March 31, 2024	889	482	65	173	1,609
Accumulated depreciation					
As at April 01, 2023	517	232	36	353	1,138
Reclassification [^]	-	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
As at March 31, 2024	702	481	41	158	1,382
Net carrying amount as at March 31, 2024	187	1	24	15	227

[^] Leasehold improvement is reclassified for one of the office premises from office equipment.

Note : The Group does not hold any immovable properties.



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4 Right of use assets

(in Rupees million)

Particulars	Office premises	Vehicles	Total
Gross carrying amount			
As at April 01, 2024	1,383	-	1,383
Additions	719	52	771
Disposals	(185)	(1)	(186)
Exchange differences on translating the financial statements of foreign operations	8	-	8
As at March 31, 2025	1,925	51	1,976
Accumulated depreciation			
As at April 01, 2024	217	-	217
Charge for the year	331	9	340
On disposals	(185)	(0)	(185)
Exchange differences on translating the financial statements of foreign operations	2	-	2
As at March 31, 2025	365	9	374
Net carrying amount as at March 31, 2025	1,560	42	1,602
Gross carrying amount			
As at April 01, 2023	1,224	-	1,224
Additions	948	-	948
Disposals	(793)	-	(793)
Exchange differences on translating the financial statements of foreign operations	4	-	4
As at March 31, 2024	1,383	-	1,383
Accumulated depreciation			
As at April 01, 2023	756	-	756
Charge for the year	249	-	249
On disposals	(790)	-	(790)
Exchange differences on translating the financial statements of foreign operations	2	-	2
As at March 31, 2024	217	-	217
Net carrying amount as at March 31, 2024	1,166	-	1,166

Note :

- The Right-of-use assets as per Ind AS-116 comprises of lease of office premises and vehicles.
- 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.
- The aggregate depreciation expense on Right-of-use assets is included under depreciation and amortisation expenses in the consolidated Statement of Profit and Loss.

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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

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
Goodwill at the end of the year	3,582	3,513

The carrying amount of goodwill allocated to acquisitions forming part of operating segments are as follows:

(in Rupees million)

Particulars	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
Total	3,582	3,513

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).

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6 Other Intangible assets

(in Rupees million)

Particulars	Computer Software	Client relationship	Internally generated Intellectual Property	Brand	Developed Content	Patent	Total
Gross carrying amount							
As at April 01, 2024	424	939	1,109	30	102	5	2,609
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
As at March 31, 2025	791	960	1,124	30	102	6	3,013
Accumulated amortization							
As at April 01, 2024	108	261	841	14	24	5	1,253
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
As at March 31, 2025	240	385	958	20	34	6	1,643
Net carrying amount as at March 31, 2025	551	575	166	10	68	-	1,370
Gross carrying amount							
As at April 01, 2023	107	927	981	30	102	4	2,151
Additions	313	-	119	-	-	-	432
Exchange differences on translating the financial statements of foreign operation	4	12	9	-	-	1	26
As at March 31, 2024	424	939	1,109	30	102	5	2,609
Accumulated amortization							
As at April 01, 2023	65	165	666	8	14	4	922
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
As at March 31, 2024	108	261	841	14	24	5	1,253
Net carrying amount as at March 31, 2024	316	678	268	16	78	-	1,356

Note 1 : Refer note 16 for details of charge/hypothecation created against intangible assets.

Note 2 : The estimated amortisation of intangible assets for the year ended 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 Rs 140 million (March 31, 2024 : Nil).

6.1 Intangible Assets Under Development (IAUD)

(in Rupees million)

Particulars	Amount
Gross carrying amount	
As at April 01, 2024	59
Additions	261
Less: Capitalisation	(156)
Less : Provision for impairment loss (Refer sub note 1 below)	(27)
As at March 31, 2025	137
Gross carrying amount	
As at April 01, 2023	7
Additions	171
Less: Capitalisation	(119)
As at March 31, 2024	59

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 Rs 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
Total	252	171



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(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
7.1 Investment accounted for using the equity method		
Investments in unquoted equity instruments		
Qure.ai Technologies Private Limited 250,000,000 (March 31, 2024: 250,000,000) equity shares of Rs 1 each fully paid up (Refer note 36)	4,258	4,259
Total carrying value	4,258	4,259
7.2 Investments (Non-current)		
A. Investment in Equity instruments (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 Rs 1 each	15	0
B. Investment in preferred stock (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
	64	79
Total (non-current)	4,322	4,338
7.2 Investments (Current)		
(Measured at fair value through profit and loss) Investment in liquid mutual funds units (unquoted)	5,614	4,455
Total other investments	5,614	4,455
(a) Aggregate carrying value of unquoted investments	9,936	8,793

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.



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(In Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
8 Trade receivables		
<i>Trade receivables</i>		
- Unsecured, considered good	4,161	3,825
- Unsecured, credit impaired	12	12
- Unbilled receivables - Unsecured, considered good	1,798	1,596
Sub Total	5,971	5,433
Allowances for expected credit loss	(123)	(100)
Trade receivables (Current)	5,848	5,333

**Ageing of Trade receivables
As at March 31, 2025**

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	
Trade receivables - Billed							
(i) Undisputed Trade receivables – considered good	3,344	795	19	1	2	-	4,161
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	12	12
	<u>3,344</u>	<u>795</u>	<u>19</u>	<u>1</u>	<u>2</u>	<u>12</u>	<u>4,173</u>
Trade receivables - Unbilled							1,798
							5,971
Less: Allowances for expected credit loss							(123)
Total							5,848

As at 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	
Trade receivables - Billed							
(i) Undisputed Trade receivables – considered good	3,230	550	10	28	6	1	3,825
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	12	12
	<u>3,230</u>	<u>550</u>	<u>10</u>	<u>28</u>	<u>6</u>	<u>13</u>	<u>3,837</u>
Trade receivables - Unbilled							1,596
							5,433
Less: Allowances for expected credit loss							(100)
Total							5,333

9a Cash and cash equivalents

Cash on hand	0	0
Balance with banks		
In current accounts	2,649	812
Total cash and cash equivalents	2,649	812

9b Bank balance other than above

In fixed deposit account (with original maturity of more than 3 months but less than 12 months)	234	66
Total other bank balances	234	66

10 Current loans

Unsecured, considered good		
Loan to director (Refer note 29)	303	-
Secured, considered good		
Loan to director (Refer note 29)	-	282
Total current loans	303	282

Type of Borrower	As at March 31, 2025		As at March 31, 2024	
	Amount of loan outstanding	% of total Loans	Amount of loan outstanding	% of total Loans
Loan to director	303	100%	282	100%
Total	303	100%	282	100%

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

Non-current financial assets

Other bank deposits	9	9
Sub total (A)	<u>9</u>	<u>9</u>
Derivative asset	3	17
Security deposits	180	147
Less : Provision for doubtful balances	(2)	-
Sub total (B)	<u>181</u>	<u>164</u>
Total non-current financial assets	190	173

Current financial assets

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	-
Total current financial assets	39	65

12 Other assets

Non-current assets

Prepaid expenses	17	12
Capital advances	45	-
Total non-current assets	62	12

Current assets

Prepaid expenses (Refer note below)	847	896
Contract assets (Refer note 27)	62	14
Advances to vendors and others	90	88
Balance with government authorities	(10)	(10)
Less : Provision for doubtful advances	-	-
Total current assets	1,559	1,391

Note : Prepaid expenses includes Rs 243 million (March 31, 2024: Rs 128 million) towards planning for initial public offer and is to be shared between the Parent Company and selling shareholders.



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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

13 Deferred tax assets/(liabilities)

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Significant components of deferred tax assets		
Deferred tax assets/(liabilities)		
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
Total Deferred tax assets (net)	561	479
*Others include impact for mark to market gain/loss on fair value of investments and other temporary differences		
Fair value of Associate Company	(688)	(1,016)
Total Deferred tax liabilities	(688)	(1,016)

(a) Movements in deferred tax assets/(liabilities)

(in Rupees million)

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
At April 01, 2024	(17)	59	378	(1,016)	(226)	224	61	(537)
(Charged) / Credited								
- to profit or loss	16	9	-	328	81	(60)	9	383
(Refer sub-note (a) below)								
- to other comprehensive income	16	-	-	-	-	-	-	16
- Exchange differences on translating the financial statements of foreign operations	-	-	7	-	-	-	4	11
At March 31, 2025	15	68	385	(688)	(145)	164	74	(127)
At April 01, 2023	7	29	368	(1,016)	(54)	68	(19)	(617)
(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
At March 31, 2024	(17)	59	378	(1,016)	(226)	224	61	(537)

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 Rs 370 million in the year ended March 31, 2025. The Group has created additional deferred tax asset of Rs 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 Rs 910 million (March 31, 2024- Rs 938 million).

