
fractal
ANNUAL REPORT 2025-26
Powering enterprise intelligence

Powering enterprise intelligence

In a world shaped by unprecedented complexity, rapid change and evolving business priorities, Fractal is helping enterprises turn intelligence into impact. What began as a vision to transform decision-making has evolved into a global leader in artificial intelligence, enabling AI-led transformation for Fortune 500 companies.

We believe enterprise transformation is not simply about adopting technology. It is about using intelligence to make better decisions, unlock new opportunities and build sustainable competitive advantage. Combining deep expertise in AI, engineering and design, Fractal helps organizations address complex business challenges and translate data into actionable insights.

Our solutions embed intelligence across products, processes and decision ecosystems, enabling enterprises to operate with greater agility, precision and foresight. As AI reshapes industries and business models, Fractal remains focused on moving beyond experimentation to delivering measurable, enterprise-scale outcomes and creating lasting, billion-dollar impact for clients.

FY26 highlights

Financial

₹ 32,997 m
Revenue from operations
(19% - Y-o-Y growth)

₹ 4,899 m
EBITDA
(23% - Y-o-Y growth)

₹ 2,868 m
Profit After Tax (PAT)
(30% - Y-o-Y growth)

Non-financial

78.06
Average training hour per Fractalite

₹ 17 m
CSR spend

'B'
CDP rating for 3 years in a row

78
Net Promoter Score

59
Clients with $1m+ annual revenue

68
Patents (granted and applied for)



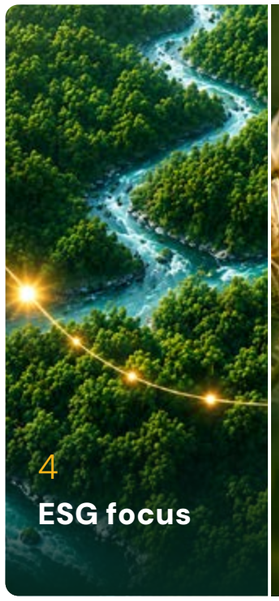
04 Fractal at a glance
06 Products and solutions
08 Industries served
10 Presence
12 Milestones
14 Board of directors
20 Leadership team
22 Partnership and alliances



26 Message from co-founders
30 Key performance indicators
32 Awards and recognitions



38 Our pillars
42 Strategy
46 Client-first approach



58 Environment
68 People
70 Corporate social responsibility



82 Management discussion and analysis
93 Board's report
124 Corporate governance report



152 Standalone
218 Consolidated

1

Introduction

04 Fractal at a glance
06 Products and solutions
08 Industries served
10 Presence
12 Milestones
14 Board of directors
20 Leadership team
22 Partnership and alliances



Fractal at a glance

Transforming decision-making through enterprise AI

We are a globally recognized, pure-play enterprise AI company trusted by 100+ Fortune 500®-sized enterprises to enable decision-making through AI services, solutions, and products, anchored by Cogentiq, our flagship agentic AI platform. Cogentiq helps organizations accelerate AI use cases through its repository of collaborative agents that leverage pre-built tools and components that connect with diverse enterprise data sources.

With over 26 years of operating experience, we combine deep technical, domain, and functional expertise to power enterprise AI transformations. We believe AI alone is not sufficient to solve complex enterprise challenges. Successful deployment requires a strong understanding of domain context, enterprise decision-making, and data complexity, along with the ability to operate at the frontier of AI innovation and apply insights from design and behavioral science.

Our client base spans Consumer Packaged Goods and Retail (CPGR), Technology, Media and Telecom (TMT), Healthcare and Lifesciences (HLS), Banking, Financial Services and Insurance (BFSI), and other industries, where we bring domain-led expertise to high-impact business decisions. This is reflected in strong client relationships and advocacy, with a FY26 NPS[1] of 78.

We deliver AI transformation across three dimensions: process, technology, and people-all powered by Cogentiq.

Key facts

26
Years of experience

104
MWC clients served [2]

10+
Industries

5,800+
Employees[3]

AI-led transformation (process)

Reimagines business workflows using AI to deliver measurable, outcome-driven business impact, by leveraging domain expertise as well as functional expertise.

AI foundations (technology)

Strengthens enterprise data and model performance through agentic AI-enabled ontological knowledge layers, governance frameworks, responsible AI practices – improving the accuracy and reliability of enterprise AI infrastructure.

AI work & workforce (people)

Builds enterprise-wide AI fluency by turning upskilling into deployable AI projects - moving people from tool adoption to AI-native ways of working, with progress measured through a proprietary AI Maturity Index rather than certificates.

We invest 6–8% of revenue in R&D to develop proprietary platforms, models, and reusable assets. In FY26, R&D investment stood at 6.4% of revenue. These investments power Cogentiq-based solutions, along with products such as Vaidya.ai, PiEvolve, and Fractal Alpha's portfolio of independent AI businesses, including Asper.ai and Analytics Vidhya. Our broader AI ecosystem also includes Qure.ai, our associate company in healthcare AI.

[1]Net Promoter Score (NPS) is used in Fractal.ai segment to gauge client satisfaction and advocacy. Clients rate us on a 10-point scale on their willingness to recommend Fractal. Promoters are clients who score us at 9 or above. Detractors are clients who score us 6 or below. NPS = Promoters% - Detractors% . NPS is presented as a score

[2]We define MWCs as enterprises that meet one of the three criteria: (i) over US$10 billion in revenue, (ii) over US$20 billion in market capitalization, or (iii) over 30 million end-customers)

[3]As of 31st March, 2026

Vision

To power every human decision in the enterprise so the human mind can be free to imagine audacious possibilities that can transform human life across the planet.

Mission

To reshape business through AI and behavioral science and uncomplicate decision making, so human intelligence can be freed from the drudgery of monotonous work and committed to the pursuit of imagination and creative rewards.

Values

Client first
Always do what's best for the client

Learn and grow
Nurture and grow exceptional professionals

Think big, act fast
Challenge the status quo and execute with speed

Extend extreme trust and be accountable
Assume positive intent of others and hold each other accountable

Key strengths

1. We are a pure-play enterprise AI company consistently recognized as a leader in our market, serving global clients across multiple industries.
2. We have deep, long-standing relationships with global enterprise clients who expand their work with us significantly over time.
3. We bring deep expertise across key industries and business functions, enabling us to deliver targeted solutions tailored to each client's specific operational context.
4. We invest consistently in AI research and development, continuously advancing our proprietary capabilities and bringing new solutions to market ahead of industry trends.
5. We foster a strong culture that attracts and retains top talent, with our employees benefiting from a work environment that values innovation, learning and career growth.
6. We have a founder-led management team committed to building Fractal for the long term, combining deep AI expertise with a strategic vision for sustained industry impact and thought leadership.

Driving enterprise transformation through AI

As an AI solutions provider, we continue to develop innovative strategies and solutions that help enterprises gain not just competitive advantage but transformation.

At Fractal, we think ahead of time, pioneering innovations that shape the future of business. Today, our capabilities extend beyond individual products to a comprehensive ecosystem of AI-powered platforms and solutions designed to drive enterprise-wide transformation.

Our offerings are built on a differentiated three-pillar approach that combines process transformation (AIT), technology foundations (AIF), and workforce enablement (AIW)-helping enterprises adopt AI at scale and drive measurable business outcomes.

At the core of this ecosystem is Cogentiq, our enterprise agentic AI platform. Cogentiq powers solutions across all three pillars by bringing together data, intelligence, and automation to enable AI-driven decision-making and execution at scale.

This integrated approach enables us to move beyond isolated use cases and deliver end-to-end transformation-from reimagining business processes and building robust AI foundations to accelerating workforce adoption. As a result, Fortune 500 enterprises can embed AI at the heart of decision-making, accelerate value realization, and drive long-term growth.

Product portfolio

1 Cogentiq platform

An enterprise-grade agentic AI platform that drives faster, smarter enterprise decisions and measurable business outcomes by embedding intelligent assistance and workflow automation into day-to-day operations. It unifies multi-agent orchestration, enterprise connectivity, data integration, and governance in a single environment, enabling enterprises to move beyond dashboards to action.

Cogentiq CX

Brings Agentic AI to contact centers to enhance customer experience operations by improving speed, efficiency, and scalability through intelligent self-service, real-time agent assistance, and automated insights.

Cogentiq eCommerce

Empowers CPG enterprises to accelerate profit growth by orchestrating real-time, cross-functional actions across customer, media, and supply teams; reducing stockouts, optimizing spend, and capturing demand before revenue is lost.

Cogentiq Invoice to Cash

Streamlines invoice-to-cash processes through AI-driven automation, insights, and workflow optimization, helping enterprises reduce DSO[1] , improve cash flow, minimize revenue leakage, and enhance customer experience.

[1]DSO – Days Sales Outstanding

Cogentiq Underwriting

Transforms underwriting operations by driving faster approvals, reducing risk exposures and boosting underwriter productivity through AI-driven, explainable risk assessment.

Cogentiq Health (Vaidya.ai)

Accelerates clinical decision-making by leveraging AI-driven medical reasoning to enable faster diagnoses, reduce diagnostic uncertainties, and improve patient outcomes through explainable, evidence-based multimodal health intelligence.

2 Asper.ai

A purpose-built AI platform for consumer goods, manufacturing, and retail enterprises. Asper.ai connects decisions across revenue growth, demand optimization, and operations to improve business performance, automate workflows, and reduce working capital losses.

3 Analytics Vidhya

Delivers structured learning programs, certifications, and training across generative AI, machine learning, and data engineering to build AI-ready talent pipelines, accelerate digital transformation, and bridge the growing skills gap in artificial intelligence.

4 Qure.ai (Our associate company)

An FDA-cleared AI-powered medical imaging platform that supports faster and more accurate clinical decision-making. Its solutions improve the detection and management of conditions such as tuberculosis, lung cancer, and stroke, expanding access to timely healthcare.

Domain expertise driving business impact

Our deep industry expertise, built over decades of experience, enables us to deliver differentiated AI solutions and measurable business outcomes. By combining domain knowledge with AI, engineering and design capabilities, we help clients address complex challenges and unlock value across a wide range of industries.

Consumer Packaged Goods (CPG)

We help leading CPG enterprises accelerate growth through AI-powered demand forecasting, revenue growth management, supply effectiveness, and consumer insights. Our solutions enable enterprises to make faster, data-driven decisions in an increasingly dynamic marketplace.

Healthcare & Life Sciences (HLS)

We enable healthcare and life sciences enterprises to improve patient outcomes, accelerate research and development, optimize commercial operations, and enhance care delivery. Our AI-driven solutions support decision-making across the healthcare value chain while maintaining regulatory compliance.

Retail

We support retailers in enhancing customer experiences, optimizing merchandising and pricing strategies, improving inventory management, and driving omnichannel growth. By leveraging AI and advanced analytics, we help retailers increase operational efficiency and customer loyalty.

Financial Services (FS)

We help banks, fintechs, and other financial institutions strengthen risk management, improve customer engagement, combat financial crime, and drive operational efficiency. Our AI and analytics capabilities enable smarter decisions, enhanced customer experiences, and sustainable growth.

Technology, Media & Telecommunications (TMT)

We partner with technology, media, and telecom enterprises to improve customer acquisition and retention, optimize network and service operations, accelerate product innovation, and unlock value from data. Our AI solutions help enterprises stay competitive in rapidly evolving digital ecosystems.

Insurance

We support insurers in transforming underwriting, claims management, pricing, fraud detection, and customer service through AI-led solutions. By improving decision accuracy and operational effectiveness, we help insurers deliver superior customer outcomes while managing risk more effectively.

9 of 20
Top global CPG companies

6 of 20
Top global TMT companies

8 of 20
Top global HLS companies

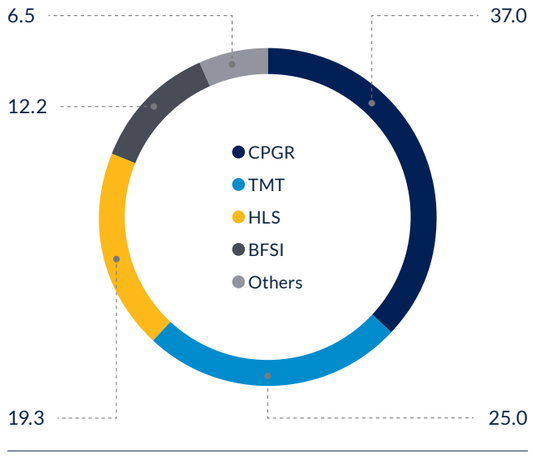
3 of 20
Top global BFSI companies

5 of 20
Top global retailers

FY26 revenue by industry

(Fractal.ai segment)

(%)

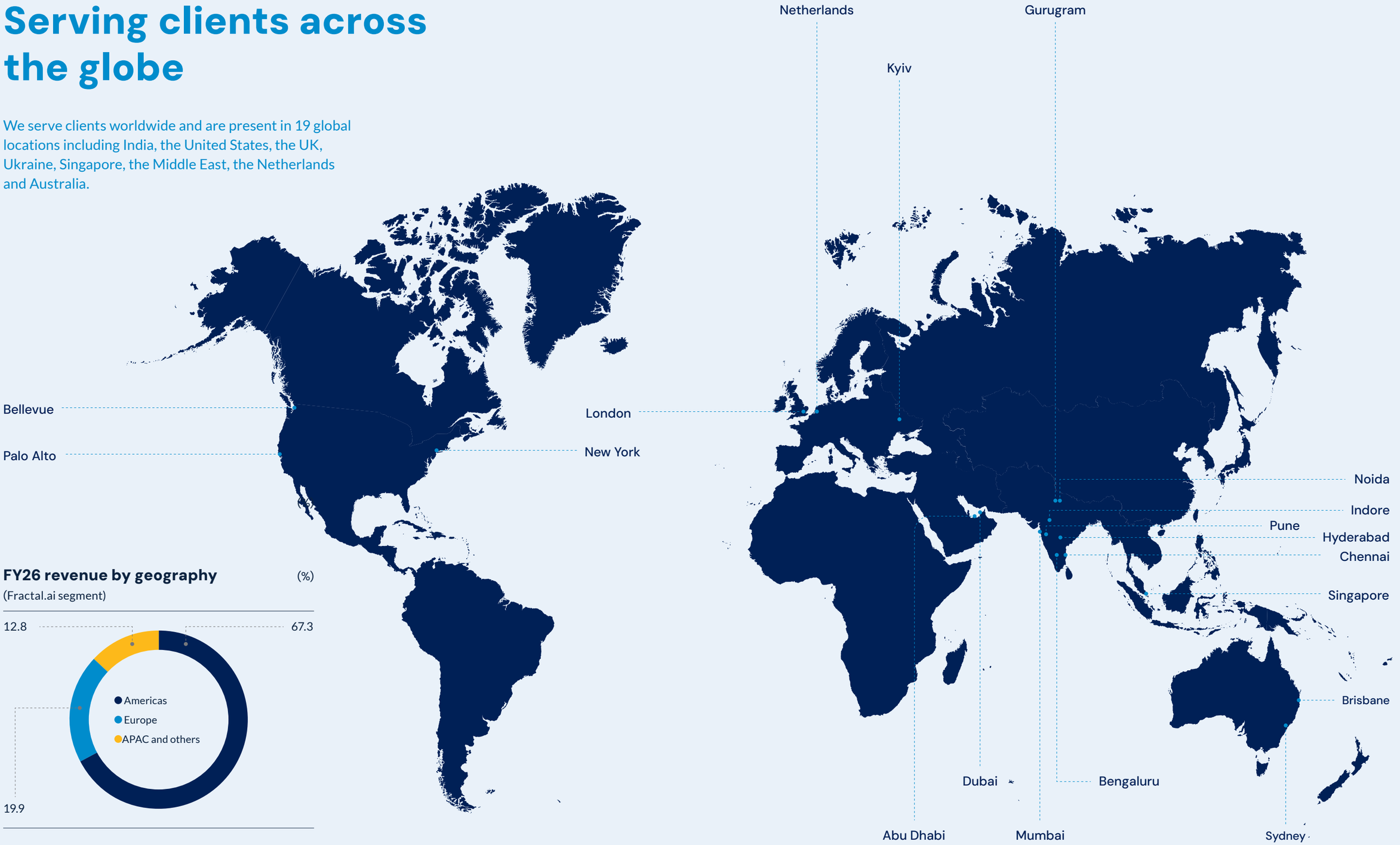




Presence

Serving clients across the globe

We serve clients worldwide and are present in 19 global locations including India, the United States, the UK, Ukraine, Singapore, the Middle East, the Netherlands and Australia.



FY26 revenue by geography (%)

(Fractal.ai segment)

Note: Map not to scale

Milestones

26 years of empowering better decisions

Since our inception in 2000, over 26 years ago, our mission has been to empower enterprises with AI and advanced analytics to make better decisions. Along the way, we have tackled challenges, embraced opportunities, and grown continuously. Guided by our core values - Client First, Learn and Grow, Think Big, Act Fast, and Extend Extreme Trust and Accountability - we remain committed to powering every human decision with AI for Fortune 500 enterprises globally.

Foundation (Pre-2010)

The origin of empowering data-driven decisions through AI and technology services

- Initially worked with BFSI and CPG industries; the first client was an Indian financial institution for whom we built predictive models for loan approvals within 30 minutes
- Focused on large, global enterprises and expanded into the US through an office in New Jersey
- Developed intellectual property (IP) for business problems, including Pincer for pricing optimization and Eavesdrop for sentiment analysis

Early growth (2010-15)

Geographic and industry vertical expansion in building AI software

- Expanded in CPG and BFSI industries, entered retail and UK markets
- Expanded operations by opening new offices, engaging new clients, and hiring employees
- Formed "Fractal Sciences" in 2012
- Incubated AI products like Concordia, Customer Genomics, and Trial Run to address common business problems, offering easy integration and quick deployment
- Raised external financing from TA FVCI Investors Limited

Expansion phase (2015-20)

Strategic investments

- Integrated engineering and design with AI capabilities, resulting in AI products like Qure.ai (2016), AIDE, Eugenie.ai, Theremin.ai (2018), and image/video analytics (2019)
- Expanded into new industry verticals such as HLS and TMT
- Expanded globally by opening offices in Canada, Germany, Netherlands, and Ukraine (via 4i acquisition)
- Acquired 4i in FY 2017 to expand AI technology, and consulting capabilities, and deepen presence in the CPG industry
- Acquired Final Mile in FY 2018 to integrate behavioral science and data science, enhancing problem-solving capabilities

Growth phase (2020-22)

Client base expansion and strengthened partnerships

- Expanded to Australia, UAE, and opened new offices in Canada, Pune, and Chennai
- Acquired a 100% stake in Neal Analytics, Asper.ai, and Senseforth.ai to complement organic capabilities
- Made a majority equity investment in Analytics Vidhya, our education technology ("EdTech") platform
- Established Responsible AI practice to help clients globally leverage AI ethically and responsibly
- Secured investments of $200 million in FY 2019 from Quinag Bidco Limited and $360 million from TPG Fett Holdings Pte. Ltd. Turned Unicorn

Acceleration phase (2022 onwards)

New agentic product launches and innovations

- Launched new B2C agentic products to make expertise more accessible, including MarshallGoldsmith.ai, Vaidya.ai and Flyfish.ai
- Launched own proprietary foundation models - Vaidya.ai and Fathom
- Completed the full acquisition of Analytics Vidhya, making it a wholly owned subsidiary
- Launched Cogentiq platform and products
- Introduced single client proposition organized around three pillars - i) AI-led transformation ii) AI foundations iii) AI for work & workforce transformation, and one platform - Cogentiq
- Listed on BSE and NSE in India

The people behind the progress



Rohan Haldea | Chairman & Non - Executive Director

Rohan is a Partner in the Tech team and his responsibilities also include the Apax Foundation and overseeing Apax India.

He has both led and participated in a number of key deals including Tenarai, iD Fresh Food, Cyderes, Coalfire Systems, Fractal Analytics, ThoughtWorks, Grupo Engineering, EVRY, GlobalLogic, iGATE, Tivit S.A., NXP and Orange Switzerland.

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

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

Area of expertise and skills

- Leadership
- Portfolio Management
- Global business
- Finance and Accounts
- Risk Management and Internal Controls
- Sales & Marketing



Vivek Mohan | Non-Executive Director

Vivek is a Business Unit Partner at TPG Capital India based in Mumbai. He has created and been involved in over 10 investments totalling over $2bn including Fractal Analytics, Altimetrik, Tessolve Semiconductor, TCS Hypervault and Jio Platforms at TPG.

Prior to joining TPG in 2019, Vivek was a Vice President at TA Associates, where he headed technology coverage in South Asia. He was earlier part of investment banking teams at Morgan Stanley in Asia and Goldman Sachs in London.

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

Area of expertise and skills

- Portfolio Management
- Global business
- Finance and Accounts
- Information Technology
- Risk management & Internal Controls
- AI, GenAI & Emerging Technologies



Sasha Gulu Mirchandani | Non-Executive Director

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

Sasha sits on the Boards of Nazara Technologies Limited, Bright Lifecare Private Limited, Proparent Solutions Private Limited, Kae Capital Management Private Limited among others. Previously he served on the Boards of Zee Entertainment, Myntra, Tata 1Mg, Ador Welding Limited, Hathway Cable and Datacom Limited, among others.

He was inducted into TiE Mumbai's 2019 Hall of Fame as an Outstanding Angel Investor. His investments include Zetwerk, Porter, InMobi, Myntra, Tata 1Mg etc. He completed his Business Administration from Strayer University and did his MMDP at IIM Ahmedabad and is a graduate of the PPL Program from Harvard Business School.

Area of expertise and skills

- Portfolio Management
- Finance and Accounts
- ESG, Sustainability & CSR
- Information Technology
- Leadership
- Corporate Governance
- Global Business
- Risk Management & Internal Controls
- AI, GenAI & Emerging Technologies



Gavin Echlin Patterson | Non-Executive Director

Gavin is the Non - Executive Director of our Company. He holds a bachelor's degree in arts from Emmanuel College, University of Cambridge, United Kingdom, master's degree in arts from Emmanuel College, University of Cambridge, United Kingdom and a master's degree in engineering from Emmanuel College, University of Cambridge, United Kingdom. He serves as director on the board of Elixirr International PLC, WIX.Com Ltd, Ocado Group PLC, Reckitt Benckiser Group PLC and is also the chair on the board of Alzheimer's Research UK.

Prior to joining our Company, he was the Group President and Chief Revenue Officer of Salesforce. He also served as Chief Executive of BT Group from 2013-19. He was also a member on the board of BT Group PLC, British Airways PLC, British American Business Inc. of New York and London. Further, he has also served on the board of trustees of the British Museum. He was also associated with the Business in the Community (BITC) as its chairman and trustee in 2022. He is also an Independent Member of the Council of London School of Economics and Political Science.

Area of expertise and skills

- Corporate Governance
- Finance and Accounts
- Risk management & Internal Controls
- Sales & Marketing
- Cybersecurity
- AI, GenAI & Emerging Technologies
- Global business

Board of directors



Janaki Akella | Independent Director

Janaki currently serves as an Independent Director (Operations Environment & Safety and Audit Committee) on the Board of Directors of Southern Company, a public Gas and Electric Utility company, as an Independent Director (Operational Risk Compliance and Audit Committee) on the Board of Directors of Sallie Mae, a company, offering private education loans & Education Services, as Independent Director (Finance Committee and Audit Committee) on the Board of Akamai Technologies Inc., a cybersecurity and cloud computing company that powers and protects business online and as Independent Director on the Board of AverQ Inc., a company engaged in the business of Data automation for Risk, Audit and Compliance Management.

She previously held key executive roles at Google, McKinsey & Company, and Hewlett Packard. Her background includes digital transformation, strategy and operations, cloud and AI/ML based solutions and business security and sustainability. She has also been recognized as one of the Top 100 AAPI Board Members Making a Difference (Board Prospects). Her appointment underscores Fractal's commitment to leveraging top-tier talent to drive innovation and growth. Janaki holds a Ph.D. in Electrical and Computer Engineering from Carnegie Mellon University, an M.S. from Boston University, and a B.E. (Honors) from the College of Engineering, Guindy (India).

Area of expertise and skills

- Risk management & Internal Controls
- Information Technology
- Cybersecurity
- Leadership
- AI, GenAI & Emerging Technologies
- Corporate Governance





Neelam Dhawan | Independent Director

Neelam is currently a Non-Executive Director at Hindustan Unilever Limited, Tech Mahindra Limited, Capita PLC, Capillary Technologies India Limited, Ather Energy Limited, Delhivery Limited, Data Security Council of India (DSCI) and Nudge Lifeskills Foundation. She is also the Chairperson of Capillary Technologies, Ather, Delhivery and DSCI. She also advises and mentors various organizations on business transformation.

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

She holds a Bachelor of Arts (Honors course) degree in economics from University of Delhi, New Delhi and a Master of Business Administration degree from University of Delhi, New Delhi. Her main area of expertise is managing complex technology businesses in highly matrixed organizations. She has experience of IT transformation across multiple industries, banking and finance, telecommunications, manufacturing, health care and government.

Area of expertise and skills

- Finance and Accounts
- Corporate Governance
- Information Technology
- Leadership
- ESG, Sustainability & CSR
- Sales & Marketing
- Cybersecurity



Karen Ann Terrell | Independent Director

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

Area of expertise and skills

- Information Technology
- AI, GenAI & Emerging Technologies
- Cybersecurity
- Corporate Governance
- Leadership
- Finance and Accounts

Board of directors



Srikanth Velamakanni | Whole-Time Director and Group Chief Executive and Executive Vice-Chairman

Srikanth is the Whole-time Director and Group Chief Executive and Executive Vice-Chairman of Fractal. He leads the Fractal Group of companies which includes Fractal.ai & Fractal alpha.

He serves as the Chairperson of NASSCOM and as an Independent Director at Ideaforge, NIIT and Dr. Reddy's Laboratories and as Nominee Director of NASSCOM on the Board of Data Security Council of India (DSCI).

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

Srikanth received an honorary doctorate from NIIT University, the Distinguished Alumnus Award from IIT Delhi, and the Young Alumni Achiever Award from IIM Ahmedabad. He has been recognised as Dataquest's 'Path-breaker of the Year' (2024), The Economic Times' 'ET Choice of Tech Leaders' (2023), and Entrepreneur India Magazine's 'Entrepreneur of the Year' for Large Business (2023).

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

Area of expertise and skills

- AI, GenAI & Emerging Technologies
- Risk management & Internal Controls
- Leadership
- Global business
- Corporate Governance
- Finance and Accounts
- Information Technology
- Sales & Marketing



Pranay Agrawal | Non-Executive Director and Chief Executive Officer, Fractal Analytics Inc.

Pranay is the Chief Executive Officer of our Material Subsidiary, Fractal Analytics Inc.

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

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

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

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

Area of expertise and skills

- Global business
- Corporate Governance
- Leadership
- Sales & Marketing
- AI, GenAI & Emerging Technologies
- ESG, Sustainability & CSR
- Information Technology
- Risk management & Internal Controls

Leadership team

Leading with intelligence and purpose



Srikanth Velamakanni
Whole-Time Director and Group Chief Executive and Executive Vice-Chairman



Pranay Agrawal
Non-Executive Director and Chief Executive Officer, Fractal USA



Manish Tiwari
Chief Information Officer



Matthew Jason Gennone
Chief Commercial Officer & CEO – Cogentiq



Natwar Mall
Chief Transformation Officer



Rasesh Dhirendra Shah
Chief Practice Officer – EdTech & FAA



Rohini Aditya Singh
Chief People Officer



Sandeep Dutta
Chief Practice Officer – APAC & Middle East



Ajoy Singh
Chief AI Officer



Biju Joseph Dominic
Chief Evangelist Officer



Chetana Kumar
Chief Sustainability Officer



Dylan Dias
Chief Alliances Officer



Kunal Jain
Head AI Workforce Transformation



Leandro DalleMule
Chief Practice Officer - FSI



Sankaranarayanan Balasubramanian
Chief Practice Officer – TMT



Satish Avadhanam Raman
Chief Strategy Officer



Shashidhar Ramakrishnaiah
Chief Technology Officer



Shubhendra Rameshchandra Kanade
Head – Marketing



Somya Agarwal
Company Secretary and Compliance Officer



Suraj Amonkar
Chief AI Research Officer

Partnership and alliances

Driving impact through collaboration

At Fractal, we partner with leading data and technology companies, including hyperscalers, data & AI, application platforms and Frontier Labs, to elevate our technology and AI offerings for our clients. These strategic alliances enable us to expand our capabilities, uncover new revenue opportunities, enhance our client acquisition and lead generation and drive business growth. Together, we are shaping the future of technology and innovation.

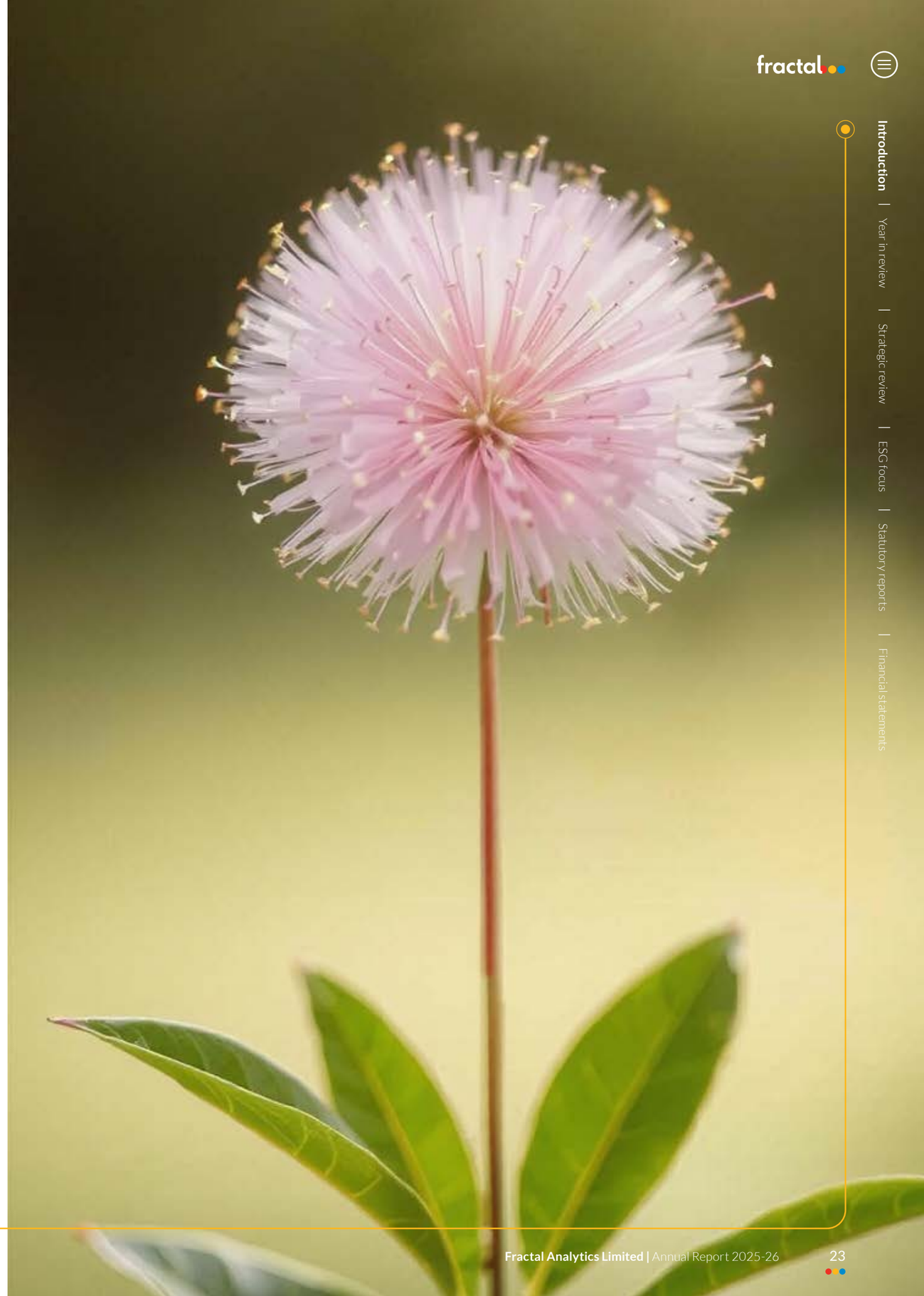
Hyper scalers

- AWS
- Google Cloud
- Microsoft

Frontier Labs

- Anthropic
- Open AI

Partner list mentioned above is indicative, and not exhaustive



2

Year in review

26 Message from co-founders

30 Key performance indicators

32 Awards and recognitions



Message from co-founders

Dear Stakeholders,

For the last few years, most of the attention has been on the models. How intelligent are they? How much do they cost? Which model is ahead?

Those questions still matter. But the bigger shift is where value is moving.

AI systems can now work on complex tasks for hours. The cost of running the most capable AI models has fallen dramatically. Open models are rapidly closing the gap with the best closed models. Enterprises have access to more intelligence, from more providers, at lower cost than ever before.

As intelligence becomes abundant, the scarce things change.

The scarce things are context, trust and the ability to put AI to work.

A model does not know how a company's supply chain works. It does not know why a particular pricing decision was made, where critical knowledge sits inside an enterprise, which rules can be changed, or when human intervention is needed. Much of this knowledge lives across databases, documents, software systems and often in people's heads.

This is now the hard problem in enterprise AI.

Srikanth **Pranay**



What has changed is the technology. For much of our history we powered those decisions with data, analytics and machine learning. As AI grew from narrow statistical models into the systems we have today, so did we. We are a pure-play AI company. We did not adopt AI as a trend. We have worked on it for our entire existence.

Companies have spent the last few years experimenting with AI. They are now asking a much bigger question: how do we redesign the way the enterprise works?

A bank can rethink the entire fraud process, from monitoring and investigation to dispute resolution. A consumer goods company can connect pricing, promotions and supply instead of optimizing each independently. A pharmaceutical company can answer a doctor's question in seconds, work that used to take days.

The opportunity has moved from individual tasks to entire workflows.

For Fractal, this is a natural extension of what we have always set out to do.

When we started Fractal in 2000, our belief was simple: better decisions create better companies. That became our vision, to power every human decision in the enterprise, and it has not changed since.

What has changed is the technology. For much of our history we powered those decisions with data, analytics and machine learning. As AI grew from narrow statistical models into the systems we have today, so did we. We are a pure-play AI company. We did not adopt AI as a trend. We have worked on it for our entire existence.

We have also developed a deep understanding of how large enterprises make decisions and how those decisions translate into outcomes. We understand the domains in which they operate, the data and systems underneath them, and the human behavior that ultimately determines whether technology gets adopted.

Along the way, we have built deep expertise in consumer goods and retail, financial services, healthcare and life sciences, technology, media and telecommunications, and other industries. We have invested consistently in AI research and built our own AI platforms and products. We have earned the trust of some of the world's largest to deploy AI in parts of their businesses where accuracy matters.

Trust becomes even more important as AI takes on more responsibility.

Enterprise AI has to understand the context of the enterprise, work securely with proprietary data and knowledge, and operate with clear controls and accountability. It also has to be designed around people, with a clear understanding of where human judgment adds value, where AI performs better, and how the two work together.

FY26 (April 2025 to March 2026) was a landmark year for us. We became a public company. Our clients expanded their work with us. We increased our investment in AI research and continued to build products for the future.

We believe the ability to solve these problems will distinguish the companies that create real value from AI. The last year gave us greater confidence in our ability to do exactly that.

FY26 (April 2025 to March 2026) was a landmark year for us. We became a public company. Our clients expanded their work with us. We increased our investment in AI research and continued to build products for the future.

Our results reflected this progress. Revenue grew 19% to ₹32,997 million, entirely organically. EBITDA grew 23% to ₹4,899 million, and profit after tax grew 30% to ₹2,868 million. Our Net Promoter Score was 78 for the year and reached 81 in the fourth quarter, one of the highest we have recorded. We increased our investment in R&D to 6.4% of revenue.

Message from co-founders

These numbers are important. The trust behind them matters even more.

More than 100 of the world's largest enterprises work with Fractal. Our ambition is to become increasingly central to how they use AI to run and transform their businesses.

Our R&D is producing AI with increasingly advanced capabilities. Vaidya.ai (Cogentiq Health), our healthcare AI, can reason through complex medical questions and has demonstrated world-leading performance on difficult medical reasoning. Fathom Deep Research can investigate complex questions, reason across large amounts of information and produce evidence-backed answers. PiEvolve, our AI for data science and machine learning, can autonomously test and improve solutions to difficult machine-learning problems.

We are also turning these capabilities into products that solve real business problems. Asper.ai is helping consumer goods companies bring pricing, promotions and demand planning together. Flyfish.ai uses a team of AI agents to perform sales work.

Underlying much of what we are building is a simple principle: advances across frontier and open models should make our products and solutions better as well. Our role is to make these models useful inside an enterprise by connecting them with the company's knowledge and data, giving them the tools and controls to act, and making them reliable enough to run real business processes.

The stronger the models become, the more we can build on top of them.

There is another change underway that we believe will shape the next decade.

For several years, the economics of AI have been discussed largely in terms of cost, particularly the cost of running AI models. That cost has been falling rapidly. As it falls, the more interesting question is the value AI can create. The conversation is shifting from cost per token to value per token.

The first wave of enterprise AI has focused heavily on efficiency: using AI to perform existing work faster and at lower cost. There is enormous value in that.

The larger opportunity comes from being able to do things that were previously too expensive, too slow or simply impractical. As the cost of intelligence falls, companies can apply it to many more decisions, more often and at far greater scale.

We have organized ourselves around this opportunity, with three priorities: AI-led Transformation, AI Foundations and AI for Work & Workforce.

This is why we believe AI can reduce the effort required for existing work while dramatically expanding the amount of work worth doing.

Some tasks will take a fraction of the effort they take today. Some existing work will disappear. At the same time, thousands of new applications of intelligence will become economically viable.

We are already seeing this in our conversations with clients.

AI has moved into core enterprise budgets. Programs are getting broader. Clients increasingly want to redesign complete business processes. They want greater control over their AI and their proprietary knowledge. They want the flexibility to use different models. They increasingly want partners who will stand behind business outcomes.

We have organized ourselves around this opportunity, with three priorities: AI-led Transformation, AI Foundations and AI for Work & Workforce.

AI-led Transformation helps enterprises redesign complete business processes with AI, moving from individual AI use cases to workflows that can reason, decide and act.

AI Foundations builds the underlying data, knowledge and technology that allow AI to work reliably inside a large enterprise. This includes bringing together knowledge scattered across the organization so that AI understands the company's context and can act on it securely.

AI for Work & Workforce helps enterprises rethink how people work alongside AI, including how they hire, learn, make decisions and get work done when every employee can have AI as a co-worker.

Cogentiq is the technology platform underneath all three. It brings together AI agents and tools, connects them securely to enterprise data and systems, and enables them to work together to run business workflows.

AI is progressing faster than enterprises can absorb it. The gap between what technology can do and what companies have deployed is widening. Closing that gap is the work ahead of us.

The direction is clear: more research, more intellectual property, more products and platforms and deeper responsibility for outcomes.

AI is progressing faster than enterprises can absorb it. The gap between what the technology can do and what companies have deployed is widening. Closing that gap is the work ahead of us.

Becoming a public company has given us a new responsibility: earning the trust of our shareholders every day. When someone puts their hard-earned savings into Fractal, we take that responsibility seriously. We will invest for the long term, maintain financial discipline and build Fractal as an institution that can endure.

There will be periods when the technology moves faster than we do. There will be ideas we get wrong and have to change. The standard we hold ourselves to is whether we learn quickly enough, stay close enough to our clients and continue building things of consequence.

The opportunity in front of us is extraordinary. Intelligence is becoming abundant. Every enterprise will have to decide what to do with it. We want Fractal to be the company they trust to turn that intelligence into better decisions, better actions and better businesses.

Thank you for your trust.

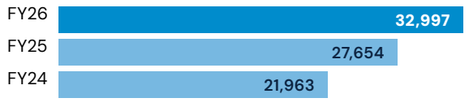
Srikanth & Pranay



Delivering strong results

Our performance across key business indicators reflects the strength of our strategy, execution, and innovation-led approach. Even as we invested in R&D and future capabilities, we delivered strong results and remain well-positioned to drive sustained, industry-leading growth.

Revenue
(₹ in million)



EBITDA
(₹ in million)



EBITDA Margin
(%)



PAT
(₹ in million)



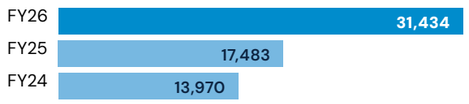
PAT Margin
(%)



EPS [4]
(₹)



Net worth
(₹ in million)



[4] Basic EPS



Honoring innovation and excellence

Our performance has been validated by leading industry analysts and research organizations across multiple dimensions including enterprise AI capabilities, technical capabilities, product innovation, leadership, and workplace culture, as detailed below.





Business & innovation

- Our AI Research team won Best LLM for Fathom at The Economic Times Making AI Work Awards 2025.
- Our AI Research team won Best AI Application of Tech for Good for Vaidya.ai at the Financial Express FuTech Summit & Awards 2025.
- Named Microsoft's 2025 Retail & Consumer Goods Partner of the year.

