

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,



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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)

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- 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

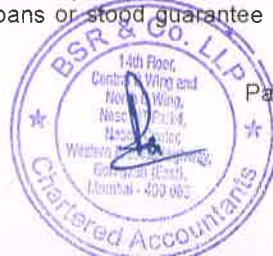
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Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) for the year ended 31 March 2024

(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)

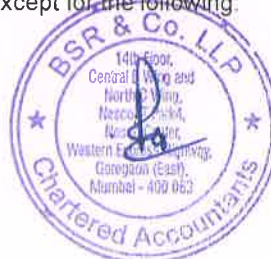
	Related Parties (INR in Million)
Aggregate of loans/advances in nature of loan	
- Repayable on demand (A)	237
- Agreement does not specify any terms or period of Repayment (B)	-
Total (A+B)	237
Percentage of loans/advances in nature of loan to the total loans	100%

- (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/adju sted 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:24103145BKFWLM1500

Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

Standalone Balance Sheet as at March 31, 2024

Particulars	Note	As at March 31, 2024	(in Rupees million) 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



Srikanth 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 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 derivatives designated as cash flow hedge		50	-
(b) Effective portion of gains on 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



Srikanth Velamakanni

Whole-Time Director

DIN: 01722758

London

Date: June 17, 2024



Sasha Gulu Mirchandani

Director

DIN: 01179921

London

Date: June 17, 2024



Soniya 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:

- 1) Refer note 30 for movement in lease liabilities under financing activities.
- 2) 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 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
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 Changes in Equity for the year ended March 31, 2024**(A) Equity share capital**

(in Rupees million)	
Particulars	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

(in Rupees million)	
Particulars	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	Total equity
	Securities premium	Employee stock option reserve (ESOP)	Retained earnings	Remeasurement of defined employee benefit plans			Effective portion of gains on derivatives as cash flow hedge (net)	
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	22	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	-	-	-	18	-	-	-	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: 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: U72900MH2000PLC125369



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.

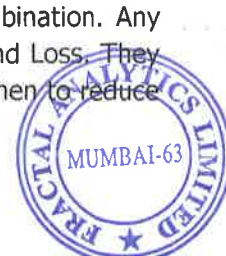
An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Standalone Statement of Profit and Loss account.

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 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 retainerhip contracts is recognised based on time elapsed and is recognised on a straight-line basis over the period of performance.



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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 inflows 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 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.</p> <p>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:

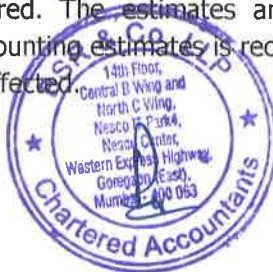
- (a) it is expected to be settled in the normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period; or
- (d) the Company has no unconditional right to defer the settlement of the liability for at 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.



Fractal Analytics Limited

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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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Notes to the standalone financial statements as at and for the year ended March 31, 2024

4 Right-of-use assets

(in Rupees million)	
Particulars	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

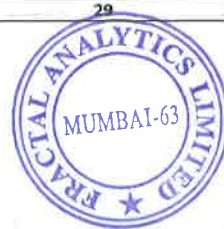
(in Rupees million)			
Particulars	Computer Software	Internally generated Intellectual Property	Total
Gross carrying amount			
As at April 01, 2023	76	452	528
Additions	-	6	6
Disposals	-	-	-
As at March 31, 2024	76	458	534
Accumulated amortisation			
As at April 01, 2023	64	344	408
Charge for the year	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 amortisation			
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



Fractal Analytics Limited

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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 (Non-current)		
Investments in equity instruments in subsidiaries		
<i>(at cost)</i>		
A. Unquoted equity shares		
Fractal Private Limited, Singapore	3	3
100,000 (March 31, 2023: 100,000) equity shares of SGD 1 fully paid up		
Fractal Analytics Inc., United States of America	3,426	3,426
997,951 (March 31, 2023: 997,951) equity shares of USD 1 fully paid up		
Cuddle Artificial Intelligence Private Limited**	7	-
163,360,913 (March 31, 2023: 160,344,828) equity shares of Rs 1 fully paid up		
Final Mile Consultants Private Limited**	143	159
21,955 (March 31, 2023: 21,955) equity shares of Re 1 fully paid up		
Theremin AI Solutions Private Limited	100	100
100,000,010 (March 31, 2023: 100,000,010) equity shares of Rs 1 fully paid up		
Eugenie Technologies Private Limited	1	1
100,000 (March 31, 2023: 100,000) equity shares of Rs 1 fully paid up		
Asper.AI Technologies Private Limited	-	121
(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		
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	-	92
Nil (March 31, 2023: 9,200) 0.1% Compulsory Convertible Debentures of Rs 10,000 each fully paid up		
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



Fractal Analytics Limited

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Notes to the standalone financial statements as at and for the year ended March 31, 2024

7 Investments

(in Rupees million)		
Particulars	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.