(b) The tax losses of the Group will lapse in subsequent years as follows:

(in Rupees million)

Particulars	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:

(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit and loss		
(a) Current Tax		
- For the year	531	227
- Tax adjustment for earlier year	26	98
(b) Deferred tax credit	(383)	(83)
Total current tax expense	174	242

(d) Reconciliation of tax expense and the book profit computed by applying income tax rate:

(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit / (Loss) before tax	2,380	(305)
Tax rate of Parent Company	25.17%	25.17%
Computed tax expense	599	(77)
Adjustments:		
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)
Tax expense	174	242



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14 Equity share capital

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
Authorised		
389,400,000 equity shares of face value Rs. 1 each [^] (March 31, 2024 : 349,200,000 equity shares of face value Rs. 1 each)	389	349
50,600,000 Series B 0.001 % Compulsorily convertible preference shares of face value Rs.1 each [^] (March 31, 2024 : 38,100,000 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each)	51	38
	<u>440</u>	<u>387</u>
[^] The authorised share capital of the Company has been increased vide Extra-ordinary general meeting resolution date October 9, 2024.		
Issued share capital		
26,838,408 equity shares of face value Rs. 1 (March 31, 2024 : 26,317,789 equity shares of Rs. 1 each)	27	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each (March 31, 2024 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each)	5	5
	<u>32</u>	<u>31</u>
Subscribed and fully paid-up		
26,173,550 equity shares of face value Rs. 1 each fully paid up (March 31, 2024 : 25,652,931 equity shares of Rs. 1 each fully paid up)	26	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each (March 31, 2024 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each)	5	5
	<u>31</u>	<u>31</u>
Subscribed but not fully paid-up		
664,858 equity share of face value Rs. 1 (Rs 0.5 paid up) (March 31, 2024 : 664,858 equity share of face value Rs. 1 (Rs 0.5 paid up))	0	0
	<u>0</u>	<u>0</u>
	<u>31</u>	<u>31</u>

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

Particulars	(in Rupees million)			
	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	26,317,789	26	26,189,854	26
Add :- Shares issued during the year under				
- employee stock option plan	520,619	1	127,935	0
At the end of the year	<u>26,838,408</u>	<u>27</u>	<u>26,317,789</u>	<u>26</u>

(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	Number of shares	Amount
At the commencement of the year	4,523,604	5	4,523,604	5
Issued during the year	-	-	-	-
At the end of the year	<u>4,523,604</u>	<u>5</u>	<u>4,523,604</u>	<u>5</u>

(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
(a) Equity shares of Rs. 1 each fully paid-up held by				
Quinag Bidco Limited	22.13%	5,939,620	22.57%	5,939,620
TPG Fett Holdings Pte Limited	27.84%	7,472,423	28.39%	7,472,423
Gulu Mirchandani (on behalf of GLM Family Trust)	19.73%	5,296,556	20.13%	5,296,556
Pranay Agrawal	6.33%	1,697,904	6.44%	1,696,174
Srikanth Velamakanni*	5.70%	1,529,118	5.80%	1,527,378
Chetana Kumer	4.94%	1,325,431	5.04%	1,325,431
(b) Series B 0.001 % Compulsorily Convertible Preference Shares of Rs. 1 each fully paid-up held by				
Quinag Bidco Limited	73.78%	3,337,505	73.78%	3,337,505
TPG Fett Holdings Pte Limited	26.22%	1,186,099	26.22%	1,186,099

* includes 664,858 partly paid up shares issued on private placement basis

(c) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs 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.

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(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 pari passu with the Equity Shares on liquidation and shall have no liquidation preference.

(e) Shares reserved for issued under options

Particulars	March 31, 2025 No. of shares	March 31, 2024 No. of shares
Equity shares of Rs. 1 each reserved for issue under employee stock option scheme (refer note 33)	6,240,300	6,008,873

Note - Refer (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 year ended March 31, 2025 and March 31, 2024.

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024

15 Other equity

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	1,123	(1,071)
Total other equity	17,501	14,026

Note : For movement during the year, refer consolidated statement of changes in equity.

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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

(in Rupees million)

Particulars		
	As at March 31, 2025	As at March 31, 2024
16 Borrowings		
<i>Non-current borrowings</i> (at amortised cost)		
Secured		
- Term loan (Refer note (a) below)	2,708	2,623
Less : Arrangement fees	(46)	(122)
Less : Current maturities of long term debt	(85)	-
Total secured borrowings	2,577	2,501
Current borrowings		
Secured		
- Current maturities of long term debt - Term loan (Refer note (a) below)	85	-
Total current borrowings	85	-
Note :		

The Group has refinanced the existing floating rate loan through banks on September 26, 2024 amounting to USD 32 million (Rs 2,631 million)

The Group has incurred transaction cost amounting to USD 0.69 million (Rs 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

Trade payables

- 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	-	1
- Related parties (Refer note 29)	518	471
- Others	-	-
Total trade payables	620	512

Dues of micro and small enterprises

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 micro and small enterprises. 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

(in Rupees million)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
As at March 31, 2025							
(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	
Total	111	52	-	-	7	170	
Accrued expenses						450	
Total						620	
As at March 31, 2024							
(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	
Total	4	40	19	-	7	70	
Accrued expenses						442	
Total						512	



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(In Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
18 Other financial liabilities		
Non-current financial liabilities		
Derivative liability	20	-
Employee related obligation	430	310
Total non-current financial liabilities	450	310
Current financial liabilities		
Employee related obligation	2,446	2,135
Capital creditors	404	315
Derivative liability	61	-
Interest accrued and due	2	4
Total current financial liabilities	2,913	2,454
19 Other liabilities		
Current liabilities		
Unearned revenue (Refer note 27)	1,108	1,031
Contract liabilities^	112	-
Advance from customer	8	40
Statutory dues payable**	419	327
Total current liabilities	1,647	1,408
**Includes tax deducted at source, provident fund payable, professional taxes, etc.		
20 Provisions		
Non-current provisions		
Gratuity (Refer note 28)	188	187
Total non-current provisions	188	187
Current provisions		
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
Total current provisions	64	148
Movement of other provisions		
Opening balance	85	80
Amount paid during the year	(26)	-
Provision created during the year	-	5
Provision reversed during the year	(59)	-
Closing balance	-	85

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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
21 Revenue from operations		
Sale of services and products (Refer note 27)	27,654	21,963
Total Revenue from operations	27,654	21,963
22 Other income		
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 gain (net)	126	65
Miscellaneous income	16	14
Total other income	508	456
23 Employee benefits expense		
Salaries, wages and bonus *	18,827	16,398
Contribution to provident and other funds (Refer note 28)	328	229
Gratuity (Refer note 28)	206	189
Staff welfare expense	687	554
Total employee benefits expense	20,048	17,370
*During the year ended March 31, 2025, the Group has accrued/received government grants amounting to Rs 49 million (March 31, 2024: Rs 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 Rs 293 million (March 31, 2024 : Rs 383 million) and ESOP cash bonus amounting to Rs 231 million (March 31, 2024 : Rs 242 million).		
24 Finance costs		
Interest on :		
- borrowings	255	313
- lease liabilities (Refer note 30)	121	41
- others	55	43
Other borrowing cost	146	48
Total finance costs	577	445
25 Depreciation and amortisation expense		
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
Total depreciation and amortisation expense	1,023	832
26 Other expenses		
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
Total other expenses	3,309	2,896

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 Rs 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 Rs 85 million which was disclosed under Rent, rates and taxes.

During the current year, the Parent Company has paid the compounding charges of Rs 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 Rs 59 million during the year.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
26.1 Exceptional Items		
Impairment in value of intangible assets under development (Refer note 6.1)	27	-
Re-measurement (gain)/loss of retained interest in associate (Refer note 36)	(297)	55
	(270)	55



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27 Revenue from contracts with customers (clients)

The Group disaggregates revenue from contracts with clients by nature of services.

Revenue disaggregation by nature of services is as follows:

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Analytical services	27,010	21,721
Subscriptions/License fees	644	242
Total	27,654	21,963

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 client 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	(in Rupees million)	
	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
Balance at the end of the year	847	896

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	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
Balance at the end of the year	1,108	1,031

Reconciliation of revenue recognized 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)
Revenue recognized	27,654	21,963

Note : Variable consideration includes volume discount / service credit to clients.

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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	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	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	As at March 31, 2025	As at March 31, 2024
Discount rate	6.90%	7.15%
Future salary increases	9.00%	9.00%
Attrition rate		
<u>Based on Completed Years of service</u>		
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 :

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
Present value of obligation at the beginning of the year	553	32	383	47
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)
Remeasurement recognised in other comprehensive income due to				
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
Present value of obligation at the end of the year	739	30	553	32

*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
Fair value of plan assets at the end of the year ended	580	396

(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)
Net liability in Consolidated Balance Sheet	189	189
- 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
Total expense recognized in the Consolidated Statement of Profit and Loss	206	189
- Total expense recognized for obligation with funded plan	196	179
- Total expense recognized for obligation with unfunded plan	10	10

(in Rupees million)		
Amount recognised in other comprehensive income	Year ended March 31, 2025	Year ended March 31, 2024
Remeasurements during the year due to		
Changes in financial assumptions	36	(26)
Changes in demographic assumptions	(20)	1
Experience adjustments	(34)	1
Expected return on plan assets	2	1
Amount recognised in other comprehensive income during the year	(16)	(23)
- 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 year.

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 next		
1 year	15	9
Year 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 Parent 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 Parent 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 Rs 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.



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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) Transactions and balances

(in Rupees million)

Sr. No	Nature of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
1	Managerial remuneration Srikanth Velamakanni Pranay Agrawal Somya Agarwal	74 79 11	57 61 10
2	Interest Income Pranay Agrawal	14	10
3	Loan given Pranay Agrawal	-	8
4	Consulting services Tario Partners LLP	10	10
5	Repayment of loan Pranay Agrawal	-	8
6	Expenses incurred on behalf of associate company Qure.ai Technologies Private Limited	-	8
7	Reimbursement of expense Qure.ai Technologies Private Limited	7	-

Sr. No	Balances	As at March 31, 2025	As at March 31, 2024
1	Loans including interest accrued Pranay Agrawal	303	282
2	Other receivables Qure.ai Technologies Private Limited		5
3	Trade payables (including provisions) Qure.ai Technologies Private Limited		1

**The remuneration fees paid to non-executive directors amounting to Rs 23 million and Rs 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 Rs 64 million and Rs 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.



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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

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
Total	1,628	1,131

(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)
Closing Balance	1,628	1,131

(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

(in Rupees million)

Particulars	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.

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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

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.