Industry recognition

- Leader in the Forrester Wave™: Customer Analytics Services, Q2 2025.
- Leader in the Everest Group Data & AI Services Specialists - North America PEAK Matrix® Assessment 2025.
- Leader in ISG Provider Lens™ Generative AI Services 2025 - Global.
- Leader in ISG Provider Lens™ Advanced Analytics & AI Services 2025 - Europe & Global.
- Leader in ISG Provider Lens™ Specialty Analytics Services for Retail & CPG, Supply Chain, and Lifesciences & Healthcare (2025).
- Niche Player in the Gartner® Magic Quadrant™ for Marketing Mix Modeling Solutions 2025.
- Major Contender in Everest Group Global Capability Center (GCC) Transformation Capabilities in India - PEAK Matrix® Assessment 2025.
- Major Contender in Everest Group Life Sciences AI and Analytics Services for Commercial PEAK Matrix® Assessment 2025.





Engineering excellence

Leader in Data Engineering PeMa Quadrant 2025 by Analytics India Magazine.



Awards and recognitions

Corporate & leadership recognition

- Best Tech Startup at the Entrepreneur India IDEA Awards 2025.
- Best Workplace of the Year 2025 by Entrepreneur India Magazine.
- Best AI for Supply Chain Optimization at the Entrepreneur India AI Awards 2025.
- Srikanth Velamakanni recognized among Forbes India Top 30 Minds in AI 2025.
- Srikanth Velamakanni named Entrepreneur of the Year 2025 at The Economic Times Entrepreneur Awards.
- Srikanth Velamakanni received the Distinguished Alumnus Award 2025 from IIT Delhi.
- Srikanth Velamakanni awarded an Honorary Doctorate (Ph.D. Honoris Causa) by NIIT University.
- Srikanth Velamakanni won AI Business Leader of the Year at the Economic Times AI Awards 2026.









People & workplace

- Certified as a Great Place to Work® (GPTW) for the tenth consecutive year across India, USA, UK, and UAE.
- Ranked amongst India's 100 'Best Companies to Work' by GPTW.
- India's Top 100 Best Workplaces™ for Women by GPTW for the sixth consecutive year.
- #22 on Glassdoor's Best-Led Companies List 2025.
- Gold Award for Excellence in HR Data Analytics at the ET Human Capital Awards 2026.
- Silver Award for Excellence in the Use of Generative AI for HRM at the ET Human Capital Awards 2026.
- Bronze Award for Excellence in Organizational Development at the ET Human Capital Awards 2026.
- Brandon Hall Group Silver Award for Leadership Development in recognition of our Mentoring Program.











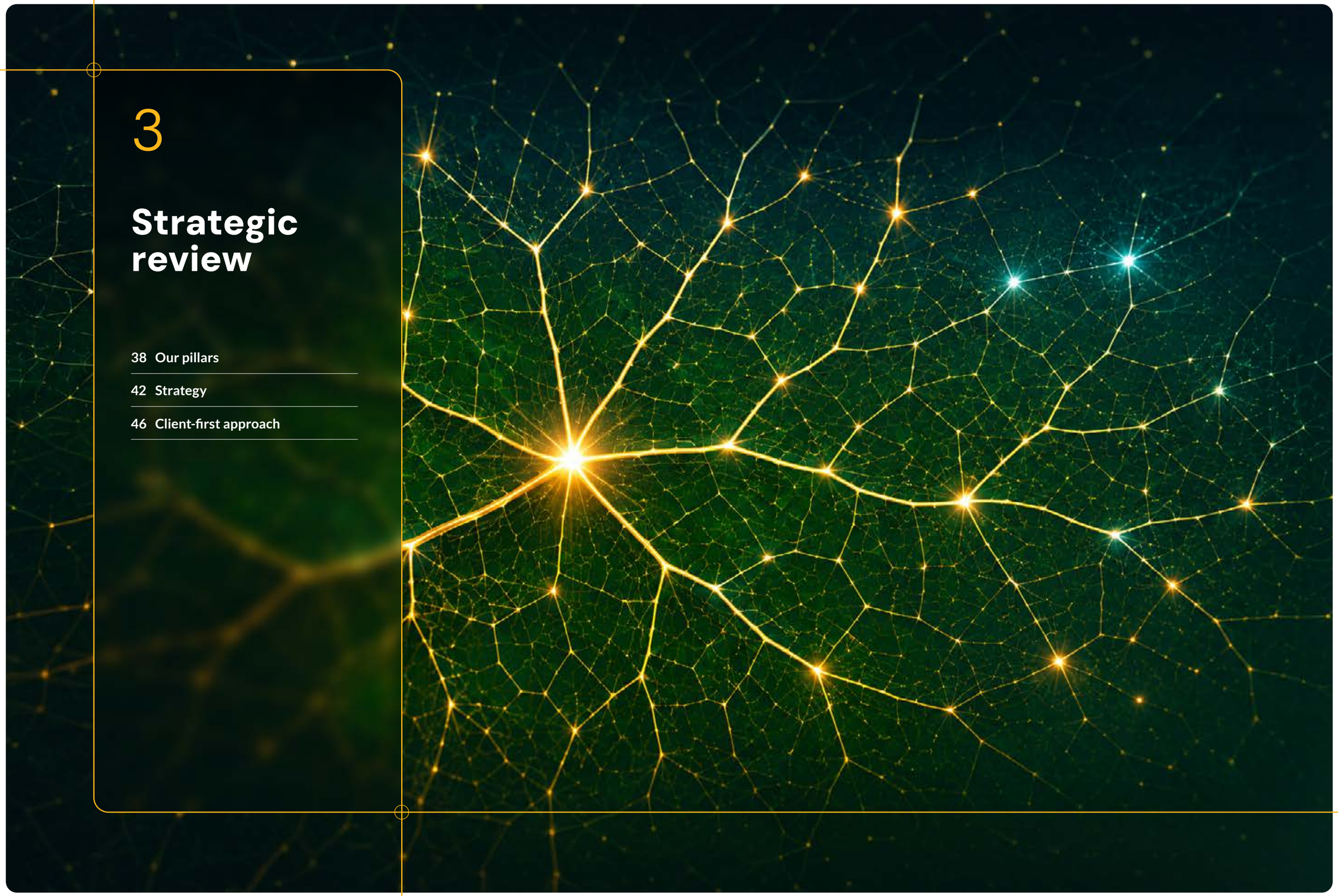
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Strategic review

38 Our pillars

42 Strategy

46 Client-first approach



The foundation of our AI ecosystem

For over two decades, Fractal has combined AI, engineering, design, and domain expertise through the Fractal Approach. Coming into FY27, we sharpened this into three pillars, one platform, one go-to-market: AI-led Transformation (AIT), AI Foundations (AIF), and AI Work & Workforce (AIW) - addressing the three dimensions every enterprise must get right to scale AI: reimagining business processes, modernizing technology foundations, and enabling workforce transformation.

Each pillar is delivered through integrated teams of AI, engineering, design, and domain specialists, with Cogentiq, our flagship agentic AI platform, powering solutions across all three. One go-to-market through a common commercial office brings them to clients as a single, integrated capability — rather than three separate practices — enabling enterprises to scale AI adoption, accelerate value creation, and drive sustainable business transformation.



Pillar 1 – AI-led Transformation (AIT)

The process dimension: helping clients reimagine business workflows with AI to drive measurable outcomes.

AI-led Transformation (AIT) is the process pillar of Fractal's AI proposition, helping enterprises reimagine how work gets done. Within AIT, two complementary engines translate deep functional and client-facing expertise into reusable, Cogentiq-native software: AIT-Functional, focused on internal operations, and AIT-Customer, focused on revenue-facing functions.

AIT – Functional (Supply chain & finance)

AIT-Functional is Fractal's central engine for converting deep operational and financial expertise into reusable, Cogentiq-native software. It comprises two offerings that share a common operating model: software led development and deployment across clients and industries, with Fractal owning deployment and value realization.

Supply chain

AI-native decision systems spanning planning, sourcing, manufacturing, inventory, and distribution - addressing problems such as contract and commercial risk, demand and inventory volatility, and logistics disruption. The offering will help unlock measurable operating outcomes, such as service levels, working capital, and cost to serve for the clients.

Finance

AI-native software for core finance operations, beginning with order-to-cash and expanding into procure-to-pay and record-to-report, replacing manual, people-intensive finance work with governed, agentic workflows. Helping clients unlock value across cash conversion, margin, productivity, and close speed.

AIT – Customer (Sales and marketing and customer experience)

AIT-Customer replaces the fragmented point solutions common across enterprise marketing, sales, and customer experience functions with a single, integrated, agentic operating model built on Cogentiq and governed for accountability from the outset. It is structured as three connected offerings, each building on the one before it:

Sales

Converts that context into revenue through AI-powered pipeline generation, account intelligence, and seller productivity. Consists of Flyfish.ai, Cogentiq Campaign Assist.

Marketing

Builds the underlying data and context layer needed to understand customers and campaigns.

Customer experience

Closes the loop through AI-led customer support, retention, and service resolution. Consists of Cogentiq CX.

As with AIT-Functional, the goal is to move enterprises from managing dozens of disconnected marketing, sales, and service tools toward a single, governed, AI-native layer - with a small set of Cogentiq-based products serving as initial, provable entry points into each client relationship.



Our pillars



Pillar 2 – AI Foundations (AIF)

The technology dimension: driving higher performance of AI models with enterprise data, including governance, responsible AI, and technology modernization.

AI Foundations (AIF) builds data, governance, and technology layer enterprises need to move AI from pilots to production at scale. We focus on enterprise context, domain semantics, and decision intelligence - turning infrastructure into something that understands your business.

Most enterprises have invested in AI but still lack systems that run reliably in production. Our approach closes that gap by providing unified governance, enterprise context, and responsible AI practices embedded from the start.

At the core of AIF is our enterprise context layer - an ontology and knowledge graph foundation that binds structured and unstructured data to real business meaning, so AI systems reason with genuine understanding of a client's operations rather than simply querying tables. This is layered with an agent platform that gives enterprises reusable, production-grade agent capabilities across the engineering and delivery lifecycle, and a governance layer that manages models from every provider under a single, auditable control plane - covering routing, cost, performance, and compliance. Complementing these is our migration and modernization capability, which uses ontology-guided, AI-driven methods to modernize legacy data and code estates in a fraction of the time manual approaches require.

Responsible AI and governance are embedded throughout this foundation rather than bolted on afterward - spanning identity and access control, data protection, model risk management, and regulatory compliance - so that as AI agents take on more autonomous, higher-stakes work, enterprises retain the assurance and auditability that regulators and boards require.

By combining AI, engineering, governance, and data management into a single accountable foundation, AIF gives organizations the intelligence layer they need to adopt AI safely, reliably, and at enterprise scale — converting platform investment into durable, compounding advantage.

Pillar 3 – AI Work & Workforce (AIW)

The people dimension building enterprise-wide AI fluency and proving its business value.

AI Work & Workforce (AIW) addresses the people dimension of AI transformation. Across the industry, AI investment remains heavily skewed toward tools and infrastructure, while the people capability needed to actually use AI - training, workflow change, leadership alignment - remains the most under-invested and most consistently cited driver of AI ROI. AIW closes this gap by making every role in enterprise AI fluent, moving people from basic tool adoption to AI-native ways of working.

What differentiates our approach is that it is built and delivered by practitioners who deploy AI for Fortune 500 clients at scale, not by training or content vendors. Learning is customized to each role, domain, and AI-maturity level, and turned into deployable AI projects rather than passive coursework. Progress is proven through a proprietary AI maturity index that measures real adoption, and not course completions or certificates.

Our current AIW capabilities focus on AI Upskilling, and AI Adoption.

AI Upskilling focuses on building AI literacy and applied AI capabilities across the workforce. Through platforms such as Analytics Vidhya, one of the world's largest data science communities, alongside Fractal Analytics Academy (FAA), Iqigai and MarshallGoldsmith.ai, we provide scalable learning pathways that help employees, leaders, and executives develop the knowledge and skills needed to participate effectively in AI-led transformation.

AI Adoption ensures that AI solutions become embedded in day-to-day operations and decision-making. By combining change management, user experience design, behavioral science, and adoption measurement, we help organizations drive sustained behavioral change and maximize the value of AI investments.

These capabilities are not theoretical - they are expressed in a portfolio of products and solutions that Fractal has built, deployed, and continues to deepen on behalf of clients.

How the pillars come together for clients – Integrated Business Units

AIT-Functional, AIT-Customer, AIF and AIW are Fractal's solution factories: they own and build reusable, Cogentiq-native software intellectual property. Delivering that software to clients is the responsibility of integrated teams - combining AI, engineering, design, and domain expertise - that sit within Fractal's client-facing business units: Consumer Products and Retail (CPGR), Financial Services and Insurance (FSI), Healthcare and Life Sciences (HLS), and Technology, Media and Telecom (TMT), alongside our APAC and Europe geographies. These units are organized around industry and geography rather than functional or skill-based silos.

Each business unit is accountable for client impact and orchestrates the AIT-Functional, AIT-Customer, AIF and AIW teams behind the scenes to deliver software driven, industry contextualized solutions to the clients.



Positioned for the next phase of growth

Our long-term growth strategy is centered on five strategic priorities: helping Must Win Clients (MWCs) unlock business transformation through artificial intelligence (AI); accelerating client success through Cogentiq and reusable assets; deepening partnerships with leading AI platform providers; continuing to build an AI-native great place to work; and pursuing disciplined mergers and acquisitions (M&A) to strengthen our capabilities and expand our market presence.





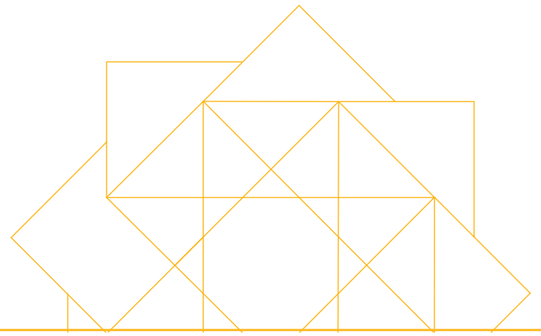
Help Must Win Clients transform their business with AI

Our strategic objective is clear- to create measurable value for clients through enterprise-wide AI transformation. We remain focused on serving Must Win Clients (MWCs) across our target markets-the United States, the United Kingdom, Europe, Australia, and the Middle East-by deepening relationships with existing clients while expanding our footprint with new strategic accounts through our sales, account management, partnerships, and alliances teams.

We support clients throughout the AI transformation journey, from ideation and development to deployment and adoption. Our engagement model is anchored at the CXO level, helping business leaders reimagine workflows and operating models, technology leaders modernize data and AI foundations, and workforce leaders drive enterprise readiness and upskilling for an AI-enabled future.

To strengthen our ability to deliver impact, we continue to deepen our understanding of clients' business, data ecosystems, and technology landscapes, while investing in the technical, domain, and functional capabilities of our teams. We are increasingly building AI foundations and agentic systems as the default architecture for enterprise transformation, enabling platform-led, outcome-driven execution at scale.

Our client-centric approach is enabled through integrated account teams led by dedicated client business partners who work closely with stakeholders to identify priorities, orchestrate the right capabilities, and deploy relevant AI products, platforms, and reusable assets. This model helps ensure consistent delivery, stronger outcomes, and deeper client relationships. We monitor client satisfaction through Net Promoter Score (NPS), a globally recognized measure of customer advocacy and loyalty.





Accelerate client success with Cogentiq and reusable assets

We continue to invest in AI platforms, reusable assets, and advanced research capabilities to accelerate client success and enhance the speed, consistency, and scalability of enterprise AI transformation. By combining Cogentiq, PiEvolve, and other productized capabilities with our expertise in AI, engineering, design, and domain consulting, we help clients move more efficiently from solution ideation and development to implementation and enterprise-wide adoption.

At the center of this approach is Cogentiq, our enterprise agentic AI platform. We are leveraging Cogentiq to reimagine service delivery by standardizing repeatable components, improving productivity, and enabling more consistent execution across engagements. The platform empowers enterprises to build, deploy, and enhance AI solutions through a comprehensive ecosystem of agents, tools, and connectors, supported by low-code development, governance, security, auditability, and interoperability capabilities. We are also progressively migrating selected AI products onto Cogentiq to make them more agentic, scalable, and enterprise ready.

In addition, we are expanding the commercialization of functional and industry-specific AI solutions built on Cogentiq, including offerings such as Cogentiq Invoice to Cash and Cogentiq Underwriting. Alongside this, we continue to advance multi-agent systems such as PiEvolve, which enhance software development productivity and support increasingly autonomous data science and AI problem-solving.

Our commitment to innovation is further reinforced through ongoing investments in frontier AI research and development. Through platforms such as PiEvolve and Vaidya.ai, as well as initiatives including the India AI Mission, we continue to push the boundaries of AI capabilities. Our research efforts span agentic, knowledge, reasoning, and action systems, supported by proprietary foundational models and AI assets such as Kalaido.ai, Vaidya.ai, Fathom-R1-14B, and Fathom Deep Research, strengthening our ability to deliver next-generation AI solutions for clients.

Strategy

Partner with platform AI companies of choice

We have established strategic relationships with leading AI and technology platform providers, including hyperscalers such as Microsoft Azure, AWS, Google Cloud, data platform companies and frontier AI enterprises such as OpenAI and Anthropic. By cultivating a diversified ecosystem of partnerships, we aim to strengthen our relevance within our clients' evolving technology, data, and AI landscapes while expanding our ability to deliver best-in-class solutions.

Our partnership model is built on creating mutual value. We work closely with partner account teams across shared client relationships, supporting their strategic objectives while leveraging their technology capabilities, resources, and innovation ecosystems to enhance client acquisition, lead generation, and solution delivery. This collaborative approach enables us to create greater value for clients while deepening strategic alignment with our partners.

We continue to engage in joint planning initiatives with our partners to identify go-to-market opportunities, co-investment programs, funding avenues, and growth initiatives. Where available, we leverage partner-sponsored funding programs to accelerate deal momentum, improve client conversion rates, and expand the reach of our AI-led offerings.

A key focus area is developing a deep understanding of our clients' technology roadmaps, particularly their cloud, data, and AI platform strategies. This enables us to align our solutions with their evolving priorities and identify opportunities for business expansion. We also continue to invest in training and certifications to strengthen our teams' expertise across partner ecosystems, while integrating partner technologies into our services, platforms, and solutions. This approach allows us to deliver transformation programs and accelerate time-to-value for clients.

Continue to build an AI-native great place to work

We believe our culture is a key long-term differentiator and a critical enabler of sustainable growth. As we continue to build Fractal for the future, we remain committed to fostering a workplace defined by trust, transparency, freedom, and continuous learning, guided by our values and people principles. Our ability to attract, develop, and retain exceptional talent remains fundamental to delivering value for clients and achieving our strategic objectives.

Our hiring philosophy is anchored in a set of core principles that shape how we build our workforce. We hire for Fractal first and then for specific roles, seek individuals who continually raise performance standards, embody our values in every interaction, demonstrate strong learning agility and potential, and contribute diverse perspectives that strengthen innovation and inclusion across the enterprise.

To attract top talent at scale, we leverage multiple recruitment channels, including Iqigai.ai, our AI-powered hiring assessment platform, the Imagineer Program for campus hiring, the Crossover Program for career transitions, lateral hiring initiatives, and programs supporting professionals returning from career breaks. During the year, we processed nearly 200,000 applications while maintaining a highly selective hiring ratio of 0.8%, reflecting our focus on quality and excellence.

Aligned with our core value of Learn and Grow, we continue to invest in continuous learning, capability development, and specialization across all levels of the enterprise. Our learning ecosystem includes the Fractal Analytics Academy (FAA), Analytics Vidhya, and a range of leadership development programs designed to help employees deepen technical expertise and strengthen leadership capabilities. We also encourage a culture of knowledge sharing through dedicated internal platforms such as LIMEN for behavioral science and Delta for Generative AI (GenAI) practices and techniques.

Leadership development remains a strategic priority. Through targeted leadership programs and mentoring initiatives, we are building a strong pipeline of future leaders. During the year, Mentoring@Fractal evolved into a structured, multi-format program involving more than 200 participants and was recognized with a Brandon Hall Silver Award 2025 in the category of Best Coaching and Mentoring Program.

We are also embedding AI across our internal operations to improve productivity and employee experience. Our AI-powered hiring platform, Iqigai.ai, and Dexter, our virtual AI assistant for employee support, help streamline processes across talent acquisition, IT services, human resources, and payroll. In addition, we continue to deploy AI-enabled talent allocation systems, coding productivity tools, and proprietary AI coding agents to improve operational efficiency and accelerate the development of AI solutions.

Through leadership engagement, employee experience initiatives, internal mobility, collaborative learning, and ongoing investments in talent development, we aim to create an environment where Fractalites can thrive, innovate, and deliver exceptional outcomes for our clients.

Accelerate our success through M&A

Our mergers and acquisitions (M&A) strategy is designed to strengthen our client-centric approach while enhancing our capabilities, market reach, and long-term growth prospects. We continue to selectively pursue acquisitions and strategic investments that complement our existing technical, functional, and domain expertise, enabling us to deliver greater value to clients across industries and geographies.

We evaluate potential opportunities through a disciplined framework that considers strategic alignment, complementary capabilities, client relevance, talent synergies, geographic expansion potential, and long-term value creation. This approach enables us to identify businesses that can strengthen our competitive position while supporting our broader growth objectives.

Over the years, we have developed a comprehensive and proven M&A process, refined through multiple successful transactions. This framework is designed to optimize capital allocation, mitigate execution risks, and maximize the strategic and financial benefits of each acquisition. Our long-standing focus on M&A as a growth lever has strengthened our ability to identify attractive opportunities, evaluate targets, integrate intellectual property, and retain acquired talent, ensuring sustained value creation over time.

Our acquisition history demonstrates the role of M&A in accelerating innovation and expanding capabilities. The acquisition of Samya.ai, which evolved into Asper.ai, enhanced our capabilities in demand forecasting, revenue growth management, and decision intelligence. The acquisition of Senseforth.ai, now powering Cogentiq CX, strengthened our expertise in natural language processing, Generative AI (GenAI), and conversational AI while contributing to the evolution of the Cogentiq platform. The acquisition of Analytics Vidhya expanded our workforce capability-building, AI learning, and talent development ecosystem, while Neal Analytics enhanced our data engineering capabilities, strengthened our cloud-first offerings, and broadened our partnerships within leading hyperscaler ecosystems.

Drawing on the lessons from past transactions, we have established a robust integration framework to support future acquisitions. Our integration teams work closely with founders and leadership teams to prepare enterprises for integration, align operating models, and accelerate the realization of strategic synergies. With a strong track record of identifying, acquiring, and successfully integrating complementary businesses, we will continue to pursue selective acquisitions and strategic investments that enhance our capabilities and accelerate the execution of our long-term growth strategy.

Governance, security, and sustainability

Strong governance, robust security practices, and responsible sustainability initiatives form the foundation of our long-term growth strategy. We maintain the highest standards of security, compliance, and ethical business conduct.

We continue to invest in advanced security technologies, skilled talent, resilient processes, and infrastructure to safeguard our operations and client data. Our cybersecurity and compliance teams proactively assess risks, monitor emerging threats, and continuously enhance our security controls and frameworks. With the growing adoption of Generative AI (GenAI), we have implemented comprehensive usage policies and governance mechanisms to mitigate data privacy, security, and compliance risks while enabling responsible AI adoption across the enterprise.

Client-centric partnerships for enterprise transformation

We strive to be a strategic partner to our clients by delivering a wide range of end-to-end AI solutions across business functions and teams, helping enterprises power decisions and drive meaningful outcomes.

Our strategic focus is to take client centricity to the next level through integrated engagement models. We operate with dedicated client teams led by business partners who work closely with key stakeholders to understand priorities, co-create solutions, and deliver measurable value. These teams collaborate seamlessly with our internal capabilities to ensure that the right solutions are deployed to address evolving business needs.

As part of this approach, we have identified Must Win Clients based on our 10-20-30 principle (company having annual revenue of $10 billion, or market capitalization of $20 billion, or customer base of 30 million), serving large global enterprises end-to-end and investing deeply in long-term partnerships. We work with clients across the entire AI solution lifecycle - from ideation to adoption helping them navigate complexity and embed AI into enterprise, decision-making.

We seek to continuously expand our relationships by solving additional business problems within departments, scaling successful solutions across geographies, and building partnerships with new teams within the same enterprise. This enables us to evolve from a vendor to a comprehensive AI partner, driving sustained value across our clients' enterprises.

Our ability to address industry-specific challenges through client-specific solutions is underpinned by our deep technical, domain, and functional expertise. This allows us to contextualize technology within each client's business environment, ensuring that every solution is tailored, scalable, and aligned to business outcomes.

Decision-backward approach

Our mission is to power every decision in client enterprises, believing that better decisions lead to better outcomes. Our "decision-backwards" approach starts with understanding the critical decisions needed for desired business impact. Unlike the typical "data and technology-forward" method, we begin by defining the business problems and decisions to be made, then work backward to determine the necessary data, algorithms, and systems. This user-centric method ensures we build the optimal data architecture, create the most relevant AI algorithms, and design and implement the final AI solution tailored to address specific business challenges.

Investing in R&D

Being client-centric also entails investing and innovating on behalf of our clients. It enables us to expedite results for our clients while demonstrating our AI expertise - we spent 6.4% of our revenues on R&D in FY 2025-26. Our dedicated research team conducts extensive fundamental research in emerging areas like GenAI, Quantum computing, and Computational Neuroscience with a focus on developing capabilities that align with our client's future needs. This research has yielded tangible outcomes, including publicly accessible AI products such as MarshallGoldsmith.ai and Vaidya.ai. Moreover, we have developed a range of AI courses available on Coursera, catering to a broader audience and fostering widespread knowledge dissemination.

6.4%

R&D spend % of revenue

Industry engagement

As part of our client-centric approach, we host exclusive events like Client Advisory Boards, Executive Summits, and Roundtables, and actively engage in leading third-party conferences. The platforms bring together senior executives from Fortune 500 enterprises to share cutting-edge insights, foster peer connections, and drive client growth. This direct engagement helps us align our strategies with evolving client needs.

We hosted six Executive Summits in New York, San Francisco Bay Area, London, Amsterdam, and Bengaluru, as well as nine roundtables globally, with attendance from more than 250 clients. Agendas centered on exploring the evolution of intelligence; applying agentic and autonomous AI in the enterprise; realizing ROI from GenAI and machine learning; scaling enterprise AI from pilots to performance; building an AI ready enterprise and driving enterprise transformation; and advancing AI infrastructure and enterprise grade deployments.

Additionally, our annual flagship magazine, ai:sight focuses on elevating value creation, driving growth, and thriving in a dynamic economic environment. We feature voices from transformational individuals who are redefining organizational operations and interactions. As agents of change, they offer unique insights and experiences.





Executive Summits - US & UK-EU

Executive Summit events combine keynotes, fireside chats from industry experts, and peer-to-peer executive knowledge-sharing sessions.



ET AI Awards 2026 & India Today Conclave 2025

Srikanth Velamakanni, co-founder and group CEO, Fractal talked about India's AI ecosystem and the AI revolution in high-impact panel discussions



Executive Summit - India

Over 50 AI, analytics, and GCC leaders came together at the Bengaluru Executive Summit for an evening of ideas exchange, reflection, and leadership dialogue.

Client-first approach



Amsterdam
(June 2025)

London
(June 2025)





NY
(March 2025)

SF Bay Area
(September 2025)





Bengaluru
(December 2025)

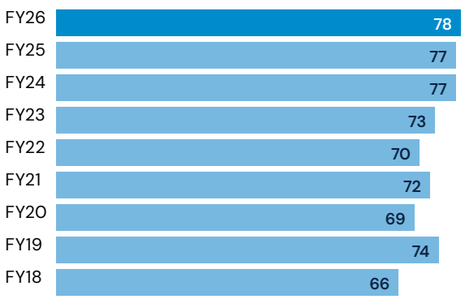
ET AI Summit & Awards



Net Promoter Score – 78

Over the past few years, our Net Promoter Score (NPS) has consistently remained at 70 or higher, reflecting our remarkable growth and progress. Clients consistently rate us highly for our responsiveness, business understanding, and communication. Clients expect us to deliver fresh ideas and perspectives.

Net Promoter Score over the years



Recognitions

The recognition we receive from respected industry leaders validates our commitment to delivering consistent value to our clients.

FORRESTER®

Recognized as a Leader in The Forrester Wave™: Customer Analytics Services Providers across five consecutive evaluations - 2017, 2019, 2021, 2023, and 2025.

Everest Group®

Named a Leader in the Everest Group Data and AI Services Specialists PEAK Matrix® Assessment 2025 and its predecessor Analytics and AI Services Specialists PEAK Matrix® Assessments in 2021, 2022, and 2024.

Gartner®

Featured as an Honorable Mention in Gartner's Pure-Play Data and Analytics Providers category for four consecutive years from 2019 to 2022.

AIM RESEARCH

Categorized as a Leader by AIM Research in its 2025 PeMa Reports for Data Engineering, Data Science Services, Generative AI Services, and Agentic AI Services, and as a Seasoned Vendor in the 2026 Agentic AI Platform Providers PeMa Report.

ISG

Recognized as a Leader in ISG Provider Lens™ 2025 across Specialty Analytics for Supply Chain, Consumer Products & Retail, and Healthcare & Life Sciences.

Recognized as a Leader in ISG Provider Lens™ 2025 for 'Generative AI' and 'AI & Advanced Analytics Services'.

Case studies

All our client engagements begin with a deep understanding of client's business challenges, decision-making context, and organizational readiness. The following case studies illustrate this client-centric approach and how it translates into measurable value across diverse business scenarios.



Sales representatives of a pharma major were taking 3–4 days to respond to queries from healthcare professionals (HCPs)

The client is a major pharmaceutical company with a large field sales force engaging healthcare professionals (HCPs) across multiple therapeutic areas and markets.

Challenge

Every interaction between a sales representative and a healthcare professional is a high-stakes knowledge moment. Doctors ask specific, detailed questions on efficacy, safety, patient selection, treatment pathways, clinical guidelines, and competitor positioning -and they expect fast, precise answers.

However, the client's existing process for responding to these queries took 3-4 days, requiring representatives to route questions through medical and compliance teams before a verified response could be shared. This created friction in HCP engagement, slowed brand conversations, and limited the ability of field teams to respond with confidence in real time. The challenge was not just speed, responses also needed to remain accurate, compliant, and fully evidence-backed.

Solution

We built an agentic platform that enabled sales representatives to access cited, confidence-scored answers to clinical queries in seconds. The platform drew from approved medical and scientific content to generate responses that were accurate, compliant, and traceable to source evidence. Automated retrieval, citation, confidence scoring, and response-quality checks helped improve reliability.

By bringing real-time clinical intelligence directly into the hands of field teams, the solution standardized and accelerated HCP engagement quality across the enterprise, ensuring that every response is grounded in evidence, regardless of the individual representative's experience or therapeutic knowledge.

Impact

Response times to HCP queries were reduced from 3-4 days to seconds, fundamentally transforming the speed and quality of field engagement. The platform has enabled real-time HCP interactions, faster brand preparation, and consistent, evidence-backed responses across both commercial and medical teams, elevating the client's credibility and responsiveness in every clinical conversation. The platform is live in production across initial brands, with additional brands and markets in the onboarding pipeline.

HCP query response time reduced from 3–4 days to seconds



Marketers at a Fortune 50 consumer technology major were losing days to manual analysis of fragmented data

The client is a Fortune 50 global consumer technology company whose marketing function manages high-volume product and services content across a major global website and multiple campaign channels.

Challenge

The client's marketing team required fast, reliable insights into customer behavior and campaign performance, drawing from multiple data sources including high-volume clickstream signals, campaign tracking systems, and enterprise knowledge repositories. However, these sources were fragmented across systems, and the existing process relied on manual analysis of large datasets-slowing decision-making and limiting the team's ability to respond to performance signals with agility. Despite having access to rich data, the lack of a unified system meant that actionable insights were difficult to surface at the speed the business demanded.

Solution

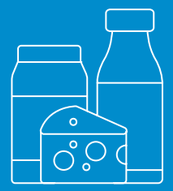
We designed and deployed an AI-powered intelligence platform that brings together the client's structured and unstructured data sources into a single, governed experience. The platform enables marketing teams to query data conversationally and access both real-time descriptive insights and prescriptive recommendations, reducing dependence on manual reporting and enabling faster, more informed decisions. Built for enterprise scale, the solution provides a foundation that extends beyond marketing intelligence into broader decision-support capabilities across the organization.

Impact

Time-to-insight improved by over 75%, compressing analysis cycles from days to hours and enabling the marketing function to act on performance signals significantly faster. The platform established a scalable foundation for enterprise-wide intelligence, with a clear path to expand into additional business functions and use cases.

75%+ reduction in time-to-insight (days → hours)

Case studies



Data engineers at a global CPG major were spending a day to build each data pipeline

The client is a global consumer goods company operating at scale across markets, with extensive data engineering requirements to support analytics, reporting, and data science initiatives.

Challenge

The client faced high costs and long cycle times in data engineering, particularly in translating business requirements into production-ready data pipelines. A disproportionate share of engineering spends, including work delivered through major vendor partners was concentrated in repetitive, low-value tasks such as ingestion, testing, and deployment. This left limited capacity for critical data science work

Solution

We designed and deployed an AI-powered data engineering platform that accelerates the full data pipeline lifecycle across design, development, deployment, and documentation. The platform was tailored to the client's environment and mandated for use across internal teams and all major vendor partners, establishing a single standard for how data pipelines are built and maintained across the enterprise.

By shifting data engineering surplus bandwidth from data pipeline work toward more outcome-oriented data science activities, the platform enables teams to deliver faster while maintaining consistent quality and governance at scale.

Impact

The platform has enabled 4x faster pipeline development, significantly accelerating data and AI delivery. Adopted by hundreds of active users, it is helping shift engineering capacity toward higher-value data science and advanced analytics initiatives. By streamlining data operations and improving productivity, the solution provides a scalable, high-throughput foundation for delivering AI-driven business outcomes at scale.

Pipeline build became ~4x faster



A top US healthcare payer had a large software team and a very small central AI team

The client is a large global healthcare enterprise managing a significant portfolio of AI initiatives, supported by a central AI team and a large, distributed engineering workforce.

Challenge

The client had an ambitious roadmap of hundreds of AI projects planned over the next 2-3 years, but its central AI team consisted of only few hundred professionals. While the client had a pool of over tens of thousands of software developers with strong coding capabilities, these teams lacked the AI expertise required to contribute to AI delivery.

This created a critical capability bottleneck. Generic training programs and tool-based approaches were insufficient-the objective was not course completion, but building real, deployable AI expertise aligned to the client's project pipeline and healthcare context.

Solution

We designed an AI powered structured workforce transformation program to upskill software developers into deployable AI professionals. The program mapped the specific skills required for AI project delivery, created a mandatory learning journey linked directly to real project deployment, and built a scalable community of AI builders to augment the central AI team. The program lifecycle was completely AI powered with AI powered skill assessment, AI generated course content and finally AI powered grading.

The focus was on applied capability, not passive learning - enabling developers to transition into active contributors on live AI initiatives across the enterprise. This model integrated skill development, domain alignment, and deployment readiness creating a repeatable framework for enterprise-scale AI capability building.

Impact

The program enabled the client to mobilize over tens of thousands developers against a portfolio of hundreds of planned AI initiatives, transforming a capability constraint into a scalable execution model. Early adoption was strong, and the program expanded further following initial success-demonstrating enterprise-wide relevance and positioning the client to sustain AI delivery at scale across business units.

Central AI capacity expanded from few hundred to over tens of thousands to sustain AI delivery at scale

Case studies

Supply chain planners at a global industrial manufacturer were losing millions to last-minute ocean-to-air freight conversions

The client is a global industrial manufacturer operating multiple business units across a complex, worldwide distribution network, moving finished goods from plants to internal distribution centers and onward to customer locations across markets.

Challenge

In a global supply chain, every last-minute shipment change carries a direct cost. Long lead-times and limited visibility into product availability and shipment readiness meant that shipments originally planned for ocean freight were frequently switched to expedited air close to the ship date. With annual air freight spend running into the tens of millions of dollars, these conversions represented a significant and recurring drain on logistics budgets.

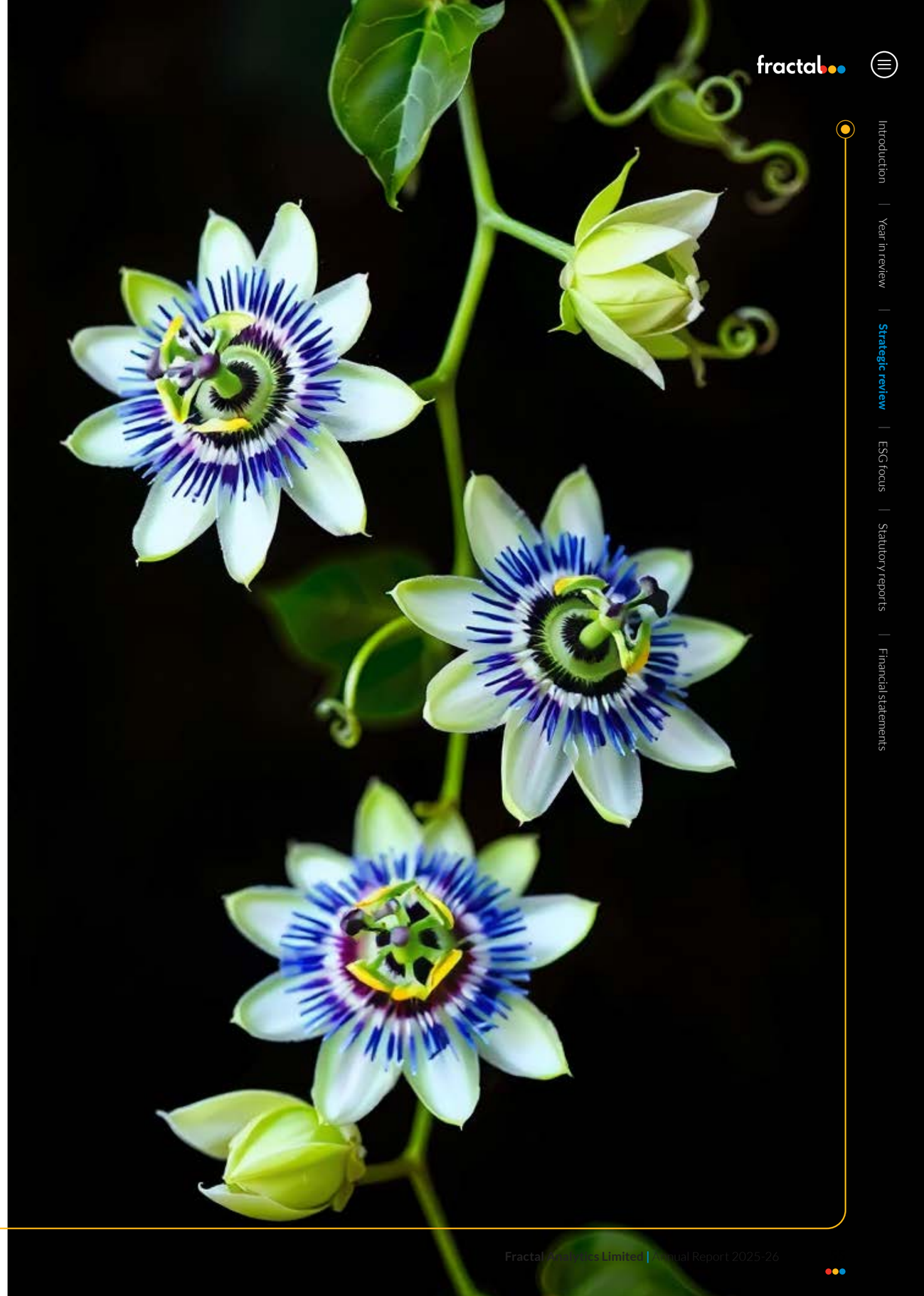
Solution

We designed and deployed a phased solution combining predictive machine learning with prescriptive decision support. The first capability predicts, about a week in advance, whether a shipment is at high risk of converting from ocean to air, flagging it early enough for planners to intervene. The second layer moves from insight to action, recommending alternative fulfillment options using an optimization approach. By closing the loop between predicting risk and prescribing the next-best action, the platform gives planners genuine operational actionability.

Impact

The solution demonstrated value with a savings run-rate of several hundred thousand dollars per month post go-live. Structured around outcome-based commercials, the engagement aligns client's and our success. The AI solution establishes a replicable, high-ROI blueprint for global manufacturers with a meaningful ocean/air mix, targeting millions in annual hard savings through reduced air conversions and improved proactive planning.