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
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)	3,432	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)	237	126
Less: Loss allowance (Refer note 26)	(73)	(10)
Total current loans	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	17	6
Security deposits	130	173
Guarantee fee receivable (Refer note 29)	66	125
Total non-current financial assets	213	304

Current financial assets

Derivative assets -- forward contracts	53	-
Receivables from subsidiaries (Refer note 29)	185	104
Guarantee fee receivable (Refer note 29)	66	-
Interest receivable from subsidiary (Refer note 29)	3	4
Less: Loss allowance (Refer note 26)	(93)	(70)
Total current financial assets	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	349	349
(March 31, 2023 : 349,200,000 equity shares of face value Rs. 1 each)^		
38,100,000 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each	38	38
(March 31, 2023 : Series B 0.001 % 38,100,000 Compulsorily convertible preference shares of face value Rs. 1 each)		
	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	26	26
(March 31, 2023 : 26,189,854 equity shares of Rs. 1 each)		
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each	5	5
(March 31, 2023 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each)		
	31	31
Subscribed and fully paid-up		
25,652,931 equity shares of face value Rs.1 each fully paid up	26	26
(March 31, 2023 : 25,524,996 equity shares of face value Rs.1 each fully paid up)		
4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each	5	5
(March 31, 2023 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value Rs. 1 each fully paid up)		
	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)*	0	0
(March 31, 2023 : 664,858 equity share of face value Rs.1 (Rs 0.5 paid up) (Refer note a(ii) below)*)		
	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
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.



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
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



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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 :

	(in Rupees million)	
Change in the present value of obligation	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 :

	(in Rupees million)	
Change in the fair value of plan assets	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

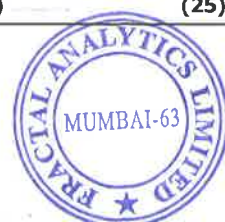
Note: The Company has invested 100% amounts in pension funds with Life Corporation of India (LIC).

	(in Rupees million)	
Reconciliation of present value of defined benefit obligation and the fair value of assets	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

	(in Rupees million)	
Amount recognised in the statement of profit and loss	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.

	(in Rupees million)	
Amount recognised in other comprehensive income	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	(in Rupees million)	
	As at March 31, 2024	As at 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.



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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	Theremin 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	AI 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



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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 Agarwal	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.



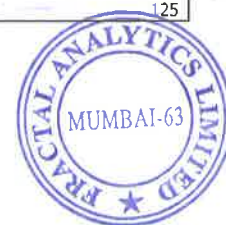
Fractal Analytics Limited

(formerly known as Fractal Analytics Private Limited)

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



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
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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Lease payments recognized for short term leases in Statement of Profit and Loss	-	-

(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	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	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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Notes to the standalone financial statements as at and for the year ended March 31, 2024

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
ESOPs				
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 Groups 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

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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 As at March 31, 2024		Performance Based As at March 31, 2024		Time Based As at March 31, 2023		Performance Based As at March 31, 2023	
	No. of options	WAEP	No. of options	WAEP	No. of options	WAEP	No. of options	WAEP
MSOPs								
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 :

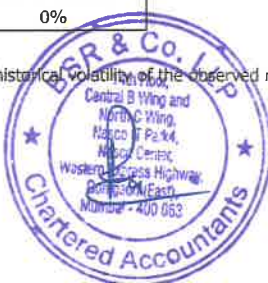
Exercise Price	846	2,270
No. of options outstanding	26,64,787	3,71,830
Weighted average remaining contractual life (in years)*	7.77	7.97

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.



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

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

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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	



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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

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Notes to the standalone financial statements as at and for the year ended March 31, 2024

36 Earnings per share

Particulars	Year ended March 31, 2024	Year ended 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	Year ended March 31, 2024	(in Rupees Million) Year ended 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 March 31, 2024	Year ended 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 understanding, whether recorded in writing or otherwise, that the Funding Parties shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries"); or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) The Company has not surrendered or disclosed any such transaction which is not recorded in the books of accounts as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



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		
1) 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: U72400MH2000PLE125369



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