(in Rupees million)			
Fair value through profit and loss (FVTPL)	Level	As at March 31, 2025	As at March 31, 2024
Assets			
Investments (Refer note a below)	2	5,614	4,455
Investments (Refer note b below)	3	64	79
Derivative asset	2	5	27
Total assets		5,683	4,561
Liabilities			
Derivative liability	2	44	-
Total liabilities		44	-

(in Rupees million)			
Fair value through other comprehensive income	Level	As at March 31, 2025	As at March 31, 2024
Assets			
Derivative asset	2	16	43
Total assets		16	43
Liabilities			
Derivative liability	2	37	-
Total liabilities		37	-

(in Rupees million)			
Amortised cost		As at March 31, 2025	As at March 31, 2024
Assets			
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
Total assets		9,242	6,661
Liabilities			
Borrowings		2,662	2,501
Trade payables		620	512
Other financial liabilities		3,282	2,764
Total liabilities		6,564	5,777

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.

(b) Reconciliation of fair value measurement of the investment categorised at level 3:

(in Rupees million)		
Particulars	As at March 31, 2025	As at March 31, 2024
At fair value through profit and loss		
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	-
Closing Balance	64	79

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	-
- Decrease in per share price by 5%	(2)	-

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
Balance at the end of the year	69	66

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.

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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

32 Financial risk management framework (continued)

Maturities of financial liabilities

The below table analyses the Group'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	(in Rupees million)		
		Undiscounted amounts		
		<12months	1 - 2 years	More than 2 years
As at March 31, 2025				
Non derivative financial instruments				
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	-
Derivative financial instruments				
Other financial liabilities	81	61	20	-
As at March 31, 2024				
Non derivative financial instruments				
Trade payables	512	512	-	-
Other financial liabilities	2,764	2,454	310	-
Lease liabilities	1,131	317	277	807
Borrowings	2,501	-	-	2,623

(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 year expressed in INR, is as follows:

As at March 31, 2025

Particulars	(in Rupees million)			
	USD	EUR	GBP	Others
Financial assets				
Cash and cash equivalents	0	0	0	0
Trade receivables	7,983	476	24	61
Net exposure to foreign currency (assets)	7,983	476	24	61
Financial liabilities				
Trade payables	5	-	-	-
Net exposure to foreign currency (liabilities)	5	-	-	-
Net exposure to foreign currency	7,978	476	24	61

As at March 31, 2024

Particulars	(in Rupees million)			
	USD	EUR	GBP	Others
Financial assets				
Cash and cash equivalents	0	0	0	0
Trade receivables	5,970	704	17	105
Net exposure to foreign currency (assets)	5,970	704	17	105
Financial liabilities				
Trade payables	38	1	-	-
Other financial liabilities	3	-	-	-
Net exposure to foreign currency (liabilities)	41	1	-	-
Net exposure to foreign currency	5,929	703	17	105

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
USD		
- Increase by 5%	299	222
- Decrease by 5%	(299)	(222)
EUR		
- Increase by 5%	18	18
- Decrease by 5%	(18)	(18)
GBP		
- Increase by 5%	1	1
- Decrease by 5%	(1)	(1)
Others		
- Increase by 5%	2	4
- Decrease by 5%	(2)	(4)



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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

32 Financial risk management framework (continued)

Outstanding Derivative contracts

The Group hedges exposures to changes in foreign currency through currency forwards and options. 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:

(in Rupees million)

Particulars	As at March 31, 2025		
	Notional amount of contracts (in million)	Notional amount of contracts (Rs 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

(in Rupees million)

Particulars	As at March 31, 2024		
	Notional amount of contracts (in million)	Notional amount of contracts (Rs 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 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 Rs 3,621 million respectively, and the respective fair value of these contracts have a gain of Nil and Rs 27 million respectively.

Exchange fair value gain as at March 31, 2024 of Rs 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 Rs 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.

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
(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)



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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

32 Financial risk management framework (continued)

(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 after tax is affected through the impact on floating rate borrowings, as follows:

Particulars	(in Rupees million)	
	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 year 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)
Net Debt (A)	(230)	1,614
Total Equity (B)	17,654	14,199
Net Gearing Ratio (A/B)	-	0.11

Investment in liquid mutual funds is not considered for computation of net debt.

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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

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
Total	798	963

*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**

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 (WAEF)

Particulars	March 31, 2025		March 31, 2024	
	Nos	WAEF	Nos	WAEF
Options outstanding at the beginning of the year	2,496,131	1,078	2,597,381	952
Options granted during the year	945,300	1,712	220,650	2,270
Options lapsed during the year	(129,640)	1,529	(202,139)	1,021
Options settled/cancelled/expired during the year	-	-	(100)	846
Options revived during the year [^]	525	2,202	-	-
Options exercised during the year	(416,628)	810	(119,661)	621
Options outstanding at the end of the year	2,495,688	1,239	2,496,131	1,078
Options exercisable at the end of the year	1,391,967	967	1,352,786	850

[^]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 Rs 1,294 (year ended March 31, 2024 : Rs 933).

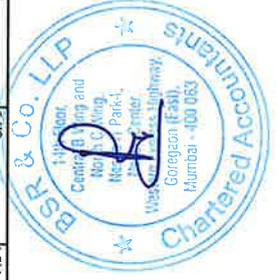
The weighted average stock price of the options granted during the year ended March 31, 2025 is Rs 1,712 (year ended March 31, 2024 : Rs 2,270).

Weighted average remaining contractual life (years) of the options based on the exercise price :

Exercise Price	1	40*	595	610	846	2,270	3,128
No. of options outstanding	-	4,025	24,500	15,000	1,462,599	659,824	60,066
Weighted average remaining contractual life (in years)	-	0.05	4.27	6.26	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.



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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

33 Employee Stock Options Scheme (ESOP) (continued)

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	For the year ended	
	March 31, 2025	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 %	9.76 %
Expected Growth in Dividend	- 63.91 %	- 63.91 %
	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

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 (WAEPP)

Particulars	Time based		Performance based		Time based		Performance based	
	March 31, 2025		March 31, 2025		As at March 31, 2024		As at March 31, 2024	
	No. of options	WAEPP	No. of options	WAEPP	No. of options	WAEPP	No. of options	WAEPP
Options outstanding at the beginning of the year	1,029	1,029	2,029,338	1,016	1,055	2,129,772	1,044	
Options granted during the year	-	-	-	-	-	-	-	
Options lapsed during the year	(6,063)	924	(12,030)	1,202	1,676	(100,434)	1,598	
Options settled/cancelled during the year	-	-	-	-	-	-	-	
Options exercised during the year	(103,991)	1,054	-	-	(8,274)	-	-	
Options outstanding at the end of the year	897,225	1,027	2,017,308	1,015	1,029	2,029,338	1,016	
Options exercisable at the end of the year	869,266	1,018	-	-	655,513	1,024	-	

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 Rs 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 Rs 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	2,561,246	353,287
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	March 31, 2024
Risk Free Rate	5.75% to 7.13%	5.75% to 7.13%
Option Life	5 years	5 years
(Based on Simplified Average Method)	19.98% -39.76%	19.98% -39.76%
Expected Volatility*	0%	0%
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.

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:

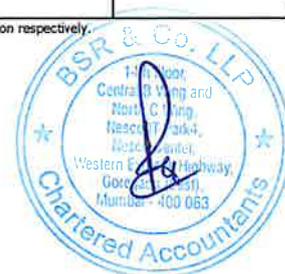
(in Rupees million)

March 31, 2025	Particulars	Fractal.ai	Fractal alpha	Unallocated	Intersegment elimination	Total
	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
	Profit before tax					2,380

*Employee stock option plan cost of Rs 1,019 million and Rs 10 million for Fractal.ai and Fractal alpha and retention bonus pursuant to acquisition of Rs 277 million and Rs 16 million respectively.

March 31, 2024	Particulars	Fractal.ai	Fractal.alpha	Unallocated	Intersegment elimination	Total
	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)
	Profit before tax					(305)

*Employee stock option plan cost of Rs 1,190 million and Rs 15 million for Fractal.ai and Fractal alpha segment and retention bonus pursuant to acquisition of Rs 347 million and Rs 36 million respectively.



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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

34 Operating Segment (continued)

	(in Rupees million)	
	March 31, 2025	March 31, 2024
Segment Asset		
Fractal.ai	15,857	12,714
Fractal.alpha	5,019	5,143
Unallocated	7,700	6,063
	28,576	23,920
Segment Liabilities		
Fractal.ai	5,553	5,910
Fractal.alpha	1,079	178
Unallocated	4,290	3,633
	10,922	9,721
Capital expenditure		
Fractal.ai	764	462
Fractal.alpha	120	91
Unallocated	771	956
	1,655	1,509

Geographical disclosure

Geographical revenue is allocated based on the location of the customer. Information regarding geographical revenue is as follows :

	(in Rupees million)	
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
	27,654	21,963

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	Year ended 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
Total	7,230	6,526

Disclosure of top customers having sales more than 10 % of the revenue from operation

	(in Rupees million)	
Customer	% of Total Revenue	
	As at March 31, 2025	Year ended March 31, 2024
(under Fractal.ai Segment) Customer A	10%	12%



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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

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
(a) Subsidiaries directly held			
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) Subsidiaries indirectly held			
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.