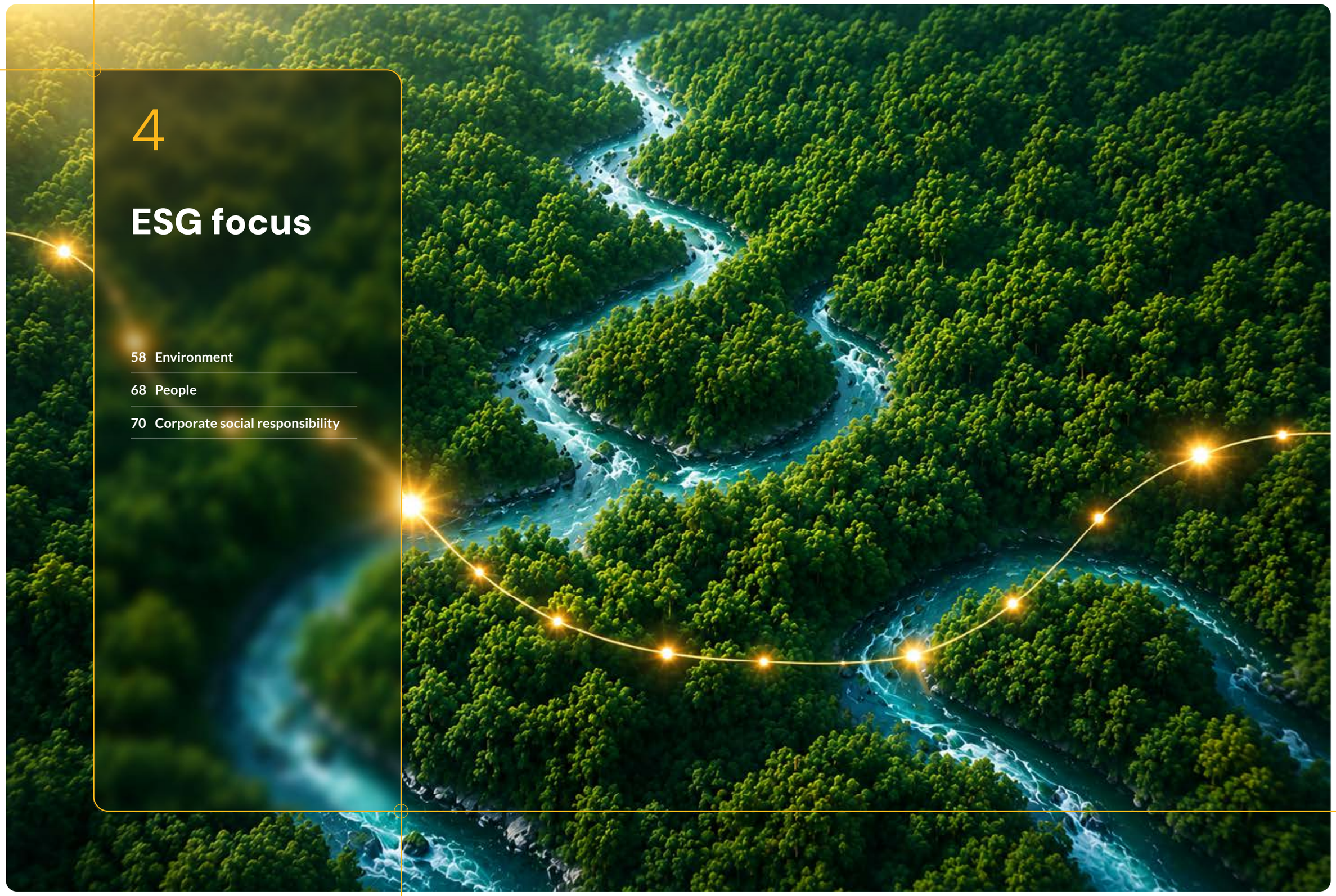
Millions in annual air freight savings targeted via reduced ocean-to-air conversions



4

ESG focus

58 Environment
68 People
70 Corporate social responsibility



Embedding sustainability into strategy and governance

As the urgency of climate action grows, Fractal recognizes that responsible growth and environmental stewardship are fundamental to long-term value creation. As an AI and analytics partner to leading global enterprises, with over 5,000 employees across 19 locations worldwide, we are committed to integrating sustainability into the way we operate, innovate, and grow.

Over the years, our sustainability journey has evolved from foundational carbon accounting efforts into a structured, enterprise-wide program with regular Board oversight. We continue to strengthen measurement, enhance disclosures, and align with leading national and global frameworks to drive transparent, measurable, and credible progress towards our sustainability ambitions.

Sustainability is embedded within Fractal's broader ESG framework, enabling a disciplined approach to managing risks, enhancing accountability, and creating long-term value for stakeholders. Our ambition is to advance towards net-zero emissions while promoting responsible business practices that benefit our clients, employees, communities, and the environment.



Key 2025-26 milestones

Climate disclosure	• Continued reporting through the CDP Climate Change Questionnaire and the EcoVadis assessment platform.
CDP score	• Achieved a B Rating on the CDP Climate Change Questionnaire.
Materiality assessment	• Conducted a Double Materiality Assessment, building on the Company's previous materiality exercise. • Assessment aligned with the European Sustainability Reporting Standards (ESRS). • Evaluated both impact materiality and financial materiality to identify and prioritize ESG issues most relevant to Fractal and its stakeholders, including its value chain.

ESG governance

Governance of ESG matters is anchored at the highest level through the Board-level CSR and ESG Committee, which meets quarterly to provide strategic oversight and guidance. Regular updates from the CEO and Chief Sustainability Officer (CSO) ensure alignment between sustainability priorities and business execution.

Implementation is driven by the cross-functional ESG Steering Committee, known internally as the ESG Taskforce (ESTA), established in 2022 and chaired by the CSO. Comprising senior leaders from across the organization, ESTA integrates ESG considerations into key business decisions and drives coordinated action across functions.

The Chief Sustainability Officer, along with ESTA, is responsible for assessing and managing environmental dependencies, impacts, risks, and opportunities, while also reviewing future trends to ensure preparedness. Responsibilities include setting and monitoring corporate environmental policies and commitments, as well as measuring progress toward both corporate and science based targets. The role also involves developing climate transition plans and overseeing environmental reporting, audits, and verification processes to maintain accountability and transparency.

The Corporate Social Responsibility (CSR) Program, also integrates with the broader corporate vision and by way of its CSR Policy, works to create impact and equitable outcomes. It is worth mentioning that having a senior level cross-functional task force and steering committee (the ESTA) enables integration of net-zero goals into facilities design, sustainable procurement, and inclusion.

The Fractal Sustainability Project (FSP) team serves as the core group to execute and implement these initiatives, ensuring strategies are effectively translated into action across the organization. Progress is reported quarterly to the Board level CSR and ESG Committee, strengthening governance and oversight.

ESG governance framework

Board-level CSR and ESG Committee

Group CEO, CEO and Chief Sustainability Officer (CSO)

ESG Task Force (ESTA) or Steering Committee (including the above and other select functional heads, Chair: CSO)

Fractal Sustainability Project Team

Our climate vision

We are committed to advancing a low-carbon future by establishing near- and long-term emissions reduction targets and working towards alignment with the Science Based Targets initiative (SBTi). Guided by an ambition to achieve Net Zero emissions by or before 2040, we are embedding sustainability into our business strategy, operations, and decision-making processes.

Through a structured roadmap, we are implementing climate-focused initiatives across the organization and investing in sustainable technologies, processes, and partnerships that support long-term environmental resilience and responsible growth.

Our ambition is to advance towards net-zero emissions while promoting responsible business practices that benefit our clients, employees, communities, and the environment.

Environment



Responsible infrastructure and sustainable operations

We continue to embed sustainability into our infrastructure and workplace operations by aligning our facilities with globally recognized environmental and wellness standards. Until FY 2024–25, our key offices in Mumbai, Gurugram, and Bengaluru represented approximately 86% of our operationally controlled real estate footprint and around 70% of our global real estate footprint (in terms of span). In FY 2025-26, our key offices in Mumbai, Gurugram, and Bengaluru (including the two new facilities) represent 89% of our operationally controlled real estate footprint, and around 82% of our global real estate footprint. Fractal Mumbai and the Bengaluru facilities are powered by renewable energy, and are both LEED Gold certified, with the newer Bengaluru facilities currently undergoing LEED and WELL Certification post their launch in May 2025. Beyond environmental performance, our Mumbai office — our largest facility — is certified WELL Platinum, reflecting an equal focus on occupant health, comfort, and well-being. With the addition of two new facilities, in Bengaluru, Fractal continued its commitment to decarbonization by procuring green power for these two locations as well in FY 2025-26.

In parallel, we continue to strengthen operational excellence through internationally recognized management systems. Our offices in Mumbai, Gurugram, and one Bengaluru location are already ISO 27001 (Information security, cybersecurity and privacy protection — Information security management systems), ISO 14001 (Environmental management systems), ISO 45001 (Occupational health and safety management systems) certified (two years in a row), while two new facilities are progressing toward certification. Together, these initiatives reinforce our commitment to building safe, sustainable, efficient, and future-ready workplaces that support both environmental stewardship and employee well-being.

Driving emissions transparency and performance

Fractal has been practicing carbon accounting and maintaining a GHG inventory since its baseline year of FY 2019–20 and has obtained independent third-party assurance of its emissions inventory. For every fiscal since — FY 2019–20 to FY 2025–26, seven consecutive years — in line with the AA1000AS Standard (Moderate Assurance), applying an operational control approach. We continue to strengthen our measurement and reporting practices and to seek independent assurance of our GHG emissions. This independent assurance covers all years of Fractal's carbon accounting/GHG inventory for its facilities, including Fractal's three largest facilities in India, which account for approximately 82% of the global leased real estate and around 89% of the leased real estate (in India) under an operational control approach.

While FY 2019–20 has been considered as the baseline year for emissions tracking, currently, the evolving scope and boundary of operations (including the addition of new facilities and expanded coverage of value chain categories such as Purchased Goods and Services and Capital Goods) have influenced overall comparability of emissions data over time.

In FY 2025–26, Fractal expanded its real estate footprint with the addition of two new facilities in Bengaluru, which became operational during the year. This expansion has contributed to an overall increase in emissions impacting Scope 3 categories due to broader operational and value chain activities. Fractal also listed on the National Stock Exchange, and the Bombay Stock Exchange in February 2026. Along with business growth, the expenses incurred due to IPO-related activities have contributed to a one-time increase in Fractal Scope 3 (Category 1) emissions. Additionally, Fractal deepened its Scope 3 Category 1 and Category 2 reporting, covering additional materially relevant items.

Since the methodology currently follows a spend-based approach, emissions will reflect higher values. In successive years, Fractal may change its methodology and that will also further refine the emissions portrait. It is important to note that Fractal increased its share of renewable energy across its facilities and continued to increase the usage of electric vehicles for business needs.

Fractal's two new facilities, inaugurated in May 2025, are also on green energy and have prevented an increase in Scope 2 emissions due to this green initiative.

Because the current assessment reflects this expanded boundary, year-on-year figures are not directly comparable with earlier periods and should be read as representing Fractal's present expanded operational footprint rather than like-for-like change. Reporting on the updated boundary nonetheless provides a clearer and more complete view of emission trends and of the effectiveness of ongoing reduction initiatives. Without the impact of the expanded boundary and added categories, Fractal has continued to do well on the Scope 1 and Scope 2 vectors. It also reported reductions in certain Scope 3 categories due to targets and initiatives aimed at decarbonization of these categories.

GHG emission performance and reduction strategy

Measurement and monitoring

Fractal has obtained independent third-party assurance of its emissions according to the AA1000AS Standard (Moderate), for the below mentioned fiscals.

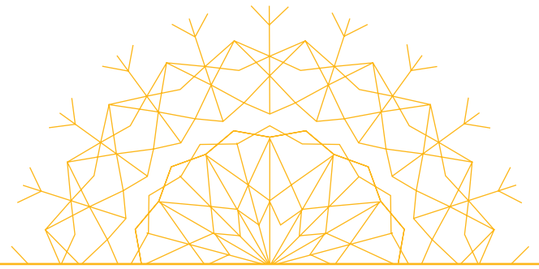
The table below shows Fractal's emissions from FY 2019-20 to FY 2025-26, across its operationally controlled boundary.

(MT CO2e)

Scope	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20
Scope 1	45	97	136	178	174	174	194
Scope 2	65	64	70	305	590	686	1,012
Scope 3	18,127	5,510	1,236	1,536	970	736	2,176
Total	**18,237***	**5,671**	**1,443**	**2,018**	**1,735**	**1,595**	**3,382**

***Note**

1. Until FY 2024-25, the above GHG inventory comprised Fractal's three largest facilities in India, which accounted for 70% of the global leased real estate, or 86% of the operationally controlled leased real estate. In FY 2025-26, this boundary was broadened to include Fractal's two new facilities in Bengaluru — leading to an expansion in operational boundary.
   a) The two new facilities are powered by a mix of green energy to support Fractal's GHG Emission reduction goals.
2. FY 2025-26 also saw a deepening of Scope 3 reporting in Category 1 (Purchased Goods and Services), and Category 2 (Capital Goods) using a spend-based approach, best suited to identify emissions concentrations/hotspots.
   a) A spend-based EEIO approach (specifically, the USEEIO database 2022 factors) was used, for finer spend categories.
   b) Fractal will continue to engage with its value chain, to get activity-based data for its Scope 3 emission Categories.
3. The FY 2025-26 period witnessed the launch and completion of Fractal's Initial Public Offering (IPO), on the Bombay Stock Exchange (BSE), and the National Stock Exchange (NSE). This event expectedly contributed to Scope 3, and hence overall emissions.



We continue to embed sustainability into our infrastructure and workplace operations by aligning our facilities with globally recognized environmental and wellness standards.

Environment

Scope 1 emissions

Our Scope 1 emissions, which comprise direct emissions from company-controlled sources such as fuel consumption and refrigerants, declined during FY 2025–26 compared to the previous year. This reduction reflects our continued focus on improving operational efficiency and adopting lower-emission technologies across our facilities. Through targeted investments and infrastructure upgrades, we are working to systematically reduce direct emissions while supporting our broader decarbonization goals.

Key initiatives

- Continued transitioning to energy-efficient HVAC systems to optimize energy consumption and improve operational efficiency.
- Progressively replacing air-conditioning and water-cooling units that use high global warming potential (GWP) refrigerants with more sustainable alternatives.
- Procuring low-GWP refrigerators for newly established office locations.
- Installing water dispensers without refrigeration systems, thereby eliminating refrigerant-related emissions.
- Ensuring the responsible disposal of end-of-life cooling equipment in accordance with applicable Pollution Control Board guidelines.
- Continued replacing retired equipment with low-GWP and non-refrigerant alternatives to further reduce direct emissions.

While emissions performance varies across scopes, we continue to implement a broad range of initiatives that support decarbonization, resource efficiency, circularity, and responsible operations across our business.

Scope 2 emissions

Our Scope 2 emissions, which arise from purchased electricity, remained stable during FY 2025–26 despite the expansion of our operational footprint. This performance was supported by our continued investment in renewable energy, with more than 93% of the energy consumed across our operationally controlled facilities, including the two new Bengaluru offices added during the year, sourced from renewable power. As a result, we were able to significantly moderate our Scope 2 footprint and avoid an increase in emissions associated with business growth.

Key initiatives

- Continued green energy sourcing, with more than 93% of total electricity consumption, (of operationally controlled facilities) from renewable sources.
- Extending green power procurement to both newly operational Bengaluru offices.
- Operating all facilities within the GHG reporting boundary (operational control) from LEED-certified buildings, supporting higher standards of energy efficiency and environmental performance.
- Designing new facilities in line with LEED and WELL certification principles, with certification processes for the new operationally controlled facilities currently underway.
- Continuing to prioritize energy efficiency and responsible energy sourcing as core elements of our operational strategy.
- Progressively expanding the adoption of renewable energy across our real estate portfolio to support long-term decarbonization goals.

Scope 3 emissions

Our Scope 3 emissions, which comprise indirect emissions across the value chain, increased during FY 2025–26 compared to the previous year. This increase primarily reflects the expansion of our reporting boundary, enhanced disclosure practices, and one-time business activities, resulting in a more comprehensive representation of our value chain impacts.

A key factor contributing to the increase included Fractal's continued use of a spend-based methodology for Scope 3 Categories 1 and 2, which captures emissions based on expenditure data.

Despite the increase, we remain focused on reducing value chain emissions through targeted interventions, improved data quality, and strategic investments in sustainability. We continue to strengthen responsible procurement practices, increase resource efficiency, promote circularity initiatives, and collaborate with stakeholders across our value chain to support long-term decarbonization efforts. These actions reinforce our commitment to managing Scope 3 emissions while building a more sustainable and resilient value-chain ecosystem.

Key initiatives across emission scopes

While emissions performance varies across scopes, we continue to implement a broad range of initiatives that support decarbonization, resource efficiency, circularity, and responsible operations across our business.

Electric mobility transition

- Continued the progressive transition to electric vehicles (EVs) across business travel and employee transportation.
- Continued efforts to grow our EV fleet - now covering approximately 75% of business travel distance and 36% of night transport distance, with the latter targeted to reach 50% by 2030.
- Expanded EV integration across leased surface transport while maintaining year-on-year improvements in adoption rates.

Responsible travel practices

- Implemented structured travel policies to encourage efficient travel planning.
- Promoted carpooling, shared mobility, and optimized travel practices to reduce travel-related emissions from business travel and employee commuting.

Water efficiency and smart monitoring

- Continued to operate from LEED-certified buildings equipped with water-efficient infrastructure.
- Utilized sewage treatment plants (STPs) that recycle and reuse wastewater for non-potable purposes such as flushing and landscaping.
- Invested in smart utility and water monitoring systems to improve resource efficiency and reduce wastage.
- Initiated a floor-level monitoring pilot to evaluate both invasive and non-invasive technologies for scalable water management solutions.

Responsible waste and e-waste management

- Segregated waste into recyclable (open-loop), recyclable (closed-loop), and landfill/energy recovery streams, in accordance with applicable regulatory requirements.
- Ensured ethical disposal of e-waste through authorized and certified recycling partners across relevant jurisdictions.
- Obtained disposal certificates to maintain traceability and demonstrate compliance with environmental regulations.

Improving scope 3 data and supply chain engagement

- Enhanced the tracking and reporting of Purchased Goods & Services (Category 1) and Capital Goods (Category 2) emissions.
- Increased integration of sustainability considerations into procurement processes and supplier engagement initiatives.
- Continued efforts to improve emissions traceability and data quality across the value chain.

Sustainable workplace practices

- Encouraged the use of reusable mugs to reduce paper cup consumption.
- Promoted the use of glass bottles in place of single-use plastics.
- Increased the use of recycled and environmentally preferable products, including stationery made from recycled materials.
- Adopted eco-friendly cleaning materials and responsible disposal practices across facilities.

Indoor air quality and healthy workplaces

- Implemented advanced Indoor Air Quality (IAQ) monitoring systems across key offices in Mumbai, Bengaluru, and Gurugram.
- Enabled real-time monitoring of PM2.5, PM10, CO2, VOCs, temperature, and humidity.
- Deployed MERV 13/14 filtration systems, air purification units, UVGI technology, and IoT-enabled controls to enhance workplace air quality.
- Reinforced our commitment to employee health, safety, and well-being through healthier indoor environments.



Focusing on what matters most

Identifying and prioritizing the sustainability issues that matter most to our business and stakeholders is central to our ESG strategy. A robust materiality assessment enables us to understand the environmental, social, and governance topics that have the greatest impact on our stakeholders and long-term value creation. It also helps us focus our efforts, strengthen risk management, and integrate sustainability considerations into strategic decision-making.

ESRS-Aligned Double Materiality Assessment

To achieve long-term success as a responsible and sustainable business, it is important to understand and resolve the material issues impacting our performance and guiding the perception and decisions of our stakeholders.

Fractal conducted its initial materiality assessment for the FY 2021–22 reporting period in alignment with the GRI Standards, identifying the ESG issues most relevant to the organization and its stakeholders. Building on this foundation, Fractal has further enhanced its approach by undertaking a Double Materiality Assessment (DMA) based on FY 2024–25 data.

The objective of the DMA is to provide a comprehensive understanding of the company's most relevant sustainability-related Impacts, Risks, and Opportunities (IROs), considering both impact materiality and financial materiality perspectives. The assessment has been conducted in alignment with the European Financial Reporting Advisory Group (EFRAG) 'Implementation Guidance 1: Materiality Assessment Implementation Guidance', which, where applicable, serves as a comprehensive framework for assessing and disclosing climate-related risks and opportunities alongside periodic double materiality exercises.

Our four-step assessment process

The double materiality assessment followed a structured, four-step process, summarized below.

- Value chain identification
- Determine ESG matters
- Identify impacts, risks and opportunities
- Assessment and determination

1. Value chain identification

Understanding the value chain is fundamental to assessing how the organization creates and delivers value across its ecosystem. As part of the Double Materiality Assessment, Fractal defined the scope and boundary of its operations and systematically mapped its value chain to capture key activities, dependencies, and relationships. This exercise enabled the identification of significant ESG impacts, risks, and opportunities arising not only within internal operations but also across upstream and downstream interactions.

The assessment considered engagements with suppliers and service providers on the upstream side, and with clients on the downstream side, along with a broader set of stakeholders including employees, the Board of Directors, communities, investors, and regulatory authorities who influence and are impacted by the organization's sustainability performance.

2. Determine ESG matters

Using a combination of internal documentation, peer benchmarking, stakeholder engagement, and sector research, we identified more than 30 potential sustainability-related impacts, risks, and opportunities relevant to our business and stakeholders.

3. Identify impacts, risks, and opportunities

Mapped each identified IRO to applicable ESRS standards (E1 - S4, G1) and established traceability across sources and affected stakeholder groups. Insights from stakeholder surveys — covering both internal and external groupings, including employees, Board of Directors, clients, investors, suppliers, communities, and regulators — were incorporated into the assessment, and thresholds were subsequently refined and finalized in alignment with internal discussions.

To ensure we fully integrated the financial and risk perspective, we considered the enterprise-wide risk register results as part of the process. Further, we reviewed several industry reports as well as academic research papers.

4. Assessment and determination

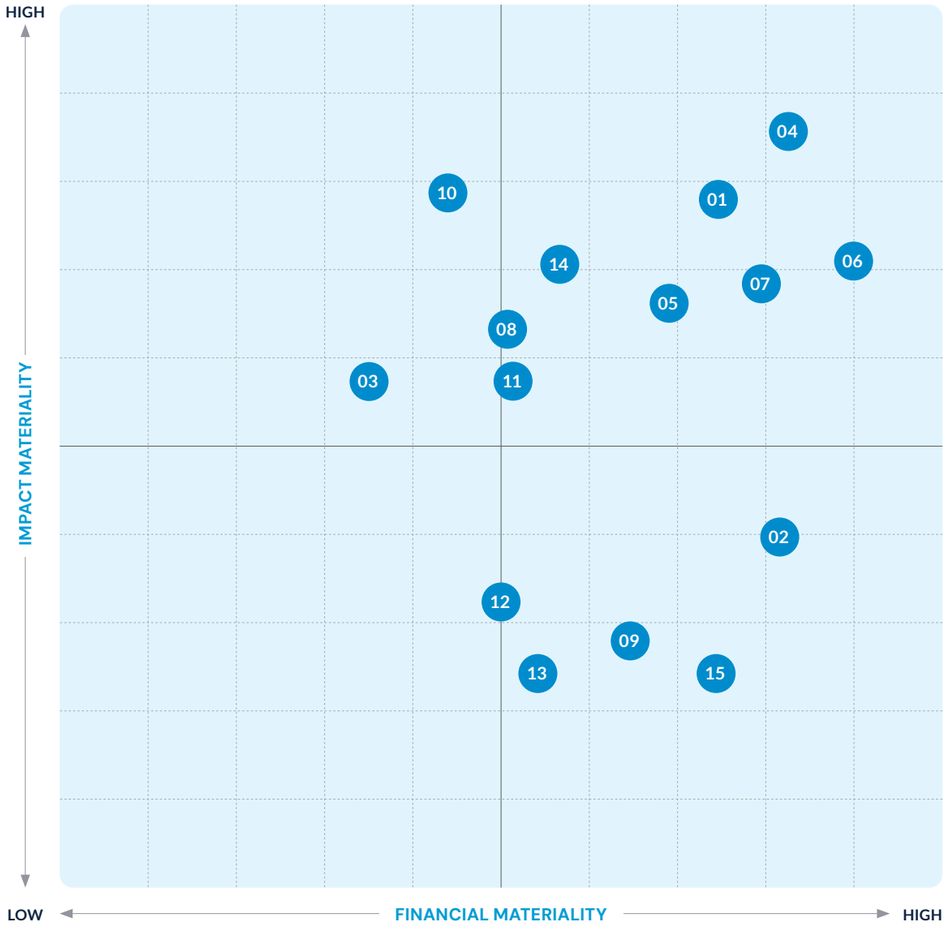
Conducted impact materiality scoring based on EFRAG's four dimensions — scale, scope, irremediability, and likelihood, using a 1–5 scoring approach supported by stakeholder input and internal validation. Financial materiality was assessed by evaluating the likelihood and magnitude of impact across key financial areas, including costs, revenues, assets, liabilities, and reputation.

Survey responses were integrated with internal scoring to calculate final average materiality scores for each IRO, ensuring balanced stakeholder representation and a robust, data-driven outcome.



Materiality

Material Topics (MTs) and Double Materiality Matrix



01 AI for Operational Efficiency and Workforce Transformation

02 AI Innovation & Market Competitiveness

03 Business Ethics & Corporate Governance

04 Client Experience

05 Continuous Learning, Upskilling & Leadership Development

06 Data Privacy and Cyber Security

07 Enabling Client Sustainability

08 Environmentally Sustainable Operations & Resource Efficiency

09 ESG Data Transparency, Reporting & Disclosure

10 Health, Well-being and Inclusive Culture

11 Responsible AI

12 Responsible Marketing and Communication

13 Service Delivery Continuity & Operational Resilience

14 Talent Attraction and Retention

15 Trade Restrictions and Cross Border Delivery

Results were consolidated into a final set of material ESG topics across Environmental, Social, and Governance dimensions. This was developed into a Double Materiality Matrix plotting impact and financial materiality to highlight priority areas. Survey findings and internal scoring were integrated to derive final materiality scores for each IRO.

Following completion of the DMA process, we further collaborated with the Legal function and aligned the identified IROs with our Enterprise Risk Management (ERM) framework to avoid duplication and to ensure consistency across risk management practices.

The above results of the double materiality assessment have been considered in framing Fractal's guiding and operational principles that support implementation of the ESG policy. The top 10 Material Topics, as per the results of Fractal's ESRS-aligned DMA were ...



- **Client Experience**
- **Data Privacy and Cyber Security**
- **AI for Operational Efficiency and Workforce Transformation**
- **Enabling Client Sustainability**
- **Continuous Learning, Upskilling & Leadership Development**
- **Health, Well-being and Inclusive Culture**
- **Talent Attraction and Retention**
- **AI Innovation & Market Competitiveness**
- **Environmentally Sustainable Operations & Resource Efficiency**
- **Responsible AI**



Nurturing talent, Enabling growth

The fiscal was a year of meaningful progress on the people front - marked by improving retention, deeper employee engagement, strong external recognition, and continued investment in Fractalite's growth and well-being.

We believe that our people are the foundation of our success. Our ability to innovate, create value for clients, and achieve sustainable growth is driven by the talent, passion, and commitment of our people. We strive to align the aspirations of Fractalites with the needs of our business, providing meaningful opportunities, continuous learning, and a supportive work environment that enables them to thrive and achieve their full potential.

Employee engagement and culture

FY26 saw some of our most ambitious employee engagement initiatives come to life.

To celebrate our 25th anniversary, we organized the Fractal Family Day series - a multi-city, multi-country celebration of our people and culture. The series spanned 12 events across 5 countries, welcoming over 7,000 attendees and reinforcing our identity as a truly global organization with a close-knit community at its core.



Builders of Fractal, our structured internal recognition program that focuses on recognizing behaviours that go beyond the day-to-day expectations from the average Fractalite in building a Fractal for all continued to attract strong participation - 4,700+ Fractalites participated; a testament to our commitment of building a culture that endures.

We believe that communication, clarity, and transparency are not just values we aspire to -they are the foundation upon which a culture of trust is built. We continued to foster open communication channels - giving employees direct access to senior leaders and creating forums for candid dialogue, feedback, and alignment. Through our structured engagement programs of weekly town halls, department connects, and skip-level conversations, we ensure that every Fractalite, regardless of their position within the company has access to a mechanism to have their concerns heard and redressed.

Employee wealth creation

In Q2 FY26, we completed a significant ESOP allotment covering 3,491 employees who joined Fractal between February 2022 and June 2025. This allotment reflects our commitment to making Fractalites partners in Fractal's success - ensuring that the value we create as an organization is shared equitably with the people who build it.

Strengthening employee retention

Our people-centric culture, investment in talent development, and focus on employee experience have contributed to strong retention outcomes. Annualized voluntary attrition improved to 15.2% in FY26, compared with 16.3% in FY25, reflecting that a high-trust, high-growth environment is a sustainable foundation for retention.

16.3%
Attrition rate in FY25

15.2%
Attrition rate in FY26

Learning and development

At Fractal, "Learn & Grow" is a core value. We invest in diverse learning opportunities across technical, domain, and leadership skills. Fractal Analytics Academy (FAA) is our in-house technical learning academy designed to host technical training. It curates blended learning courses and certification programs across the Career Grid.

- Fractalites collectively dedicated 424,603 hours to training, averaging 78 hours per learner among 5,439 individuals. This commitment resulted in 67,429 course completions
- Launched 7 courses and 1 specialization, reaching 350,494 learners globally with 90,787 enrollments and a 4.4-star rating. The partnership with Coursera has grown, combining synergies to offer high-quality data science and AI courses.
- FAA facilitated 4,273 certifications. This includes both external and internal certifications validating industry-relevant skills
- FAA secured Bronze awards at the Brandon Hall Group HCM Excellence Awards 2025 for i) Future of Work and ii) Learning and Development. Additionally, MVP Training Magazine recognized our leadership in employee development for the fourth consecutive year.

Diversity and inclusion

We are committed to an inclusive and diverse workplace, especially supporting women in tech. Our 'Imagineer' program continued to play a pivotal role in achieving this goal- we achieved a significant gender diversity milestone this year with 60% of the inducted batch being women. Aspiring to build Fractal for All where everyone belongs, our People Groups continue to engage and support diverse groups, and provide a platform for these individuals to connect, share experiences, and find support within Fractal.

These employee resource groups are voluntary, Fractalite-led that come together to build more inclusive organization for the employee group they represent and serve. It can be constituted by employees who share the same characteristic or can be inclusive of allies. In the current financial year, we have enabled FPGs focused on advancing the cause for Women, Parents and members of the LGBTQ+ communities at Fractal.

Further, our initiatives include referral bonuses for hiring women, lactarium rooms, and recruiting from women-only campuses, all aimed at creating a positive and supportive work environment.

33%
Gender diversity at Fractal

Safety, security, and workplace excellence

We are committed to providing a healthy, safe, inclusive, and productive work environment for all Fractalites. Through regular maintenance, workplace inspections, and health and safety assessments, we strive to ensure that our offices meet the highest standards of employee well-being and operational excellence. Our people policies, including our Diversity, Equity and Inclusion (DEI) framework, Gender-Neutral Prevention of Sexual Harassment (POSH) Policy, and Circle of Care Insurance Program, reinforce our commitment to creating a respectful, equitable, and supportive workplace.

Physical security and compliance management

Protecting our people, assets, and information remains a key priority. We maintain robust physical security measures across our facilities, including access controls, identification systems, biometric authentication, and surveillance monitoring. Our operations are supported by comprehensive compliance and risk management processes aligned with internationally recognized standards, including ISO 14001, ISO 27001, ISO 27701 and ISO 45001.

We regularly review and strengthen our emergency preparedness capabilities through updated response plans, employee training programs, and periodic drills. In parallel, we maintain stringent data protection and information security practices to safeguard sensitive information and ensure compliance with applicable regulatory requirements.

Awards and recognitions

Our commitment to building a high-trust, inclusive, and people-centric workplace continues to be recognized by leading organizations:

- Certified as a Great Place to Work® for the tenth consecutive year, with certifications across India, the United States, the United Kingdom, and the United Arab Emirates
- Recognized among India's Best Companies to Work For 2025, ranking 80th
- Named among the Top 100 Best Workplaces™ for Women for the sixth consecutive year
- Recognized among the Top 25 Best Workplaces™ for Diversity, Equity, Inclusion, and Belonging
- Ranked 22nd on Glassdoor's Best-Led Companies 2025 list

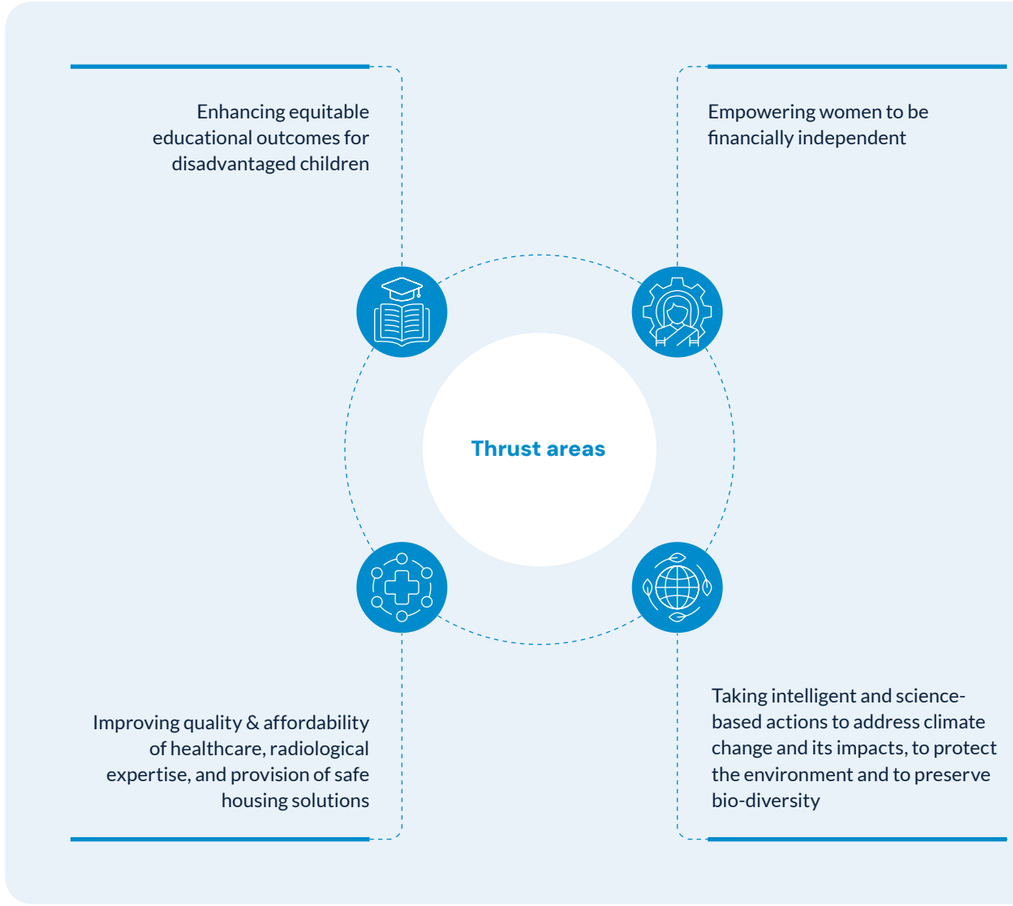
Harnessing intelligence for social good

Our CSR philosophy

At Fractal, our CSR philosophy is grounded in the belief that purposeful action, guided by empathy and insight, can help build a more inclusive and sustainable future. We believe lasting progress is achieved when innovation is applied responsibly to empower communities, protect the environment, and create shared prosperity. Corporate Social Responsibility is an integral part of our approach to creating long-term value for society, the planet, and our stakeholders.

We leverage our core strengths and expertise to address meaningful social challenges where we can drive the greatest impact. By focusing on areas where our capabilities align with community needs, we strive to create shared value and deliver lasting benefits. Through strategic partnerships and focused interventions across our priority areas, Fractal advances its commitment to sustainable development. Our climate action initiatives are aligned with and contribute to the objectives of the United Nations Sustainable Development Goal 13: Climate Action.





Our CSR programs focus on delivering measurable impact by combining grassroots implementation with broader development objectives. Through financial support, employee volunteering, and the application of Analytics and Artificial Intelligence, Fractal works to strengthen program effectiveness and create meaningful, sustainable outcomes for communities.

Impact through imagination

Creating long-term impact through focused thrust areas

Fractal's CSR strategy is anchored in clearly defined thrust areas that align with its CSR Policy and the provisions of Section 135 and Schedule VII of the Companies Act, 2013. These focus areas address social and environmental challenges that are closely aligned with the Company's values and capabilities. Each thrust area is guided by a clear objective, with initiatives designed to deliver meaningful outcomes while adhering to statutory CSR requirements.

Aligned with Fractal's vision of "Intelligence for Imagination," our CSR approach combines empathy with evidence-based decision-making to identify, evaluate, and support high-impact programs. For more than 12 years, Fractal has worked closely with communities through targeted interventions across its core focus areas. During the year, the Company contributed around ₹17 million towards initiatives spanning health, education, livelihoods, and environmental sustainability. These efforts reflect Fractal's ongoing commitment to creating lasting social values and advancing community well-being through purposeful and responsible action.

Corporate social responsibility

CSR projects

1 Advanced healthcare and dignity for the disadvantaged





Implementation Partner
Bhagwan Mahaveer Viklang Sahayata Samiti (BMVSS)

CSR Thrust Area
Better healthcare solutions for the disadvantaged

Objective
Improve access to affordable healthcare solutions that enhance mobility, dignity, and quality of life for underserved individuals.

Impact
Building on its partnership with BMVSS over the past three financial years, Fractal continued its support in FY 2025–26 by enabling access to mobility aids for underprivileged persons with disabilities. The initiative helps beneficiaries regain independence, improve quality of life, and participate more actively in society and the economy. The program is aligned with SDG 3: Good Health and Well-being.

295
Artificial limbs

70
Crutches

40
Wheelchairs

40
Hand paddled tricycles

100
Behind the Ear (BTE) hearing aids

2 Building climate resilience and empowering rural communities





Implementation Partner
BAIF Institute for Sustainable Livelihoods & Development

CSR Thrust Areas
Addressing Climate Change and Empowering Disadvantaged Rural Communities

Objective
Promote climate-resilient agriculture, biodiversity conservation, sustainable natural resource management, waste circularity, and community capacity building.

Impact
Fractal continued its three-year partnership with BAIF in FY 2025–26 through the Harvesting a Nature Positive Farming Model for People and the Planet initiative in Maharashtra. The program advanced climate-resilient agriculture and sustainable livelihoods by conserving agrobiodiversity, reviving traditional crops through community-managed seed systems and nutrition gardens, and promoting nature-positive farming and watershed-based interventions. It also encouraged agro- and livestock-waste circularity through biogas models and organic input production, restored pollinator habitats, and strengthened community capabilities through farmer field schools, exposure visits, and local resource training. The initiative aligns with SDGs 7, 8, 10, 12, 13, and 15, reinforcing Fractal's commitment to sustainable development and rural resilience.



Corporate social responsibility

CSR projects

3 Bridging STEM access through math and science support





Implementation Partner
Avanti Fellows

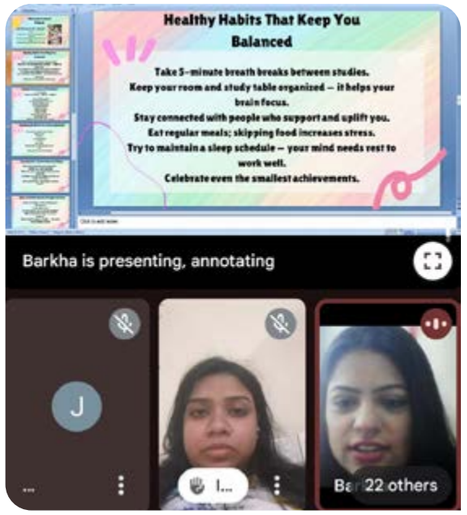
CSR Thrust Area
Enhancing Equitable Educational Outcomes for Disadvantaged Students

Objective
Reduce educational inequity by improving access to quality education, skill development, and academic preparedness for students from underserved backgrounds.

Impact
Through its support of the Math and Science Foundation program, Fractal is helping expand STEM opportunities for underserved students. The initiative strengthens advanced Mathematics and Science learning for Grade 9 and 10 students, improving academic readiness and preparing them for competitive examinations such as JEE and CET. It also builds confidence, develops critical life skills, and encourages greater participation of girls in STEM fields, including Physics, Chemistry, Mathematics, and Engineering. The program aligns with SDG 4 (Quality Education) and SDG 5 (Gender Equality).

115
Underserved students in Grade 9 and Grade 10 in Pune

4 Educational scholarship program for female students



16
Scholarships for 16 deserving lady scholars

Implementation Partner
Concern India Foundation

CSR Thrust Areas
Enhancing Equitable Educational Outcomes and Empowering Women to be Financially Independent

Objective
Enable deserving young women from underserved communities to pursue higher education by providing financial assistance, mentorship, counselling, and career guidance.

Impact
In the third year of the program, Fractal supported 16 female scholars, including 13 continuing students and 3 new high-merit entrants to reputed institutions. The cohort comprised students pursuing both STEM and non-STEM disciplines aligned with their aspirations. By easing financial barriers and providing ongoing mentoring and skill-development support, the initiative helped scholars focus on their education, build confidence, and prepare for future opportunities. The program advances Fractal's commitment to expanding access to higher education for girls and aligns with SDG 4 (Quality Education) and SDG 5 (Gender Equality).



Corporate social responsibility

CSR projects

5 Enabling financial independence through skill-based livelihood training





Implementation Partner
Concern India Foundation

CSR Thrust Area
Empowering Women to be Financially Independent

Objective
Equip underprivileged women with industry-relevant skills and workplace readiness to improve employability and access to sustainable livelihood opportunities.

Impact
Through its partnership with Concern India Foundation, Fractal supported a skill-development program focused on Customer Relationship Management, enabling women to build job-ready competencies aligned with the National Skill Qualification Framework (NSQF). All 60 participants successfully completed the training and earned Sector Skill Council certification following external assessment. More than 75% of the certified women secured formal employment across sectors including Logistics, Hospitality, Banking, Finance, Insurance and Microfinance. By strengthening employability and facilitating access to stable jobs, the initiative enhanced financial independence and livelihood security, contributing to SDG 4 (Quality Education), SDG 5 (Gender Equality), and SDG 8 (Decent Work and Economic Growth).

60
Unemployed women from economically underprivileged backgrounds trained

6 Supporting positive menstrual health interventions for young girls



Implementation Partner
United Way Mumbai

CSR Thrust Areas
Empowerment of Women and Better Healthcare Solutions

Objective
Improve menstrual health and hygiene management among adolescent girls by increasing access to essential hygiene products and fostering awareness in a supportive environment.

Impact
In FY 2025–26, Fractal partnered with United Way Mumbai to support menstrual health interventions for adolescent girls in low-income schools across Mumbai. The initiative provided sanitary products, hygiene essentials, and awareness sessions aimed at improving understanding of menstrual health and challenging common misconceptions. Teachers and community members were also engaged to create a more supportive ecosystem. Through this program, 2,300 girls across 23 schools benefited from improved access to menstrual hygiene resources and greater awareness, helping reduce barriers to education and enabling them to participate in school with increased confidence and dignity. The initiative aligns with SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), and SDG 5 (Gender Equality).

2,300
Girls across 23 schools benefited through the program



Corporate social responsibility



Engaging fractalites for community impact

Employee participation plays a critical role in strengthening Fractal's CSR impact and reinforcing a culture of empathy and inclusion. Fractal actively encourages employees to participate in volunteering and community service through impactful programs that integrate social purpose with employee engagement.

A. Secret santa campaign

Fractal's annual Secret Santa campaign saw the participation of 363 Fractalites, who sponsored 955 learning, creativity, and hygiene kits valued at INR 4.78 lakh for students in municipal schools across Pune, Mumbai, Chennai, Bengaluru, and Gurugram. Implemented in collaboration with NGO partners and local schools, the initiative ensures support is aligned with students' needs. Employees also participated in distribution events, creating meaningful interactions and reinforcing the impact of their contributions. Over the years, Secret Santa has become one of Fractal's most engaging employee volunteering programs.



B. Sports for a cause: Marathon and dream run sponsorships

Fractal continued to promote employee-led community engagement through participation in marquee running events, including the TCS World 10K Bengaluru, Vedanta Delhi Half Marathon, and Tata Mumbai Marathon during FY 2025–26. Aligned with the Company's CSR focus on improving educational outcomes for disadvantaged children, these events serve as a platform to raise awareness and encourage collective action for the cause.

Employee participation continued to grow across locations, with over 30 Fractalites participating in the TCS World 10K Bengaluru, more than 40 employees joining the Vedanta Delhi Half Marathon, and over 50 employees taking part in the Tata Mumbai Marathon across various race categories. These initiatives reflect Fractal's commitment to fostering a culture of purpose, wellness, and community involvement.





C. Reaffirming our commitment to inclusion

Fractal's commitment to inclusion extends beyond community programs and is reflected in initiatives that empower employees and support women-led enterprises.

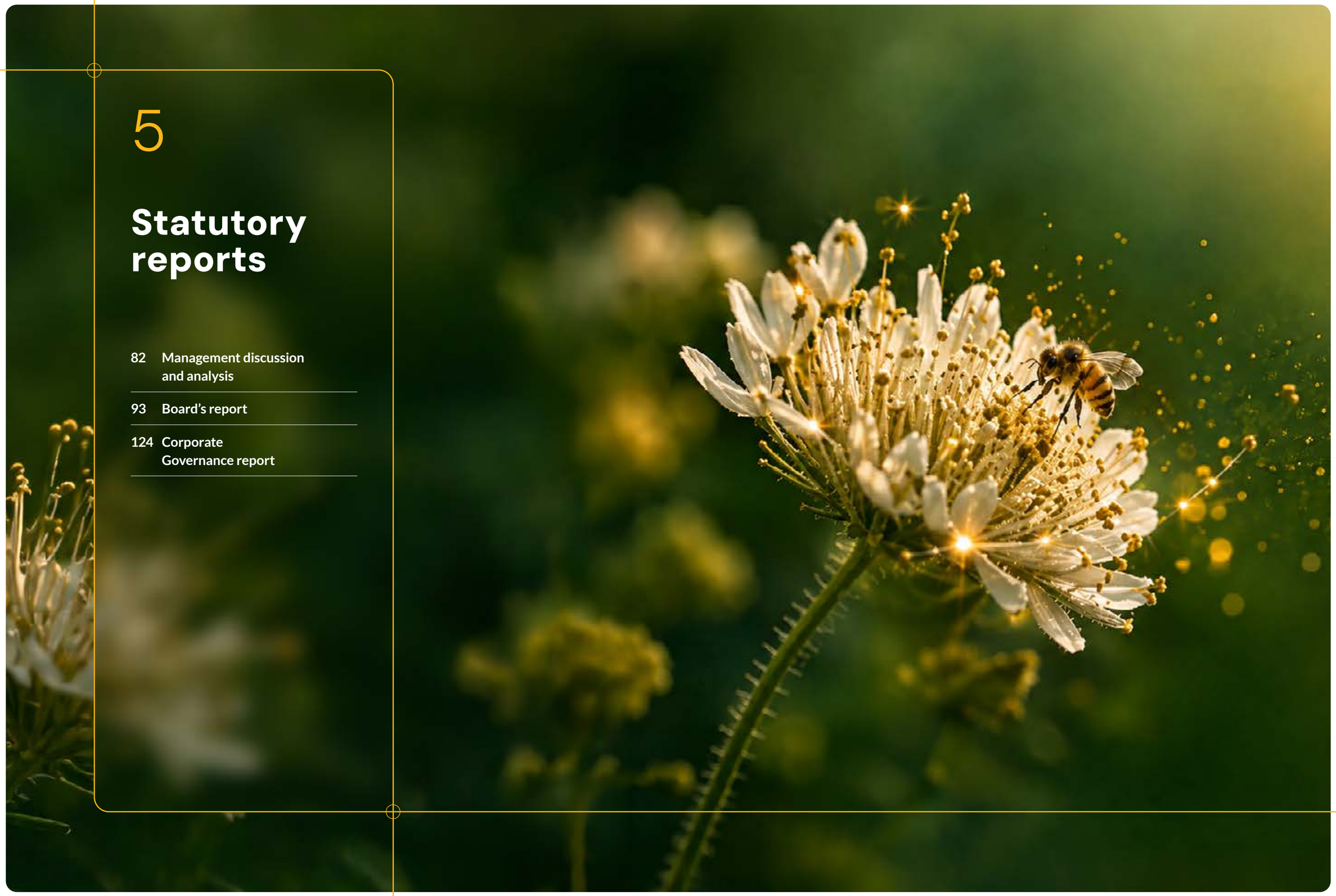


Financial wellness sessions

Conducted in partnership with a women-led social venture, these sessions provided practical guidance on personal finance and financial planning, promoting greater financial awareness and independence among employees.

Organized across Fractal's India offices to mark International Women's Day, these workshops were conducted in collaboration with women-led enterprises, supporting entrepreneurship while encouraging creativity and participation. More than 177 employees engaged in the workshops, celebrating inclusion, creativity, and the contributions of women entrepreneurs.





5

Statutory reports

82 Management discussion and analysis

93 Board's report

124 Corporate Governance report

Management discussion and analysis

Fractal is a globally recognized pure-play enterprise AI company trusted by 100+ Fortune 500®-sized enterprises to power decision-making through AI services, solutions, and products, anchored by Cogentiq, our flagship agentic AI platform. Fractal designs, builds and delivers end-to-end AI solutions for our clients across industries leveraging our technical, domain and functional capabilities and expertise built over our operating history of over 26 years. Our domain expertise spans across our focus industries of consumer-packaged goods ("CPG") & retail (together with CPG, "CPGR"), technology, media and telecom ("TMT"), healthcare and life sciences ("HLS"), banking, financial services and insurance ("BFSI") and Others (Industrials, Energy, Travel and others).

Industry structure and developments

The Data, Analytics and AI (DAAI) services market remains a strategic priority for enterprise digital transformation. The market accounted for an estimated 31.9% (US$143 billion or ₹12 trillion) of total third-party digital services spend in Fiscal 2025 and is expected to reach 44.1% (US$310 billion or ₹26 trillion) by Fiscal 2030. Within DAAI, the core AI-led services segment accounted for 32.1% (US$46 billion or ₹4 trillion) in Fiscal 2025 and is projected to reach 55.4% (US$172 billion or ₹14 trillion) by Fiscal 2030. Generative AI is driving outsized growth, with Gen AI-led services estimated at US$14 billion (₹1 trillion) in Fiscal 2025, expected to grow at approximately 53% CAGR through Fiscal 2030.

Business Overview

Founded in 2000, we are a globally recognized enterprise artificial intelligence ("AI") company (source: Everest Report), with a vision to power human decisions in our clients' enterprises by leveraging AI. We support large global enterprises with data-driven insights and assist them in their decision making through our end-to-end AI solutions. We build our AI solutions by leveraging our technical, domain and functional capabilities built over our operating history of over 26 years. As of March 31, 2026, our full suite of AI solutions is organized under two segments: Fractal.ai (comprising AI services and AI products primarily hosted on Cogentiq) and Fractal Alpha (comprising AI businesses). Through these two segments, we cater to the diverse business needs of our clients across industries and business functions.

We work with large global enterprise clients to help them navigate the entire life cycle of AI transformation from ideation to adoption to drive decisions in the enterprise. We aim to become a trusted partner to our clients. We focus on our "Must Win Clients" ("MWC"s), who we define as our clients (i.e. we recognised revenue from them in the trailing 12 months) who are enterprises that meet one of three criteria: (1) over US$10 billion in annual revenue, (2) over US$20 billion in market capitalization, or (3) over 30 million end-customers. As of March 31, 2026, we served 104 MWCs.

Our domain expertise spans across our focus industries of consumer-packaged goods ("CPG") & retail (together with CPG, "CPGR"), technology, media and telecom ("TMT"), healthcare and life sciences ("HLS") and banking, financial services and insurance ("BFSI"). As of March 31, 2026, we worked with nine of the top 20 CPG companies, six of the top 20 TMT companies, three of the top 20 BFSI companies, eight of the top 20 HLS companies and five of the top 20 retail companies based on Fiscal 2025 revenue.

We are a client-centric company, which focuses on prioritizing our clients' success and creating long-term value for them. Our "client first" value is reflected in the tenure of our relationship with our top clients and our Net Promoter Score ("NPS") based on client surveys. We have served our top ten clients by revenue in the year ended March 31, 2026 (who contributed 52.5% to our revenue from operations in our Fractal.ai segment) for an average of more than eight years. Our NPS for our Fractal.ai segment was 78 and 77 in FY26 and FY25 respectively.

Fractal.ai

For our Fractal.ai offerings, we typically enter into master service agreements ("MSAs") that govern the overall relationship and terms of arrangement with the client. For each engagement under the MSA, we enter a separate statement of work ("SOW") with the client. These SOWs define the scope, timing, pricing terms and performance criteria for each individual engagement under the respective MSA. Our MSAs have three principal types of pricing models: (i) time and material; (ii) fixed price, and (iii) output based, depending largely on a client's preference and internal specifications. The fees we charge our clients depend on the type of contracts, the type of engagement, the AI offering provided to a client, the mix, and locations of personnel involved.

Fractal Alpha

For our AI products, we enter contracts based on different pricing models, such as licensing fees, subscription fees, fixed price, time and material contracts, or a combination of these pricing models. For example, for some of our AI products we charge an implementation fee and a post- implementation fee for installations, training and maintenance and support services. For many of our AI products services, the contracts typically have a term of two to three years.

Our Strengths

- Globally recognized pure-play enterprise AI company
- Strategic long-term partnerships with marquee clients across industries
- Strong vertical and functional expertise across CPGR, TMT, HLS and BFSI
- Deep AI R&D powering solutions, products and platform
- Culture of trust, transparency and freedom to nurture great talent
- Founders-led management team focused on building Fractal for the long-term

Outlook

As we begin FY27, we are building on a solid foundation that enhances our ability to drive revenue synergies.

Unified GTM: We sharpened this into three pillars, one platform, one go-to-market: AI-led Transformation (AIT), AI Foundations (AIF), and AI Work & Workforce (AIW) - addressing the three dimensions every enterprise must get right to scale AI: reimagining business processes, modernizing technology foundations, and enabling workforce transformation.

Each pillar is delivered through integrated teams of AI, engineering, design, and domain specialists, with Cogentiq, our flagship agentic AI platform, powering solutions across all three. One go-to-market through a common commercial office brings them to clients as a single, integrated capability – rather than three separate practices – enabling enterprises to scale AI adoption, accelerate value creation, and drive sustainable business transformation.

Pillar 1 - AI-led Transformation (AIT)

The process dimension: helping clients reimagine business workflows with AI to drive measurable outcomes.

Pillar 2 - AI Foundations (AIF)

The technology dimension: driving higher performance of AI models with enterprise data, including governance, responsible AI, and technology modernization.

Pillar 3 - AI Work & Workforce (AIW)

The people dimension building enterprise-wide AI fluency and proving its business value.

Each business unit is accountable for client impact and orchestrates the AIT-Functional, AIT-Customer, AIF and AIW teams behind the scenes to deliver software driven, industry contextualized solutions to the clients.

Cogentiq Platform: With Cogentiq, platform revenue is expected to accelerate, driving margin expansion further in FY27.

Fractal Alpha Momentum: Product businesses growing 40%+ represent high-margin, scalable revenue streams expected to contribute meaningfully to portfolio margin expansion in FY27.

Capital Deployment: Strong cash position (₹20.5 billion) enables disciplined inorganic growth through M&A while maintaining financial flexibility for organic investments in R&D, talent, and infrastructure.

Looking back on our accomplishments and forward to the future, we are confident that the insights gained and strategies implemented will enable us to execute more effectively in FY27. We are eager to embrace upcoming opportunities and remain committed to maximizing every chance that comes our way.

Opportunities

1. Enterprise AI Transformation Acceleration: Despite macroeconomic uncertainty, enterprises prioritize AI-led transformation to drive competitive advantage, margin expansion, and operational agility. The stickiness of revenue represented in Must-win-client count, long average tenure of top clients, net revenue retention and NPS demonstrates enterprises' commitment to long-term AI partnerships.
2. Platform Monetization: Cogentiq adoption is transitioning from POC to production deployment, creating recurring, high-margin revenue streams across AIT, AIF, and AIW pillars.
3. Vertical Expansion: Healthcare & Life Sciences growth (13.8% to 19.3% of revenue) and European market acceleration (17.7% to 19.9% of revenue) signal successful vertical and geographic expansion.
4. Fractal Alpha Scaling: Fractal Alpha's adjusted segment losses have narrowed consistently: ₹ 539 million (FY23) → ₹ 443 million (FY24) → ₹ 257 million (FY25) → ₹ 146 million (FY26), a 43% reduction year-on-year in FY26, even as investments in sales and R&D continued. The segment is on a clear path toward profitability with a structurally improving margin profile.
5. M&A Optionality: Strong cash position (₹20.5 billion) enables disciplined inorganic growth to acquire complementary capabilities, verticals, or geographies.

Threats and Risk Mitigation

1. Enterprise Budget Constraints: Macroeconomic headwinds and cost pressures may slow AI spending. Mitigation: Long-term client relationships (8+ years avg.), outcomes-based pricing, and portfolio diversification across verticals and geographies.
2. Talent Scarcity: AI engineering and domain expertise remain constrained. Mitigation: Strong culture (GPTW), competitive compensation, ESOP participation, and continuous R&D investment (6.4% of revenue).
3. Technology Disruption: Rapid evolution of AI models and platforms. Mitigation: Active R&D investments, platform-first strategy with Cogentiq, and functional/domain expertise that compounds technology value.
4. Competitive Intensity: Traditional IT services and new AI entrants. Mitigation: Pure-play AI company, deep vertical expertise, proven outcomes, and founder-led culture.

Financial Performance Overview

We have achieved consistent revenue growth. Our revenue from operations increased by 19.3% to ₹32,997 million in the year ended March 31, 2026 from ₹27,654 million in the year ended March 31, 2025. Our PAT Margin was 8.7% and 8.0% in the year ended March 31, 2026 and March 31, 2025 respectively.

Our Adjusted PAT Margin was 13.2% and 12.6% in the year ended March 31, 2026 and March 31, 2025, respectively. Our EBITDA Margin was 14.8% and 14.4% in the year ended March 31, 2026 and March 31, 2025, respectively. Our Adjusted EBITDA Margin was 17.6% and 17.4% in the year ended March 31, 2026 and March 31, 2025, respectively.

The following table provides a snapshot of our performance over the years and as at the dates indicated.

S. No.	Key Performance Indicators	Unit	FY23	FY24	FY25	FY26
	Financial Measures					
	Our Group					
1.	Revenue from operations	INR million	19,854	21,963	27,654	32,997
2.	Growth in revenue from operations from previous Fiscal	%	NA	10.6%	25.9%	19.3%
3.	Cash flow from operations	INR million	-306	1,595	3,970	4,090
4.	Profit/ (Loss) for the year	INR million	1,944	-547	2,206	2,868
5.	PAT Margin	%	9.8%	-2.5%	8.0%	8.7%
6.	Adjusted PAT	INR million	540	-45	3,478	4,356
7.	Adjusted PAT Margin	%	2.7%	-0.2%	12.6%	13.2%
8.	EBITDA	INR million	4,368	972	3,980	4,899
9.	EBITDA Margin	%	22.0%	4.4%	14.4%	14.8%
10.	Adjusted EBITDA	INR million	1,343	2,321	4,821	5,812
11.	Adjusted EBITDA Margin	%	6.8%	10.6%	17.4%	17.6%
	Fractal.ai segment					
12.	Revenue from operations	INR million	19,691	21,615	27,037	32,190
13.	Growth in revenue from operations from previous Fiscal	%	NA	9.8%	25.1%	19.1%
14.	Revenue in Fractal.ai segment by industry					
	CPGR (Consumer Packaged Goods and Retail)	INR million	8,047	9,038	10,615	11,924
	TMT (Technology, Media, & Telecom)	INR million	5,563	5,867	8,087	8,035
	HLS (Healthcare and Life Sciences)	INR million	2,188	3,013	3,745	6,215
	BFSI (Banking, Financial Services and Insurance)	INR million	2,842	2,325	2,980	3,924
	Others	INR million	1,051	1,372	1,610	2,092
15.	Revenue in Fractal.ai by industry, as a % of revenue					
	CPGR (Consumer Packaged Goods and Retail)	%	40.9%	41.9%	39.3%	37.0%
	TMT (Technology, Media, & Telecom)	%	28.3%	27.1%	29.9%	25.0%
	HLS (Healthcare and Life Sciences)	%	11.1%	13.9%	13.8%	19.3%
	BFSI (Banking, Financial Services and Insurance)	%	14.4%	10.8%	11.0%	12.2%
	Others	%	5.3%	6.3%	6.0%	6.5%
16.	Revenue in Fractal.ai segment by geography					
	Americas	INR million	13,221	13,791	17,988	21,665
	Europe	INR million	3,333	4,291	4,792	6,412
	APAC and others	INR million	3,137	3,533	4,257	4,113
17.	Revenue in Fractal.ai by geography, as a % of revenue					
	Americas	%	67.2%	63.8%	66.5%	67.3%
	Europe	%	16.9%	19.9%	17.7%	19.9%
	APAC and others	%	15.9%	16.3%	15.8%	12.8%
18.	Segment results – Fractal.ai segment	INR million	-315	1,233	3,788	5,409
19.	Segment results – Fractal.ai segment, as a % of revenue from operations - Fractal.ai segment	%	-1.6%	5.7%	14.0%	16.8%
20.	Adjusted segment results – Fractal.ai segment	INR million	2,115	2,769	5,084	6,114
21.	Adjusted segment results Margin – Fractal.ai segment	%	10.7%	12.8%	18.8%	19.0%
	Fractal Alpha segment					
22.	Revenue from operations	INR million	190	365	644	908
23.	Growth in revenue from operations from previous Fiscal	%	NA	92.1%	76.4%	41.0%
24.	Segment results – Fractal Alpha segment	INR million	-616	-494	-283	-170
25.	Segment results – Fractal Alpha segment, as a % of revenue from operations - Fractal Alpha segment	%	-324.2%	-135.3%	-43.9%	-18.7%
26.	Adjusted segment results – Fractal Alpha segment	INR million	-539	-443	-257	-146
27.	Adjusted segment results Margin – Fractal Alpha segment	%	-283.7%	-121.4%	-39.9%	-16.1%
	Operational KPI					
	Our Group					
28.	Total Employees	Number	4,221	4,639	5,254	5,868
	Fractal.ai segment					
29.	Net Revenue Retention	%	151.0%	110.2%	121.3%	117.4%
30.	Clients by annual revenue contribution					
	>US$20 million	Number	1	2	5	6
	>US$10 million	Number	5	5	6	9
	>US$5 million	Number	10	11	15	19
	>US$1 million	Number	45	48	53	59
31.	Client concentration					
	Top 10	INR million	10,064	11,809	14,537	16,885
	Top 10	%	51.1%	54.6%	53.8%	52.5%
	Top 20	INR million	13,194	15,114	18,831	22,678
	Top 20	%	67.0%	69.9%	69.6%	70.5%
32.	Net Promoter Score	Score	73	77	77	78

FY26 has witnessed 19.3% revenue growth and EBITDA growth of 23.1% and 0.5pts increase YoY. Fractal.ai revenue contributed to the majority of the growth with scaled client relationships, new client's acquisitions and large deals contribution. The increase is primarily attributable to growth in revenue from existing clients (demonstrated by our Net Revenue Retention of 117.4% in FY26), increase in the number of clients and our ability to charge a higher price for AI services and AI products.

Year	FY26	FY25	Growth (%)
Revenue	32,997	27,654	19.3%

Net Revenue Retention in our Fractal.ai segment measures how effectively we retain and expand revenue from our existing clients over a defined period and is calculated by comparing the current period's revenue from the same set of clients who existed at the start of the period, with their revenue in the previous period- including the effects of upsells, cross-sells and contractions. The table below sets out our Net Revenue Retention for FY25 and FY26 indicated.

Year	FY26	FY25
NRR	117.4%	121.3%

We have sustained a superior Net Promoter Score in FY26 which is a key testimony to our client success and increases our ability to acquire, retain and expand client relationships significantly.

Year	FY26	FY25
NPS	78	77

Fractal.ai segment grew by 19% in FY26 with INR 32,190m vs INR 27,037m in FY25. Fractal Alpha has experienced higher growth of 41.0% with INR 908m in FY26 vs INR 644m in FY25. Fractal Group thereby grew by 19.3% in FY26 with INR 32,997m vs INR 27,654m in FY25.

Year	Fractal.ai	Fractal Alpha	Intersegment elimination	Total (Group)
FY26	32,190	908	(101)	32,997
FY25	27,037	644	(27)	27,654

Geographical revenue basis location of the customer with majority from America with 67.3% of the revenue in FY26 vs 66.5% revenue in FY25 with growth of 20.4% in revenue from Americas in FY26 vs FY25. APAC and other regions contributed to 12.8% in FY26 vs 15.8% in FY25. Europe and UK contributed to 19.9% in FY26 vs 17.7% in FY25 with growth of 33.8% in FY26 revenue vs FY25.

Geography	FY26	FY25	FY26 %	FY25 %
America	21,665	17,988	67.3%	66.5%
APAC & Others	4,113	4,257	12.8%	15.8%
Europe & UK	6,412	4,792	19.9%	17.7%
Revenue	32,190	27,037	100.0%	100.0%

Consumer packaged goods and retail continue to be the highest contribution vertical with 37.0% of the revenue in FY26 vs 39.3% in FY25. Owing to client specific issues in FY26, the contribution of Tech, Media and Telecommunication declined to 25.0% in FY26 vs 29.9% in FY25. Healthcare and life sciences industry vertically contributed to 19.3% of revenue in FY26 vs 13.8% in FY25.

Industry	FY26	FY25
CPGR (Consumer products goods and retail)	37.0%	39.3%
BFSI (Banking, financial services and Insurance)	12.2%	11.0%
HLS (Healthcare and life sciences)	19.3%	13.8%
TMT (Technology, Media & Telecom)	25.0%	29.9%
Others	6.5%	6.0%
Total	**100.0%**	**100.0%**

We have consistently worked on programs with clients to derive measurable value for them across verticals and functional areas. We have expanded our client count across annual revenue contribution scale.

Clients by annual revenue contribution	FY26	FY25
>US$20 million	6	5
>US$10 million	9	6
>US$5 million	19	15
>US$1 million	59	53

We continue to invent and invest on behalf of our clients, research and development investments remain a critical priority for the company with 6.4% of the revenue being invested in it in FY26 and 5.2% in FY25. This investment gœs towards AI solutions and accelerator development in Fractal.ai as well as product development in Fractal Alpha.

	FY26	FY25
R&D %	6.4%	5.2%

	Year ended				
	March 31, 2026		March 31, 2025		
Particulars	Amount	% Revenue	Amount	% Revenue	YoY %
Income					
Revenue from operations	32,997	100.0%	27,654	100.0%	19.3%
Other Income	629	1.9%	508	1.8%	23.8%

	Year ended				
	March 31, 2026		March 31, 2025		
Particulars	Amount	% Revenue	Amount	% Revenue	YoY %
Total Income	**33,626**	**101.9%**	**28,162**	**101.8%**	**19.4%**
Expenses					
Employee benefit expense	22,914	69.4%	20,048	72.5%	14.3%
Employee stock option expense	634	1.9%	798	2.9%	-20.6%
Finance costs	474	1.4%	577	2.1%	-17.9%
Depreciation and amortisation expense	1,358	4.1%	1,023	3.7%	32.7%
Other expenses	4,366	13.2%	3,309	12.0%	31.9%
Total Expenses	**29,746**	**90.1%**	**25,755**	**93.1%**	**15.5%**
Profit before share of loss of an associate, exceptional items and tax expense	**3,880**	**11.8%**	**2,407**	**8.7%**	**61.2%**
Share of (loss) of an associate	(703)	-2.1%	(297)	-1.1%	136.7%
Profit before exceptional items and tax expense	**3,177**	**9.6%**	**2,110**	**7.6%**	**50.6%**
Exceptional items (net)	(110)	-0.3%	270	1.0%	-140.7%
Profit before tax expense	**3,067**	**9.3%**	**2,380**	**8.6%**	**28.9%**
Tax expense	199	0.6%	174	0.6%	14.4%
Profit for the year	**2,868**	**8.7%**	**2,206**	**8.0%**	**30.0%**

Employee Benefits Expense

Our employee benefits expense is our largest expense. It includes salaries, incentives and bonus, commissions, employee benefits such as gratuity, 401K and provident fund, employee insurance expense, that we pay to our permanent employees. Our primary employee benefits expenses include expenses relating to our Consulting and Capability teams who are involved in deploying the AI offerings, sales and marketing teams who are selling our AI offerings to clients, and other teams who provide general and administrative support for the organisation. Our employee benefits expense increased by 14.3% to ₹ 22,914 million in the year ended March 31, 2026 from ₹ 20,048 million in the year ended March 31, 2025, primarily due to salary increments offered to our employees and increase in our employee headcount to 5,868 as of March 31, 2026 from 5,254 as of March 31, 2025.

Employee Stock Option Expense

Employee stock option expense decreased by 20.6% to ₹ 634 million in the year ended March 31, 2026 from ₹ 798 million in the year ended March 31, 2025, primarily due to graded vesting of a majority of the employee stock options, which were granted towards the end of Fiscal 2022 and offset by options granted in the month of June 2025.

Finance Costs

Our finance costs primarily include interest expense on borrowing, and interest on lease liabilities towards office premises taken on lease. Finance cost decreased by 17.9% to ₹ 474 million in the year ended March 31, 2026 from ₹ 577 million in the year ended March 31, 2025, primarily due to decrease in other borrowing cost to ₹ 27 million in the year ended March 31, 2026 from ₹ 146 million in the year ended March 31, 2025 which primarily related to an arrangement fee for a loan refinancing.

Depreciation and Amortization

Our depreciation and amortisation expenses primarily include expenses associated with depreciation of our physical assets such as computers, furniture and fixtures and leasehold improvements and amortisation of intangible assets such as software, intellectual property and internally generated intangible assets. Depreciation and amortization expense increased by 32.7% to ₹ 1,358 million in the year ended March 31, 2026 from ₹ 1,023 million in year ended March 31, 2025, primarily due to an increase in depreciation on right-of use assets by ₹ 90 million due to additional office premises taken on lease, increase in depreciation on property, plant and equipment by ₹ 88 million primarily towards leasehold improvements and computer and accessories and an increase in amortization of intangible assets by ₹ 157 million relating to software acquired in the year ended March 31, 2025, which was accounted for the full year in the year ended March 31, 2026, as compared to a shorter period in the year ended March 31, 2025.

Other Expenses

Other expenses have increased by 31.9% to ₹ 4,366 million in the year ended March 31, 2026 from ₹ 3,309 million in the year ended March 31, 2025, primarily due to:

- Sub-contracting expenses increased by 457% to ₹ 256 million in the year ended March 31, 2026 compared to ₹ 46 million in the year ended March 31, 2025, primarily due to contractors hired for delivery of projects on few clients;
- Fair value loss (net) on derivative contracts carried at fair value through profit or loss: increased by 140% to ₹ 156

million in the year ended March 31, 2026 compared to ₹65 million in the year ended March 31, 2025, primarily due to currency exchange movements of USD and EUR.

- Legal and professional fees: increased by 41% to ₹738 million in the year ended March 31, 2026 compared to ₹523 million in the year ended March 31, 2025, primarily due to an increase in fees paid to consultants and/or professionals for various compliance requirements, higher costs for increased business and technical support as well as various corporate activities.
- Cloud and communication expense: increased by 38% to ₹584 million in the year ended March 31, 2026 compared to ₹423 million in the year ended March 31, 2025, as we incurred additional cloud and communication expense primarily attributable to increased R&D investments and adoption of developed B2C applications.

Taxes

Total tax expense has increased to ₹199 million in the year ended March 31, 2026 from ₹174 million in the year ended March 31, 2025. Current tax increased by ₹176 million on Y^Y basis primarily on account of increase in profits in certain geographies resulting into increase in tax charge thereof. Deferred tax credit increased by ₹151 million primarily on account of deferred tax asset of ₹534 million recognised in the year ended March 31, 2026 in respect of certain foreign subsidiaries on unutilised tax losses against deferred tax liability reversed of ₹383 million on deemed gain on fair valuation of investment in associate in the year ended March 31, 2025 primarily on account of reduced tax rate on long term capital gain.

Liquidity

Fractal's principal source of liquidity is cash and cash equivalents and cash flow that we generate from operations. The Company had outstanding borrowing of ₹2,860 million as at March 31, 2026 which has been subsequently repaid in April 2026 out of IPO proceeds. Our growth in the year ended March 31, 2026 has been largely financed through cash generated from operations.

Our operating cash flows have increased in the year ended March 31, 2026 as compared to the year ended March 31, 2025 mainly on account of increase in net profit adjusted for non-cash items and better working capital management. Consolidated cash and cash equivalents including investments in mutual funds and bank deposits is as follows:

Particulars	March 31, 2026	March 31, 2025
Investments in mutual funds	8,741	5,614
Deposits with banks*	9,712	243
Cash and bank balances	2,067	2,649
Total	**20,520**	**8,506**

**Deposits with banks as at March 31, 2026 consits of funds invested out of IPO proceeds of ₹9,568 million.*

Refer to the Standalone and Consolidated financial statements in this Annual Report for detailed schedules and notes.

Material developments in human resources and industrial relations

Workforce Composition and Growth

As of March 31, 2026, Fractal employed a skilled workforce across AI engineering, consulting, sales, and support functions, with presence in India, USA, UK, and APAC. The company maintained disciplined headcount growth aligned with revenue scaling and margin expansion objectives.

Industrial Relations

The company maintains positive industrial relations and compliance with applicable labor laws across all jurisdictions. No material labor disputes or significant HR-related developments occurred during FY26.

Significant Changes in Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to give details of significant changes (change of 25% or more) as compared to the immediately previous financial year in key sector-specific financial ratios:

The Company has identified the following ratios as key financial ratios:

	Standalone		Consolidated	
Particulars	**FY26**	**FY25**	**FY26**	**FY25**
Days Sales Outstanding (DSO)[1]	-	-	72	75
Current Ratio (times)	6.7	5.8	3.0	2.8
Debt equity ratio (times)[2]	-	-	0.1	0.2
Return on capital employed (%)[3]	8.1%	9.6%	10.3%	14.7%
EBITDA Margin (%)	17.9%	16.7%	14.8%	14.4%
Net Profit Margin (%)	9.9%	9.2%	8.7%	8.0%
Return on Net Worth (%)[3]	5.7%	6.7%	9.1%	12.6%
Revenue growth (%)	30%	24%	19.3%	25.9%
Basic EPS (Rs)[4]	11.62	8.58	18.20	14.49

(1) The Company does not track DSO at a standalone level.

(2) Debt equity ratio is not applicable at standalone level as the Company does not have outstanding debt.

Debt to Equity Ratio

Debt to equity ratio has improved primarily due to the Company's expanded equity basis on successful completion of the IPO during the year. The equity enhancement has strengthened the Company's financial position, reduced financial risk, and provided enhanced capacity for future growth investments while maintaining operational efficiency.

Return on Capital Employed and Return on Net Worth:[3]

The Company's profit has increased by 30% on Y^Y basis however, return on capital employed and return on net worth have decreased due to the Company's expanded equity basis on successful completion of the IPO during the year. The equity enhancement has strengthened the Company's financial position, reduced financial risk, and provided enhanced capacity for future growth investments while maintaining operational efficiency.

EPS increase is in line with increase in net profits for the year. [4]

Risk assessment

ENTERPRISE RISK MANAGEMENT

Fractal has established an Enterprise Risk Management (ERM) framework that evolves continuously to match the pace of change in the AI and digital transformation space. The framework is aligned with globally recognized practices under COSO and ISO 31000:2018 and is designed to strengthen resilience while supporting long-term growth. It is guided by the Risk Management Policy approved by the Board and covers risk identification, assessment, mitigation planning, monitoring, and governance.

Key risk indicators and control indicators are tracked to provide early signals and measure the effectiveness of actions taken. Fractal's risk profile spans strategic, operational, compliance, financial, and technology domains, with emphasis on areas most relevant to a pure-play AI company such as rapid technology shifts, talent availability, client concentration, and competitive intensity. This collaborative approach ensures that risk management is integrated with business priorities and supports Fractal's commitment to sustainable value creation.

Risk Category	Key Risk Points	Mitigation Strategies
Cyber Security Risk	Fractal faces cybersecurity risks from data breaches across its own environment, client environments, and connected third parties. The growing use of hybrid and remote work, combined with extensive reliance on third-party cloud and SaaS platforms, significantly widens the potential attack surface. Despite having ISO 27001- and SOC 2-aligned security frameworks in place, no control environment can guarantee protection against every emerging threat.	Fractal's senior management periodically reviews the Company's risk register to confirm that cybersecurity risks are being managed effectively and that appropriate countermeasures are in place to reduce residual risk. The Company follows a systematic approach to establishing and maintaining enterprise security policies and standards aligned with ISO 27001:2022 and SOC 2 Type 2 frameworks, with security controls across prevention, detection, response and recovery aligned with the NIST framework. Fractal maintains a layered network security architecture that includes perimeter firewalls enforcing a 'Default Deny' policy, content filtering solutions to manage and control network traffic, and web application and intrusion-prevention controls.
Technology (AI) Disruption Risk	The pace of innovation in artificial intelligence and generative AI is accelerating rapidly. Failure to continually refresh Fractal's solutions in line with evolving client needs and industry standards could erode its competitive differentiation and win rates. The growing adoption of GenAI and software-development agents may enable clients to build capabilities in-house, reducing third-party spend on outsourced AI services. New solutions may not achieve the intended market adoption, potentially leading to write-downs and earnings volatility. The increasing automation of routine and basic development tasks through AI may reduce the person-hours required for certain projects, affecting revenue from those engagements.	Fractal pursues a targeted acquisition strategy to acquire AI and other critical technical capabilities that strengthen its competitive position. The Company continuously monitors client technology landscapes and adoption trends to anticipate the changes required to its own offerings and stay ahead of market demands. Fractal follows a defined investment and research strategy specifically focused on AI solutions development with a tiered approach of today, tomorrow and day after ensuring it is prepared for long term changes that might come at expedited pace as well. Additionally, the Company tracks market developments in AI adoption across industries and geographies to inform its strategic direction and ensure offerings remain aligned with emerging client needs.
Responsible AI Risk	Fractal is committed to ensuring that the AI systems it develops and deploys operate with appropriate ethical safeguards to maximize positive outcomes for users and clients. The Company's operations involve the use of artificial intelligence and machine learning, including AI developed by third parties, and the processing of clients' proprietary data which may include personal or identifying information. This use carries inherent social, ethical and operational risks. AI algorithms and technologies that inform or augment decisions for Fractal's clients could, if flawed, produce biased outputs or unintended discriminatory outcomes that harm end users or create legal exposure for clients.	Fractal continuously monitors and tests model outputs for group disparities using fairness metrics to identify potential bias in AI systems. The Company enforces bias-correction standards during model training to ensure that AI models operate fairly across different demographic groups and use cases. This proactive approach to responsible AI governance helps mitigate the risk of discriminatory outcomes and ensures alignment with evolving regulatory and client expectations around ethical AI deployment.

Risk Category	Key Risk Points	Mitigation Strategies
Data Protection & Privacy Risk	Non-compliance with data privacy laws, including Fractal's responsibilities as a data controller or processor, and the leakage or misuse of confidential and proprietary information could expose the Company to significant regulatory and contractual risk. Fractal's operations involve the collection, use, storage, sharing, retention, safeguarding and transmission of clients' proprietary data, which may include personal or identifying information. The Company is subject to data privacy regulations across multiple jurisdictions, including the United States, United Kingdom, European Union and India. A breach of data privacy regulations could result in reputational damage, loss of key accounts, regulatory penalties and contractual liabilities.	Fractal maintains a standard data privacy policy applicable to all stakeholders and affiliates, giving data subjects a clear understanding of its data privacy practices and their rights. A designated Data Protection Officer oversees data privacy compliance at the organizational level and reports to the CFO and the Board, ensuring executive-level accountability for privacy governance. This structure ensures that privacy considerations are integrated into all operational decisions and that the Company maintains compliance with complex, multi-jurisdictional regulatory requirements.
Macro-Economic Environment Risk	Changes in political or economic conditions in the countries where Fractal operates, including political instability, trade tensions, changes in government, and unpredictable policy shifts, could adversely affect the Company's business. Fractal's high dependency on the United States increases its vulnerability to segment-specific disruptions, such as regulatory change or reduced outsourcing demand due to rising costs, which could directly impact revenue, scalability and operations. Anti-outsourcing regulations in the United States, such as the proposed HIRE Act which aims to discourage offshoring by imposing taxes or restrictions on companies that move jobs overseas, could materially affect Fractal's business and financial performance. Immigration policy changes, as countries shift from globalization toward localization, could affect the Company's operating model and talent deployment strategies. New tariffs on technology exports, together with reciprocal tariffs imposed by trading partners, could reduce demand for Fractal's services as clients face tighter budgets and broader economic pressure. Similar localization trends are emerging across the global technology sector, with countries increasingly promoting domestic software development and data hosting and reducing reliance on foreign technology providers.	Fractal monitors political and legislative developments in the United States and other material regions of operation, including initiatives such as the HIRE Act, through dedicated legal and compliance teams and external advisors. The Company develops response strategies for any high-impact legislative changes to ensure business continuity and compliance with evolving regulations. Fractal actively engages with industry bodies, trade associations and policymakers to stay ahead of upcoming legislative developments and contribute to policy discussions that could affect the outsourcing and technology services sectors.
Revenue Concentration Risk	Fractal's revenue is concentrated among certain clients, geographies and industry sectors, which creates significant business risk. A significant volume of business is concentrated among a limited number of clients, with a significant portion of revenue derived from the Company's top accounts. The Company derives a majority of its revenue from the Americas region, creating geographic concentration risk. Additionally, consumer goods and retail represents a significant contributing industry vertical to the Company's revenue, creating sector-specific exposure. Loss of any major client or sector contraction could significantly impact overall revenue and profitability.	Fractal is proactively expanding its client base through targeted marketing, strategic partnerships and entry into new industry sectors, thereby reducing dependency on a limited number of major clients and industry verticals. The Company is executing growth strategies focused on regions outside the Americas to balance its geographic revenue mix and reduce regional concentration risk. These initiatives aim to create a more diversified revenue base that is resilient to sector-specific downturns or geographic disruptions.
Succession Planning Risk	The absence of a prepared successor for a key leadership role, or inadequate succession planning generally, could disrupt the Company's operations and strategy execution. The loss or unavailability of key managerial personnel or senior leaders could disrupt strategy execution, client relationships and growth initiatives. Leadership transitions typically require a long lead time, and competition for niche AI, GenAI, data and cloud talent can make backfilling critical roles significantly more difficult, increasing transition risk. Mergers, consolidations, dissolutions and entry into new markets require timely succession planning within subsidiaries and integration leadership to avoid capability gaps and operational disruption.	Fractal has identified potential successors for its Key Managerial Personnel, as disclosed in its regulatory filings, ensuring continuity planning at the senior leadership level. This proactive succession planning approach ensures that the Company has identified individuals with the necessary skills and experience to step into critical roles and maintain operational continuity during leadership transitions.
Environmental, Social & Governance (ESG) Risk	Ineffective ESG risk management could impact the creation and management of long-term value for stakeholders and the Company's reputation. Fractal's clients increasingly expect strong ESG performance, including demonstrated commitment to recognized ratings such as CDP, EcoVadis and the Science Based Targets initiative (SBTi). An inability to meet publicly stated climate change or net-zero targets, whether near-term or long-term commitments, could affect the Company's reputation and stakeholder trust, potentially impacting client relationships and investor confidence.	A Board-level CSR and ESG Committee monitors ESG performance in conjunction with the Risk Management Committee, focusing on client-mandated and Fractal-material ESG risks and commitments, including climate and workplace health and safety. Fractal maintains a detailed roadmap to achieve its decarbonization and net-zero targets, providing a clear pathway for achieving these commitments. The Company conducts ESG training to build awareness across the organization and its vendors regarding ESG practices and expectations. Additionally, Fractal participates in recognized ESG ratings and disclosure frameworks, including CDP, EcoVadis and SBTi, and monitors progress against its net-zero and other decarbonization commitments on an ongoing basis.
Talent Risk	Attrition of experienced and talented employees can affect organizational knowledge and client relationships, while delays in deploying, or the unavailability of, talent with relevant skills including GenAI and analytics can affect service delivery and operational performance. Elevated attrition puts revenue at risk and can affect the Company's ability to meet growth commitments, given the disruption to service and the extended learning curve associated with onboarding new hires. Years of accumulated client context, stakeholder relationships and organizational knowledge are difficult to replicate when experienced employees leave. An increase in people costs could meaningfully affect the Company's margin profile and financial performance.	Fractal leverages AI-based hiring tools to improve recruitment efficiency and outcomes, enabling the Company to identify and attract top talent more effectively. The Company has implemented mechanisms to identify attrition risk among high-potential and high-performing employees, allowing for proactive retention strategies and career development initiatives. Fractal invests in ongoing training and certification programs in AI, GenAI, data engineering and cloud technologies to close skill gaps, enhance employee capabilities and improve retention by providing clear career development pathways.
Delivery & Contractual Risk	Fractal faces delivery risk relating to the timeliness and quality of its work, the risk of non-compliance with client contractual terms, and pressure from clients for more favorable terms, including onerous liability provisions. Delivery failures could lead to client dissatisfaction, contract termination, financial penalties and a significant negative impact on business growth and market reputation. Non-compliance with client contractual terms including obligations relating to background verification, data privacy, information security, and non-compete and non-solicitation provisions could result in financial obligations, penalties, loss of contracts and reputational damage. Defects, delays or missed milestones may trigger client recourse, including indemnity claims, required rework or contract termination. Many of the Company's key client contracts run for multi-year terms with renewal options, making consistent delivery critical to revenue continuity.	Fractal maintains an operational risk register across all projects to systematically identify and document risks, including those related to data breaches and control gaps, enabling early identification and mitigation of potential issues. Fractal conducts thorough background verification for all employees, covering identity, criminal history, employment experience and educational qualifications, to mitigate insider risk and ensure compliance with client contract requirements. The Company closely monitors third-party service levels to mitigate disruption from external providers and ensure that outsourced services meet contractual obligations and quality standards.
Business Continuity Planning Risk	Natural calamities, disasters, pandemics or unexpected events such as cyber-attacks could impact the continuity of Fractal's business operations and financial performance. Fractal's global footprint of leased and co-working facilities, together with significant export exposure including to the United States, increases its sensitivity to natural disasters, pandemics and geopolitical developments in the regions where it operates.	Fractal maintains a comprehensive Business Continuity Plan, aligned with ISO 27001 standards, comprising a resilience framework, strategic planning, defined organizational roles and responsibilities, regular testing and training, and a phased recovery strategy. This comprehensive approach ensures that the Company can respond effectively to unexpected disruptions and maintain critical operations while recovering from adverse events.