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Fractal Analytics Limited

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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

35 As per Schedule III of the Companies Act 2013, the required information on subsidiaries and associate is provided in the following table (continued):

For year 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
Parent								
Fractal Analytics Limited	110%	19,467	60%	1,321	75%	(37)	60%	1,284
Subsidiaries								
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
Step down Subsidiaries								
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)
Limited Liability Company "Symphony (Ukraine)	0%	32	0%	3	8%	(4)	0%	(1)
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
Total	117%	20,965	88%	1,944	254%	(127)	84%	1,817
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)
Total	100%	17,654	100%	2,206	100%	(50)	100%	2,156



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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

35 As per Schedule III of the Companies Act 2013, the required additional information on subsidiaries and associate is provided in the following table (continued):

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
Parent								
Fractal Analytics Limited	119%	16,898	-146%	799	93%	45	-169%	844
Subsidiaries								
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
Step down Subsidiaries								
Fractal Analytics UK Limited	4%	553	-15%	83	0%	-	0%	83
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%	-
Total	117%	16,681	-176%	955	102%	50	-202%	1,005
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)
Total	100%	14,199	100%	(547)	100%	48	100%	(499)



Fractal Analytics Limited

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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

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)
	Aggregate carrying amount	4,258	4,259

(b)	Summary of Statement of Balance Sheet	As at March 31, 2025	As at March 31, 2024
	Non Current assets	704	529
	Current assets	4,831	2,826
	Non Current liabilities	(165)	(96)
	Current liabilities	(702)	(757)
	Equity	4,668	2,502

(c)	Summary of Statement of Profit and Loss	Year ended March 31, 2025	Year ended March 31, 2024
	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)

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Notes to Consolidated Financial statements as at and for year ended March 31, 2025

37 Earnings per share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
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)	30,782,447	30,471,259
Add: Potential equity shares on exercise of options (in nos)	2,590,313	2,738,085
Weighted average number of equity shares for Diluted EPS (in nos)	33,372,760	33,209,344
Earnings per share (in Rs.):		
- Basic	72.44	(15.60)
- Diluted	66.82	(15.60)
Face value per equity share (Rs.)	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 diluted earnings per share.

38 Commitments and contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
(in Rupees million)		
(a) Commitments		
Capital commitments	253	11
(b) Contingent liabilities		
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	Year ended March 31, 2025	Year ended March 31, 2024
(in Rupees million)		
Corporate social responsibility expenditure		
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	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.)		

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 The 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



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: U72400MH2000PTC125369


Srikanth Yelamakanni
Whole-time Director
DIN: 01722758

Mumbai
Date: May 20, 2025




Sasha Gulu Mirchandani
Director
DIN: 01179921

Mumbai
Date: May 20, 2025


Soniya Kaurwal
Company Secretary
Date: May 20, 2025

Mumbai
Date: May 20, 2025

Independent Auditor's Report

To the Members of Fractal Analytics Limited (formerly 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.

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly Fractal Analytics Private Limited)

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.



Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly Fractal Analytics Private Limited)

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 Rs 78 million as at the date of slump sale (1 April 2024), total revenue (before acquisition adjustments) of Rs. 155 million and net cash inflows (before acquisition adjustments) of Rs 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.
- 2 A. 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 (Continued)

Fractal Analytics Limited (formerly Fractal Analytics Private Limited)

- 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



B S R & Co. LLP

Independent Auditor's Report (Continued)

Fractal Analytics Limited (formerly Fractal Analytics Private Limited)

been preserved by the Company as per the statutory requirements.

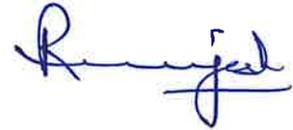
C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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 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.
- (i) (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 Rs 99 million; Net carrying amount Rs 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

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Limited (formerly Fractal Analytics Private Limited) for the year ended 31 March 2025 (Continued)

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 Rs 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 Rs 4 million. Recovery of loan including interest thereon aggregating to Rs 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"):

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Limited (formerly Fractal Analytics Private Limited) for the year ended 31 March 2025 (Continued)

	Related Parties (In Rs million)
Aggregate of loans/advances in nature of loan - Repayable on demand (A) - Agreement does not specify any terms or period of Repayment (B)	180 -
Total (A+B)	180
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.

- (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 Rs. million)	Paid/adjusted under protest (In Rs. million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income	Income-	11	-	AY 2007-	Commissi	

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Limited (formerly Fractal Analytics Private Limited) for the year ended 31 March 2025 (Continued)

Name of the statute	Nature of the dues	Amount (In Rs. million)	Paid/adjusted under protest (In Rs. million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Tax Act, 1961	Tax			08	oner of Income Tax (Appeals)	
Income Tax Act, 1961	Income-Tax (Penalty)	6	1	AY 2007-08	Commissi oner of Income Tax (Appeals)	
Income Tax Act, 1961	Income-Tax	24	24	AY 2011-12	Commissi oner 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	Commissi oner of Income Tax (Appeals)	
Income Tax Act, 1961	Income-Tax	19	19	AY 2020-21	Commissi oner of Income Tax (Appeals)	
Income Tax Act, 1961	Income-Tax (Penalty)	25	-	AY 2020-21	Commissi oner of Income Tax (Appeals)	
Income Tax Act, 1961	Income-Tax	9	-	AY 2021-22	Commissi oner of Income Tax (Appeals)	

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Limited (formerly Fractal Analytics Private Limited) for the year ended 31 March 2025 (Continued)

Name of the statute	Nature of the dues	Amount (In Rs. million)	Paid/adjusted under protest (In Rs. million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
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



Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Limited (formerly Fractal Analytics Private Limited) for the year ended 31 March 2025 (Continued)

- 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

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Limited (formerly Fractal Analytics Private Limited) for the year ended 31 March 2025 (Continued)

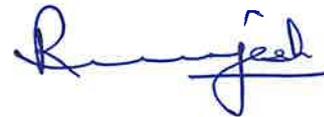
3(xviii) of the Order is not applicable.

- (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.: 101248WW-100022



Rajesh Mehra

Partner

Place: Mumbai

Date: 21 May 2025

Membership No.: 103145

ICAI UDIN: 25103145BMOVSN5721

Annexure B to the Independent Auditor's Report on the standalone financial statements of Fractal Analytics Limited (formerly 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.



Annexure B to the Independent Auditor's Report on the standalone financial statements of Fractal Analytics Limited (formerly Fractal Analytics Private Limited) for the year ended 31 March 2025 (Continued)

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.

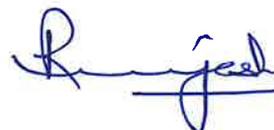
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Fractal Analytics Limited
(formerly known as Fractal Analytics Private Limited)

Standalone Balance Sheet as at March 31, 2025

(in Rupees million)

Particulars	Note	As at March 31, 2025	As at March 31, 2024*
ASSETS			
(A) Non-current assets			
(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
Total non-current assets (A)		9,446	7,636
(B) Current assets			
(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
Total current assets (B)		13,675	11,982
Total Assets (A+B)		23,121	19,618
EQUITY AND LIABILITIES			
(A) Equity			
(a) Share capital	14	31	31
(b) Other equity	15	19,436	16,857
Total equity (C)		19,467	16,888
(B) Liabilities			
(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
Total non-current liabilities (D)		1,292	922
(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	-
Total current liabilities (E)		2,362	1,808
Total liabilities (D+E)		3,654	2,730
Total Equity and Liabilities (C+D+E)		23,121	19,618

* Refer note 35 for business combination

Material accounting policies

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



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



Srikant 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

Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Standalone Statement of Profit and Loss for the year ended March 31, 2025

Particulars	Note	(in Rupees million)	
		Year ended March 31, 2025	Year ended March 31, 2024*
(1) Income			
(a) Revenue from operations			
(b) Other income	20	14,366	11,590
Total Income	21	539	382
		14,905	11,972
(2) Expenses			
(a) Employee benefits expense			
(b) Employee stock option expense	22	10,509	8,987
(c) Finance costs	33	447	568
(d) Depreciation and amortisation expense	23	116	19
(e) Other expenses	24	520	460
Total Expenses	25	1,450	1,128
		13,042	11,162
(3) Profit before exceptional items and tax expense (1-2)		1,863	810
(4) Exceptional items	26	98	(483)
(5) Profit before tax expense (3-4)		1,765	1,293
(6) Tax expense			
(a) Current tax			
(b) Deferred tax charge / (credit)	37	430	120
Total tax expense	12	14	(45)
(7) Profit for the year (5-6)		444	75
		1,321	1,218
(8) Other comprehensive income			
(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 derivatives designated as cash flow hedge		(87)	50
(b) Effective portion of gains on 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)
Total other comprehensive income		(37)	47
(9) Total comprehensive Income for the year (7+8)		1,284	1,265
Earnings per share (EPS)(Rupees per share)			
Face of Rs 1 each	36		
(1) Basic EPS		42.91	39.96
(2) Diluted EPS		39.58	36.67

* Refer note 35 for business combination

Material accounting policies

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

2

As per our report of even date attached

For BSR & 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

Fractal Analytics Limited
(formerly known as Fractal Analytics Private Limited)

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*
(A) Cash flows from operating activities		
Profit before tax expense	1,765	1,293
Adjustment for:		
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
Operating cash flow before working capital changes	2,533	1,647
(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
Cash generated from operations	796	1,676
Tax paid (net of refunds)	(415)	(160)
Net cash flows generated from operating activities	381	1,516
(B) Cash flows from investing activities		
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	5	-
Proceeds from sale of investments in subsidiary	-	231
Investment in equity instruments	(874)	(3)
Amount paid for acquisition of business (Refer note 35)	-	(109)
Net cash flows used in investing activities	(472)	(1,311)
(C) Cash flows from financing activities		
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)	-
Net cash flows generated from / (used in) financing activities	191	(161)
Net increase in cash and cash equivalents (A+B+C)	100	44
Cash and cash equivalents at the beginning of the year	123	79
Cash and cash equivalents at the end of the year	223	123
Cash and cash equivalents comprise of:		
Cash in hand	0	0
Balance with banks:		
In current accounts	223	123
Total cash and cash equivalents	223	123

* Refer note 35 for business combination

Notes :

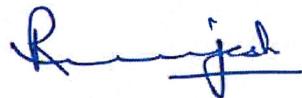
- Purchase of property, plant and equipment and intangibles are shown inclusive of movements in Intangible asset under development.
- Refer note 30 for movement in lease liabilities under financing activities.

Material accounting policies

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



Rajesh Mehra
Partner
Membership Number: 103145

Mumbai
Date: May 21, 2025

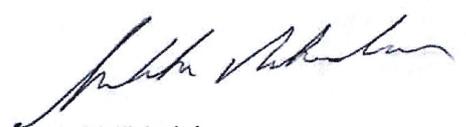
For and on behalf of the Board of Directors of
Fractal Analytics Limited

CIN: U72400MH2000PLC125369



Srikanth Velamakanni
Whole-Time Director
DIN: 01722758

Mumbai
Date: May 20, 2025



Sasha Gulu Mirchandani
Director
DIN: 01179921

Mumbai
Date: May 20, 2025



Soniya Agarwal
Company Secretary
Membership number: A17336

Mumbai
Date: May 20, 2025



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Standalone Statement of Changes in Equity for the year ended March 31, 2025

(A) Equity share capital

Particulars	(in Rupees million)	
	Note	Amount
Balance as at April 1, 2024		26
Changes in equity shares capital during the year	14	0
Balance as at March 31, 2025		26
Balance as at April 1, 2023		26
Changes in equity shares capital during the year	14	0
Balance as at March 31, 2024		26

(B) Instruments entirely equity in nature - Series B 0.001 % Compulsorily convertible preference shares

Particulars	(in Rupees million)	
	Note	Amount
Balance as at April 1, 2024		5
Changes in preference share capital during the year	14	-
Balance as at March 31, 2025		5
Balance as at April 1, 2023		5
Changes in preference share capital during the year	14	-
Balance as at March 31, 2024		5

(C) Other equity

Particulars	Reserve and Surplus				Capital Reserve	Share application money pending allotment	Items of other comprehensive income Effective portion of gains/(loss) on derivatives designated as cash flow hedge (net)	Total equity
	Securities premium	Employee stock option reserve (ESOP)	Retained earnings	Remeasurement of defined employee benefit plans				
Balance as at April 1, 2024	12,108	2,880	1,848	(114)	81	22	32	16,857
Profit for the year	-	-	1,321	-	-	-	-	1,321
Other comprehensive income	-	-	-	11	-	-	(48)	(37)
Total comprehensive income/(loss)	-	-	1,321	11	-	-	(48)	1,284
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	-	-	-	-	-
Balance as at March 31, 2025	12,894	3,309	3,195	(103)	81	76	(16)	19,436
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
Total comprehensive income	-	-	1,218	15	-	-	32	1,265
Additions on account of business combinations (Refer note 35)	-	-	(55)	(4)	73	-	-	14
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	-	-	-	-	-
Balance as at March 31, 2024	12,108	2,880	1,848	(114)	81	22	32	16,857

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

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



Raiesh 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



Srkanth Velamakanni
Whole-Time Director
DIN: 01722758

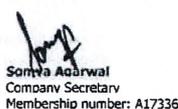
Mumbai
Date: May 20, 2025





Sasha Gulu Mirchandani
Director
DIN: 01179921

Mumbai
Date: May 20, 2025



Soniya Agarwal
Company Secretary
Membership number: A17336

Mumbai
Date: May 20, 2025

Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

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 Rs 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.



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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



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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



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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 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;



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(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.



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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



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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.

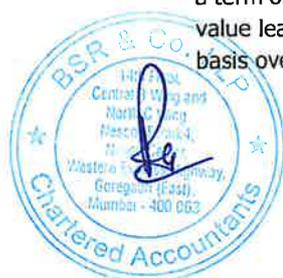
2.10 Leases

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.



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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 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.



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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 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



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				Standalone Statement of Profit and Loss in other gain and loss head.
	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.</p> <p>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	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>



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		recognition and is irrevocable.		
	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.

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.



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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.



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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.



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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 meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating



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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.



Fractal Analytics Limited

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2025

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.



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Notes to Standalone Financial Statements as at and for the year ended March 31, 2025

- 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.



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Notes to Standalone Financial Statements as at and for the year ended March 31, 2025

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 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.



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

3 Property, plant and equipment

(in Rupees million)

Particulars	Computers and accessories	Leasehold improvements	Furniture and fixtures	Office Equipment	Total
Gross carrying amount					
As at April 01, 2024	756	255	60	131	1,202
Additions	227	-	5	4	236
Disposals/derecognition	(101)	(12)	(3)	(16)	(132)
As at March 31, 2025	882	243	62	119	1,306
Accumulated depreciation					
As at April 01, 2024	617	253	37	128	1,035
Charge for the year	127	2	5	2	136
On Disposals/derecognition	(101)	(12)	(3)	(16)	(132)
As at March 31, 2025	643	243	39	114	1,039
Net carrying amount as at March 31, 2025	239	-	23	5	267
Gross carrying amount					
As at April 01, 2023	717	256	59	132	1,164
Additions	56	-	1	2	59
Disposals/derecognition	(17)	(1)	-	(3)	(21)
As at March 31, 2024	756	255	60	131	1,202
Accumulated depreciation					
As at April 01, 2023	469	227	32	128	856
Charge for the year	165	27	5	3	200
On Disposals/derecognition	(17)	(1)	-	(3)	(21)
As at March 31, 2024	617	253	37	128	1,035
Net carrying amount as at March 31, 2024	139	2	23	3	167

Note : The Company does not hold any immovable properties.



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Notes to the standalone 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
Gross carrying amount			
As at April 01, 2024	1,122	-	1,122
Additions	665	52	717
Disposals	(172)	(1)	(173)
As at March 31, 2025	1,615	51	1,666
Accumulated depreciation			
As at April 01, 2024	168	-	168
Charge for the year	272	9	281
On disposals	(172)	(0)	(172)
As at March 31, 2025	268	9	277
Net carrying amount as at March 31, 2025	1,347	42	1,389
Gross carrying amount			
As at April 01, 2023	949	-	949
Additions	927	-	927
Disposals	(754)	-	(754)
As at March 31, 2024	1,122	-	1,122
Accumulated depreciation			
As at April 01, 2023	728	-	728
Charge for the year	194	-	194
On disposals	(754)	-	(754)
As at March 31, 2024	168	-	168
Net carrying amount as at March 31, 2024	954	-	954

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.

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Notes to the standalone financial statements as at and for the year ended March 31, 2025

5 Goodwill

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
Goodwill at the beginning of the year	596	535
Additions on account of business combinations (Refer note 35)	-	61
Goodwill at the end of the year	596	596

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).



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

6 Other intangible assets

(in Rupees million)

Particulars	Computer Software	Client relationship	Internally generated Intellectual Property	Total
Gross carrying amount				
As at April 01, 2024	76	44	458	578
Additions	13	-	26	39
Disposals	-	-	-	-
As at March 31, 2025	89	44	484	617
Accumulated amortisation				
As at April 01, 2024	68	11	402	481
Charge for the year	8	33	62	103
On disposals	-	-	-	-
As at March 31, 2025	76	44	464	584
Net carrying amount as at March 31, 2025	13	-	20	33
Gross carrying amount				
As at April 01, 2023	76	-	452	528
Additions on account of business combinations (Refer note 35)	-	44	-	44
Additions	-	-	6	6
Disposals	-	-	-	-
As at March 31, 2024	76	44	458	578
Accumulated amortisation				
As at April 01, 2023	64	-	344	408
Additions on account of business combinations (Refer note 35)	-	7	-	7
Charge for the year	4	4	58	66
On disposals	-	-	-	-
As at March 31, 2024	68	11	402	481
Net carrying amount as at March 31, 2024	8	33	56	97

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
Total	33

6.1 Intangible assets under development ('IAUD')

(in Rupees million)

Particulars	Total
Gross carrying amount	
As at April 01, 2024	32
Additions	141
Less: Capitalisation	(39)
As at March 31, 2025	134
Gross carrying amount	
As at April 01, 2023	1
Additions	37
Less: Capitalisation	(6)
As at March 31, 2024	32

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	32	-	-	-	32

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
Total	132	29



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

7 Investments

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Investments (Non-current)		
Investments in equity instruments in subsidiaries		
<i>(at cost)</i>		
A. Unquoted equity shares		
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 Rs 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 Rs 1 fully paid up	153	100
Eugenie Technologies Private Limited 100,000 (March 31, 2024: 100,000) equity shares of Rs 1 fully paid up	1	1
Senseforth AI Research Private Limited** 100,000 (March 31, 2024: 100,000) equity shares of Rs 10 fully paid up	-	-
Analytics Vidhya Educon Private Limited 127,023 (March 31, 2024: 127,023) equity shares of Rs 10 fully paid up	408	408
Neal Analytics Services Private Limited** 10,000 (March 31, 2024: 10,000) equity shares of Rs 10 fully paid up	81	81
Fractal Alpha Private Limited 5,000,000 (March 31, 2024: 5,000,000) equity shares of Rs 1 fully paid up	5	5
B. Unquoted preference shares		
(at amortised cost)		
Theremin AI Solutions Private Limited^ Nil (March 31, 2024: 43,767,172) 0.0001% Series B Compulsorily convertible cumulative preference shares of Rs 1 each fully paid up	-	53
C. Deemed Investment in subsidiaries		
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	-



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

7 Investments

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Investments in equity instruments in associate (at cost)		
A. Unquoted equity shares		
Qure.ai Technologies Private Limited 250,000,000 (March 31, 2024 : 250,000,000 equity shares of Rs 1 fully paid up)	250	250
B. Other investments (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 Rs 1 each)	15	0
Less : Provision for impairment of Investment (Refer note 26)	(347)	(177)
Total (Non-current)	6,549	5,329
Other investments (Current)		
Investment in mutual funds units (unquoted) (at fair value through profit and loss)		
Investment in liquid mutual funds units (unquoted)	3,436	4,174
Total other investments	3,436	4,174
(a) Aggregate carrying amount of unquoted investments	9,985	9,503
(b) Aggregate amount of impairment in value of investments	347	177

** The gross value of investments in the above subsidiaries is as per the table below.

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
Total gross value of investments	1,072	1,072
Total net carrying value of investments	231	231

*** 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 Rs 169 million (March 31, 2024 : Rs Nil) in Senseforth AI Research Private Limited, Rs 155 million (March 31, 2024 : Rs 155 million) in Theremin AI Solutions Private Limited, Rs 1 million (March 31, 2024: Rs 1 million) in Eugenie Technologies Private Limited, Rs 16 million (March 31, 2024 : Rs 16 million) in Analytics Vidhya Educon Private Limited, Rs 6 million (March 31, 2024 : Rs 5 million) in Fractal Alpha Private Limited.