We aim to foster a culture of effective risk management by encouraging appropriate and monitored risk-taking to achieve our strategic priorities. We analyse internal and external factors that could impact our operations, finances, reputation, and other areas of the business. The goal of our risk management policies is to develop strategies. It plans to mitigate or avoid risks and to ensure that the company can continue to operate effectively and achieve its goals, even in the face of uncertainty or adverse events.

Cautionary Statement

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve several risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT business, including those factors, that may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of Governmental fiscal incentives, political instability, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Fractal.AI, from time to time, makes additional written and oral forward-looking statements, including statements contained in our reports to shareholders. The Company dœs not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

Internal Financial Control Systems and their Adequacy

Fractal has aligned its current systems of internal financial control with the requirement of Companies Act, 2013, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Internal Control – Integrated Framework (the 2013 framework) is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. The framework requires a company to identify and analyze risks and manage appropriate responses.

Fractal's internal controls are commensurate with its size and the nature of its operations. Internal financial control systems include the design, implementation and maintenance of adequate internal financial controls that are operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act. Fractal has continued its efforts to align all its processes and controls with global best practices.

B S R & Co. LLP, the statutory auditors of Fractal, have audited the financial statements included in this Annual Report and have issued an attestation report on the Company's internal control over financial reporting (as defined in Section 143 of the Companies Act, 2013).

Fractal has appointed PricewaterhouseCoopers Services LLP to oversee and carry out an internal audit of its activities. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditors and approved by the Audit Committee. In line with international practice, the conduct of internal audit is oriented towards the review of internal controls and risks in the Company's operations such as software delivery, accounting and finance, procurement, employee engagement, travel, insurance, IT processes.

Fractal also undergœs periodic audit by specialized third party consultants and professionals for business specific compliances such as quality management, service management, information security, etc. The Audit Committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors. Suggestions for improvement are considered, and the Audit Committee follows corrective action. The Audit Committee also meets the statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the Board of Directors informed of its major observations periodically.

Board's report

Dear Members,

Your Board of Directors ("the Board") hereby present the 26th Annual Report along with the Audited Standalone & Consolidated Financial Statements of the Company for the financial year ended March 31, 2026.

FINANCIAL PERFORMANCE OF THE COMPANY

The Audited Financial Statements of your Company as on March 31, 2026, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and applicable provisions of the Companies Act, 2013 ("Act"). The summarized financial highlights as on March 31, 2026, is depicted below:

	Standalone		Consolidated	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Particulars	**(INR in Million)**	**(INR in Million)**	**(INR in Million)**	**(INR in Million)**
Total Income	19,293	14,905	33,626	28,162
Less: Total Expenses	16,520	13,042	29,746	25,755
Profit before share of loss of an associate, exceptional items and tax expense	**2,773**	**1,863**	**3,880**	**2,407**
Share of (loss) of an associate	-	-	(703)	(297)
Profit before exceptional items and tax expense	2,773	1,863	3,177	2,110
Exceptional items	(302)	(98)	(110)	270
Profit before tax expenses	**2,471**	**1,765**	**3,067**	**2,380**
Tax Expenses	606	444	199	174
Profit after Tax	**1,865**	**1,321**	**2,868**	**2,206**
Other comprehensive income/ (loss)	**(2)**	**(37)**	**366**	**(50)**
Total Comprehensive income	**1,863**	**1,284**	**3,234**	**2,156**

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE/STATE OF COMPANY AFFAIRS

At the standalone level, the total income of the Company during the financial year under review increased by 29.44% from ₹ 14,905 million in the previous financial year to ₹ 19,293 million. Profit before tax for the period under review stood at ₹ 2,471 million as against profit of ₹ 1,765 million in the previous financial year. Profit after tax for the period under review stood at ₹1,865 million as against profit of ₹ 1,321 million in the previous financial year.

At the consolidated level, the total income of the Company during the financial year under review increased by 19.40% from ₹ 28,162 million in the previous financial year to ₹ 33,626 million. Profit before tax stood at ₹ 3,067 million as against ₹ 2,380 million in the previous financial year. Profit after tax stood at ₹ 2,868 million as against ₹ 2,206 million in the previous financial year.

DIVIDEND

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, ("SEBI Listing Regulations") the Board of the Company has adopted a Dividend Distribution Policy, which can be accessed on the website of the Company, at https://fractal.ai/docs/Investor-Relations/Policies/Fractal-Dividend-Distribution-Policy.pdf. The Board believes that it is prudent to plough back the profits of your Company for its future growth, hence, the Board does not recommend any dividend for the financial year ended March 31, 2026.

TRANSFER TO RESERVES

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

INITIAL PUBLIC OFFER

During the year under review, the Company transitioned from an unlisted public company to a listed company. The Company came out with its Initial Public Offer ("IPO") for listing its equity shares on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The IPO comprised of fresh issue of 1,14,08,394 (One Crore Fourteen Lakh Eight Thousand Three Hundred and Ninety-Four) Equity Shares and an offer for sale of 2,01,15,554 (Two Crore One Lakh Fifteen Thousand Five Hundred and Fifty-Four) Equity Shares, aggregating to 3,15,23,948 (Three Crore Fifteen Lakh Twenty-Three Thousand Nine Hundred and Forty-Eight) shares. The equity shares were issued at a price of ₹ 900/- (Indian Rupees Nine Hundred Only) per equity share [discount of ₹ 85/- (Indian Rupees Eighty Five Only) per Equity share was offered to eligible employees bidding in the employee reservation portion]. The equity shares

of the Company were listed on BSE and NSE on February 16, 2026. Further, the proceeds of the IPO are being utilized in accordance with the objects stated in the offer document and there has been no deviation in the use of proceeds. The entire proceeds have not yet been fully utilized as at the end of the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report pursuant to Regulation 34(2) read with Schedule V of the SEBI Listing Regulations constitutes a distinct section within the Annual Report. The Audit Committee of your Company has reviewed the Management Discussion and Analysis Report of the Company for the year ended March 31, 2026.

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by Securities and Exchange Board of India. The report on Corporate Governance as stipulated under SEBI Listing Regulations is attached to this report.

Certificate from M/s. Makarand M. Joshi & Co., Practicing Company Secretaries, confirming the compliance with the conditions of Corporate Governance as stipulated under SEBI Listing Regulations is attached to Corporate Governance Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The requirement to furnish a Business Responsibility and Sustainability Report for the financial year ended March 31, 2026, is not applicable to the Company.

STATE OF AFFAIRS OF THE COMPANY

Fractal Analytics Limited is a globally recognized enterprise AI company founded in 2000 with over 26 years of experience in powering human decisions across the world's largest enterprises. Operating as a pure play enterprise AI provider, the Company delivers end-to-end AI-solutions for clients through two segments: Fractal.ai (AI services and solutions) and Fractal Alpha (AI businesses). Our domain expertise spans across our focus industries of consumer-packaged goods ("CPG") & retail (together with CPG, "CPGR"), technology, media and telecom ("TMT"), healthcare and life sciences ("HLS"), banking, financial services and insurance ("BFSI") and Others (Industrials, Energy, Travel and others). Our client proposition is organized around three integrated AI pillars - AI led transformation, AI Foundation & AI work and workforces.

We are a client-centric company, which focuses on prioritizing our clients' success and creating long-term value for them. Our "client first" value is reflected in the tenure of our relationship with our top clients and our Net Promoter Score ("NPS") based on client surveys. We work with Must Win Clients (MWCs) who we define as our clients (i.e. we recognised revenue from them in the trailing 12 months) who are enterprises that meet one of three criteria: (1) over US$10 billion in annual revenue, (2) over US$20 billion in market capitalization, or (3) over 30 million end-customers.

As of March 31, 2026, your company operates out of 25 offices across 19 global locations.

As of March 31, 2026, Fractal operates globally with 5,868 employees across Americas, Europe, APAC and others, serving "Must Win Clients" across CPGR, HLS, TMT, BFSI and other industries. In FY 2025-26, your Company achieved consolidated revenue of ₹ 32,997 million (19% YoY growth) with net income of ₹ 2,868 million (30% YoY growth), Adjusted EBITDA margin of 18%. Fractal.ai revenue stood at ₹ 32,190 with 19% growth YoY. In FY 2025-26, your Company worked with 104 MWC clients which contributed to 81.6% of Fractal.ai revenue. Net Revenue Retention (NRR) in our Fractal.ai segment measures how effectively we retain and expand revenue from our existing clients over a defined period and is calculated by comparing the current period's revenue from the clients who existed at the start of the period, with their revenue in the previous period - including the effects of upsells, cross-sells and contractions, in FY 2025-26 your company has Net revenue retention of 117%. Fractal Alpha contributed to ₹ 908 million in revenue with 41% growth YoY. Fractal Alpha comprises of 2 major products- Asper.ai, revenue growth management and Analytics Vidhya, Edtech product.

Revenue by Geography for Fractal.ai is 67.3% from Americas, 19.9% from Europe & 12.8% from APAC & Others. Client advocacy metric of Net Promoter Score came in at 78 for FY 2025-26.

Research and Development is a critical area of investment for your company. In FY 2025-26, 6.4% of revenue was invested in R&D across two segments of Fractal.ai and Fractal Alpha. Out of this 6.4%, 4.1% was expensed in the P&L and rest was capitalized on the back of intellectual property developed.

For further information on statement of affairs and business, please refer Management discussion and analysis section.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT

There have been no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2025-26 and the date of this Report.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3), OF SECTION 178 OF THE ACT

The Board at its meeting held on August 08, 2025, had adopted the amended Nomination and Remuneration Policy ("Policy") pursuant to the applicable provisions of Section 178(3) of the Act and the SEBI Listing Regulations; inter-alia, detailing the director's appointment, remuneration, criteria for determining qualifications, attributes, independence of a director and other matters. The remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Policy of your Company. The said Policy is placed on the Company's website at https://fractal.ai/docs/Investor-Relations/Policies/Nomination-and-Renumeration-Policy.pdf.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

A) BOARD OF DIRECTORS

Constitution of Board of the Company

During the financial year under review, the Board was duly re-constituted in accordance with the applicable provisions of the Act, SEBI Listing Regulations and the Articles of Association of the Company. As on March 31, 2026, the Board comprised of 9 (Nine) Directors.

All the directors of the Company have confirmed that they are not disqualified for being appointed as directors pursuant to Section 164 of the Act.

Appointment and Resignation

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

1. Pursuant to Section 152 and other applicable provisions of the Act, and based on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on May 20, 2025 approved the re-appointment of Mr. Rohan Haldea (DIN: 08335883) and Mr. Gavin Echlin Patterson (DIN: 08553630), who were liable to retire by rotation and being eligible, had offered themselves for re-appointment, which was subsequently approved by the members at the 25th Annual General Meeting ("AGM") held on July 15, 2025.
2. Mr. Puneet Bhatia (DIN: 00143973) who was appointed as Non-Executive Director of the Company, had resigned from the directorship of the Company with effect from the close of business hours of August 02, 2025, due to withdrawal of nomination as a director. The Board took note of the same and placed on record its appreciation for the services rendered by him during his tenure on the Board.
3. Pursuant to the "Reconstitution of the Board prior to Public listing" of the Amended and Restated Shareholder's agreement and pursuant to resignation of Mr. Puneet Bhatia, the Board at its meeting held on August 01, 2025, approved the re-constitution, and Mr. Rohan Haldea, Non-Executive Director, was appointed to act as the Chairman of the Board. The revised composition of Board effective from August 02, 2025, was as follows:
   a) Rohan Haldea (Non-Executive Director) – Chairman
   b) Srikanth Velamakanni (Whole-time Director and group chief executive and executive vice-chairman)
   c) Pranay Agrawal (Non-Executive Director)
   d) Vivek Mohan (Non-Executive Director)
   e) Sasha Gulu Mirchandani (Non-Executive Director)
   f) Gavin Echlin Patterson (Non-Executive Director)
   g) Neelam Dhawan (Independent Director)
   h) Karen Ann Terrell (Independent Director)
   i) Janaki Akella (Independent Director)
4. Pursuant to the provisions of Sections 149 and 152 of the Act, 2013 read with Schedule IV thereof, and in accordance with the Memorandum and Articles of Association of the Company and the amended and restated Shareholders' Agreement dated July 01, 2025 (including amendments thereto), and based on the recommendation of the Nomination and Remuneration Committee, the Board, by way of circular resolution dated October 05, 2025, approved the re-appointment of Ms. Neelam Dhawan (DIN: 00871445) and Ms. Karen Ann Terrell (DIN: 09764751) as Independent Directors, which was subsequently approved by the Members at the Extra-ordinary General Meeting held on October 10, 2025, for a period of five consecutive years commencing from October 11, 2025 and October 26, 2025 respectively, and who shall not be liable to retire by rotation. The Board was satisfied with the integrity, expertise and experience of both the aforesaid Independent Directors.

Changes in the Board composition post March 31, 2026

There were no changes in the Board composition post March 31, 2026, till signing of this report.

Director retiring by rotation

In accordance with the provisions of Section 152 of the Act, read with the Articles of Association of the Company, Mr. Vivek Mohan (DIN: 08306394) is liable to retire by rotation at the ensuing AGM and, being eligible, has offered his candidature for re-appointment. Based on the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment for approval of the Members of the Company.

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

B) KEY MANAGERIAL PERSONNEL

During the financial year under review, Mr. Ashwath Bhat was appointed as Chief Financial Officer of the Company and Ms. Somya Agarwal was appointed as the Compliance Officer.

In accordance with the provisions of Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, Mr. Srikanth Velamakanni, Whole Time Director, Mr. Ashwath Bhat, Chief Financial Officer and Ms. Somya Agarwal, Company Secretary and Compliance Officer were the Key Managerial Personnel of the Company as on March 31, 2026.

Further, Mr. Ashwath Bhat, Chief Financial Officer, tendered his resignation on July 06, 2026, for personal reasons and he was relieved from his duties effective close of business hours on July 24, 2026.

C) DECLARATION OF INDEPENDENCE

The Company has received declarations from the Independent Directors confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Act along with the applicable rules framed thereunder and Regulation 16 of SEBI Listing Regulations.

The Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than commission, and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company. The Independent Directors have along with the declaration of independence under section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

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

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

D) ANNUAL EVALUATION

The Board took note of the annual performance evaluation of the Individual Directors, the Board and its Committees at its meeting held on March 20, 2026, based on the recommendation of the Nomination and Remuneration Committee and in accordance with the provisions of the Act and also approved the revised Board Evaluation Policy.

Each board member was required to fill the board evaluation questionnaire online and the questionnaire were divided into different sections viz. Evaluation of Individual directors (excluding Independent Directors); Evaluation of Independent Directors; Evaluation of Board as a whole; Evaluation of Committees and Evaluation of Chairperson. Evaluation criteria for Individual Directors/ Board/Committees were based on various criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. and after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The responses received from the Directors with respect to the Board evaluation questionnaire were reviewed, discussed at separate meeting of Independent Directors, Nomination and Remuneration Committee and also the Board.

Performance of the committees was evaluated on the basis of their effectiveness in carrying out their respective mandates. All the directors participated in the Board evaluation and review exercise. The overall feedback received as a part of Board evaluation for FY 2025-26, on the performance of individual Directors, Chairperson, Board and its Committees was positive, noting effectiveness of the Board in fulfilling its functions relating to areas like strategic decisions, regular meetings, thorough discussions, quality of agenda, comprehensive minutes recording, appropriately managing stakeholders' interest and continuing to uphold corporate governance standards.

BOARD MEETINGS

The Board of Directors of the Company met 16 (sixteen) times during the year under review. The dates of the Board meetings and the attendance of the Directors at the meetings are provided in the Corporate Governance Report, which forms a part of this Annual Report.

COMMITTEES OF THE BOARD

As on March 31, 2026, the Board had 8 (Eight) Committees. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility & Environmental, Social, and Governance Committee, Risk Management Committee, Option Allotment Committee, IPO Committee and Committee of Independent Directors. The Corporate Governance Report, which forms part of this Annual Report, includes details about the meetings and composition of the Board's committees.

Constitution of Committees

Pursuant to the change in the status of the Company from 'Unlisted Public Limited' to 'Listed Public Limited' there was a requirement for re-constitution of the Committees as per the provisions of the Act and SEBI Listing Regulations. Accordingly, Board at their meeting held on August 01, 2025, reconstituted Audit Committee (AC) (formerly known as Audit and Risk Committee), Nomination and Remuneration Committee (NRC) and Corporate Social Responsibility & Environmental, Social and Governance (CSR & ESG) Committee in accordance with the Act and SEBI Listing Regulations and had also additionally constituted Stakeholders Relationship Committee, Risk Management Committee, Option Allotment Committee, IPO Committee, Committee of Independent Directors in compliance with the applicable law. Further, the Composition of the Committees, dates of the meetings and the attendance of the Directors at the meetings are provided in the Corporate Governance Report, which forms a part of this Annual Report.

OTHER DISCLOSURES

1. There was no revision in the financial statements of the Company.
2. Your Company has not issued sweat equity shares or equity shares with differential rights as to dividend, voting or otherwise.
3. There was no change in the nature of the business of the Company.
4. There have been no deviations in the use of IPO proceeds of the Company utilised till the date of this report.
5. During the year, there was no receipt of any remuneration or commission by the Whole-Time Director of the Company from its Holding Company or Subsidiary Company.

PARTICULARS OF EMPLOYEES

As on March 31, 2026, the Company had 5112 permanent employees on a standalone basis and 5868 employees on a consolidated basis.

In accordance with the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and particulars of the employees in terms of remuneration drawn are set out in the annexure to this report. In terms of the provisions of Section 136(1) of the Act, the Directors' Report is being sent to all shareholders of the Company excluding the annexure. Any shareholder interested in obtaining a copy of the annexure may write to the Company.

Further, disclosures on managerial remuneration as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are appended as **'Annexure A'**.

SHARE CAPITAL AND DEBT STRUCTURE

Authorised Share Capital

As on March 31, 2026, the Authorised Share Capital of the Company stood at ₹ 44,00,00,000 (Indian Rupees Forty Four Crores Only) consisting of 38,94,00,000 (Thirty Eight Crores Ninety Four Lakhs) equity shares of ₹ 1/- (Indian Rupee One Only) each aggregating to ₹ 38,94,00,000/- (Indian Rupees Thirty Eight Crores Ninety Four Lakhs Only) and 5,06,00,000 (Five Crores Six Lakhs) Compulsorily Convertible Preference Shares of ₹ 1/- (Indian Rupee One Only) each aggregating to ₹ 5,06,00,000 (Indian Rupees Five Crores Six Lakhs Only).

Issued and Paid-up Share Capital

As on March 31, 2026, the total issued, subscribed and paid-up share capital of the Company stood at ₹ 17,19,65,112 (Indian Rupees Seventeen Crores Nineteen Lakhs Sixty Five Thousand One Hundred and Twelve Only) consisting of 17,19,65,112 (Seventeen Crores Nineteen Lakhs Sixty Five Thousand One Hundred and Twelve) Fully paid up equity shares of ₹ 1/- (Indian Rupee One Only) each.

Changes / Allotments made during the financial year

1. **Issue of Equity Shares pursuant to exercise of Employees Stock Options**

   During the financial year under review, the Company had allotted 14,77,126 (Fourteen Lakhs Seventy-Seven Thousand One Hundred and Twenty-Six) Equity Shares of face value of ₹ 1 (Indian Rupee One Only) each at par/ premium, as the case may be, to the eligible employees of the Company and/or its' subsidiaries on exercising the vested stock options under the 2007 Fractal Employees Stock Option Plan, The Fractal Analytics Limited Time Based Key Employee Stock Incentive Plan 2019 and 2019 Fractal Employees Stock Option Plan.

2. **Conversion of Partly paid-up shares to fully paid-up shares**

   Mr. Srikanth Velamakanni, Whole Time Director of the Company held 664,858 (Six Lakhs Sixty-Four Thousand Eight Hundred and Fifty-Eight) partly paid-up equity shares which were issued at an issue price of ₹ 734 (Indian Rupees Seven Hundred and Thirty Four Only) per share. At the time of such issuance, the Company had received ₹ 1 per share on application which were equally appropriated towards share capital and securities premium.

   During the Financial Year under review, the balance of ₹ 733 (Indian Rupees Seven Hundred and Thirty Three Only) per equity share (i.e. face value of ₹0.50 and premium of ₹ 732.50 per equity share) was paid by Mr. Srikanth Velamakanni when called upon by the Board on June 16, 2025, and pursuant to resolution of Board dated June 25, 2025, 664,858 (Six Lakhs Sixty-Four Thousand Eight Hundred and Fifty-Eight) Equity Shares held by him were converted to fully paid-up equity shares.

3. **Bonus Issue**

   The Company had also undertaken a bonus issue by seeking approval of the Board on July 22, 2025, and the shareholders on July 29, 2025, in the ratio of 1:4 (four fully paid-up equity shares for every one equity share held) to the shareholders as on the record date, July 28, 2025.

   Accordingly, the Company allotted 10,96,23,164 (Ten Crores Ninety-Six Lakhs Twenty-Three Thousand One Hundred Sixty-Four) equity shares as bonus shares on July 29, 2025, by way of capitalization of reserves not exceeding ₹ 10,96,23,164 (Indian Rupees Ten Crores Ninety-Six Lakhs Twenty-Three Thousand One Hundred Sixty-Four Only). Consequent to the said issue, appropriate

adjustments were made to the exercise price and the number of options held by ESOP holders, in accordance with applicable provisions.

Further, the bonus shares pertaining to shareholders holding shares in physical form have been credited to the Unclaimed Securities Suspense Escrow Account maintained by the Company and shall be transferred to such shareholders upon dematerialisation of their holdings.

4. Conversion of Compulsorily Convertible Preference Shares

The Company allotted 3,337,505 (Thirty-Three Lakhs Thirty-Seven Thousand Five Hundred and Five) Compulsorily Convertible Preference Shares ("CCPS") to Quinag Bidco Ltd on May 14, 2021, and 1,186,099 (Eleven Lakhs Eighty-Six Thousand and Ninety-Nine) CCPS to TPG Fett Holding Pte. Ltd on March 29, 2022, each on a private placement basis.

During the financial year under review, the Company converted the aforesaid mentioned 45,23,604 (Forty-Five Lakh Twenty-Three Thousand Six Hundred And Four) CCPS into fully paid equity shares of Face Value ₹ 1 each with Board's approval on January 23, 2026. Accordingly, an aggregate of 22,618,020 (Two Crore Twenty-Six Lakh Eighteen Thousand and Twenty) fully paid-up equity shares were allotted in the conversion ratio of 1:5, i.e., five equity shares for every one CCPS held. These Equity Shares were allotted pursuant to the conversion of CCPS and no separate price was paid for these Equity Shares at the time of conversion.

5. Initial Public Offer

The equity shares of the Company were listed on the Stock exchanges on February 16, 2026. As a part of the issue, the Company had allotted 3,15,23,948 (Three Crores Fifteen lakhs Twenty Three Thousand Nine Hundred and Forty Eight) equity shares comprising of offer for sale of 2,01,15,554 (Two Crores One Lakh Fifteen Thousand Five Hundred and Fifty Four) and fresh issue of 1,14,08,394 (One Crore Fourteen Lakhs Eight Thousand Three Hundred and Ninety Four) equity shares of Face Value of ₹ 1 each (Indian Rupee One Only).

Debt Structure

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

DEPOSITS

During the financial year under review, your Company had not accepted any deposits pursuant to the provisions of Section 73 and 76 of the Act read with applicable rules made thereunder. As the Company had not accepted any deposits, there were no amount remaining unpaid or unclaimed as on March 31, 2026.

PARTICULARS OF LOANS, GUARANTEES, SECURITY AND INVESTMENTS

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

SUBSIDIARIES AND ASSOCIATE AND PERFORMANCE / FINANCIAL POSITION OF SUBSIDIARIES/ ASSOCIATES

As on March 31, 2026, our Company had 4 direct Subsidiaries, 20 step-down Subsidiaries and 1 Associate.

The details of Company's direct subsidiaries/associate as on March 31, 2026, are as follows:

Sr. No.	Name of the Company	Country of Incorporation	Wholly owned subsidiary/ Subsidiary/ Associate
1.	Fractal Private Limited	Singapore	Wholly owned subsidiary
2.	Fractal Analytics Inc.	United States of America	Wholly owned subsidiary
3.	Senseforth AI Research Private Limited	India	Subsidiary
4.	Analytics Vidhya Educon Private Limited	India	Wholly owned Subsidiary#
5.	Qure.ai Technologies Private Limited	India	Associate

 # Wholly Owned Subsidiary with effect from November 22, 2025.

Following are the step-down subsidiaries of the Company as on March 31, 2026:

Sr. No.	Name of the Company	Country of incorporation	Parent Company, country of incorporation
1.	Fractal Analytics UK Limited	United Kingdom	Fractal Analytics Inc., USA
2.	Fractal Analytics (Canada) Inc.	Canada	Fractal Private Limited, Singapore
3.	Fractal Analytics (Switzerland) GmbH	Switzerland	Fractal Private Limited, Singapore
4.	Fractal Analytics Germany GmbH	Germany	Fractal Private Limited, Singapore
5.	Fractal Analytics Netherland B.V.	Amsterdam	Fractal Private Limited, Singapore
6.	Limited Liability Company "Symphony" (Ukraine)	Ukraine	Fractal Private Limited, Singapore
7.	Fractal Analytics Australia Pty Ltd.	Australia	Fractal Private Limited, Singapore
8.	Fractal Analytics Malaysia SDN BHD	Malaysia	Fractal Private Limited, Singapore
9.	Fractal Analytics (Shanghai) Limited	China	Fractal Private Limited, Singapore
10.	Fractal Analytics Sweden AB*	Sweden	Fractal Private Limited, Singapore
11.	Fractal L.L.C.-FZ	Meydan Free Zone, UAE	Fractal Private Limited, Singapore
12.	Fractal AI Limited	Abu Dhabi Global Markets, Abu Dhabi, UAE	Fractal Private Limited, Singapore
13.	Final Mile Consulting LLC	United States of America	Fractal Analytics Inc., USA
14.	Senseforth, Inc.	United States of America	Fractal Analytics Inc., USA
15.	Asper.AI Inc.	United States of America	Fractal Analytics Inc., USA
16.	Asper.AI Limited	United Kingdom	Asper.AI Inc, USA
17.	Asper. AI Technologies Private Limited	India	Asper.AI Inc, USA
18.	Fractal Frontiers, Inc.@	United States of America	Senseforth AI Research Private Limited, India
19.	Eugenie.ai Inc.	United States of America	Fractal Analytics Inc., USA
20.	Analytics Vidhya Inc.	United States of America	Analytics Vidhya Educon Private Limited

** Under liquidation.*

@ Wholly owned subsidiary of Senseforth AI Research Private Limited, India with effect from October 24, 2025 and Dissolved with effect from July 21, 2026.

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

a) The Board of Directors of Cuddle Artificial Intelligence Private Limited, Final Mile Consultants Private Limited, Neal Analytics Services Private Limited, Theremin AI Solutions Private Limited, Fractal Alpha Private Limited, Eugenie Technologies Private Limited ("Transferors") with Senseforth AI Research Private Limited ("Transferee") in their respective board meetings had approved scheme of arrangement subject to requisite approvals, consents, permissions of the shareholders and creditors as applicable, of these companies and due sanction of National Company Law Tribunal ("NCLT") Mumbai bench based on share exchange ratio as determined, followed by a reduction of paid-up equity share capital of the Transferee. The NCLT in its original order dated September 03, 2025 and revised order dated September 23, 2025 approved the scheme of merger and necessary filings with the Registrar of Companies (ROC) have been made which was subsequently approved by the ROC vide e-mail dated November 12, 2025.

b) Pursuant to the share purchase agreement dated November 22, 2025, our Company purchased 100,138 (One Lakh One Hundred and Thirty-Eight) equity shares of Analytics Vidhya Educon Private Limited, constituting 41.46% of the equity share capital of Analytics Vidhya Educon Private Limited on a fully diluted basis, for an aggregate consideration of ₹487 million with effect from November 22, 2025, thereby making it wholly owned subsidiary of the Company.

c) Theremin Multi Strategy Fund LLP has been struck off from the Register and stands dissolved as of August 21, 2025

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

The Company has no joint venture within the meaning of Section 2(6) of the Act. Apart from as stated above, no company ceased to be subsidiary or joint venture or associate of your Company as on March 31, 2026.

The Company has obtained a certificate from the Statutory Auditors certifying that the Company is in compliance with FEMA Regulations with respect to downstream investments made in its wholly owned subsidiary Company as operating during the year under review.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company in Form MGT-7 for FY 2025-26, is available on the Company's website at https://fractal.ai/docs/Investor-Relations/Annual-Reports-and-Postal-Ballot-Notice/Fractal-Annual-Return-Form-MGT-7-FY-2025-26

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

During the year, there was no material transaction with any related parties as per the Related Party Transactions Policy of the Company or any other related party transaction entered into by the Company that requires disclosure in Form AOC- 2, hence, it dœs not form part of this report.

LOAN FROM DIRECTORS OR FROM THEIR RELATIVES

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

EMPLOYEES' STOCK OPTION SCHEME

During the financial year, the Board, at its meeting held on August 1, 2025, made amendments to the below-mentioned ESOP Schemes to ensure compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB&SE Regulations"), which were subsequently approved by the members through a special resolution at the Extraordinary General Meeting held on August 8, 2025:

- 2019 Fractal Employees Stock Option Plan
- 2007 Fractal Employees Stock Option Plan
- The Fractal Analytics Limited Time Based Key Employee Stock Incentive Plan 2019
- The Fractal Analytics Limited Performance Based Key Employee Stock Incentive Plan 2019

Thereafter, the Board at its meeting held on March 20, 2026, approved the ratification of the aforementioned Schemes to ensure compliance with the SBEB&SE Regulations along with amendments to the Fractal Analytics Limited Time Based Key Employee Stock Incentive Plan 2019 and the Fractal Analytics Limited Performance Based Key Employee Stock Incentive Plan 2019. These ratifications and amendments to the Schemes were subsequently approved by the members of the Company through special resolutions passed via Postal Ballot on May 28, 2026.

Pursuant to the provisions of Rule 12 of the Companies (Share capital and Debentures) Rules, 2014, the information relating to options granted by the Company pursuant to respective scheme during the financial year under review and other particulars with regard to stock options are set out in **'Annexure C'** to this report. Further, all aforementioned Schemes are in compliance with the SBEB&SE Regulations.

The necessary disclosures as required under the SBEB&SE Regulations have been placed on the website of the Company at https://fractal.ai/. Further, the Certificate required under Regulation 13 of the SBEB&SE Regulations from the Secretarial Auditors of the Company that aforementioned Schemes have been implemented in accordance with the SBEB&SE Regulations will be available at the forthcoming Annual General Meeting for inspection at the registered office of the Company.

ENTERPRISE RISK MANAGEMENT POLICY

Your Company recognizes that effective risk management is fundamental to sustainable growth and value creation. Accordingly, it has established a robust risk management framework aimed at identifying, assessing, monitoring and mitigating risks in a proactive and systematic manner. The risk management culture of the Company emphasizes timely identification of potential risks and implementation of appropriate mitigation measures, while maintaining an optimal balance between risk and return.

In line with the requirements of the SEBI Listing Regulations, the Board has approved a Risk Assessment and Management Policy, which provides a structured framework for managing various business risks. The framework incorporates comprehensive processes, controls and procedures to identify risks across operational and strategic areas and minimize their impact through appropriate risk mitigation mechanisms. It also facilitates continuous monitoring and review of key risks to support the Company's objectives of business resilience, predictability and stability of earnings.

The Board has constituted a Risk Management Committee, whose terms of reference are aligned with the requirements of the SEBI Listing Regulations. The Committee periodically reviews the risk management framework, risk assessment processes and mitigation measures, and evaluates the effectiveness of the Company's risk management systems to ensure that risks are identified, monitored and managed through an adequately defined governance and control structure.

Further, taking into consideration the Company's future growth plans, strategic priorities and evolving business environment, the Board of Directors, at its meeting held on August 8, 2025, approved the revised Risk Assessment and Management Policy to further strengthen the Company's risk governance framework. The amended policy continues to guide the Company in effectively managing risks and safeguarding stakeholder interests.

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

Your Company practices a zero-tolerance approach to bribery and corruption and is committed to act professionally and fairly in all its business dealings and relationships and in implementing and enforcing effective systems to counter bribery and corruption in any form. Your Company mandates compliance with all applicable anti-bribery and anti-corruption laws in all locations and jurisdictions in which it operates. Accordingly, your Company has formulated and designed the Anti-Bribery and Anti-Corruption Policy to provide a framework for ensuring compliance with various legislations governing bribery and corruption globally and provide guidance on the standards of behaviour to which everyone must adhere to. The said Policy has been framed as per the industry standard and also finalised and approved on the recommendations of the Audit Committee (formerly known as Audit and Risk Committee). The purpose of this policy is to provide guidance to the Company's directors, officers, employees, agents, consultants, and other third-party representatives to ensure compliance with the Prevention of Corruption Act, 1988 of India, U.S. Foreign Corrupt Practices Act of 1977, U.K. Bribery Act 2010, as amended, and other anti-corruption and anti-bribery laws and regulations applicable in the jurisdictions in which the Company does business.

WHISTLE BLOWER POLICY

Pursuant to provisions of Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations, your Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism for Directors and employees whereby direct access to the Chairperson of the Audit Committee was provided. This framework is designed to empower directors, employees, and other stakeholders to confidentially report any unethical behaviour, fraud and violations of our code of conduct, thereby safeguarding against victimization and promoting an ethical workplace.

During the year, no person was denied access to the Audit Committee for expressing their concerns or reporting grievances under the Whistle Blower Policy.

Whistle Blower policy is available on the website of your Company at https://fractal.ai/docs/Investor-Relations/Policies/Whistleblower-Policy-and-Vigil-Mechanism.pdf

INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

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

VOTING RIGHTS NOT EXERCISED DIRECTLY BY EMPLOYEES

Not applicable.

INTERNAL AUDIT

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

STATUTORY AUDITORS AND AUDITOR'S REPORT

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

There are no qualifications, reservations, adverse remarks or disclaimers made by M/s. B S R & Co. LLP, Statutory Auditors in their Report for FY 2025-26. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the financial year under review. The observations made in the Report under Section 143(3) of the Act read with Clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 are self-explanatory and do not call for any further comments.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

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

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. Makarand M. Joshi & Co., ('MMJC') Company Secretaries to conduct the Secretarial Audit of your Company for FY 2025-26.

The Secretarial Audit Report issued by M/s. Makarand M. Joshi & Co. is enclosed as **'Annexure D'** and forms part of the Board report.

There were no qualifications, reservations or adverse remarks/ comments or disclaimer made by the aforesaid Auditors in their audit reports.

The said Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act.

MAINTAINANCE OF COST RECORDS

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

CONSERVATION OF ENERGY AND ENVIRONMENT PROTECTION

Fractal continues to make meaningful and measurable progress in the management of its environmental responsibilities. During the financial year 2025-26, Fractal continued to maintain a focused approach towards energy conservation, greenhouse gas ('GHG') emissions management, and the adoption of sustainable operational practices across its India offices in Mumbai, Gurugram, and Bengaluru. The disclosures set out in this section reflect the Fractal's ongoing commitment to the principles of environmental stewardship, resource efficiency, and transparent sustainability governance.

A. CONSERVATION OF ENERGY

(i) Steps Taken and Impact on Conservation of Energy

Fractal has taken several targeted measures during FY 2025-26 to reduce energy consumption and improve operational efficiency across its facilities. Regular energy monitoring is carried out across all operational facilities to identify and address inefficiencies on an ongoing basis. Energy efficiency measures include optimized HVAC settings (24-26°C) and prioritize procurement of energy-efficient rated equipments (BEE, EPEAT, ENERGY STAR et al).

Refrigeration systems amongst Fractal's largest offices were progressively transitioned to low Global Warming Potential (low-GWP) refrigerants, with faulty units and new purchases being replaced accordingly. This phased approach is expected to reduce both direct energy demand and associated refrigerant-related emissions over time. End-of-life refrigerant based water dispensers were replaced with non-refrigerant-based alternatives, and new procurement was aligned to the same standard, reducing direct refrigerant emissions.

In the area of water resource management, total water consumption across all India sites stood at 9,866 cubic meters during the fiscal year 2025-26. Fractal is currently in the planning stage for a non-invasive water meter pilot program which will enable granular, real-time monitoring and materially improve the accuracy of water consumption reporting in future periods.

With respect to waste management, Fractal is actively advancing towards TRUE (Total Resource Use and Efficiency) Zero Waste to Landfill certification, in collaboration with the Indian Green Building Council ('IGBC'). Structured programs for waste segregation, recycling, and reuse are in place across all facilities, and sustainable material management and circular economy principles have been embedded into procurement and facilities management practices. Fractal aims to achieve TRUE certification by FY 2026-27, which will represent a significant milestone in its responsible waste management programs.

(ii) Steps Taken for Utilizing Alternate Sources of Energy

Fractal has made significant strides in the adoption of renewable energy across its India operations. During FY 2025-26, 100% renewable energy was sourced for its offices at Mumbai and Bengaluru (3 offices) facilities, resulting in a reduction of over 90% in indirect emissions, compared to the baseline year FY 2019-20.

All three Bengaluru facilities, including the two newer facilities, continue to source Category 3 (Energy - Building Services) HVAC (chiller) electricity consumption through state provided green power. Additionally, through sustained engagement with the base building management (Oberoi Realty, Mumbai), Fractal successfully transitioned Category 3 HVAC electricity consumption for the Mumbai office to a Green Tariff, effective January 2026.