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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	March 31, 2024
8 Trade receivables		
Unsecured, considered good		
- Third parties	849	793
- Related parties (Refer note 29)	6,590	2,460
- Unbilled receivables - Third parties	180	143
- Unbilled receivables - Related parties (Refer note 29)	1,283	3,459
Unsecured, credit impaired		
- Third parties	12	12
Sub Total	8,914	6,867
Allowances for expected credit loss	(49)	(49)
Current trade receivables	8,865	6,818

Ageing for Trade receivables :

March 31, 2025

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	
Trade receivables							
(i) Undisputed Trade receivables – considered good	1,021	6,405	13	-	-	-	7,439
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	12	12
	1,021	6,405	13	-	-	12	7,451
Trade receivables - Unbilled							1,463
							8,914
Less: Allowances for expected credit loss							(49)
Total							8,865

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	
Trade receivables							
(i) Undisputed Trade receivables – considered good	694	1,846	703	5	4	1	3,253
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	12	12
	694	1,846	703	5	4	13	3,265
Trade receivables – Unbilled							3,602
							6,867
Less: Allowances for expected credit loss							(49)
Total							6,818

9a Cash and cash equivalents

Cash on hand

0

0

Balance with banks

In current accounts

223

123

Total cash and cash equivalents

223

123

9b Bank balance other than above

In fixed deposit account (with original maturity of more than 3 months but less than 12 months)

211

-

Total other bank balances

211

-

10 Loans

Current loans

Unsecured, considered good

Intercompany loan (Refer note 29)

180

285

Less: Loss allowance (Refer note 26)

-

(73)

Total current loans

180

212

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%
Total	180		285	

Note : Loan given is repayable on demand. Interest on loan ranges between 7% to 7.4%.

11 Other financial assets

Non-current financial assets

Derivative assets

3

17

Guarantee fee receivable (Refer note 29)

17

66

Security deposits

160

130

Less : Provision for doubtful advances

(2)

-

Total non-current financial assets

178

213

Current financial assets

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)

Total current financial assets

169

207



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

(in Rupees million)

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
12 Deferred tax assets (net)		
Significant components of deferred tax assets (net)		
Deferred tax assets (net)		
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
Total Deferred tax assets	79	77

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
At March 31, 2025	14	(133)	152	(38)	67	(1)	18	79
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)
At March 31, 2024	(18)	(225)	224	(28)	65	(3)	62	77

*Others include tax impact for allowance for expected credit loss, loans and other temporary differences

13 Other assets

Non-Current assets		
Capital advances	45	-
Prepaid expenses	16	12
Total non-current assets	61	12
Current assets		
Prepaid expenses (Refer note below)	429	292
Contract assets (Refer note 27)	50	94
Advances to vendors and others	10	11
Balances with government authorities	112	61
Less: Provision for doubtful advances	(10)	(10)
Total current assets	591	448

Note : Prepaid expenses includes Rs 243 million (March 31, 2024: Rs 128 million) towards planning for initial public offer and is to be shared between the Company and selling shareholders.



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
14 Equity share capital		
Authorised		
389,400,000 equity shares of face value Rs 1 each [^] (March 31, 2024 : 349,200,000 equity shares of face value Rs 1 each)	389	349
50,600,000 Series B 0.001 % Compulsorily convertible preference shares of face value Rs 1 each [^] (March 31, 2024 : Series B 0.001 % 38,100,000 Compulsorily convertible preference shares of face value Rs 1 each)	51	38
	440	387
Issued share capital		
26,838,408 equity shares of face value Rs 1 each (March 31, 2024 : 26,317,789 equity shares of Rs 1 each)	27	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs 1 each (March 31, 2024 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs 1 each)	5	5
	32	31
Subscribed and fully paid-up		
26,173,550 equity shares of face value Rs 1 each fully paid up (March 31, 2024 : 25,652,931 equity shares of face value Rs 1 each fully paid up)	26	26
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs 1 each (March 31, 2024 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs 1 each fully paid up)	5	5
	31	31
Subscribed but not fully paid-up		
664,858 equity share of face value Rs 1 (Rs 0.5 paid up) (March 31, 2024 : 664,858 equity share of face value Rs 1 (Rs 0.5 paid up))	0	0
	0	0
	31	31

[^]The authorised share capital of the Company has been increased vide Extra-ordinary general meeting resolution dated October 9, 2024.

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

Particulars	(in Rupees million)			
	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	2,63,17,789	26	2,61,89,854	26
Add : Shares Issued during the year under - employee stock option plan (Refer note a(i) below)	5,20,619	1	1,27,935	0
At the end of the year	2,68,38,408	27	2,63,17,789	26
Instruments entirely equity in nature - Series B 0.001 % Compulsorily convertible preference shares				
At the commencement of the year	45,23,604	5	45,23,604	5
Issued during the year	-	-	-	-
At the end of the year	45,23,604	5	45,23,604	5

(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).

(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
(a) Equity shares of Rs 1 each fully paid-up held by				
Quinag Bidco Limited	22.13%	59,39,620	22.57%	59,39,620
TPG Felt 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 Rs 1 each fully paid-up held by				
Quinag Bidco Limited	73.78%	33,37,505	73.78%	33,37,505
TPG Felt Holdings Pte Limited	26.22%	11,86,099	26.22%	11,86,099



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(c) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs 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	March 31, 2024
	No. of shares	No. of shares
Equity shares of Rs 1 each reserved for issue under employee stock option scheme (Refer note 33)	62,40,300	60,08,873

Note - Refer (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.

Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024

15 Other equity

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
Total other equity	19,436	16,857

Note : For movement during the year, refer statement of changes in equity.



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Particulars	(In Rupees million)	
	As at March 31, 2025	As at March 31, 2024
16 Trade payables		
Current trade payables		
- Total outstanding dues of micro enterprises 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	301	220
- Others	397	263
Total current trade payables	397	263

Dues of micro and small enterprises

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	Not due	Outstanding for following periods from due date of payment				Total
		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
Total	86	39	-	-	7	132
Accrued expenses						265
Total						397

March 31, 2024

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		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
Total	37	44	-	7	-	88
Accrued expenses						175
Total						263



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Particulars	(in Rupees million)	
	As at March 31, 2025	As at March 31, 2024
17 Other financial liabilities		
Non-current financial liabilities		
Employee related obligations	-	1
Derivative liability	20	-
Liabilities from financial guarantees (Refer note 29)	15	34
Total non-current financial liabilities	35	35
Current financial liabilities		
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
Total current financial liabilities	1,333	1,011
18 Other liabilities		
Current liabilities		
Unearned revenue (Refer note 27)	87	77
Advances from customers	31	33
Statutory dues payable*	206	171
Total current liabilities	324	281
*Includes tax deducted at source, provident fund payable and professional tax.		
19 Provisions		
Non-current provisions		
Gratuity (Refer note 28)	159	165
Total non-current provisions	159	165
Current provisions		
Other provisions (Refer note 25)	-	85
Total current provisions	-	85
Movement of other provisions		
Opening balance	85	80
Amount paid during the year	(26)	-
Provision created during the year	-	5
Provision reversed during the year	(59)	-
Closing balance	-	85



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
20 Revenue from operations		
Sale of services (Refer note 27)		
Income from rendering of services		
- Third party	3,813	3,022
- Related Party (Refer note 29)	10,553	8,568
Total Revenue from operations	14,366	11,590
21 Other income		
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
Total other income	539	382
22 Employee benefits expense		
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
Total employee benefits expense	10,509	8,987
*During the year ended March 31, 2025, the Company has accrued retention bonus pursuant to acquisition amounting to Rs 48 million (March 31, 2024 : Rs 89 million) and ESOP cash bonus amounting to Rs (0.4) million (March 31, 2024 : Rs (2) million)		
23 Finance costs		
Interest on :		
- lease liabilities (Refer note 30)	98	16
- others	5	3
Other borrowing cost	13	-
Total finance cost	116	19
24 Depreciation and amortisation expense		
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
Total depreciation and amortisation expense	520	460



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(in Rupees million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
25 Other expenses		
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 quarantine	11	-
Miscellaneous expenses	49	129
Total other expenses	1,450	1,128

25.1 Payment to auditors :

For statutory audit	18	15
For tax audit	0	0
For other services	-	1
Total payment to auditors	18	16

Note: Amounts paid to auditor towards initial public offer amounting to Rs 28 million during the year ended March 31, 2025 and Rs 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 Rs 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 Rs 85 million which was disclosed under Rent, rates and taxes.

During the current year, the Company has paid the compounding charges of Rs 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 Rs 59 million during the year.

26 Exceptional items

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)
Total exceptional items	98	(483)

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 Rs (26) million (March 31, 2024 : Rs 2 million) in Theremin AI Solutions Private Limited, Rs (53) million (March 31, 2024 : Rs (95) million) in Eugenie Technologies Private Limited, Rs Nil (March 31, 2024 : Nil) in Analytics Vidhya Educon Private Limited, Rs 71 million (March 31, 2024 : Rs 84 million) in Senseforth AI Research Private Limited and Rs Nil (March 31, 2024 : Rs 6 million) in Fractal Alpha Private Limited.



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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:

Particulars	(in Rupees million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Analytical services	14,366	11,590
	14,366	11,590

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:

Particulars	(in Rupees million)	
	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	-
Balance at the end of the year	50	94

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)	-
Balance at the end of the year	87	77

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)
Revenue recognized	14,366	11,590



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

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	As at
	March 31, 2025	March 31, 2024
Discount rate	6.90%	7.15%
Future salary increases	9.00%	9.00%
Attrition rate		
<u>Based on Completed Years of service</u>		
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.



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28 Employee benefits (Continued)

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)	
Change in the present value of obligation	As at March 31, 2025	As at March 31, 2024
Present value of obligation at the beginning of the year	561	404
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)
Remeasurement due to		
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
Present value of obligation at the end of the year	739	561

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)	
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	396	311
Expected returns on plan assets	(2)	(1)
Interest on plan assets	28	23
Contributions made by the Company	158	63
Fair value of plan assets at the end of the year	580	396

Note: The Company has invested 100% amounts in pension funds with Life Corporation of India (LIC).

	(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 funded obligation at the end of the year	739	561
Fair value of plan assets as at the end of the year	(580)	(396)
Net liability in balances sheet	159	165

	(in Rupees million)	
Amount recognised in the statement of profit and loss	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	184	175
Interest cost	12	6
Total expense recognized in the statement of profit and loss	196	181

	(in Rupees million)	
Amount recognised in other comprehensive income	Year ended March 31, 2025	Year ended March 31, 2024
Remeasurements during the year due to		
Changes in financial assumptions	35	(28)
Changes in demographic assumptions	(19)	1
Experience adjustments	(33)	6
Expected return on plan assets	2	1
Amount recognised in other comprehensive income during the year	(15)	(20)



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

28 Employee benefits (Continued)

(c) The sensitivity of significant assumptions used for valuation of defined benefit obligation is as follows :

Impact from percentage point increase / decrease in	(in Rupees million)	
	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	20 years

(e) Expected future benefit payments on undiscounted basis

Expected cash flows for following year	(in Rupees million)	
	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

Expected cash flows for following year	(in Rupees million)
	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.



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

29 Related party disclosure

(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



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

29 Related party disclosure (continued)

(a) Related parties

Sr. No	Name of the party	Nature of relationship
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
38	Fractal AI Limited (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
39	Qure.ai Technologies Private Limited	Associate Company
40	Qure.ai Technologies Inc. (Subsidiary of Qure.ai Technologies Private Limited)	Associate Company
41	Qure.ai Technologies Limited , UK (Subsidiary of Qure.ai Technologies Inc.)	Associate Company
42	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.

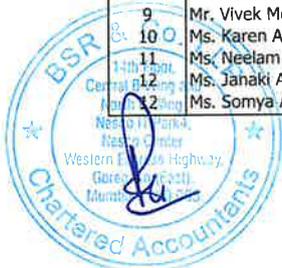
Note 3 During the year ended March 31, 2024, the Company had sold the shares of Asper.ai Technologies Private Limited to Asper.AI Inc, accordingly Asper.AI Technologies Private Limited has become indirect subsidiary w.e.f September 01, 2023.

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^	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 (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^	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 01, 2024)	Non- Executive and Independent Director
13	Ms. Somya Agarwal^	Company Secretary



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to the standalone financial statements as at and for the year ended March 31, 2025

29 Related party disclosure (continued)

(c) Transactions and balances

(in Rupees million)

Sr. No	Nature of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
1	Managerial remuneration		
	Mr. Srikanth Velamakanni	74	57
	Ms. Somya Agarwal	11	10
2	Investment in equity shares of subsidiary company		
	Fractal Analytics Incorporated, USA	859	-
3	Deemed Investment in subsidiary company (Refer note 7)		
	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	-
4	Reimbursement of expenses		
	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	-
5	Expenses incurred for the Company		
	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	-
6	Reimbursement of expenses of shared office		
	Theremin AI Solutions Private Limited*	-	0
	Eugenie Technologies Private Limited	-	2
	Senseforth AI Research Private Limited	-	10
	Asper.AI Technologies Private Limited	5	9
	Interest income		
	Eugenie Technologies Private Limited*	0	1
	Fractal Alpha Private Limited*^^	0	0
	Senseforth AI Research Pvt. Ltd^^	2	1



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

29 Related party disclosure (continued)

(in Rupees million)

Sr. No	Nature of Transaction	March 31, 2025	March 31, 2024
8	Revenue from operations		
	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	-
9	Passthrough Revenue		
	Senseforth AI Research Pvt. Ltd	6	-
10	Income from unwinding of interest and guarantee fees		
	Fractal Analytics Incorporated, USA	28	31
11	Intercompany loan/ advance given		
	Eugenie Technologies Private Limited	4	-
	Fractal Alpha Private Limited	-	1
	Senseforth AI Research Pvt. Ltd	49	120
	Theremin AI Solutions Private Limited	-	3
12	Intercompany loans with interest repaid		
	Eugenie Technologies Private Limited	4	10
13	Intercompany advances recovered		
	Theremin AI Solutions Private Limited	-	3
14	Redemption of investment in 0.1% Optional Convertible Debentures		
	Eugenie Technologies Private Limited	-	92
15	Sale of investment in equity instruments of subsidiary		
	Asper.AI Technologies Private Limited	-	138
16	Cost of delivery		
	Senseforth AI Research Pvt. Ltd	1	1
17	Staff training expenses		
	Analytics Vidya Educon Private Limited	20	15
18	Provision for doubtful receivables and loans		
	Eugenie Technologies Private Limited	-	7
	Theremin AI Solutions Private Limited	-	2
	Senseforth AI Research Pvt. Ltd	101	84
	Fractal Alpha Private Limited	-	1
19	Impairment provision for investment in equity instruments in subsidiary		
	Fractal Alpha Private Limited	-	5
20	Reversal of provision for doubtful receivables and loans		
	Eugenie Technologies Private Limited	53	10
	Theremin AI Solutions Private Limited	25	-
	Senseforth AI Research Private Limited	200	-
	Fractal Alpha Private Limited	1	-
21	Reversal of impairment provision for investment in 0.1% Compulsory Convertible Debentures		
	Eugenie Technologies Private Limited	-	92
22	Business Consideration payable		
	Senseforth AI Research Private Limited	0	-



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2025

29 Related party disclosure (continued)

(in Rupees million)

Sr. No	Nature of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
23	Collection on behalf by group company		
	Cuddle Artificial Intelligence Private Limited	2	-
	Final Mile Consulting private limited	0	-
24	Collection for the group company		
	Final Mile Consulting private limited	2	-
25	Sundry balance written off		
	Theremin AI Solutions Private Limited	20	-
	Eugenie Technologies Private Limited	53	-
	Senseforth AI Research Private Limited	33	-
26	Sundry balance written back		
	Fractal Analytics Incorporated, USA	-	35
	Cuddle.ai Inc, USA	-	433
	Senseforth, Inc	-	12
27	Provision for Impairment on Deemed investment		
	Senseforth AI Research Private Limited	169	-
	Fractal Alpha Private Limited	1	-

Sr. No	Balances	As at March 31, 2025	As at March 31, 2024
1	Trade and other receivables including unbilled receivables (Gross)		
	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	-
	2	Trade and other payables	
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	-	



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2025

29 Related party disclosure (continued)

(in Rupees million)

Sr. No	Balances	As at March 31, 2025	As at March 31, 2024
3	Advance from Customer Senseforth Inc.	5	4
4	Intercompany loans (Gross) Eugenie Technologies Private Limited Senseforth AI Research Pvt. Ltd Fractal Alpha Private Limited	- 180 -	0 284 1
5	Interest receivable on intercorporate deposit Senseforth AI Research Pvt. Ltd Eugenie Technologies Private Limited Fractal Alpha Private Limited	- - -	16 0 0
6	Interest receivable on Compulsory Convertible Debentures Eugenie Technologies Private Limited	-	0
7	Credit liabilities from financial guarantees Fractal Analytics Incorporated, USA	37	55
8	Deemed Investment in subsidiaries (Refer note 7) Fractal Analytics Inc, USA Fractal Analytics UK Limited, UK Theremin Ai Solutions Private Limited Senseforth AI Research Pvt. Ltd Neal Analytics LLC Fractal Private Limited, Singapore Fractal Analytics (Canada) Inc Fractal Analytics Netherlands B.V Fractal Analytics Australia Pty Limited Fractal Alpha Private Limited	947 405 2 186 - 2 1 0 1 1	654 342 2 12 19 - - - - -
9	Investments in equity instruments in subsidiary Fractal Private Limited, Singapore Fractal Analytics Incorporated, USA Theremin Ai Solutions Private Limited Eugenie Technologies Private Limited Analytics Vidya Private Limited Fractal Alpha Private Limited Final Mile Consultants Private Limited Neal Analytics Services Private Limited Cuddle Artificial Intelligence Private Limited	3 4,285 153 1 408 5 143 81 7	3 3,426 100 1 408 5 143 81 7
10	Investments in preference shares in subsidiary Theremin AI Solutions Private Limited	-	53
11	Investments in equity shares in associate Qure.ai Technologies Private Limited	250	250
12	Guarantee commission receivable Fractal Analytics Incorporated, USA	39	132
13	Provision for doubtful receivables Eugenie Technologies Private Limited Theremin Ai Solutions Private Limited Senseforth AI Research Private Limited Fractal Alpha Private Limited	- - - -	53 25 26 0
14	Provision for impairment on Inter corporate loan Eugenie Technologies Private Limited Senseforth AI Research Private Limited Fractal Alpha Private Limited	- - -	- 72 -



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Notes to the standalone financial statements as at and 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 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	As at
	March 31, 2025	March 31, 2024
Non-current	1,098	722
Current	283	168
Total	1,381	890

(i) Movement in Lease liabilities:

(in Rupees million)

Particulars	As at	As at
	March 31, 2025	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)
Closing Balance	1,381	890

(ii) The contractual maturities of lease liabilities are as under on undiscounted basis:

(in Rupees million)

Particulars	As at	As at
	March 31, 2025	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 Standalone Statement of Profit and Loss

(in Rupees million)

	44	9
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(iv) Following amounts are recognised in the Standalone Statement of Profit and Loss

(in Rupees million)

Particulars	Year ended	Year ended
	March 31, 2025	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.