In the area of transport, Fractal is progressively transitioning its employee transport operations towards lower-carbon alternatives. Through a targeted expansion of the electric vehicle (EV) fleet for business travel, approximately 75% of total business travel distance is now covered by EVs, resulting in a significant reduction in Scope 3 Category 6 (Business Travel) emissions. In parallel, for night transport of its employees, EV's currently account for 36% of total distance travelled, supporting the reduction of Scope 3 Category 7 (Employee Commuting) emissions. Together, these initiatives reflect Fractal's broader commitment to sustainable and responsible operations.

(iii) Capital Investment on Energy Conservation Equipment

During FY 2025-26, Fractal did not incur any standalone capital expenditure exclusively designated for energy conservation equipment. However, energy efficiency and sustainability considerations are systematically embedded into the Company's capital procurement and facilities management decisions. All equipment procured during the year – including HVAC systems, refrigeration units, water dispensers, and IT hardware – was evaluated against recognised energy efficiency standards such as BEE, EPEAT, and ENERGY STAR ratings, with energy-efficient alternatives being prioritised at the time of replacement and new procurement. The progressive transition to low Global Warming Potential (low-GWP) refrigerants and the expansion of the electric vehicle fleet for business and employee transport further reflect the Company's commitment to directing capital towards environmentally responsible and energy-efficient solutions. Accordingly, while energy conservation investment is not tracked as a discrete capital line item, it forms an integral part of Fractal's broader operational and sustainability capital allocation framework.

B. GREENHOUSE GAS EMISSIONS

Fractal reports its greenhouse gas emissions in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, covering its India operations across Mumbai, Gurugram, and Bengaluru. The emissions data for FY 2025-26 is summarized below.

Scope 1 – Direct Emissions

Gross Scope 1 direct emissions for FY 2025-26 amounted to approximately 45,390 kg CO_2 equivalent. These emissions are principally attributable to diesel consumption from its power backup (DG set) systems, HVAC operations, refrigeration systems, and fire extinguisher usage within the boundaries of the Fractal's India offices. The updated emission factors, along with the measures described in Section "A" above – including the adoption of low-GWP refrigerants and the replacement of refrigerant-based dispensing units– have contributed to a reduction in Scope 1 emissions during the year.

Scope 2 – Indirect Emissions from Purchased Energy

Gross location-based Scope 2 indirect emissions amounted to 65,165 kg CO_2 equivalent for FY 2025-26. The sourcing of 100% renewable energy for the Mumbai and Bengaluru offices has delivered a reduction of over 90% in indirect emissions, compared to the baseline year FY 2019-20, representing a significant step forward in Fractal's transition to low-carbon energy consumption.

Scope 3 – Other Indirect Emissions

Gross Scope 3 other indirect emissions for the year amounted to 18,126,605 kg CO_2 equivalent. These emissions encompass a range of value chain activities, including purchased goods and services, capital goods, fuel and energy-related activities not included in Scope 1 or 2 (building services energy consumption), waste generated in operations (including water waste), business travel (surface and air), and employee commuting (including employee commute and night-drop transport). Key Scope 3 reduction initiatives include the transition of Category 3 (Energy - Building Services) HVAC electricity to a Green Tariff from January 2026, achieved through sustained engagement with base building management (Oberoi Realty, Mumbai); a growing EV fleet now covering approximately 75% of business travel distance and 36% of night transport distance, with the latter targeted to reach 50% by 2030; and ongoing water conservation efforts encompassing behavioral awareness programs, sensor-based washroom taps, and continuous utility monitoring.

C. GHG ASSURANCE AND REPORTING FRAMEWORK

Fractal has maintained independent third-party assurance for past six fiscals (FY 2019-20 through FY 2024-25) under the AA1000AS standard. Fractal continues to subject its GHG data and sustainability disclosures to independent third-party assurance under the AA1000 Assurance Standard (AA1000AS). This assurance process is grounded in the principles of inclusivity, materiality, and responsiveness to stakeholder concerns, and provides reasonable confidence in the reliability and completeness of the information disclosed.

D. CERTIFICATIONS AND STRATEGIC MILESTONES

Fractal maintained its ISO 14001:2015 (Environmental Management Systems) and ISO 45001:2018 (Occupational Health and Safety Management Systems) certifications at its major facilities during FY 2025-26. In a meaningful expansion of this program, both certifications were extended during the year to co-working spaces in Pune and Noida, and to two newly managed office locations in Bengaluru, thereby ensuring that consistent environmental and safety management standards are upheld across all of Fractal's operational locations.

Building upon the WELL Platinum certification achieved by the Mumbai office in FY 2023-24, the Fractal initiated the adoption of WELL Platinum design standards for new workplace fit outs in FY 2025-26. This initiative reflects Fractal's commitment to creating workplaces that promote the health, well-being, and productivity of its employees while meeting the highest internationally recognized standards of sustainable design.

TRUE Zero Waste to Landfill Certification:

Fractal is advancing toward TRUE (Total Resource Use and Efficiency) certification in collaboration with IGBC, reinforcing its commitment to zero-waste principles.

This initiative emphasizes:

- Waste reduction through segregation, recycling, and reuse
- Adoption of sustainable material management practices
- Implementation of a circular economy approach

The organization aims to achieve TRUE certification by FY 2026-27, marking a significant milestone in responsible waste management and operational excellence.

E. FUTURE COMMITMENTS

Fractal will continue aligning its operational and sustainability strategies with globally recognized frameworks, including:

AA1000AS, GRI, LEED, WELL, IGBC, and ISO standards.

These efforts will ensure:

- Transparent and credible ESG reporting
- Enhanced stakeholder engagement
- Continuous improvement in environmental performance

TECHNOLOGY ABSORPTION

Your company has adopted a Zero Trust, SASE-based architecture, GenAI / Automations, FinOps, Safe & Secure Network, as part of the overall security enhancement, has implemented the following capabilities with roughly 4 months efforts which includes POC, testing, implementation, transition, consolidation etc.

Benefits derived

These initiatives have resulted in improved system availability and performance, stronger threat detection and incident response capability, enhanced regulatory and data-protection compliance, reduced operational risk through automation, and improved cost visibility and control (FinOps) over cloud and GenAI consumption. As the Company is engaged in IT/ITES services, benefits are primarily in the nature of operational efficiency, service quality, and risk reduction rather than product development or import substitution.

IT ("Information Technology") doesn't incur any cost on POCs or research/development.

Digital Experience Monitoring

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

Immutable Backup Repository

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

Endpoint Backup Solution

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

Secure File Transfer

A secure file transfer platform enables the organization to share large or sensitive files efficiently and safely. It supports encrypted and trackable transfers to external clients and internal teams, improving operational efficiency and data protection. An additional new interface allowing file transfer with enhanced security allowing uploads / downloads via individual links.

Centralized Log Management

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

Automated Patch Management

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

Vulnerability Assessment

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

New Virtualisation Solution – Private Cloud

An Updated Virtualisation Solution has been deployed to support the updated requirements and to setup our internal private cloud environment.

DR Enablement

Active DR has been enabled using the new DC at Bengaluru Manyata to support critical applications.

Endpoint Privilege Management

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

Endpoint Detection and Response (EDR)

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

Security Incident and Event Monitoring (SIEM)

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

Cloud Access Security Broker (CASB)

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

Zero Trust Network Access (ZTNA)

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

Internet Access Control

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

Email Security

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

Data Loss Prevention

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

Cloud Security Posture Management

A cloud infrastructure security governance tool helps monitor security configurations and detect compliance gaps. It provides visibility across cloud environments and supports continuous security improvement.

Backup and Restoration

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

Infrastructure Monitoring

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

Web Application Firewall

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

Privileged Access Management

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

Configuration & Endpoint Management

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

GenAI Enablement

IT manages access to Generative AI tools through controlled license assignments and hard capping (FinOps & Governance/ controls) token consumption, ensuring responsible deployment across the organization.

Our centralized governance framework maintains transparent tracking of licenses and API consumption (dashboard) enabling data-driven decisions and cost control. we balance innovation with financial prudence, ensuring Gen AI tools deliver measurable business value while maintaining compliance and security standards.

Safe & Secured Network

A comprehensive network security framework has been established to safeguard the organization's infrastructure across all locations and connectivity models. It enforces consistent security policies, enables secure segmentation, and provides resilience against both internal and external threats – ensuring reliable and protected access for users, applications, and data across the enterprise.

Secure GenAI access

Controlled and governed access to Generative AI platforms has been instituted to enable responsible and secure adoption across the organization. Access is managed through policy-driven guardrails, ensuring that AI interactions remain compliant with data protection standards, prevent exposure of sensitive information, and align with the organization's broader security posture and acceptable use policies.

Automation

An automation capability has been introduced to streamline repetitive operational and business processes across functions. By reducing manual intervention, it improves efficiency, minimizes human error, accelerates service delivery, and enables teams to focus on higher-value activities – supporting both operational excellence and scalability as the organization grows.

Modernization

A strategic modernization initiative is underway to evolve the organization's technology landscape in alignment with current and future business needs. This encompasses upgrading legacy systems, adopting cloud-native approaches, and re-platforming key workloads to improve agility, performance, and maintainability – laying a resilient foundation for sustained innovation and growth.

FOREIGN EXCHANGE EARNINGS AND OUTGO

As of March 31, 2026, the details of the foreign exchange earnings and outgo for the year under review and previous year are as under:

Total Foreign Exchange Earned and Outgo	March 31, 2026 (INR in Million)	March 31, 2025 (INR in Million)
Foreign Currency Earnings	18,890	10,687
Foreign Exchange Outgo	35	2

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

1. During the financial year under review, the following corporate actions has taken place for the Company as well as the subsidiaries of the Company:

   a. The equity shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on February 16, 2026 pursuant to the filing of Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus on August 12, 2025, February 02, 2026, and February 11, 2026, respectively.

   b. The Board of Directors of Cuddle Artificial Intelligence Private Limited, Final Mile Consultants Private Limited, Neal Analytics Services Private Limited, Theremin AI Solutions Private Limited, Fractal Alpha Private Limited, Eugenie Technologies Private Limited ("Transferors") with Senseforth AI Research Private Limited ("Transferee") in their respective board meetings had approved scheme of arrangement subject to requisite approvals, consents permissions of the shareholders and creditors as applicable, of these companies and due sanction of National Company Law Tribunal ("NCLT") Mumbai bench based on share exchange ratio as determined, followed by a reduction of paid-up equity share capital of the Transferee. The NCLT in its original order dated September 03, 2025 and revised order dated September 23, 2025 approved the scheme of merger and necessary filings with the Registrar of Companies (RoC) have been made which was subsequently approved by the RoC vide e-mail dated November 12, 2025.

   c. Pursuant to the share purchase agreement dated November 22, 2025, our Company purchased 100,138 (One Lakh One Hundred and Thirty-Eight) equity shares of Analytics Vidhya Educon Private Limited, constituting 41.46% of the equity share capital of Analytics Vidhya Educon Private Limited on a fully diluted basis, for an aggregate consideration of ₹487 million with effect from November 22, 2025, thereby making it wholly owned subsidiary of the Company.

   d. Theremin Multi Strategy Fund LLP has been struck off from the Register and stands dissolved as of August 21, 2025.

2. The following corporate actions have taken place for subsidiaries of the Company post March 31, 2026 and prior to the report date:

   a. The Board of Analytics Vidhya Educon Private Limited in its board meeting held on April 3, 2026, approved the acquisition of the intellectual property and the related business of 'Edtech', 'Fractal Analytics Academy (FAA)',and 'Iqigai.ai' from Fractal Analytics Limited with effect from April 1, 2026, by way of slump-sale, on a going concern basis including authorization for finalization, execution, delivery, performance of business transfer agreement ('BTA') and other requisite, ancillary or related documents /agreements as may be required. Further, the Board had approved modifications to the BTA by incorporating revised effective date and consideration in their Board Meeting held on July 23, 2026. The remaining terms and conditions of the BTA, as approved by the Board, remain materially unchanged.

   b. The Board of Analytics Vidhya Educon Private Limited in its Board meeting held on April 3, 2026, has approved offer and issue of equity shares of Analytics Vidhya Educon Private Limited on rights basis in one or more tranches, up to a maximum of ₹ 394 million at fair market value, as may be calculated in accordance with applicable laws

   c. Fractal Frontiers Inc. has been dissolved with effect from July 21, 2026.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Pursuant to the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014, your Company has framed a policy on Corporate Social Responsibility ('CSR'). Further, the Corporate Social Responsibility and Environmental, Social, and Governance (CSR & ESG) committee was re-constituted in the Board Meeting dated August 01, 2025.

Further, the Company also has an ESG Policy in place which was amended on September 04, 2025, and further amended on May 20, 2026, to incorporate various modifications.

The latest CSR policy is available on the website of the Company at https://fractal.ai/docs/Policy/Fractal-CSR-Policy.pdf. The latest ESG policy of the Company is also available on the website of the Company at https://fractal.ai/docs/Policy/Fractal-ESG-Policy.pdf.

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

As part of its CSR initiatives, the Company contributed funds and implemented projects focused on providing mobility aids to persons with disabilities, promoting nature-positive farming and sustainable rural livelihoods, supporting the education of deserving girls through scholarships and career guidance, enhancing employability and financial independence for underprivileged women through skill development initiatives, and improving menstrual health awareness and access to hygiene resources for adolescent girls, thereby advancing inclusion, healthcare, education, women's empowerment, and sustainable livelihood opportunities for underserved communities. The details about the policy developed and implemented by the Company on CSR initiatives taken during the year are set out under **'Annexure E'.**

AWARDS AND RECOGNITIONS

In the FY 2025-26, the Company received awards and was recognised as follows:

Calendar Year	Award
2025	Recognized as a leader among the 'Customer Analytics Service Providers' in the Forrester Wave: Customer Analytics Services, Q2 2025 Report prepared by Forrester Research, Inc.
2025	Recognized as a 'Notable Provider' in The AI Consulting Services Landscape, Q3 2025 by Forrester Research, Inc.
2025	Recognized among 'India's Best Companies to Work for 2025' by Great Place to Work Institute, India
2025	Recognized as a 'Leader' in the Data and AI Services Specialists – North America PEAK Matrix® Assessment 2025 by Everest Group
2025	Selected by Ministry of Electronics and Information Technology for the development of India's foundation models under the India AI Mission
2025	Recognized for Best Indian LLM Innovation with a special mention for Outstanding Work in AI Implementation at the ET Making AI Work Awards 2025 by the Economic Times
2025	Recognized as Best AI Application of Tech for Good at the Financial Express Futech Summit & Awards
2025	Awarded the 'Best Workplace of the Year' in the Entrepreneur Awards 2025
2025	Recognized as one of the Best-Led Companies of 2025 by Glassdoor (Top 50)
2025	Recognized among the Top 50 | large India's best workplaces for women by Great Place to Work India 2025
2025	Recognized among the large India's best workplaces for diversity, equity, inclusion and belonging by Great Place to Work India 2025
2025	Recognised for Best E- learning, Blended, Flipped Classroom Solution or Remote Solution by Brandon Hall Group
2025	Recognised for Best Innovation - Generative AI Powered Learning Solution by Brandon Hall Group
2025	Recognised as a 'Leader' in ISG Provider Lens ™ for Generative AI Services 2025 by Information Services Group(ISG)
2025	Recognised as a 'Leader' in ISG Provider Lens ™ for Advanced Analytics and AI Services 2025 by Information Services Group(ISG)
2025	Recognised as a 'Leader' in ISG Provider Lens ™ for Speciality Analytics Services 2025 by Information Services Group(ISG)
2025	Recognised as a 'Major Contender' in Global Capability Center (GCC) Transformation Capabilities in India – PEAK Matrix® Assessment 2025 by the Everest Group
2025	Recognised as a 'Major Contender' in Life Sciences AI and Analytics Services for Commercial PEAK Matrix® Assessment 2025 by the Everest Group
2025	Fractal won 'Gold' Award for Excellence in cultivating a culture of Trust and High Performance at the ET Human Capital Awards 2025
2025	Recognised as a 'Leader' in ISG Provider Lens ™ for Speciality Analytics - Supply Chain 2025 by Information Services Group(ISG)
2025	Recognised as a 'Leader' in ISG Provider Lens ™ for Speciality Analytics - CPG & Retail 2025 by Information Services Group(ISG)
2025	Recognised as a 'Leader' in ISG Provider Lens ™ for Speciality Analytics - Healthcare and Lifesciences 2025 by Information Services Group(ISG)
2025	Recognised as a 'Niche Player' in Gartner Magic Quadrant for Marketing Mix Modeling Solutions 2025 by Gartner
2025	Recognised as a 'Leader' in AIM PeMa for Agentic AI Services 2025 by Analytics India Magazine
2025	GPTW Certified by Great Place to Work for 2025 - 9 years in a row
2025	Recognized as Microsoft Retail and Consumer Goods Partner of the Year 2025

Calendar Year	Award
2025	Coursera AI Innovation Award 2025
2026	Recognised as a 'Horizon 2 Enterprise Innovator' in the HFS Research Horizon Report on Data Modernization & AI
2026	Recognised as a 'Seasoned Vendor' in AIM PeMa for Agentic AI Platforms 2026 by Analytics India Magazine
2026	Databricks Gold Partner - Fractal has achieved Gold Partner (formerly named 'Elite Partner') status with Databricks

SEXUAL HARASSMENT POLICY

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, the Company has adopted a policy on the prevention of sexual harassment at the workplace. Pursuant to this policy, an Internal Complaints Committee (ICC) has been constituted, comprising designated members, including an external NGO representative. The names and email addresses of the ICC members, along with a summary of the policy and the detailed procedure for raising and addressing complaints, have been displayed on the notice board and other prominent locations within the workplace. The policy also establishes a formal mechanism for the reporting, investigation, and redressal of complaints relating to sexual harassment.

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

No. of complaints filed during the financial year	No. of complaints disposed off during the financial year	No. of complaints pending as on end of the financial year	No. of complaints pending more than ninety days	Nature of action taken
0	0	0	0	NA

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

MATERNITY BENEFITS ACT, 1961

The Company is compliant with the applicable provisions of the Maternity Benefit Act, 1961 and has policies, systems and processes in place to ensure ongoing compliance.

COMPLIANCE WITH SECRETARIAL STANDARDS

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

SIGNIFICANT AND MATERIAL ORDERS

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

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

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

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) in the preparation of the annual accounts for the year ended March 31, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profits of the Company for the year ended on that date;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) the directors had prepared the annual financial statements on a 'going concern' basis;

(e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENT

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

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

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

Srikanth Velamakanni
Whole-time Director
DIN: 01722758
Date: July 29, 2026
Place: London

Sasha Gulu Mirchandani
Non-Executive Director
DIN: 01179921
Date: July 29, 2026
Place: London

Annexure A

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

DISCLOSURES ON MANAGERIAL REMUNERATION

Details of remuneration as required under Section 197 of the Act Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

i. Ratio of remuneration of each director to the median remuneration of the employees of the Company for FY 2025-26 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the FY 2025-26:

Name	Designation	Ratio of remuneration of each Director to median remuneration of employees^ (Excluding perquisites under Employee Stock Option Scheme) (Refer notes below)	Increase in Remuneration (Excluding perquisites under Employee Stock Option Scheme) (%)	Ratio of remuneration of each Director to median remuneration of employees^ (Including perquisites under Employee Stock Option Scheme) (Refer Notes below)	Increase in Remuneration (Including perquisites under Employee Stock Option Scheme) (%)
DIRECTORS					
Puneet Bhatia*	Chairman & Non - Executive Director	-	Not Applicable	-	Not Applicable
Rohan Haldea**	Chairman & Non - Executive Director	-	Not Applicable	-	Not Applicable
Srikanth Velamakanni	Whole-time Director and group chief executive and executive vice-chairman	57.33	26%	56.67	26%
Pranay Agrawal#	Non-Executive Director and Chief Executive Officer, Fractal Analytics Inc.	-	Not Applicable	-	Not Applicable
Sasha Gulu Mirchandani	Non - Executive Director	-	Not Applicable	-	Not Applicable
Gavin Echlin Patterson	Non-Executive Director	-	Not Applicable	-	Not Applicable
Vivek Mohan	Non-Executive Director	-	Not Applicable	-	Not Applicable
Neelam Dhawan	Independent Director	5.83	10%	5.76	10%
Karen Ann Terrell	Independent Director	5.82	13%	5.76	13%
Janaki Akella	Independent Director	5.23	$	5.17	$
KEY MANAGERIAL PERSONNEL					
Ashwath Bhat#	Chief Financial Officer and Group Chief Financial Officer***	-	Not Applicable	-	Not Applicable
Somya Agarwal	Company Secretary and Compliance Officer	6.85	7%	8.33	(17%)

^The expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; if there is an even number of observations, the median shall be the average of the two middle values.

Notes:

1. The ratio of remuneration to median remuneration relates to the employees of the Company excluding subsidiaries.

2. In the financial statements, remuneration has been disclosed on an accrual basis, however in the above section, for the purpose of better comparison, remuneration has been disclosed on an actual basis.

**Mr. Puneet Bhatia, Chairman and Non-Executive Director resigned from the Board with effect from August 2, 2025.*

***Mr. Rohan Haldea, Non-Executive Director was appointed as Chairman of the Board with effect from August 2, 2025.*

****Mr. Ashwath Bhat, Chief Financial Officer and Group Chief Financial Officer, resigned with effect from close of business hours of July 24, 2026.*

$ Appointed as an Independent Director with effect from August 01, 2024. Remuneration was paid for part of the financial year 2024-25, hence, percentage increase / (decrease) in remuneration is not comparable.

#Pranay Agrawal, Non-Executive Director and Chief Executive Officer, Fractal Analytics Inc. and Ashwath Bhat, Chief Financial Officer and Group Chief Financial Officer drew remuneration from Fractal Analytics Inc., a wholly-owned subsidiary of the Company and did not receive any remuneration from the Company. Hence, ratio to the median remuneration and increase/(decrease) in remuneration are not stated.

ii. The percentage increase in the median remuneration of employees in the FY 2025-26:
16.12% excluding perquisites under Employee Stock Option Scheme and 16.76% including perquisites under Employee Stock Option Scheme.

iii. The number of permanent employees on the rolls of the Company as on March 31, 2026:
5,112 employees

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration

The average increase in the salaries of all employees for FY 2025-26 was 10.69%. The average increase in remuneration of managerial personnel was 8.77% and non-managerial personnel was 10.7%.

It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

ANNEXURE B

(This annexure forms part of the Boards' Report)

E-FORM AOC - 1

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

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

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

I. Details of subsidiaries:

(Direct Subsidiaries)

(Value in Rupees million)

Sr. No.	1	2	3	4
Name of the subsidiary	**Fractal Analytics Inc.**	**Fractal Private Limited**	**Senseforth AI Research Private Limited[a)]**	**Analytics Vidhya Educon Private Limited[b)]**
The date since when the subsidiary was incorporated	02-10-2003	26-09-2003	27-03-2017	18-02-2014
The date since when the subsidiary was acquired	-	-	03-08-2021	10-09-2021
Financial year ended	31-03-2026	31-03-2026	31-03-2026	31-03-2026
Reporting currency	USD	SGD	INR	INR
Average Rate	88.3262	68.5107	1	1
Closing rate	93.8539	72.8077	1	1
Share Capital	99	7	26	2
Reserves & Surplus	2,475	177	(1)	(42)
Total Assets	15,357	256	71	120
Total Liabilities	12,783	72	45	160
Investments	1,409	110	-	0
Turnover	25,878	194	5	350
Profit before taxation	1,283	10	3	28
Provision for taxation	(510)	1	(3)	(2)
Profit after taxation	1,793	9	6	30
Proposed Dividend	-	-	-	-
% of share-holding	100% by Fractal Analytics Limited	100% by Fractal Analytics Limited	99.99% by Fractal Analytics Limited	100% by Fractal Analytics Limited

(Step-down subsidiaries)

Sr. No.	5	6	7	8	9	10
Name of the subsidiary	**Fractal LLC-FZ**	**Asper.AI Technologies Private Limited**	**Fractal Analytics UK Limited**	**Fractal Analytics (Canada) Inc.**	**Fractal Analytics (Switzerland) GmbH**	**Fractal Analytics Germany GmbH**
The date since when the subsidiary was incorporated	02-09-2022	18-09-2019	19-03-2010	11-12-2013	16-06-2014	12-09-2016
The date since when the subsidiary was acquired	-	17-05-2021	-	-	-	-
Financial year ended	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026
Reporting currency	AED	INR	GBP	CAD	CHF	EUR
Average Rate	24.1012	1	118.3844	63.9176	110.0807	102.3590
Closing Rate	25.5500	1	124.0695	67.3854	117.3709	107.9914
Share Capital	3	97	0	1	2	3
Reserves & Surplus	55	152	926	134	25	9
Total Assets	349	547	1,244	172	31	21
Total Liabilities	292	299	318	37	4	9
Investments	-	-	-	-	-	-
Turnover	242	656	1,358	201	10	24
Profit before taxation	22	91	125	19	1	2
Provision for taxation	1	24	63	5	0	1
Profit after taxation	21	67	63	14	1	1
Proposed Dividend	-	-	-	-	-	-
% of share-holding	100% by Fractal Private Limited, (Singapore)	100% by Asper. AI Inc. (USA)	100% by Fractal Analytics Inc. (USA)	100% by Fractal Private Limited, (Singapore)	100% by Fractal Private Limited, (Singapore)	100% by Fractal Private Limited, (Singapore)

(Step-down subsidiaries)

Sr. No.	11	12	13	14	15	16
Name of the subsidiary	**Cuddle.ai Inc [c)]**	**Fractal Analytics Netherland B.V.**	**Limited Liability Company "Symphony (Ukraine)"**	**Final Mile Consulting LLC**	**Fractal Analytics Australia Pty Ltd.**	**Analytics Vidhya Inc. (USA)**
The date since when the subsidiary was incorporated	02-03-2017	18-07-2017	01-08-2017	06-07-2012	06-06-2018	08-08-2023
The date since when the subsidiary was acquired	-	-	-	-	-	-
Financial year ended	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026
Reporting currency	USD	EUR	UAH	USD	AUD	USD
Average Rate	88.3262	102.3590	2.0869	88.3262	58.3237	88.3262
Closing Rate	93.8539	107.9914	2.1277	93.8539	64.5161	93.8539
Share Capital	-	2	17	1	29	0
Reserves & Surplus	-	41	21	(307)	147	4
Total Assets	-	61	51	27	259	8
Total Liabilities	-	18	13	333	83	4
Investments	-	-	-	-	-	-
Turnover	-	141	59	20	216	87
Profit before taxation	0	13	6	5	22	3
Provision for taxation	-	4	1	-	7	1
Profit after taxation	0	9	5	5	16	2
Proposed Dividend	0	-	-	-	-	-
% of share-holding	-	100% by Fractal Private Limited, (Singapore)	100% by Fractal Private Limited, (Singapore)	100% by Fractal Analytics Inc. (USA)	100% by Fractal Private Limited, (Singapore)	100% by Analytics Vidhya Educon Private Limited

(Step-down subsidiaries)

Sr. No.	17	18	19	20	21
Name of the subsidiary	**Fractal Analytics Sweden AB[f]**	**Fractal Analytics (Shanghai) Limited**	**Fractal Analytics Malaysia SDN BDH**	**Fractal Frontiers, Inc [e]**	**Senseforth Inc**
The date since when the subsidiary was incorporated	20-12-2018	19-11-2018	04-09-2018	03-03-2022	23-02-2017
The date since when the subsidiary was acquired	-	-	-	-	03-08-2021
Financial year ended	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026
Reporting currency	SEK	CNY	MYR	USD	USD
Average Rate	9.3723	12.4306	21.2374	88.3262	88.3262
Closing	9.8554	13.5999	23.1893	93.8539	93.8539
Share Capital	0	23	12	-	0
Reserves & Surplus	(1)	16	(7)	(0)	62
Total Assets	1	40	5	0	63
Total Liabilities	1	1	-	0	1
Investments	-	-	-	-	-
Turnover	0	4	-	-	0
Profit before taxation	1	0	1	(0)	1
Provision for taxation	(0)	0	-	-	-
Profit after taxation	1	0	1	(0)	1
Proposed Dividend	-	-	-	-	-
% of share-holding	100% by Fractal Private Limited, (Singapore)	100% by Fractal Private Limited, (Singapore)	100% by Fractal Private Limited, (Singapore)	100% by Senseforth AI Research Private Limited	100% by Fractal Analytics Inc. (USA)

(Step-down subsidiaries)

Sr. No.	22	23	24	25
Name of the subsidiary	**Asper.AI Limited**	**Asper.AI Inc.**	**Eugenie.ai Inc**	**Fractal Abu Dhabi**
The date since when the subsidiary was incorporated	07-11-2019	10-05-2019	15-02-2021	26-06-2024
The date since when the subsidiary was acquired	-	17-05-2021	-	-
Financial year ended	31-03-2026	31-03-2026	31-03-2026	31-03-2026
Reporting currency	GBP	USD	USD	AED
Average Rate	118.3844	88.3262	88.3262	24.1012
Closing Rate	124.0695	93.8539	93.8539	25.5500
Share Capital	6	0	0	-
Reserves & Surplus	3	(1,008)	3	6
Total Assets	115	676	3	35
Total Liabilities	106	1,684	0	30
Investments	-	166	-	-
Turnover	133	545	-	32
Profit before taxation	3	(386)	(0)	3
Provision for taxation	1	-	-	-
Profit after taxation	2	(386)	(0)	3
Proposed Dividend	-	-	-	-
% of share-holding	100% by Asper.AI Inc. (USA)	87.68% by Fractal Analytics Inc. (USA)	100% by Fractal Analytics Inc. (USA)	100% by Fractal Private Limited, (Singapore)

Note: Amount denoted as "0" is less than INR 1 million

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

a) The Board of Directors of Cuddle Artificial Intelligence Private Limited, Final Mile Consultants Private Limited, Neal Analytics Services Private Limited, Theremin AI Solutions Private Limited, Fractal Alpha Private Limited, Eugenie Technologies Private Limited and Senseforth AI Research Private Limited in their respective board meetings had approved scheme of arrangement amongst each other subject to requisite approvals, consents permissions of the shareholders and creditors as applicable, of these companies and due sanction of National Company Law Tribunal ('NCLT') Mumbai bench based on share exchange ratio as determined. The NCLT in its original order dated September 03, 2025 and revised order dated September 23, 2025 has approved the scheme of merger and necessary filings with the Registrar of Companies (RoC) have been made.

b) Pursuant to the share purchase agreement dated November 22, 2025, our Company purchased 100,138 equity shares of Analytics Vidhya, constituting 41.46% of the equity share capital of Analytics Vidhya on a fully diluted basis, for an aggregate consideration of ₹487 million with effect from November 22, 2025, thereby making it wholly owned subsidiary of the Company.

c) During the year ended March 31, 2025, Cuddle.ai Inc. one of step-down subsidiary filed for dissolution and was approved dated April 24, 2024 with State of Delaware to be effective from March 31, 2024 and subsequently all the approvals for dissolution have been received by March 31, 2025.

d) Theremin Multi Strategy Fund LLP has been struck off with effect from August 21, 2025.

e) Fractal Frontiers Inc. has dissolved with effect from July 21, 2026.

f) Fractal Analytics Sweden AB is under liquidation.

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

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

Sr. No.	Particulars	Details
1	Name of the Associate/ ~~Joint Venture~~.	Qure.ai Technologies Private Limited
2	Latest Audited Balance Sheet Date	March 31, 2026
3	Date on which the Associate or Joint Venture was associated or acquired	Incorporated on 19 July 2016 as a wholly owned subsidiary. w.e.f. 13 April 2022 it's an Associate.
4	Shares of Associate or Joint Ventures held by the Company on the year end	
	Number	250,000,000
	Amount of Investment in Associates	INR 3,566 million
	Extent of Holding (in percentage)	31.51%
5	Description of how there is significant influence	By virtue of shares (Associate)
6	Reason why the associate is not consolidated.	As per Ind AS 28, "Investments in Associates and Joint Ventures", If any entity has only significant influence over another entity, then it need not to consolidate financial statement of associate and only investment is initially recognised at cost and adjusted thereafter for investor's share of profit & loss and other comprehensive income in associate.
7	Net worth attributable to shareholding as per latest audited Balance Sheet (INR'000)	INR 831 million
8	Profit or (Loss) for the year (INR'000)	
	i. Considered in Consolidation	INR (692) million
	ii. Not Considered in Consolidation	INR (1,505) million

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

Srikanth Velamakanni
Whole-time Director
DIN: 01722758
Date: July 29, 2026

Sasha Gulu Mirchandani
Non- Executive Director
DIN: 01179921
Date: July 29, 2026

ANNEXURE C

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

Details pertaining to Fractal Employees Stock Option Plan ("Fractal ESOP") for the financial year 2025-26

Sr. No.	Particulars	2007 Fractal Employees Stock Option Plan	2019 Fractal Employees Stock Option Plan	The Fractal Analytics Limited Time Based Key Employees Stock Incentive Plan 2019 (Time Based MIP – 2019)	The Fractal Analytics Limited Performance Based Key Employees Stock Incentive Plan 2019 (Performance Based MIP – 2019)
1	Options granted (net of recission)	-	4,254,212	-	-
2	Options vested	-	2,733,380	104,630	-
3	Options exercised	304,262	623,611	549,253	-
4	The total number of shares arising as a result of exercise of option	304,262	623,611	549,253	-
5	Options lapsed (Net of Revived)	35,000	1,030,256	20,045	299,023
6	Options granted in FY 24-25 and rescinded during the FY 25-26.	Nil	Nil	Nil	Nil
7	The exercise price	The exercise price of shares allotted: Rs 8 each Rs 55.962 each Rs 128 each	The exercise price of Options granted: Rs 169.2 each Rs 454 each Rs 464 each Rs 1,075 each	The exercise price of shares allotted: Rs 169.2 each Rs 454 each Rs 643.6 each	The exercise price of shares allotted: Rs 169.2 each Rs 454 each	-
8	Variation of terms of options	Nil	Nil	Nil	Nil
9	Money realized by exercise of options	46,030,658	308,562,416	373,820,526	-
10	Total number of options in force	1,532,385	12,219,198	2,635,235	9,787,517
11	Employee wise details of options granted to:				
a.	Key managerial personnel	Nil	Nil	Nil	Nil
b.	Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	Nil	Nil	Nil	Nil
c.	Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Nil	Nil	Nil	Nil

ANNEXURE D

Secretarial Audit Report

FORM NO. MR.3
SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Auditor's Responsibility:

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering from April 01, 2025 to March 31, 2026 (hereinafter referred as the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent and in the manner reporting made hereinafter:

We have examined books, papers, minutes books, forms and returns filed and other records maintained by the Company for financial year ended on March 31, 2026 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment **(External Commercial Borrowings is not applicable to the Company during the Audit Period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 erstwhile Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. ('Buy-back Regulations') **(Not Applicable to the Company during the Audit Period)** and

i. The Securities and Exchange Board of India (Depositories and Participants) Regulation 2018.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations')

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. made there under

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the meetings which were held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period:

1. Issue and Allotment of Bonus Equity shares of 109,623,164 in the ratio of 1:4 i.e., 4(Four) bonus equity shares of Re. 1 (Rupees One) each for every 1 (one) equity share of Re. 1 (Rupee One) each fully paid up on July 29, 2025.
2. Conversion of 4,523,604 CCPS held by Quinag Bidco Limited and TPG Fett Holdings Pte. Limited into Equity shares on January 23, 2026.
3. Adoption of amended employee stock option schemes/plans of the company
4. Increase in limit of investment by the Non-Resident Indians ("NRI") and Overseas Citizens of India ("OCI"), together, in the equity shares including, without limitation, by subscription in the initial public offering , or direct purchase or acquisition from the open market or otherwise from 10% to 24% of the paid-up equity share capital of the Company.
5. Adoption of amended articles of association of the company for compliance with the listing requirements of the stock exchanges.
6. The Company has filed Red Herring Prospectus with Securities and Exchange Board of India and listed its equity shares on both the Stock Exchange viz. BSE Limited and National Stock Exchange of India Limited w.e.f. February 16, 2026.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025
Deepti Joshi
Partner
FCS: 8167
CP: 8968
UDIN: F008167H000422229

Date: May 20, 2026
Place: Mumbai

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

'Annexure'

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

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

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

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025
Deepti Joshi
Partner
FCS: 8167
CP: 8968
UDIN: F008167H000422229

Date: May 20, 2026
Place: Mumbai

ANNEXURE E

(This annexure forms part of the Boards' Report)

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

A. Brief outline on CSR Policy of the Company:

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

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

Our broad objectives, as stated in our CSR policy include:

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

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

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

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

B. Composition of the Corporate Social Responsibility & Environmental, Social and Governance ("CSR & ESG") Committee and details of the Committee meetings:

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

Details of the composition of CSR & ESG Committee as on March 31, 2026, is as provided below:

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

** Mr. Sasha Gulu Mirchandani was appointed as Chairman of the Committee, pursuant to the reconstitution of the Committee approved by the Board of Directors with effect from August 1, 2025.*

*** Ms. Neelam Dhawan stepped down as Chairperson of the Committee, pursuant to the reconstitution of the Committee approved by the Board of Directors with effect from August 1, 2025.*

 # Mr. Pranay Agrawal was appointed as a member of the Committee, pursuant to the reconstitution of the Committee approved by the Board of Directors with effect from August 1, 2025.

$ Mr. Srikanth Velamakanni and Mr. Vivek Mohan ceased to be members of the Committee, pursuant to the reconstitution of the Committee approved by the Board of Directors with effect from August 1, 2025.

During the year under review, four (4) CSR & ESG Committee meetings were held during the financial year 2025-26.

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

Particulars	Web-link
Composition of CSR Committee	https://fractal.ai/investor-relations/
CSR Policy	https://fractal.ai/docs/Policy/Fractal-CSR-Policy.pdf
CSR projects approved by the Board	https://fractal.ai/csr/

D. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. – Not applicable.

E. Financial Details:

a)	Average net profit of the Company as per sub-section (5) of section 135	₹79,60,00,000
b)	Two percent of average net profit of the Company as per sub-section (5) of section 135	₹1,66,26,471
c)	Surplus arising out of the CSR Projects or programs or activities of the previous financial years	NIL
d)	Amount required to be set-off for the financial year, if any.	NIL
e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	₹1,66,26,471

F. CSR Expenditure:

a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	₹1,70,00,000
b)	Amount spent in Administrative Overheads	NIL
c)	Amount spent on Impact Assessment, if applicable	NIL
d)	Total amount spent for Financial Year [(a) + (b) + (c)]	₹1,70,00,000

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
1,70,00,000	Nil			Nil	

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

Sr. No	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	1,66,26,471
(ii)	Total amount spent for the Financial Year	1,70,00,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	3,73,529
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	None
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

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

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

H. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year- No.

I. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135- Not applicable.

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

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

Srikanth Velamakanni
Whole-time Director
DIN: 01722758
Date: July 29, 2026

Sasha Gulu Mirchandani
Non-Executive Director
DIN: 01179921
Date: July 29, 2026

Environment, Social and Governance (ESG):

Fractal continued its commitment towards Environment, Social and Governance (ESG) responsibilities including environmental stewardship at Fractal.

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

As elaborated on previously in the Annual Report, Fractal's CSR thrust areas include:

i) enhancing equitable educational outcomes for disadvantaged children.

ii) empowering women to be financially independent.

iii) improving quality and affordability of healthcare, safe housing solutions.

iv) Taking intelligent and science-based actions to reduce Fractal's carbon footprint, improve its protection and preservation of biodiversity, and to take action to address climate change and its impacts in line with the United Nations Sustainability Development Goal (UN SDG) 13

Fractal is committed to setting and monitoring science-based Net Zero targets on a best effort basis. Fractal's efforts and commitments in this regard are also aligned to its publicly available CSR and ESG Policy. Available on the corporate website at www.fractal.ai

A few of the highlights, projects and milestones in the areas of environmental stewardship, education, women empowerment, healthcare, and safe housing solutions, climate action are listed in Section 4, ESG Focus of this Annual Report.

Corporate governance report

Corporate governance guides how a company is directed and its relationships with its stakeholders. With the right structure and systems in place, good corporate governance enables companies to create an environment of trust, transparency, and accountability, which promotes long-term capital and supports economic growth and financial stability.

1. Company's Philosophy on Corporate Governance

Fractal Analytics Limited ("Fractal" or "the Company") is committed to the highest standards of corporate governance, which it believes is fundamental to building and sustaining stakeholder trust and intrinsic to the Company's purpose of powering every human decision in the enterprise through Artificial Intelligence, Engineering and Design. The Company's governance philosophy is anchored in its vision and mission, and is given practical expression through its core values of "Client First", "Learn and Grow", "Think Big, Act Fast" and "Extend Extreme Trust and Be Accountable".

The governance philosophy rests, inter alia, on the pillars of integrity, transparency, accountability, fairness and responsible corporate citizenship – principles that find resonance in the Company's people principles of placing extreme trust in colleagues, encouraging honest and open communication, and upholding mutual respect. Fractal endeavours to conduct its business in a manner that creates and sustains long-term value for all stakeholders, including shareholders, customers, employees, business partners, regulators and the communities in which it operates.

The Company's corporate governance framework is supported by a professional and independent Board of Directors, robust internal financial controls and risk management systems, comprehensive disclosure practices, and adherence to applicable laws, regulations and the highest standards of business ethics. The Company is in compliance with the requirements of corporate governance stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("The Act") and other applicable laws, and remains committed to continually enhancing its governance practices in the firm belief that good governance is an essential enabler of sustainable enterprise value.