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2025

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)			
(i) Fair value through profit and loss (FVTPL)	Level	As at March 31, 2025	As at March 31, 2024
Assets			
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
Total assets		3,457	4,201
Liabilities			
Derivative liability (Refer note a below)	2	44	-
Total liabilities		44	-
(ii) Fair value through other comprehensive income			
(ii) Fair value through other comprehensive income	Level	As at March 31, 2025	As at March 31, 2024
Assets			
Derivative asset (Refer note a below)	2	16	43
Total assets		16	43
Liabilities			
Derivative liability (Refer note a below)	2	37	-
Total liabilities		37	-

(in Rupees million)			
(iii) Amortised cost		As at March 31, 2025	As at March 31, 2024
Assets			
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
Total assets		9,805	7,556
Liabilities			
Trade payables		397	263
Other financial liabilities		1,287	1,046
Total liabilities		1,684	1,309

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.

(b) Reconciliation of fair value measurement of the investment categorised at level 3:

(in Rupees million)		
Particulars	As at March 31, 2025	As at March 31, 2024
At fair value through profit and loss		
Opening Balance	0	-
Addition during the year	15	0
Sale/redemption during the year	-	-
Fair valuation gain of financial instruments	-	-
Closing Balance	15	0

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 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.



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Notes to the standalone financial statements as at and for the year ended March 31, 2025

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		17
Movement during the year	49	32
Balance at the end of the year	49	49

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.



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2025

32 Financial risk management framework (continued)

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 Rs 915 million (March 31, 2024; Rs 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.

(in Rupees million)

Particulars	Carrying amount	Undiscounted amount		
		<12months	1- 2 Years	> 2 Years
March 31, 2025				
Non Derivative financial instruments				
Trade payables	397	397	-	-
Lease liabilities	1,381	404	402	902
Other financial liabilities	1,287	1,272	15	-
Derivative financial instruments				
Derivative liability -- forward contracts	81	81	-	-
March 31, 2024				
Non Derivative financial instruments				
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 Rs 4,888 million (March 31, 2024 : Rs 5,750 million). The loan is repayable in quarterly repayment installments with last payment due in December, 2026.

(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*
Financial assets			
Trade receivables	7,919	266	11
Other financial assets	-	-	0
Net exposure to foreign currency (assets)	7,919	266	11
Financial liabilities			
Trade payables	3	-	-
Other financial liabilities	98	-	23
Net exposure to foreign currency (liabilities)	101	-	23
Net exposure to foreign currency	7,818	266	(12)



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2025

32 Financial risk management framework (continued)

As at March 31, 2024

Particulars	(in Rupees Million)		
	USD	EUR	Others
Financial assets			
Trade receivables	5,924	416	-
Other financial assets	0	-	1
Net exposure to foreign currency (assets)	5,924	416	1
Financial liabilities			
Trade payables	1	-	3
Net exposure to foreign currency (liabilities)	1	-	3
Net exposure to foreign currency	5,923	416	(2)

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	
	As at March 31, 2025	As at March 31, 2024
USD		
- Increase by 5%	293	222
- Decrease by 5%	(293)	(222)
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	(in Rupees Million)		
	As at March 31, 2025		
	Notional amount of contracts (in million)	Notional amount of contracts (Rs 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	(in Rupees Million)		
	As at March 31, 2024		
	Notional amount of contracts (in million)	Notional amount of contracts (Rs 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



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2025

32 Financial risk management framework (continued)

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 Rs 3,621 million respectively, and the respective fair value of these contracts have a gain of Nil and Rs 28 million respectively.

Exchange fair value gain of March 31, 2025 Rs 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 Rs Rs 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.

Particulars	(in Rupees Million)	
	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.



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to the standalone financial statements as at and for the year ended March 31, 2025

33 Employee stock options scheme (ESOP)

A The expense recognised for employee services received during the year is shown in the following table:

Particulars	Year ended		Year ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Management Stock Options Scheme	311	460		
Employee Stock Options Scheme	136	168		
Total	447	568		

(in Rupees million)

Total ESOP expenses incurred for year ended March 31, 2025 is Rs 794 million (March 31, 2024 : Rs 948 million) of which Rs 347 million (March 31, 2024 : Rs 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 Rs 447 million (March 31, 2024 : Rs 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 (WAEAP)

Particulars	March 31, 2025		March 31, 2024	
	No. of options	WAEAP	No. of options	WAEAP
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 [^]	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
Options exercisable at the end of the year	13,91,967	967	13,52,766	850

[^]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 Rs 1,294 (Year ended March 31, 2024 : Rs 933).

The weighted average stock price of the options granted during the year ended March 31, 2025 is Rs 1,712 (March 31, 2024 : Rs 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	3,128.00
No. of options outstanding	-	4,025	93,050	24,500	15,000	1,76,624	14,62,599	60,066
Weighted average remaining contractual life (in years)	-	0.05	4.14	4.27	6.26	6.61	7.34	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.

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		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Risk Free Rate	5.45 % - 9.19 %	5.45 % - 9.19 %	5.45 % - 9.19 %	5.45 % - 9.19 %
Option Life (Based on Simplified Average Method)	5 to 14 years			
Expected Volatility	9.76 %	9.76 %	9.76 %	9.76 %
Expected Growth in Dividend	63.91 %	63.91 %	63.91 %	63.91 %
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.	0%	0%	0%	0%



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to the standalone financial statements as at and for the year ended March 31, 2025

33 Employee stock options expense (continued)

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 MIPs 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
Options outstanding at the beginning of the year	10,07,279	1,029	20,29,338	1,016	10,60,602	1,055	21,29,772	1,044
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	-	-
Options outstanding at the end of the year	8,97,225	1,027	20,17,308	1,015.01	10,07,279	1,029	20,29,338	1,016
Options exercisable at the end of the year	8,69,266	1,018	-	-	6,55,513	1,024	-	-

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 Rs Nil (March 31, 2024: Nil).

The weighted average stock price of the options granted during the year ended March 31, 2025 is Rs Nil (March 31, 2024 : Rs 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		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Risk Free Rate	5.75% to 7.13%	5.75% to 7.13%	5.75% to 7.13%	5.75% to 7.13%
Option Life (Based on Simplified Average Method)	5 years	5 years	5 years	5 years
Expected Volatility*	19.98% -39.76%	19.98% -39.76%	19.98% -39.76%	19.98% -39.76%
Expected Growth in Dividend	0%	0%	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.

Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to the standalone financial statements as at and for the year ended March 31, 2025

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.



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to the standalone financial statements as at and for the year ended March 31, 2025

35 Business Combination

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	Pre business combination	Impact of business combination		Post business combination
		Senseforth	Elimination / Adjustments	
Non Current Assets	7,606	98	(68)	7,636
Current Assets	11,916	72	(6)	11,982
Total Assets (A)	19,522	170	(74)	19,618
Share Capital	31	-	-	31
Other equity	16,852	72	(67)	16,857
Total equity (B)	16,883	72	(67)	16,888
Non current liabilities	914	8	-	922
Current liabilities	1,725	90	(7)	1,808
Total liabilities (C)	2,639	98	(7)	2,730
Total equity and liabilities (B+C)	19,522	170	(74)	19,618

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	Pre business combination	Impact of business combination		Post business combination
		Senseforth	Elimination / Adjustments	
Revenue from operations	11,447	155	(12)	11,590
Other Income	383	(1)	-	382
Total Income	11,830	154	(12)	11,972
Total expenses	10,994	175	(7)	11,162
Profit before tax and exceptional items	836	(21)	(5)	810
Exceptional items	(469)	(11)	(3)	(483)
Profit before tax	1,305	(10)	(2)	1,293
Tax expense	75	-	-	75
Profit/(Loss) for the year	1,230	(10)	(2)	1,218
Other comprehensive income/(loss)	45	-	2	47
Total comprehensive Profit/(loss) for the year	1,275	(10)	(0)	1,265



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to the standalone financial statements as at and for the year ended March 31, 2025

36 Earnings per share

Particulars	Year ended	Year ended
	March 31, 2025	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)	30,782,447	30,471,259
Add : Potential equity shares on exercise of options (in nos)	2,590,313	2,738,085
Weighted average number of equity shares for Diluted EPS (in nos)	33,372,760	33,209,344
Earnings per share (in Rs):		
- Basic	42.91	39.96
- Diluted	39.58	36.67
Face value per equity share (Rs)	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 Standalone Statement of Profit and Loss is as follows:

Particulars	(in Rupees Million)	
	Year ended	Year ended
	March 31, 2025	March 31, 2024
(a) Current tax		
- For the year	421	123
- Tax expense relating to prior years	9	(3)
(b) Deferred tax charge/(credit)	14	(45)
Total tax expense	444	75

(b) Reconciliation of tax expense and the book profit computed by applying income tax rate:

Particulars	Year ended	Year ended
	March 31, 2025	March 31, 2024
Profit before tax	1,765	1,293
Tax rate	25.17%	25.17%
Computed tax expense	444	325
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)
Tax expense	444	75

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
 - 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
- 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).



Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Notes to the standalone financial statements as at and for the year ended March 31, 2025

40 Commitments and contingent liabilities

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Commitments		
Capital commitments	253	10
(b) Contingent liabilities		
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

(in Rupees million)

Particulars	As at March 31, 2025	As at March 31, 2024
Corporate social responsibility expenditure		
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
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



MMJB & Associates LLP

Company Secretaries

803-804, 8th Floor, Ecstasy, Citi of Joy, JSD Road, Mulund West, Mumbai – 400080, (T) +91 22 3100 8600
LLPIN AAR-9997

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

Deepti Joshi
Designated Partner
FCS: 8167
CP: 8968
UDIN: F008167G000384730

Date: May 20, 2025
Place: Mumbai

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

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

Deepti Joshi
Designated Partner
FCS: 8167
CP: 8968
UDIN: F008167G000384730

Date: May 20, 2025
Place: Mumbai