2. Code of Conduct for Directors and the Senior Management Personnel

The Board of Directors have laid down Code of Conduct for Directors and the Senior Management Personnel ("Code"). All members of the Board and Senior Management Personnel have affirmed compliance with the said Code for FY 2025-26 and a declaration to this effect signed by the Whole-Time Director of the Company has been annexed as **'Annexure I'** to this Report.

The Code is available on the website of the Company at https://fractal.ai/docs/Investor-Relations/Policies/Code-of-Conduct-of-Board-and-Senior-Management-Team.pdf

3. Board of Directors

a. Board Composition

The Company's Board comprises a diverse mix of expertise, professional qualifications and rich experience. It comprises nine (9) directors as on March 31, 2026, of which eight (8) are Non-Executive Directors including the Chairperson and one (1) Executive Director i.e., the Whole-Time Director. Of the eight (8) Non-Executive Directors, Three (3) are Independent Directors.

None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by the Securities and Exchange Board of India ("SEBI")/Ministry of Corporate Affairs ("MCA") or any such statutory authority. A certificate from a practicing company secretary confirming this is annexed as **'Annexure II'** to this Report.

The composition of the Board is in conformity with the SEBI Listing Regulations, the Act and Rules framed thereunder.

In the opinion of the Board, the Independent Directors fulfill conditions specified in the SEBI Listing Regulations and are independent of the management.

For brief profile of the Directors, please refer page 14-19 of Annual Report. The same are also available on the Company's website at https://fractal.ai/investor-relations/

There are no inter se relationships among our Board members.

Name of Director(s)	Category of Directorship
Mr. Puneet Bhatia[1]	Non-Executive Non-Independent Director & Chairperson
Mr. Rohan Haldea[2]	Non-Executive Non-Independent Director & Chairperson
Mr. Srikanth Velamakanni	Promoter Executive Director
Mr. Pranay Agrawal	Promoter Non-Executive Director
Mr. Gavin Echlin Patterson	Non-Executive Non-Independent Director
Mr. Vivek Mohan	Non-Executive Non-Independent Director
Mr. Sasha Gulu Mirchandani	Non-Executive Non-Independent Director
Ms. Neelam Dhawan	Non-Executive - Independent Director
Ms. Karen Ann Terrell	Non-Executive - Independent Director
Ms. Janaki Akella	Non-Executive - Independent Director

1. *Mr. Puneet Bhatia, ceased to be a Director and Chairperson with effect from August 02, 2025*
2. *Mr. Rohan Haldea was appointed as Chairperson of the Board with effect from August 02, 2025*

Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided – **Not applicable**

b. Board Skill Matrix

The Board identified, inter-alia, the following core skills/expertise/competencies to ensure the Board's effective composition to discharge its responsibilities and duties required to govern the Company and also be compliant with the applicable regulations.

This table provides a glimpse of the skills and expertise of our Board Members.

Finance and Accounts	Leadership of a financial institution or oversight of an enterprise's finance function, reflecting proficiency in financial management, capital allocation, financial reporting and disclosure processes, and experience in supervising or performing the role of a principal financial officer, principal accounting officer, controller, public accountant, auditor, or person in a similar capacity.
Corporate Governance	Experience serving on the board of a public company, providing insight into board and management accountability, protection of shareholder interests, and adherence to sound corporate governance practices and standards.
Global business	Experience driving business outcomes across international markets, with an understanding of diverse economic conditions, business environments, cultures, and regulatory frameworks, supported by a broad perspective on global market opportunities.
Information Technology	Substantial background in technology, including the ability to anticipate technology trends, drive disruptive innovation, and enable the creation or extension of business models through digital and technological capability.
Sales & Marketing	Experience in formulating and executing strategies to grow sales and market share, build brand awareness and equity, and strengthen enterprise reputation in the marketplace.
ESG, Sustainability & CSR	Experience in leading an organization's sustainability and ESG vision, with the ability to integrate environmental, social, and governance considerations into the Company's overall strategy.
Risk management & Internal Controls	Experience in identifying and evaluating significant risk exposures relevant to the Company's business strategy, and in assessing management's actions to mitigate strategic, legal, compliance, and operational risks.
Portfolio Management	Experience in managing a portfolio of businesses, investments, or assets, including evaluating capital allocation, prioritisation, and value-creation decisions across a diversified set of interests.
Leadership	Experience leading organizations or teams at a senior level, demonstrating the ability to set vision and strategy, build and motivate teams, and drive organizational performance and culture.
Cybersecurity	Knowledge of cybersecurity risks and practices, including the ability to oversee the Company's approach to data protection, IT risk management, and resilience against cyber threats.
AI, GenAI & Emerging Technologies	Experience in understanding and overseeing the strategic implications of artificial intelligence, generative AI, and other emerging technologies, including their impact on business models, competitive positioning, and risk, and the ability to guide the organization in responsibly adopting and governing these technologies.

The details of core expertise / competency of each director are provided on Page 14-19 of Annual Report.

c. Directorship and membership on the Board/Board committees of other public companies:

In addition to their roles on our Board, the Directors bring valuable experience and expertise from their positions on other Boards and Committees.

An overview of the other directorships held by the members of the Board is given below:

Name of the Director	No. of other Directorships and Committee Memberships/ Chairpersonships as of March 31, 2026			Other Indian Equity Listed entities in which they hold Directorship	Category of Directorship
	Other Directorships[1]	Committee Memberships[2&3]	Committee Chairpersonships[2]		
Mr. Rohan Haldea	0	0	0	Nil	Not Applicable
Mr. Srikanth Velamakanni	2	0	0	NIIT Limited	Non-Executive and Independent
				IdeaForge Technology Limited	Non-Executive and Independent
Mr. Pranay Agrawal	0	0	0	Nil	Not Applicable

d. Meetings and attendance

16 Board meetings were held during the financial year ended March 31, 2026.

A summary of the attendance of the Board members is given below:

Name of the Director	May 20, 2025	June 16, 2025	July 22, 2025	August 01, 2025	August 08, 2025	August 11, 2025	September 04, 2025	November 07, 2025	November 21, 2025	January 23, 2026	February 02, 2026	February 03, 2026	February 06, 2026	February 11, 2026	March 05, 2026	March 20, 2026	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Rohan Haldea	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	16	15
Mr. Srikanth Velamakanni	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	16	15
Mr. Pranay Agrawal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	16	14
Mr. Sasha Gulu Mirchandani	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No	No	Yes	Yes	16	12
Mr. Gavin Echlin Patterson	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	16	16
Mr. Vivek Mohan[1]	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	16	15
Ms. Neelam Dhawan	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	16	16
Ms. Karen Ann Terrell	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	16	15
Ms. Janaki Akella	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	16	16
Mr. Puneet Bhatia[2]	Yes	No	Yes	Yes	-	-	-	-	-	-	-	-	-	-	-	-	4	3

1. Chairperson of the Board Meeting held on June 16, 2025 in absence of Board Chairperson

2. Ceased to be a Director with effect from August 02, 2025

During the year, one meeting of the Independent Director was held on March 18, 2026, with all Independent Directors in attendance.

The 25th Annual General Meeting ("AGM") was held on July, 15 2025 and was attended by Mr. Srikanth Velamakanni, Whole-Time Director and Ms. Neelam Dhawan, Independent Director of the Company.

e. Familiarisation Programme

The Policy on Familiarisation Programme for Independent Directors is available on website of the Company at: https://fractal.ai/docs/Investor-Relations/Policies/Fractal-Policy-for-Familiarisation-Programme-for-IDs.pdf

f. Shareholding of Non-Executive Directors as on March 31, 2026

Name of Director	No. of Equity Shares
Rohan Haldea	Nil
Pranay Agrawal	81,21,360[1]
Sasha Gulu Mirchandani	Nil
Gavin Echlin Patterson	3,05,995
Vivek Mohan	Nil
Neelam Dhawan	6,755
Karen Ann Terrell	Nil
Janaki Akella	7,705

1. Pranay is currently the registered owner of 33,32,940 Equity Shares, with the beneficial owner being the Agrawal Family Trust. Pranay will transfer registered ownership of these Equity Shares to the Agrawal Family Trust, upon the said trust having opened a demat account in its name.

4. Board Committees

A. Audit Committee

The composition of the Audit Committee and the terms of reference comply with the requirements under Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

Terms of reference:

The terms of reference for the Audit Committee broadly includes:

1. Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to our Board the appointment, re-appointment, replacement, remuneration and terms of appointment of the Statutory Auditors of our Company;
3. Reviewing and monitoring the Statutory Auditor's independence and performance, and effectiveness of audit process;
4. Approving payments to the Statutory Auditors for any other services rendered by the Statutory Auditors;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:
   i. Matters required to be included in the director's responsibility statement to be included in our Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
   ii. Changes, if any, in accounting policies and practices and reasons for the same;
   iii. Major accounting entries involving estimates based on the exercise of judgment by management;
   iv. Significant adjustments made in the financial statements arising out of audit findings;
   v. Compliance with listing and other legal requirements relating to financial statements;
   vi. Disclosure of any related party transactions; and
   vii. Qualifications and modified opinions in the draft audit report.
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements including consolidated financial statements, if any, before submission to our Board for approval;
7. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to our Board to take up steps in this matter;
8. Approval and review or any subsequent modifications of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;
9. Approval of related party transaction to which our Subsidiary is a party (the company may or may not be a party);

   Explanation:

   The term "related party transactions" shall have the same meaning as provided in Clause 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of our Company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Our Company shall formulate a vigil mechanism for directors and employees to report their genuine concerns or grievances and the vigil mechanism shall provide access to the chairperson of the Audit Committee to directly hear the grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
14. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussing with internal auditors on any significant findings and follow up thereon;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to our Board;
18. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors;
20. Reviewing the functioning of the whistle blower mechanism;
21. Approving the appointment of the chief financial officer heading after assessing the qualifications, experience and background, etc. of the candidate;
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
23. Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc, on our Company and its Shareholders; and
24. Such roles as may be delegated by our Board and/or prescribed under the Act and SEBI Listing Regulations or other applicable law.

The powers of the Audit Committee will include the following:

a. To investigate any activity within its terms of reference;
b. To seek information from any employee;
c. To obtain outside legal or other professional advice; and
d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee shall mandatorily review the following information:

a. management's discussion and analysis of financial condition and result of operations;
b. management letters/letters of internal control weaknesses issued by the statutory auditors;
c. internal audit reports relating to internal control weaknesses;
d. the appointment, removal and terms of remuneration of the chief internal auditor; and
e. statement of deviations, including:
   i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
   ii) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.
f. review the financial statements, in particular, the investments made by any unlisted subsidiary; and
g. Any other such information apart from the information mentioned above, as may be prescribed under the Act and SEBI Listing Regulations.

Meetings and Composition:

10 meetings of the Audit Committee were held during the financial year ended March 31, 2026 i.e. on May 19, 2025, August 01, 2025, August 08, 2025, August 11, 2025, September 03, 2025, November 06, 2025, January 23, 2026, February 02, 2026, March 05, 2026 and March 20, 2026.

The composition of the Audit Committee and a summary of the attendance at meetings are given below:

Sr.No	Name of the Member	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Ms. Neelam Dhawan[1]	Independent Director	Chairperson	10	10
2.	Ms. Karen Ann Terrell	Independent Director	Member	10	9
3.	Mr. Gavin Echlin Patterson[1]	Non-Executive Director	Member	10	10
4.	Ms. Janaki Akella[2]	Independent Director	Member	8	8

Ms. Somya Agarwal, Company Secretary and Compliance Officer of the Company is the Secretary of the Audit Committee. The Committee invites the Whole-time Director, Chief Financial Officer, Senior Management Personnel, and other executives of the Company, as deemed appropriate, along with representatives of the Statutory Auditors and Internal Auditors, to attend its meetings.

1. *Pursuant to the reconstitution of the Committee with effect from August 1, 2025:*
   - *Mr. Gavin Echlin Patterson, who served as Chairperson until August 1, 2025, took on the role of Member.*
   - *Ms. Neelam Dhawan, who served as a Member until August 1, 2025, took on the role of Chairperson.*
2. *Inducted as a member of the Audit Committee with effect from August 1, 2025, and ceased to be a member effective close of business hours on April 27, 2026.*

B. Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee ("NRC") and the terms of reference comply with the requirements under Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

Terms of reference:

The terms of reference for the NRC broadly includes:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to our Board, a policy relating to the remuneration of our Directors, Key Managerial Personnel, Senior Management and other employees; While formulating the policy, following to be ensured:
   a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
   b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
2. For the appointment of an independent director, the NRC shall evaluate the balance of skills, knowledge and experience on our Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to our board of directors of our Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:
   a) use the services of external agencies, if required,
   b) consider candidates from a wide range of backgrounds, having due regard to diversity, and
   c) consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of the performance of Independent Directors and our Board;
4. Devising a policy on diversity of our Board;
5. Identifying persons, who are qualified to become Directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to our Board their appointment and removal and carrying out evaluation of every director's performance;
6. Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
7. Recommending to our Board, all remuneration, in whatever form, payable to senior management;
8. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB&SE Regulations"), as amended from time to time, including the following:
   a) administering any existing and proposed employee stock option schemes formulated by the Company from time to time;
   b) determining the eligibility of employees to participate under the employee stock option schemes;
   c) granting options to eligible employees and determining the date of grant;
   d) determining the number of options to be granted to an employee;
   e) determining the exercise price under the employee stock option schemes and
   f) construing and interpreting the employee stock option schemes and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option schemes, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option schemes.; and
9. Performing such other functions as may be delegated by our Board and/or prescribed under the SEBI Listing Regulations, the Act, each as amended from time to time or other applicable law.

Meetings and Composition:

5 meetings of the NRC were held during the financial year ended March 31, 2026 i.e. on May 19, 2025, August 01, 2025, September 03, 2025, November 06, 2025 and March 20, 2026.

The composition of the NRC and a summary of the attendance at meetings are given below:

Sr.No	Name of the Member	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Ms. Karen Ann Terrell	Independent Director	Chairperson	5	5
2.	Mr. Vivek Mohan	Non-Executive Director	Member	5	5
3.	Ms. Janaki Akella[1]	Independent Director	Member	3	3
4.	Ms. Neelam Dhawan[2]	Independent Director	Member	2	2
5.	Mr. Rohan Haldea[2]	Non-Executive Director	Member	2	1

Ms. Somya Agarwal, Company Secretary and Compliance Officer of the Company is the Secretary of the NRC.

1. Inducted as member of NRC with effect from August 01, 2025

2. Ceased as member of NRC with effect from August 01, 2025

Performance evaluation criteria for Independent Directors

The Board on the recommendations of the NRC approved the Criteria for Evaluation of Performance of the Board of Directors ("Board Evaluation Policy") which were broadly based on the Guidance Note on Board Evaluation issued by the SEBI vide its Master Circular dated January 30, 2026.

Evaluation criteria for Independent Directors were based on key parameters including knowledge and understanding of the business, professional competence, effective discharge of duties, active participation and attendance at Board meetings, initiative, integrity, contribution to Board deliberations, independence, and the ability to exercise objective judgment and express independent views.

The Board's Report, which forms part of Annual Report, presents a comprehensive overview of the performance evaluation of Board of Directors conducted for the financial year ended March 31, 2026.

C. Stakeholders' Relationship Committee

The composition of the Stakeholders' Relationship Committee ("SRC") and the terms of reference comply with the requirements under Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

Terms of reference:

The terms of reference for the SRC broadly includes:

1. Resolve the grievances of security holders of our Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by Shareholders;

3. Review of adherence to the service standards adopted by our Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by our Shareholders of our Company;
5. Resolve the grievances of debenture holders (if any) related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants (if and when debentures are issued) and
6. Performing such other functions as may be delegated by our Board and such terms of reference as may be prescribed under the Act and SEBI Listing Regulations or other applicable law.

Meeting and Composition:

1 meeting of SRC was held during the financial year ended March 31, 2026 i.e. on March 19, 2026.

The composition of the SRC and a summary of the attendance at meeting are given below:

Sr.No	Name of the Member	Designation	Position on the Committee	Number of Meeting entitled to attend	Number of Meeting attended
1.	Ms. Janaki Akella	Independent Director	Chairperson	1	1
2.	Mr. Srikanth Velamakanni	Whole-Time Director	Member	1	1
3.	Mr. Sasha Gulu Mirchandani	Non-Executive Director	Member	1	0

Ms. Somya Agarwal, Company Secretary and Compliance Officer of the Company is the Secretary of the SRC.

Investor Complaints*:

Particulars	No. of Complaints
Pending at the beginning of the year i.e., April 1, 2025	0
Received during the year	10
Resolved during the year	10
Not solved to the satisfaction of shareholders	0
Pending at the end of the year i.e., March 31, 2026	0

** It may be noted that the equity shares of the Company were listed on National Stock Exchange of India Limited and BSE Limited on February 16, 2026.*

D. Corporate Social Responsibility & Environmental, Social, and Governance Committee

The composition of the Corporate Social Responsibility & Environmental, Social, and Governance Committee ("CSR & ESG Committee") and the terms of reference comply with the requirements under Section 135 of the Act.

Terms of reference:

The terms of reference for the CSR & ESG Committee broadly includes:

1. To formulate and recommend to the Board, a CSR policy or any changes or modifications, if any, which shall indicate the activities to be undertaken as prescribed under Schedule VII of the Act;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
3. To monitor the CSR policy of the Company from time to time and report to the Board in relation to CSR activities, as may be required, pursuant to the applicable provisions of the Act or the Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force);
4. Develop, with executive management, strategy of the Company towards ESG and provide directions to measure and monitor progress;
5. Review the Company's goals and its performance with respect to ESG matters and monitor the Company's progress towards the goals;
6. Periodic review and approval of Company's key ESG Policies and SOPs, if any;
7. Review of the Company's stakeholder engagement plan around material ESG issues identified by the management;
8. Receive periodic updates from management on ESG trends and key initiatives;
9. Report to the Board on current and emerging topics relating to ESG Matters;
10. Review and evaluate ESG risks and opportunities that may arise in connection with the Company's activities and advise the Board on such risks and opportunities that may materially affect the Company's Enterprise Risk Management (ERM) Program;
11. Review and discuss with the management, the Company's internal and external communication strategies and approach with employees, investors, and other stakeholders regarding the Company's position or approach to ESG matters;
12. Periodically review and monitor external ESG ratings of the Company, if any;
13. Review ESG Governance framework over Supply Chain/ third parties and audit schedule for the Company's specific ESG compliances over third parties;
14. Review of ESG related feedback from key Suppliers and Customers; and
15. Any other matter as the CSR & ESG Committee may deem appropriate after approval of the board of directors or as may be directed by the board of directors from time to time.

Meetings and Composition:

4 meetings of CSR & ESG Committee were held during the financial year ended March 31, 2026 i.e. on May 19, 2025, September 03, 2025, November 06, 2025 and March 19, 2026.

The composition of the CSR & ESG Committee and a summary of the attendance at meetings are given below:

Sr.No	Name of the Member	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Mr. Sasha Gulu Mirchandani[1]	Non-Executive Director	Chairperson	4	3
2.	Ms. Neelam Dhawan[1&2]	Independent Director	Member	4	4
3.	Mr. Pranay Agrawal[3]	Non-Executive Director	Member	3	3
4.	Mr. Srikanth Velamakanni[4]	Whole-Time Director	Member	1	1
5.	Mr. Vivek Mohan[4]	Non-Executive Director	Member	1	1

Ms. Somya Agarwal, Company Secretary and Compliance Officer of the Company is the Secretary of the Corporate Social Responsibility & Environmental, Social, and Governance Committee.

1. *Pursuant to the reconstitution of the Committee with effect from August 1, 2025:*
   - *Ms. Neelam Dhawan, who served as Chairperson until August 1, 2025, took on the role of Member.*
   - *Mr. Sasha Gulu Mirchandani, who served as a Member until August 1, 2025, took on the role of Chairperson.*
2. *Chairperson of the Committee held on March 19, 2026 in absence of Committee Chairperson*
3. *Inducted as member of CSR & ESG Committee with effect from August 01, 2025*
4. *Ceased as member of CSR & ESG Committee with effect from August 01, 2025*

E. Risk Management Committee

The composition of the Risk Management Committee ("RMC") and the terms of reference comply with the requirements under Regulation 21 of the SEBI Listing Regulations.

Terms of reference:

The terms of reference for the RMC broadly includes:

1. Formulation of a detailed risk management policy which shall include: (a) a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee; (b) measures for risk mitigation including systems and processes for internal control of identified risks; and (c) business continuity plan;
2. Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of our Company;
3. Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. Keeping our Board informed about the nature and content of its discussions, recommendations and actions to be taken;
6. Review the appointment, removal and terms of remuneration of the chief risk officer (if any);
7. Coordinating its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors; and
8. Such other terms of reference and activities as may be delegated by our Board and/or prescribed under the SEBI Listing Regulations or other applicable law.

Meetings and Composition:

2 meetings of RMC were held during the financial year ended March 31, 2026 i.e. on November 06, 2025 and March 19, 2026.

The composition of the RMC and a summary of the attendance at the meetings are given below

Sr.No	Name of the Member	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Mr. Gavin Echlin Patterson	Non-Executive Director	Chairperson	2	2
2.	Ms. Janaki Akella	Independent Director	Member	2	2
3.	Mr. Vivek Mohan	Non-Executive Director	Member	2	1
4.	Mr. Srikanth Velamakanni	Whole-Time Director	Member	2	2
5.	Mr. Ashwath Bhat[1]	Chief Financial Officer	Member	2	2

Ms. Somya Agarwal, Company Secretary and Compliance Officer of the Company is the Secretary of the RMC.

1. Ceased as member of RMC with effect from close of business hours of July 24, 2026.

F. IPO Committee

The Board at its meeting held on August 01, 2025 constituted the IPO Committee comprising Mr. Rohan Haldea, Mr. Vivek Mohan and Mr. Srikanth Velamakanni for the purposes of the initial public offer of the equity shares of the Company on recognised stock exchanges in India.

Terms of reference:

The terms of reference for the IPO Committee broadly includes:

1. To make applications to, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Government of India, Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI") and the stock exchanges where the Equity Shares are proposed to be listed ("Stock Exchanges") or any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required;
2. To finalise, settle, approve, adopt and file the draft red herring prospectus with SEBI, the red herring prospectus and prospectus with SEBI, Registrar of Companies, Maharashtra at Mumbai ("ROC") and other regulatory authorities and the preliminary and final international wrap (including amending, varying, supplementing or modifying the same, or providing any notices, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient), the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Offer as finalised by the Company, and take all such actions in consultation with the book running lead managers to the Offer (the "BRLMs") as may be necessary for the submission and filing of the documents mentioned above, including incorporating such alterations/corrections/modifications as may be required by the SEBI, the RBI, the ROC, the Stock Exchanges or any other relevant governmental and statutory authorities or under applicable laws;
3. To decide in consultation with the BRLMs on the timing, pricing and any amendments thereto all the terms and conditions of the Offer, including the price band, Offer price, Offer size and to accept any amendments, modifications, variations or alterations thereto;
4. To appoint and enter into arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, public offer account bankers to the Offer, sponsor bank(s), registrar, legal advisors, advertising agency, and any other agencies or persons or intermediaries to the Offer, including any successors or replacements thereof, and to negotiate and finalise and amend the terms of their appointment;
5. To take all actions as may be necessary or authorized, in connection with the Offer for Sale, including taking on record the approval of the Selling Shareholder(s) for offering their Equity Shares including the quantum in terms of number of Equity Shares/amount offered by the Selling Shareholder(s) in the Offer for Sale, allow revision of the Offer for Sale portion in case any Selling Shareholder decides to revise it, in accordance with the Applicable Laws;
6. To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the BRLMs' mandate or fee/ engagement letter, Offer agreement, share escrow agreement, syndicate agreement, underwriting agreement, cash escrow agreement, agreements with the registrar and the advertising agency and all other documents, deeds, agreements and instruments and any notices, supplements, addenda and corrigenda thereto, as may be required or desirable in relation to the Offer, with the power to authorise one or more officers of the Company to negotiate, execute and deliver any or all of the these documents;
7. To open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI and operate bank accounts opened in terms of the cash escrow and sponsor bank agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
8. To seek, if required, the consent of the lenders to the Company and/or lenders to the subsidiary or step down subsidiary (if applicable), industry data provider, parties with whom the Company has entered into various commercial and other agreements, and any other consents and/or waivers that may be required in relation to the Offer;
9. To approve any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the uniform listing agreement to be entered into by the Company with the Stock Exchanges, and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, (given the proposed listing of the Company);
10. To authorise and approve, the incurring of expenditure and payment of fees, commission, remuneration and expenses in connection with the Offer;
11. To determine and finalise, in consultation with the BRLMs, the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including anchor investors offer price), total number of Equity Shares to be reserved for allocation to eligible investors, approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to, the Offer including any alteration, addition or making any variation in relation to the Offer;
12. To issue allotment letters/confirmation of allotment notes with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;
13. To authorise, approve and issue notices, advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Offer in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), Companies Act, 2013, as amended and other applicable laws;
14. To do all such acts, deeds, matters and things and execute all such other documents, etc., deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the Equity Shares to the successful allottees as permissible in law;
15. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited and such other agencies, authorities or bodies as may be required in this connection;
16. To withdraw the draft red herring prospectus, red herring prospectus and the Offer at any stage, if deemed necessary, in accordance with applicable laws and in consultation with the BRLMs;
17. To submit undertaking/certificates or provide clarifications to the SEBI, ROC and the Stock Exchanges;

18. To negotiate, finalise, sign, execute, deliver and complete any and all notices, offer documents (including draft red herring prospectus, red herring prospectus and prospectus) agreements, letters, applications, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto) on behalf of the selling shareholder(s) (as maybe applicable), as the case may be, in relation to the Offer;
19. To make in-principle and final applications for listing of the Equity Shares on the Stock Exchanges and to execute and to deliver or arrange the delivery of necessary documentation to the concerned Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
20. To authorize any director or directors of the Company or other officer or officers of the Company (each, an "Authorized Officer"), including by the grant of power of attorney, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange(s), the registrar's agreement and memorandum of understanding, the depositories' agreements, the offer agreement with the BRLMs (and other entities as appropriate), the underwriting agreement, the advertising agency agreement, the syndicate agreement, the share escrow agreement, cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the BRLMs and to do and cause to be done any and all such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;
21. To determine the utilization of proceeds of the Fresh Issue and accept and appropriate proceeds of the Fresh Issue in accordance with the applicable laws;
22. If deemed appropriate, to invite the existing shareholders of the Company to participate in the Offer by offering for sale the Equity Shares held by them at the same price as in the Offer;
23. To decide all matters regarding the pre-IPO placement, if any, including the execution of the relevant documents with the investors, in consultation with the Selling Shareholders and the BRLMs; and
24. To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company and to the extent allowed under applicable laws and to do all such acts and deeds in connection therewith and incidental thereto, as the Committee may in its absolute discretion deem fit.

Meetings and Composition:

3 meetings of IPO Committee were held during the financial year ended March 31, 2026 i.e. on August 08, 2025, August 12, 2025 and February 12, 2026.

The composition of the IPO Committee and a summary of the attendance at the meetings are given below

Sr.No	Name of the Member	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Mr. Rohan Haldea	Non-Executive Director	Chairperson	3	3
2.	Mr. Vivek Mohan	Non-Executive Director	Member	3	3
3.	Mr. Srikanth Velamakanni	Whole-Time Director	Member	3	2

Ms. Somya Agarwal, Company Secretary and Compliance Officer of the Company is the Secretary of the IPO Committee.

Dissolution of Committee:

The Board, at its meeting held on July 29, 2026, dissolved the IPO Committee.

G. Committee of Independent Directors

The Board at its meeting held on January 23, 2025 constituted the Committee of Independent Directors ("COID") comprising Ms. Neelam Dhawan, Ms. Karen Ann Terrell and Ms. Janaki Akella for the purposes of the initial public offer of the equity shares of the Company on recognised stock exchanges in India.

Terms of reference:

The terms of reference for the COID broadly includes:

1. To issue a recommendation for inclusion in the pre-Offer and price band advertisement to be issued by the Company in relation to its proposed initial public offering of equity shares, stating that the price band is justified based on quantitative factors/ key performance indicators disclosed in "Basis for Offer Price" section of the Offer Documents, vis-à-vis the weighted average cost of acquisition of primary issuance/ secondary transaction(s) disclosed in the "Basis for Offer Price" section of the Offer Documents; and

   To perform such other duties and functions as may be specifically required to be performed by a committee of independent directors of the Company under applicable law, including the Companies Act, 2013 and the regulations, circulars, directives and notifications of the Securities and Exchange Board of India.

Meeting and Composition:

1 meeting of COID was held during the financial year ended March 31, 2026 i.e. on February 03, 2026.

The composition of the COID and a summary of the attendance at the meetings are given below

Sr.No	Name of the Member	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Ms. Neelam Dhawan	Independent Director	Chairperson	1	1
2.	Ms. Janaki Akella	Independent Director	Member	1	1
3.	Ms. Karen Ann Terrell	Independent Director	Member	1	1

Dissolution of Committee:

The Board, at its meeting held on July 29, 2026, dissolved the COID.

H. Options Allotment Committee

The Board via Circular Resolution No. 14/2024-25/BM constituted the Options Allotment Committee ("OAC") to delegate the authority for allotment of shares against vested employee stock options exercised by the Employees as per the vesting schedule for administrative convenience.

Terms of reference:

The terms of reference for the OAC broadly includes:

1. To process and approve the 'ESOP Exercise Application Form', and underlying documents, as may be received from the eligible employees for exercising the vested option(s) from time to time.
2. To allot such number of equity shares of Re. 1 each of the Company against Vested Option(s), as may be exercised by the eligible employee(s), if permissible under the applicable Companies Act.
3. To settle any question, difficulty or doubts of the ESOP Option Holders or Shareholders that may arise regarding allotment of shares.
4. To redress shareholder's complaints for non-receipt of share certificates and issuance of duplicate share certificates.
5. To do such other acts, deeds and things on behalf of the board, as may be necessary and expedient, including in order to ensure compliance with applicable law, and as may be required for the purposes of performing duties in line with the scope or terms of reference of the committee.
6. Minutes of each Committee meeting should be distributed to all Committee members and should be tabled at the meeting of the board of directors.
7. The Chairman of the Committee should report to the board on any matter that should be brought to the board's attention and provide recommendations of the Committee that requires the board's approval at the board meeting.

Composition:

Sr.No	Name of the Member	Designation	Position on the Committee
1.	Mr. Srikanth Velamakanni	Whole-Time Director	Chairperson
2.	Mr. Pranay Agrawal	Non-Executive Director	Member

No meeting of OAC was conducted in FY 2025-26.

5. Recommendations of the Committees of the Board

During the year under review, the Board accepted all the recommendations made by the Board Committees.

6. Particulars of Senior Management (as on March 31, 2026) including the changes therein since the close of the previous Financial Year are as follows:

Sr. No	Name	Designation	Changes if any, during the year
1.	Pranay Agrawal	Chief Executive Officer, Fractal Analytics Inc.	-
2.	Ashwath Bhat[1&2]	Chief Financial Officer & Group Chief Financial Officer	-
3.	Somya Agarwal	Company Secretary and Compliance Officer	-
4.	Ajoy Singh	Chief AI Officer	-
5.	Manish Tiwari	Chief Information Officer	-
6.	Raja Rajeswari Aradhyula[3]	Chief Design Officer	-
7.	Rasesh Dhirendra Shah	Chief Practice Officer - Edtech & FAA	-
8.	Rohini Aditya Singh	Chief People Officer	-
9.	Biju Joseph Dominic	Chief Evangelist Officer	-
10.	Shubhendra Rameshchandra Kanade	Head - Marketing	-
11.	Natwar Mall[4]	Chief Transformation Officer and Chief Practice Officer - BFSI	-
12.	Sandeep Dutta	Chief Practice Officer – APAC & Middle East	-
13.	Chetana Kumar	Chief Sustainability Officer	-
14.	Shailendra Pratap Singh[5]	Chief Growth Officer, Fractal Analytics Inc.	-
15.	Dylan Neal Dias	Chief Alliances Officer, Fractal Analytics Inc.	-
16.	Satish Avadhanam Raman	Chief Strategy Officer, Fractal Analytics Inc.	-
17.	Matthew Jason Gennone[6]	Chief Practice Officer – HLS, Fractal Analytics Inc.	-
18.	Sankaranarayanan Balasubramanian	Chief Practice Officer – TMT, Fractal Analytics Inc.	-
19.	Mrunali Nikunj Majmudar	Chief Practice Officer – CPGR, Fractal Analytics Inc.	Ceased as member of Senior Management with effect from close of business hours of March 27, 2026.
20.	Shashidhar Ramakrishnaiah	Chief Technology Officer	Identified as Senior Management with effect from March 27, 2026.

1. Chief Financial Officer (CFO) of the Company and employee of Fractal Analytics Inc.
2. Ceased to be CFO with effect from close of business hours of July 24, 2026.
3. Ceased as member of Senior Management with effect from the close of business hours of April 30, 2026.
4. Redesignated as Chief Transformation Officer with effect from June 03, 2026.
5. Ceased as member of Senior Management with effect from the close of business hours of May 1, 2026.
6. Redesignated as Chief Commercial Officer & CEO - Cogentiq, with effect from April 30, 2026.

Appointment in Senior Management, post March 31, 2026

Sr. No	Name	Designation	Effective date of appointment
1.	Kunal Jain	Head AI Workforce Transformation	April 30, 2026
2.	Suraj Amonkar	Chief AI Research Officer	April 30, 2026
3.	Leandro DalleMule	Chief Practice Officer – Financial Services and Insurance (FSI)	June 03, 2026

7. Remuneration of Directors

A. Nomination and Remuneration Policy

The Nomination and Remuneration Policy is recommended by the Nomination and Remuneration Committee and approved by the Board.

The objective of the policy is to lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration.

This policy includes the criteria for remuneration to Non-Executive Directors.

The Nomination and Remuneration Policy is available on website of the Company at: https://fractal.ai/docs/Investor-Relations/Policies/Nomination-and-Renumeration-Policy.pdf

B. Non-Executive Directors

The remuneration paid to Non-Executive Directors consists of sitting fees in accordance with the policies of the Company, and remuneration by way of profit based commission or any other payment in case of inadequacy of profits as may be recommended by the Board and reimbursement of expenses for attending the meetings of the Board and the committees of the Board. No stock options are granted to Non-Executive Directors and Independent Directors during the financial year.

Except for Ms. Neelam Dhawan, Ms. Karen Ann Terrell and Ms. Janaki Akella who received a remuneration INR 9.85 million, INR 9.83 million, INR 8.83 million, respectively, for FY 2025-26 from the Company, no remuneration was paid to the Non-Executive Directors of the Company for FY 2025-26.

Pecuniary relationships or transactions vis à-vis the Company

Except as disclosed above, there were no other pecuniary relationships or transactions of Non-Executive Director vis à-vis the Company.

C. Executive Directors

The Shareholders of the Company, based on the recommendation of the Board of Directors, have approved the remuneration payable to Mr. Srikanth Velamakanni, Whole-Time Director and Group Chief Executive and Executive Vice-Chairperson of the Company.

Mr. Srikanth Velamakanni, Whole-Time Director and Group Chief Executive and Executive Vice-Chairperson is in full-time employment of the Company pursuant to his employment agreement dated July 04, 2024, and his term of appointment and remuneration has been approved for a period of 5 (five) years from June 30, 2024 to June 29, 2029. Either party can terminate his employment by giving notice of 90 (ninety) days.

In case of termination of services by the Company without cause or termination by Srikanth Velamakanni with good reason (as defined under his employment agreement), Srikanth Velamakanni will also be entitled to receive a severance pay equivalent to 12 months of his base salary (in accordance with the terms set forth under his employment agreement).

Mr. Srikanth Velamakanni received a remuneration of INR 96.81 million for FY 2025-26 from our Company.

D. Remuneration to Directors

The details of remuneration paid to the Directors of the Company for the year ended March 31, 2026 are as follows:

(INR in Million)

Name of Directors	Salary	Variable Pay	Bonus	Perquisites/ Benefits	Sitting fees	Commission	Total
Rohan Haldea	-	-	-	-	-	-	-
Srikanth Velamakanni[1]	62.01	31.16	-	3.64	-	-	96.81
Pranay Agrawal	-	-	-	-	-	-	-
Sasha Gulu Mirchandani	-	-	-	-	-	-	-
Gavin Echlin Patterson	-	-	-	-	-	-	-
Vivek Mohan	-	-	-	-	-	-	-
Neelam Dhawan	-	-	-	-	-	9.85	9.85
Karen Ann Terrell	-	-	-	-	-	9.83	9.83
Janaki Akella	-	-	-	-	-	8.83	8.83

1. No Stock Options were granted to Mr. Srikanth Velamakanni and Non-Executive Non-Independent Directors of the Company in FY 2025-26.

8. Material Subsidiaries

In accordance with Regulation 16(1)(c) of the SEBI Listing Regulations, your Company has formulated Policy for Determining Material Subsidiaries which is available on the website of the Company at https://fractal.ai/docs/Investor-Relations/Policies/Policy-for-Determining-Material-Subsidiaries.pdf

The information on the Material Subsidiary of the Company is as follows:

Name of the Material Unlisted Subsidiary Company	Date of Incorporation	Place of Incorporation	Name and Date of Appointment /Re-appointment of the Statutory Auditors	Company's Independent Director on the Board of Material Unlisted Subsidiary[1]
Fractal Analytics Inc.	October 2, 2003	USA	Not Applicable[2]	Ms. Janaki Akella

1. Ms. Janaki Akella, Independent Director of the Company has been appointed on the Board of Fractal Analytics Inc. with effect from August 08, 2025, pursuant to the obligation under Regulation 24 of SEBI Listing Regulations.

2. Appointment of Statutory Auditors is not applicable pursuant to the local laws.

9. Related Party Transactions

During the FY 2025-26, the Company has not entered into any materially significant related party transaction that may have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in notes to the standalone financial statements.

The Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions as approved by the Board is available on the website of the Company at: https://fractal.ai/docs/Investor-Relations/Policies/Policy-on-Materiality-of-RPT-and-dealing-with-RPT.pdf

10. Prevention of Insider Trading

The Company has a Code on Prohibition of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 to regulate, monitor and report trading by the Designated Person(s)/and other connected person(s). The structured digital database of unpublished price sensitive information is maintained with adequate internal controls.

The Company's Code of Practices and Procedures for Fair Disclosure of UPSI is available on the website of the Company at https://fractal.ai/docs/Investor-Relations/Policies/Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-UPSI.pdf

11. General Body Meetings

A. Location and time of the last three Annual General Meetings and the special resolutions passed, if any:

For Financial Year	Date and Time (IST)	Location	Details of Special Resolution Passed
2024-25	July 15, 2025 at 11:00 a.m.	Held at the registered office of the company situated at Level 7, Commerz II, International Business Park, Oberoi Garden City, Off W. E. Highway, Goregaon (E), Mumbai 400 063, Maharashtra, India	Nil
2023-24	August 30, 2024 at 11:00 a.m.	Held at the registered office of the company situated at Level 7, Commerz II, International Business Park, Oberoi Garden City, Off W. E. Highway, Goregaon (E), Mumbai 400 063, Maharashtra, India	1. Re-Appointment of Mr. Srikanth Velamakanni (DIN: 01722758) as a Whole-Time Director of the Company and renewal of terms of his appointment and remuneration. 2. Alteration to the Articles of Association of the Company. 3. Consideration and approval of the payment of remuneration to Ms. Janaki Akella, Non - Executive Independent Director of the Company.
2022-23	August 31, 2023 at 11:00 a.m.	Held at the registered office of the company situated at Level 7, Commerz II, International Business Park, Oberoi Garden City, Off W. E. Highway, Goregaon (E), Mumbai 400 063, Maharashtra, India	1. Consideration and approval of the payment of remuneration to Non-Executive Independent Directors of the Company.

B. Resolution Passed Through Postal Ballot:

During the financial year ended March 31, 2026, no resolution was passed through Postal Ballot.

From the end of the financial year 2025-26 till the date of this report, 9 Special Resolutions were passed through Postal Ballot, a summary of which is given below.

Sr.No	Particulars of Special Resolutions passed through Postal Ballot	Date of Approval	Scrutiniser
1	Ratification of 2019 Fractal Employees Stock Option Plan ("Fractal ESOP 2019 Plan" or "Plan" or "Scheme")	May 28, 2026	Ms. Manisha Maheshwari, Partner, M/s. Bhandari & Associates, Company Secretaries
2	Ratification of the Extension of benefits under 2019 Fractal Employees Stock Option Plan ("Fractal ESOP 2019 Plan" or "Plan" or "Scheme") to the employees of Subsidiary Companies	May 28, 2026	
3	Ratification of 2007 Fractal Employees Stock Option Plan ("Fractal ESOP" or "ESOP - 2007 Plan" or "Plan" or "Scheme")	May 28, 2026	
4	Ratification of the Extension of benefits under 2007 Fractal Employees Stock Option Plan ("Fractal ESOP" or "ESOP - 2007 Plan" or "Plan" or "Scheme") to the employees of Subsidiary Companies	May 28, 2026	
5	Ratification and Amendment of the Fractal Analytics Limited Time Based Key Employee Stock Incentive Plan 2019 ("Time Based MIP 2019" or "Plan" or "Scheme")	May 28, 2026	
6	Ratification of the Extension of benefits under the Fractal Analytics Limited Time Based Key Employee Stock Incentive Plan 2019 ("Time Based MIP 2019" or "Plan" or "Scheme") to the employees of Subsidiary Companies	May 28, 2026	
7	Ratification and Amendment of the Fractal Analytics Limited Performance Based Key Employee Stock Incentive Plan 2019 ("Performance Based MIP 2019" or "Plan" or "Scheme")	May 28, 2026	
8	Ratification of the Extension of benefits under the Fractal Analytics Limited Performance Based Key Employee Stock Incentive Plan 2019 ("Performance Based MIP 2019" or "Plan" or "Scheme") to the employees of Subsidiary Companies	May 28, 2026	
9	Amendment to the Articles of Association of the Company for granting Board Nomination Rights/Special Rights to certain shareholders of the Company	May 28, 2026	

Details of voting pattern

Sr.No	Particulars	% of votes in favour	% of votes against
1.	Ratification of 2019 Fractal Employees Stock Option Plan ("Fractal ESOP 2019 Plan" or "Plan" or "Scheme")	92.48%	7.52%
2.	Ratification of the Extension of benefits under 2019 Fractal Employees Stock Option Plan ("Fractal ESOP 2019 Plan" or "Plan" or "Scheme") to the employees of Subsidiary Companies	92.48%	7.52%
3.	Ratification of 2007 Fractal Employees Stock Option Plan ("Fractal ESOP" or "ESOP - 2007 Plan" or "Plan" or "Scheme")	99.01%	0.99%
4.	Ratification of the Extension of benefits under 2007 Fractal Employees Stock Option Plan ("Fractal ESOP" or "ESOP - 2007 Plan" or "Plan" or "Scheme") to the employees of Subsidiary Companies	99.01%	0.99%
5.	Ratification and Amendment of the Fractal Analytics Limited Time Based Key Employee Stock Incentive Plan 2019 ("Time Based MIP 2019" or "Plan" or "Scheme")	99.01%	0.99%
6.	Ratification of the Extension of benefits under the Fractal Analytics Limited Time Based Key Employee Stock Incentive Plan 2019 ("Time Based MIP 2019" or "Plan" or "Scheme") to the employees of Subsidiary Companies	99.01%	0.99%
7.	Ratification and Amendment of the Fractal Analytics Limited Performance Based Key Employee Stock Incentive Plan 2019 ("Performance Based MIP 2019" or "Plan" or "Scheme")	98.03%	1.97%
8.	Ratification of the Extension of benefits under the Fractal Analytics Limited Performance Based Key Employee Stock Incentive Plan 2019 ("Performance Based MIP 2019" or "Plan" or "Scheme") to the employees of Subsidiary Companies	98.03%	1.97%
9.	Amendment to the Articles of Association of the Company for granting Board Nomination Rights/Special Rights to certain shareholders of the Company	90.17%	9.83%

Procedure for Postal Ballot:

Postal Ballot was conducted by the Company as per the provisions of Section 110 read with Section 108 and other applicable provisions, if any, of the Act, (including any statutory modification or re-enactment thereof for the time being in force), read with Rule(s) 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations and the Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, each as amended, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs (MCA) for conducting postal ballot process through e-Voting vide General Circular No(s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 09/2024 dated September 19, 2024, 03/2025 dated September 22, 2025 and/or any other circulars issued from time to time by the MCA.

Special Resolution proposed to be conducted through Postal Ballot:

No Special Resolution is proposed to be passed through Postal Ballot, as on the date of this Report.

C. Extra-ordinary General Meetings:

During the financial year ended March 31, 2026, Three (3) Extra-ordinary General Meetings were held as follows:

Sr. No.	Date of meeting	Number of meetings
1.	July 29, 2025	01/2025-26 Extra-Ordinary General Meeting
2.	August 08, 2025	02/2025-26 Extra-Ordinary General Meeting
3.	October 10, 2025	03/2025-26 Extra-Ordinary General Meeting

12. Means of communication

Quarterly Results:	The Quarterly Results of the Company are published in the Financial Express, a National English daily with a wide circulation and the Navshakti (Marathi) newspaper. The results are also available on the website of the Company at https://fractal.ai/investor-relations
News Releases and Presentations:	The official news releases and presentations to the institutional investors or analysts, if made any are disseminated to the Stock Exchange where the shares of the Company are listed (BSE and NSE) as well as on the Company's website at https://fractal.ai/investor-relations
Website:	The Company's website contains a separate section, Investor Relations https://fractal.ai/investor-relations where all the information and disclosures required to be disseminated as per the SEBI Listing Regulations and the Act are being posted.
SEBI Complaint Redressal System (SCORES):	Shareholders complaints are also processed through a centralised web based complaint redressal system, SCORES. This system enables the Company to have a centralised database of the complaints and upload online action taken reports. Investors can also view the current status of and actions taken on their complaints.
Online Dispute Resolution Portal (ODR Portal):	SEBI vide its Master Circular dated February 6, 2026, has provided an online dispute redressal forum/portal for redressing the unresolved queries of the shareholder(s). Pursuant to above-mentioned master circular, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login) and the same can also be accessed through the Company's website https://fractal.ai/investor-relations

13. General Shareholder Information:

A. Annual General Meeting:

Day, Date and Time	Wednesday, September 16, 2026 at 4:30 PM IST
Venue	Level 7, Commerz II, International Business Park, Oberoi Garden City, Off W. E. Highway Goregaon (E), Mumbai - 400063, Maharashtra, India.

B. Financial Year:

The Company follows financial year from April to March.

C. Dividend Payment Date:

The Company has not declared any dividend for the financial year 2025-26.

D. Listing Details:

Particulars	Details
BSE Limited ("BSE"), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	Scrip Code: 544700
National Stock Exchange of India Limited ("NSE"), Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	Scrip Symbol: FRACTAL
Demat ISIN	INE212S01015

The Company has duly paid the Listing fees to BSE and NSE.

The Equity Shares of the Company were not suspended from trading anytime during the financial year 2025-26.

E. Registrar and Share Transfer Agent

MUFG Intime India Private Limited (Previously known as Link Intime India Private Limited	Unit: Fractal Analytics Limited C-101, 1st Floor, 247 Park Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400 083 Maharashtra, India Toll free number: 1800 1020 878 Email ID: investor.helpdesk@in.mpms.mufg.com

F. Share Transfer System

As mandated by SEBI, securities of the Company can be transferred/ traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

Norms for updation of Know Your Customer (KYC) details for shares held in physical form

SEBI has through relevant circulars issued in this regard mandated all shareholders holding shares in physical form to furnish PAN (compulsorily linked with Aadhaar), nomination, contact details, bank account details and specimen signature to RTA.

Presently, the Company has only 10 (Ten) shareholders holding 12,251 (Twelve thousand two hundred fifty-one) shares in physical form and whose KYC details are updated in the records of Registrar and Share Transfer Agent of the Company.

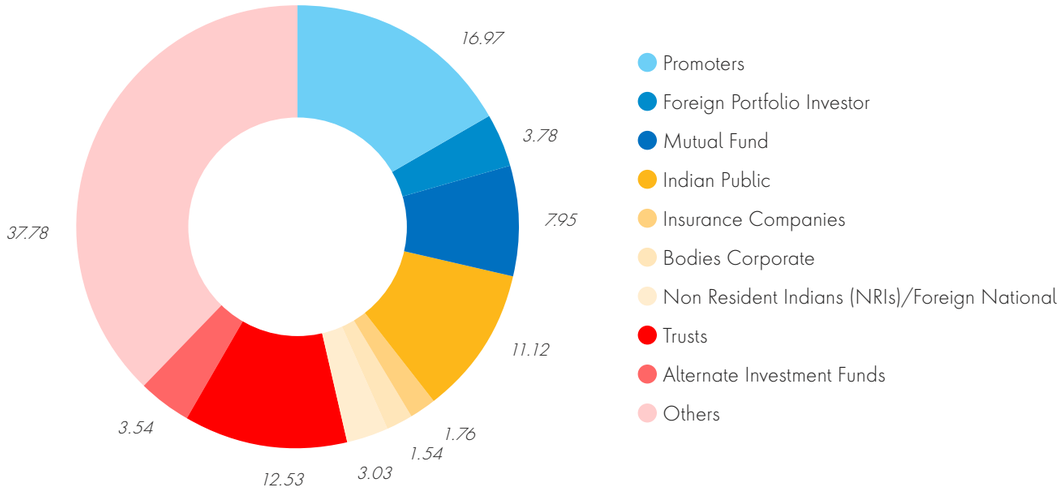
G. Distribution of Shareholding as on March 31, 2026

Sr. No	Category (Shares)	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Issued Capital
1	1 to 500	99782	97.9032	3644268	2.1192
2	501 to 1000	681	0.6682	481434	0.28
3	1001 to 2000	635	0.623	778856	0.4529
4	2001 to 3000	138	0.1354	351851	0.2046
5	3001 to 4000	80	0.0785	284360	0.1654
6	4001 to 5000	72	0.0706	333174	0.1937
7	5001 to 10000	158	0.155	1146078	0.6665
8	10001 and above	373	0.366	164945091	95.9178
	TOTAL:	**101919**	**100**	**171965112**	**100**

H. Category-wise Shareholding of Equity Shares as on March 31, 2026

Sr. No.	Particulars	No. of shares	Percentage
1	Promoters	29185195	16.97
3	Foreign Portfolio Investors	6497115	3.78
4	Mutual Fund	13663820	7.95
5	Indian public	19118634	11.12
6	Insurance Companies	3026510	1.76
7	Bodies Corporate	2655189	1.54
8	Non Resident Indians (NRIs)/Foreign Nationals	5213264	3.03
9	Trusts	21541335	12.53
10	Alternate Investment Funds	6094168	3.54
11	Others	64969882	37.78
	Total	**171965112**	**100.00**

Shareholding Pattern as on March 31, 2026:



I. Dematerialisation of Shares and Liquidity as on March 31, 2026.

Particulars of Equity Holding	No. of Shares	% of Total Issued Capital
Dematerialised form:		
NSDL	157622122	91.66%
CDSL	14330739	8.33%
Sub-Total	171952861	99.99%
Physical form:	12251	0.01%
Total	**171965112**	**100%**

J. Outstanding Global depository receipts (GDRs) or American depository receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity:

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on March 31, 2026.

K. Plant Locations

The Company is engaged in the business of software development and providing integrated, bespoke services, solutions, technology platforms, and software products, leveraging advanced analytics, artificial intelligence, data engineering, behavioural sciences, and user-centric design, delivered on-premise, remotely, or via the cloud, and has no such plants.

L. Address for correspondence:

Fractal Analytics Limited
CIN: L72400MH2000PLC125369
Registered Office: Level 7, Commerz II, International Business Park,
Oberoi Garden City, Off W. E. Highway Goregaon (E),
Mumbai - 400063, Maharashtra, India.
Phone: +91 22 6850 5800
Email: investorrelations@fractal.ai

M. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad – Not Applicable

14. Other Disclosures

a. Non-compliance/Penalties/Strictures Imposed

There were no instances of non-compliance by the Company on any matters related to the capital markets or penalties, strictures imposed on the Company by the stock exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

b. Whistle Blower Policy/Vigil Mechanism

Pursuant to the provisions of Section 177(9) of the Act, the Board of the Company has framed the Whistle Blower Policy & Vigil Mechanism for Directors and Employees of the Company.

The policy is available on the website of the Company at: https://fractal.ai/docs/Investor-Relations/Policies/Whistleblower-Policy-and-Vigil-Mechanism.pdf

During the year, no person was denied access to the Audit Committee for expressing their concerns or reporting grievances under the Whistle Blower Policy/Vigil Mechanism.

c. Compliance with Mandatory and adoption of Non-Mandatory Requirements

The Company has complied with all the mandatory corporate governance requirements under the SEBI Listing Regulations. Specifically, your Company confirms compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

M/s. Makarand M. Joshi & Co., Practicing Company Secretaries, have certified that your Company has complied with the mandatory requirements as stipulated under the SEBI Listing Regulations. The certificate has been annexed as **'Annexure III'** to this Report.

The Company has fulfilled the following non-mandatory requirements as prescribed in Part E of Schedule II and Regulation 27(1) of SEBI Listing Regulations:

1. The Statutory Auditor has issued an unmodified opinion on the financial statements of the Company for FY 2025-26
2. The findings of the Internal Audit are reported to the Audit Committee periodically.

d. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company is exposed to foreign exchange risks emanating from the business, assets and liabilities denominated in foreign currency. In order to hedge this risk, the Company proactively uses hedging instruments e.g., forward contracts, options and other simple derivatives from time to time.

The Company does not have any exposure on commodities directly. Accordingly, the disclosure pursuant to SEBI Master Circular dated January 30, 2026 is not applicable.

e. Details of utilization of funds raised through preferential allotment or qualified institutions placement

During the financial year 2025-26, the Company has not raised any funds through preferential allotment or qualified institutions placement.

f. Fees Paid to Statutory Auditor

Details of fees paid to the Statutory Auditor, M/s. B S R & Co. LLP, Chartered Accountants and all entities in the network firm/network entity, of which the Statutory Auditor is a part, for all services taken by your Company and its subsidiaries, on a consolidated basis, during the financial year 2025-26 are as under:

(INR in Million)

Particulars	Amount **
Audit Fees	18.50
Tax audit fee	0.20
Limited Review Fees	3.00
Other Services*	48.71
Total	**70.41**

** Includes fees paid in connection with the Initial Public Offering*
*** Excludes out of pocket expenses and applicable taxes*

g. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The status of complaints received during the financial year ended March 31, 2026, pertaining to sexual harassment are as follows:

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

h. Loans and advances

The Company and its subsidiary have not given any Loans and advances in the nature of loan to firms/companies in which directors are interested.

i. Demat Suspense Account/Unclaimed Suspense Account

The details of equity shares held in 'Suspense Escrow Demat Account' of the Company are as follows:

Sr. No.	Particulars	Suspense Escrow Demat Account	
		No. of Members	No. of Equity Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	14	172504
2	Number of shareholders who approached the Company for transfer of shares from suspense account during the FY 2025-26.	02	80000
3	Number of shareholders to whom shares were transferred from suspense account during the FY 2025-26	02	80000
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of FY 2025-26	12	92504

Note: *The voting rights on these shares remain frozen till the rightful owner of such shares claims the shares.*

j. Disclosure of certain types of agreements binding the Company

Pursuant to Regulation 30A of the SEBI Listing Regulations, no agreement has been entered or executed by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company and its subsidiaries during FY 2025-26.

ANNEXURE I

CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

[Regulation 34(3) read with Schedule V (Part D) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To the Members of
Fractal Analytics Limited

I, **Srikanth Velamakanni,** Whole-Time Director and Group Chief Executive and Executive Vice-Chairman of Fractal Analytics Limited, hereby confirm that all the members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management of the Company in respect of the FY 2025-26.

Srikanth Velamakanni
Whole-Time Director and
Group Chief Executive and
Executive Vice-Chairman

Date: July 29, 2026

ANNEXURE II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Fractal Analytics Limited** having **CIN: L72400MH2000PLC125369** and having its registered office at Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon (E), Mumbai - 400063, Maharashtra (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended **March 31, 2026** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in the Company
1.	Mr. Rohan Haldea	08335883	February 15, 2019
2.	Mr. Srikanth Velamakanni	01722758	March 28, 2000
3.	Mr. Pranay Narendra Agrawal	00485739	March 28, 2000
4.	Mr. Gavin Echlin Patterson	08553630	September 10, 2019
5.	Mr. Vivek Mohan	08306394	March 29, 2022
6.	Mr. Sasha Gulu Mirchandani	01179921	April 26, 2024
7.	Ms. Janaki Akella	10680793	August 01, 2024
8.	Ms. Karen Ann Terrell	09764751	October 26, 2022
9.	Ms. Neelam Dhawan	00871445	October 11, 2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Bhandari & Associates
Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 6157/2024

Manisha Maheshwari
Partner
FCS No: 13272; C P No.: 11031
Mumbai | July 09, 2026
ICSI UDIN: P1981MH043700

ANNEXURE III

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

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

We have examined the compliance of conditions of Corporate Governance by **Fractal Analytics Limited** ("the Company") for the year ended on March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"].

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Deepti Joshi
Partner
FCS: 8167
CP: 8968
UDIN: F008503H001041502

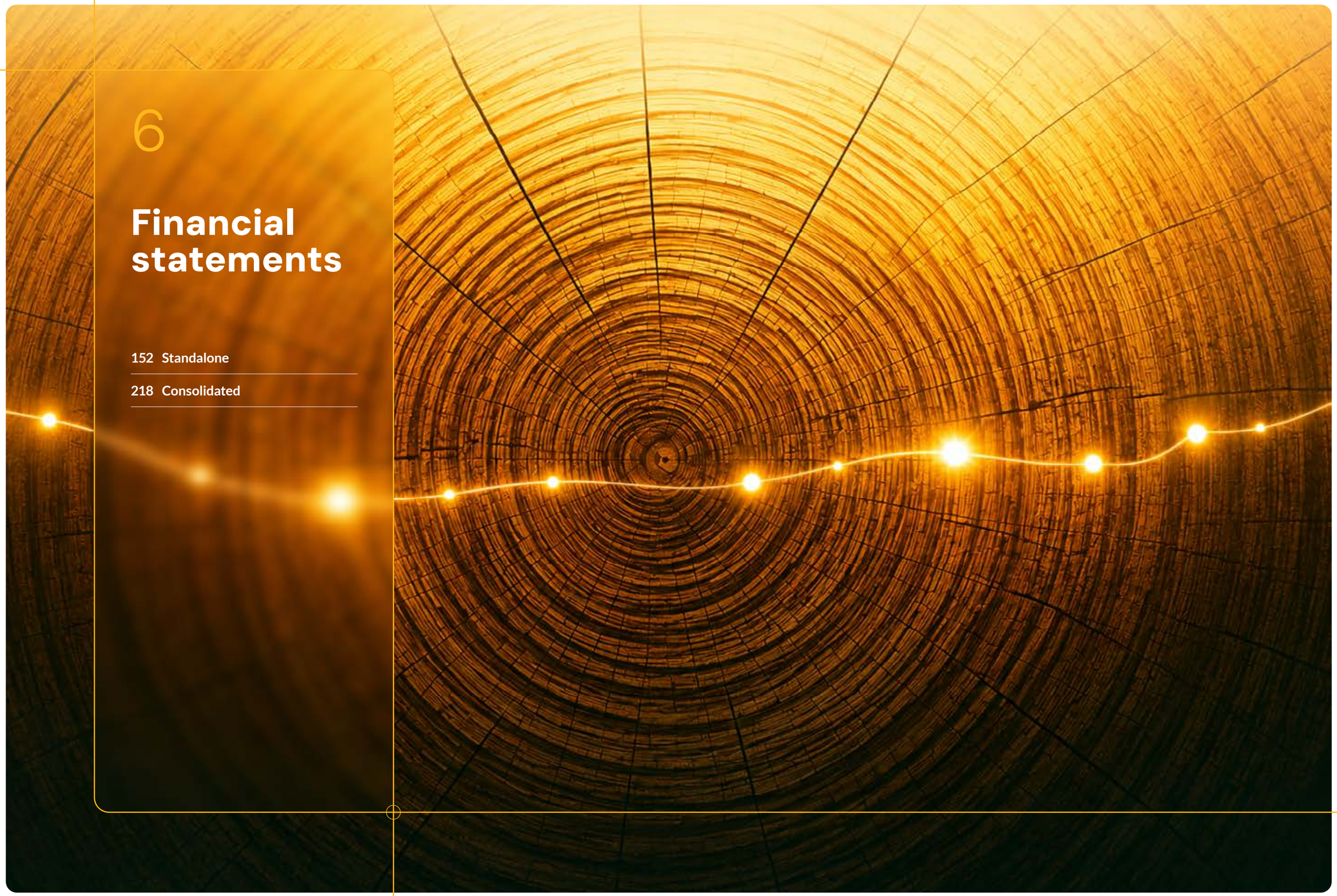
Date: July 29, 2026
Place: Mumbai

6

Financial statements

152 Standalone

218 Consolidated



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") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition– Fixed price contracts where revenue is recognised using percentage of completion method

See Note 2.18(g) and 27 to standalone financial statements

The key audit matter	How the matter was addressed in our audit

The Company inter alia engages in Fixed-price contracts, wherein performance obligations are satisfied over a period of time and revenue is recognised using the percentage of completion computed as per the input method. This is based on the Company's estimate of contract costs and efforts for completion of contract.
We identified revenue recognition of fixed price contracts where the percentage of completion method is used as a key audit matter since -
• there is an inherent risk and presumed fraud risk around the accuracy and existence of revenues recognised that it may not be appropriate due to the contracts customised for different customers and complex nature of these contracts and significant inputs of IT systems for measurement of revenue;
• application of revenue recognition using percentage of completion under accounting standard is complex. It involves estimation of the future cost-to-completion of each contract which is used to determine the percentage of completion of the relevant performance obligation; and
• these contracts may involve onerous obligations which requires critical estimates of foreseeable losses to be made by the Company; and
• at year-end, significant amount of contract assets, unearned and deferred revenue balances related to these contracts are recognised on the balance sheet.
	In view of the significance of the matter, we applied the following audit procedures in this area, amongst others, to obtain sufficient appropriate audit evidence:
	• Evaluating the accounting policy for revenue recognition by comparing it with the applicable accounting standards.
	• Obtaining an understanding of the systems, processes and controls implemented by the Company and evaluating the design and implementation of internal financial controls for measuring revenue.
	• Involving internal Information technology ('IT') specialists to test the design and operating effectiveness of key IT controls over the IT environment in which the business systems operate.
	• Evaluating the design and implementation and testing operating effectiveness of Company's key manual and IT controls over:
	• Computation of revenue recognition;
	• Allocation of resources and budgeting systems which prevent the unauthorised recording/changes to costs incurred; and
	• Estimation of total expected inputs to the satisfaction of the performance obligation in the contract.
	• For statistically selected samples of revenue from fixed price contracts:
	  • Checking the approval for estimates of costs to completion by appropriate personnel of the Company;
	  • Carrying out a retrospective analysis of costs incurred with estimated costs to identify any significant variations. Challenging whether those variations are required to be considered in estimating the remaining costs to complete the ongoing contracts;
	  • Assessing the contract assets and unearned revenue on balance sheet date by evaluating the underlying contracts to identify possible delays in achieving milestones which require change in estimated costs to complete the remaining performance obligations;
	  • Assessing underlying rationale and performing substantive procedures over changes to budgeted costs to determine reasonableness; and
	  • Evaluating the adequacy and appropriateness of provision in respect of onerous contracts, if any.
	• Assessing the appropriateness of the related disclosures in the standalone financial statements.

Internally generated intellectual property including intangible assets under development

See Note 2.18(j) and 6.1 to standalone financial statements

The key audit matter	How the matter was addressed in our audit

The carrying value of internally generated intellectual property including Intangible Assets under Development is ₹ 560 million as at 31 March 2026 (31 March 2025: ₹ 154 million).
The Company undertakes various product development and incurs cost for developing/upgrading the products to launch new service modules and functionality to provide an enhanced suite of services to its customers to generate future economic benefits for the Company. The Company capitalises cost incurred during the development phase of products as intangible assets under development based on the recognition criteria specified as per Ind AS 38.
Because identifying whether the products are in the development stage requires a high degree of judgment and significant complexity involved in assessing technical feasibility of such products, recognition and measurement of internally generated intellectual property including intangible assets under development is considered as a key audit matter.
	In view of the significance of the matter, we applied the following audit procedures in this area, amongst others, to obtain sufficient appropriate audit evidence:
	• Evaluating the accounting policy for capitalisation of development costs by comparing it with the applicable accounting standards.
	• Evaluating the design and implementation and testing the operating effectiveness of key internal financial controls implemented by the management to ensure compliance with recognition and measurement criteria specified under Ind AS 38.
	• Obtaining project-specific list of intangible assets under development to understand its nature and corroborate with our understanding of the Company's business activities.
	• Assessing accuracy and existence of costs capitalised as intangible assets under development.
	• Assessing whether the costs capitalised by the Company relate to the development phase by obtaining management's technical assessment for each asset to evaluate:
	  • Technical feasibility of completing the intangible asset.
	  • Intention and ability of the Company to complete and use the intangible asset.
	  • whether intangible asset can generate probable future economic benefits for the Company.
	  • Whether there is availability of adequate technical, financial and other resources to complete the product development.
	  • Whether expenditure incurred with respect to development projects can be reliably measured.
	• Obtaining project wise ageing of intangible assets under development to identify projects exceeding the originally estimated costs or timelines for completion.
	• Evaluating adequacy of the related disclosures in the standalone financial statements.

Impairment of investments in subsidiaries and associate

See Note 2.18(i) and 7 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The carrying amount of the investment in subsidiaries and associate of ₹ 6,935 million represents 18.39% of the Company's total assets. The investments in subsidiaries and associate are tested for impairment whenever there is an indication of impairment using discounted cashflow models of recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and carrying value would result in impairment. The financial projections, basis which the future cash flows have been estimated consider the impact of the economic uncertainties on the discount rates, the projected growth rates and terminal values and subjecting these variables to sensitivity analysis. The impairment testing is considered as a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the significance of the amount of investments to the Standalone Financial Statements.	In view of the significance of the matter, we applied the following audit procedures in this area, amongst others, to obtain sufficient appropriate audit evidence: • Assessing the appropriateness of accounting policy for impairment of investment in subsidiaries as per the relevant accounting standards. • Evaluating the design and implementation of key internal financial controls over impairment assessments and testing the operating effectiveness of such controls. • Obtaining an understanding of and evaluating the methodology used by management to prepare its analysis including cash flow forecasts and the appropriateness of the assumptions applied. In making this assessment, evaluating the competence, professional qualification, objectivity and independence of Company's specialists and personnels involved in the process. • Involving internal specialists to assist us in evaluating the valuation method and key assumptions used for impairment analysis such as revenue multiple, revenue growth rate, Earnings before interest, tax, depreciation and amortisation (EBITDA), terminal growth rate and discount rate. • Assessing the historical accuracy of management's forecast by comparing actual financial performance to management's previous forecasts. • Analysing the consistency of cash flow forecasts used for impairment assessment with Management's latest estimates as approved by the Board of Directors as part of the budget review process. • Performing sensitivity analysis of key assumptions used to determine which changes to assumptions would change the outcome of impairment assessment. • Testing the arithmetical accuracy of the impairment assessments models. • Evaluating the adequacy of the related disclosures in the standalone financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except:

      – for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014; and

      – the back-up of software used for maintaining payroll master which forms part of the 'books of account and other relevant books and papers in electronic mode' have not been maintained on the servers physically located in India on a daily basis till 21 May 2025.

   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 of the Company as on 1 April 2026 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 39(b) to the standalone financial statements.

   b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 32 to the standalone financial statements.

   c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 37(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 37(ii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination, which included test checks, and considering reports of independent auditor's in relation to controls at the service organisation for accounting softwares, except for the instance mentioned below, the Company has used accounting softwares for maintaining its books of account which, along with privilege access management tool, wherever applicable, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

i. At the database level, in the absence of an independent auditor's report in relation to controls at a service organization, for an accounting software used for maintaining general ledger, which is operated by third party software service provider, we are unable to comment whether the audit trail feature for the said software was enabled and operated throughout the year for all the relevant transactions recorded in the said software.

Further, where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with, except in case of application level for accounting software used for maintaining general ledger, in the absence of change log over audit trail feature, we are unable to comment whether audit trail feature has been tampered with.

Additionally, where audit trail (edit log) facility was enabled and operated in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention except in case of accounting software used for maintaining the revenue transactions, logs for any direct data changes were not retained for more than 365 days at the database level.

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

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Mehra
Partner
Membership No.: 103145
ICAI UDIN:26103145OGQIIT1221

Place: Mumbai
Date: 11 May 2026

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 2026

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Discrepancies noted on such verification (Gross carrying amount ₹ 96 million; Net carrying amount ₹ 1 million) have been properly dealt with in the books of account.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering data analytics services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except that the return for the quarter ended 31 March 2026 is yet to be filed.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in companies and other parties, granted unsecured loan to companies and has also made advances in the nature of loans, unsecured, to other parties during the year, in respect of which the requisite information is as below. The Company has not made investments in, provided any guarantee or security or granted loans or advances in the nature of loans, secured or unsecured, to firms or limited liability partnership during the year. The Company has not provided any guarantee or security or advances in the nature of loans, secured or unsecured, to companies and has not provided loans, any guarantee or security, secured or unsecured, to other parties during the year.

(a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has given loan to a subsidiary. The Company has not given any loans to the associate or stood guarantee or provided security or given any advances in the nature of loans to any subsidiaries and associate. The Company does not hold any investment in any joint venture.

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has given unsecured advances in the nature of loans to parties other than subsidiaries and associate as listed below. The Company has not given any loans, stood guarantee or provided any security to parties other than subsidiaries and associate.

(₹ in million)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
Subsidiaries*	-	-	29	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others	-	-	-	6
Balance outstanding as at balance sheet date				
Subsidiaries*	-	-	-	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others*	5,368	4,890	-	2

*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 during the year and the terms and conditions of the grant of loans and advances in the nature of loans during the year are not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loan given to a subsidiary, it is repayable on demand and there is stipulation regarding payment of interest. The said loan has been repaid by the subsidiary during the year. In case of interest free advances in the nature of loans given, the repayment of principal has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of advances in the nature of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

Related Parties (₹ in million)

Aggregate of loans/advances in nature of loan	
- Repayable on demand (A)	29
- Agreement does not specify any terms or period of Repayment (B)	-
Total (A+B)	29
Percentage of loans/ advances in nature of loan to the total loans	100%

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act"). In respect of investments made and loans given by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-Tax, Professional Tax, Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities except there are few delays in cases of Professional Tax, Provident Fund and Good and Services 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, Employees State Insurance, Income-Tax, Professional Tax, Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

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

Name of the statute	Nature of the dues	Amount (₹ in million)	Paid/ adjusted under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	11	-	AY 2007-08	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Penalty	6	1	AY 2007-08	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	24	24	AY 2011-12	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	29	-	AY 2012-13	High Court	
Income Tax Act, 1961	Income Tax	2	0*	AY 2019-20	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	19	19	AY 2020-21	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Penalty	25	-	AY 2020-21	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	9	2	AY 2021-22	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	672	-	AY 2022-23	Income Tax Appellate Tribunal	
Central Excise Act, 1944	Service Tax	1	-	April 2015 - June 2017	Department of revenue - GST Audit II Mumbai	
Goods and Services Tax Act, 2017	Goods and Services Tax	2	0*	FY 2020-21	Office of the commissioner of Central Tax Appeals | Commissionerate	

*The amount is less than ₹ 0.50 million

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies (as defined under the Act).

(x) (a) In our opinion, moneys raised by way of initial public offer during the year, have been, prima facie, applied

by the Company for the purposes for which they were raised. However the portion of the amount raised, which remain unutilised during the year, have been temporarily invested in bank deposits of scheduled commercial banks as on 31 March 2026.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as defined in the regulations made by the Reserve Bank of India). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Mehra
Partner
Membership No.: 103145
ICAI UDIN:26103145OGQIIT1221

Place: Mumbai
Date: 11 May 2026

Annexure B

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 2026 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 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Mehra
Partner
Membership No.: 103145
ICAI UDIN:26103145OGQIIT1221

Place: Mumbai
Date: 11 May 2026

Standalone balance sheet

as at March 31, 2026

(Amount in INR Million unless stated otherwise)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	3	732	267
(b) Right-of-use assets	4	1,055	1,389
(c) Goodwill	5	596	596
(d) Other Intangible assets	6	279	33
(e) Intangible assets under development	6.1	296	134
(f) Financial assets			
(i) Investments	7	6,950	6,549
(ii) Other financial assets	11	173	178
(g) Deferred tax assets (net)	12	176	79
(h) Income tax assets (net)		140	160
(i) Other non-current assets	13	46	61
Total non-current assets (A)		**10,443**	**9,446**
(B) Current assets			
(a) Financial assets			
(i) Investments	7	8,741	3,436
(ii) Trade receivables	8	6,948	8,865
(iii) Cash and cash equivalents	9a	578	223
(iv) Bank balance other than (iii) above	9b	9,571	211
(v) Loans	10	-	180
(vi) Other financial assets	11		
- Bank deposits		118	-
- Others		769	169
(b) Other current assets	13	550	591
Total current assets (B)		**27,275**	**13,675**
Total Assets (A+B)		**37,718**	**23,121**
EQUITY AND LIABILITIES			
(C) Equity			
(a) Share capital	14	172	31
(b) Other equity	15	32,612	19,436
Total equity (C)		**32,784**	**19,467**
(D) Liabilities			
(E) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	30	806	1,098
(ii) Other financial liabilities	17	-	35
(b) Provisions	19	29	159
Total non-current liabilities (E)		**835**	**1,292**
(F) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	30	315	283
(ii) Trade payables	16		
1. Total outstanding dues of micro enterprise and small enterprises		100	96
2. Total outstanding dues of creditors other than micro enterprises and small enterprises		908	301
(iii) Other financial liabilities	17	2,063	1,333
(b) Other current liabilities	18	421	324
(c) Provisions	19	96	-
(d) Current tax liabilities (net)		196	25
Total current liabilities (F)		**4,099**	**2,362**
Total liabilities (D=E+F)		**4,934**	**3,654**
Total Equity and Liabilities (C+D)		**37,718**	**23,121**
Material accounting policies	**2**		

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

As per our report of even date attached.

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

For and on behalf of the Board of Directors of
Fractal Analytics Limited
CIN: L72400MH2000PLC125369

Rajesh Mehra	**Srikanth Velamakanni**	**Sasha Gulu Mirchandani**	**Ashwath Bhat**	**Somya Agarwal**
Partner	Whole-Time Director	Director	Chief Financial Officer	Company Secretary
Membership Number: 103145	DIN: 01722758	DIN: 01179921		Membership number: A17336
Mumbai	Mumbai	Mumbai	Mumbai	Mumbai
Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026

Standalone statement of profit and loss

For the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

Particulars	Note	Year ended March 31, 2026	Year ended March 31, 2025
(1) Income			
(a) Revenue from operations	20	18,662	14,366
(b) Other income	21	631	539
Total Income		**19,293**	**14,905**
(2) Expenses			
(a) Employee benefits expense	22	13,020	10,509
(b) Employee stock option expense	33	465	447
(c) Finance costs	23	192	116
(d) Depreciation and amortisation expense	24	680	520
(e) Other expenses	25	2,163	1,450
Total Expenses		**16,520**	**13,042**
(3) Profit before exceptional items and tax expense (1-2)		**2,773**	**1,863**
(4) Exceptional items (net)	26	(302)	(98)
(5) Profit before tax expense (3+4)		**2,471**	**1,765**
(6) Tax expense			
(a) Current tax	12	658	430
(b) Deferred tax (credit) / charge	12	(52)	14
Total tax expense		**606**	**444**
(7) Profit for the year (5-6)		**1,865**	**1,321**
(8) Other comprehensive income			
(1) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement of defined employee benefit plans	28	176	15
(b) Income tax on items (a) above		(44)	(4)
(2) Items that will be reclassified subsequently to profit or loss			
(a) Effective portion of (loss) / gain on derivative designated as cash flow hedge		(330)	(87)
(b) (Loss) due to changes in intrinsic value on derivatives designated as cash flow hedge		(20)	-
(c) (Loss) due to changes in time value of derivatives designated as cash flow hedge		(9)	-
(d) Effective portion of gain / (loss) on derivatives designated as cash flow hedge reclassified to profit or loss		180	23
(e) Income tax on items (a), (b), (c) & (d) above		45	16
Total other comprehensive income		**(2)**	**(37)**
(9) Total comprehensive income for the year (7+8)		**1,863**	**1,284**
Earnings per share (EPS)(Rupees per share)	35		
Face of ₹ 1 each			
(1) Basic EPS		11.62	8.58
(2) Diluted EPS		10.97	7.92
Material accounting policies	**2**		

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

As per our report of even date attached.

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

For and on behalf of the Board of Directors of
Fractal Analytics Limited
CIN: L72400MH2000PLC125369

Rajesh Mehra	**Srikanth Velamakanni**	**Sasha Gulu Mirchandani**	**Ashwath Bhat**	**Somya Agarwal**
Partner	Whole-Time Director	Director	Chief Financial Officer	Company Secretary
Membership Number: 103145	DIN: 01722758	DIN: 01179921		Membership number: A17336
Mumbai	Mumbai	Mumbai	Mumbai	Mumbai
Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026

Standalone statement of cash flows

For the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
(A)	**Cash flows from operating activities**		
	Profit before tax expense	2,471	1,765
	Adjustment for:		
	Depreciation and amortisation expense	331	239
	Depreciation on right of use assets	349	281
	Finance costs	181	113
	Interest income on intercompany loan	(15)	(2)
	Gains (net) on investments mandatorily measured at fair value through profit or loss/ gain on redemption/sale of financial instruments	(371)	(316)
	Guarantee commission (income) or loss on cancellation of guarantee	(26)	(17)
	Interest income on unwinding of security deposits	(16)	(13)
	Interest income on bank deposits	(79)	(7)
	Unrealised foreign exchange (gain) (net)	(234)	(67)
	Fair value loss (net) on derivative contracts carried at fair value through profit or loss	156	65
	Employee stock option expense	465	447
	(Gain) on early termination of leases	(2)	-
	(Gain) on sale of property plant and equipment	(2)	-
	Bad debts	7	-
	Provision for expected credit loss and doubtful advances	(33)	7
	Provision for tax settlements (Refer note 25)	-	(59)
	Investment / Receivable balances from subsidiaries written off / Impairment provision reversed on investments in and amounts recoverable from subsidiaries (net)	200	97
	Operating cash flows before working capital changes	**3,382**	**2,533**
	Decrease / (Increase) in trade receivables	2,166	(1,980)
	(Increase) / Decrease in other current financial assets	(566)	73
	Decrease / (Increase) in other non current financial assets	1	(43)
	Decrease / (Increase) in other current assets	150	(143)
	(Increase) in other non current assets	(30)	(4)
	Increase in trade payables	610	134
	(Decrease) in other non current financial liabilities	-	(1)
	Increase in other current financial liabilities	376	200
	Increase / (Decrease) in provisions	142	(16)
	Increase in other current liabilities	97	43
	Cash generated from operations	**6,328**	**796**
	Tax paid (net of refunds)	(521)	(415)
	Net cash generated from operating activities	**5,807**	**381**
(B)	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and intangible assets	(1,134)	(362)
	Intercompany loan given during the year	(29)	(53)
	Intercompany loan received back during the year	209	4
	Interest on intercompany loan received during the year	15	-
	Maturity proceeds on redemption of mutual fund units	5,936	6,179
	Purchase of mutual fund units	(10,870)	(5,160)
	(Investment) in bank deposits (net)	(9,478)	(211)
	Interest on bank deposit	51	5
	Payment towards investment in equity shares	(489)	(874)
	Proceeds on account of subsidiaries merged and capital reduced thereof (Refer note 7)	47	-
	Net cash (used in) investing activities	**(15,742)**	**(472)**

(Amount in INR Million unless stated otherwise)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
(C)	**Cash flows from financing activities**		
	Proceeds from issue of equity shares and share application money pending allotment (Refer note 3 below)	10,734	501
	Repayment of lease liabilities (Refer note 30)	(405)	(295)
	Interest paid during the year	(39)	(15)
	Net cash generated from financing activities	**10,290**	**191**
	Net increase in cash and cash equivalents (A+B+C)	**355**	**100**
	Cash and cash equivalents at the beginning of the year	223	123
	Cash and cash equivalents at the end of the year	**578**	**223**
	Cash and cash equivalents comprise of:		
	Cash in hand	0	0
	Balance with banks:		
	In current accounts	578	223
Total cash and cash equivalents		**578**	**223**

Notes :

1. Purchase of property, plant and equipment and intangibles are shown inclusive of movements in Intangible asset under development.
2. Refer note 30 for movement in lease liabilities.
3. This is net of ₹ 642 million being share issue expenses and taxes thereon.

Material accounting policies **2**

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

As per our report of even date attached.

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

For and on behalf of the Board of Directors of
Fractal Analytics Limited
CIN: L72400MH2000PLC125369

Rajesh Mehra	**Srikanth Velamakanni**	**Sasha Gulu Mirchandani**	**Ashwath Bhat**	**Somya Agarwal**
Partner	Whole-Time Director	Director	Chief Financial Officer	Company Secretary
Membership Number: 103145	DIN: 01722758	DIN: 01179921		Membership number: A17336
Mumbai	Mumbai	Mumbai	Mumbai	Mumbai
Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026

Standalone statement of changes in equity

For the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

(A) Equity share capital

Particulars	Note	Amount
Balance as at April 1, 2025		**27**
Changes in equity share capital due to Call money received on partly paid shares	14	0
Changes in equity share capital under employee stock option plan	14	1
Changes in equity share capital for issue of bonus shares during the year	14	110
Changes in equity share capital for conversion of Series B 0.001 % Compulsorily convertible preference shares	14	23
Changes in equity share capital on fresh issue under initial public offering	14	11
Balance as at March 31, 2026		**172**
Balance as at April 1, 2024		**26**
Changes in equity shares capital during the year	14	1
Balance as at March 31, 2025		**27**

(B) Instruments entirely equity in nature – Series B 0.001 % Compulsorily convertible preference shares

Particulars	Note	Amount
Balance as at April 1, 2025		**5**
Changes in preference shares capital on conversion to equity shares	14	(5)
Balance as at March 31, 2026		**-**
Balance as at April 1, 2024		**5**
Changes in preference share capital during the year	14	-
Balance as at March 31, 2025		**5**

(c) Other equity

	Reserve and Surplus					Items of other comprehensive income			
						Cash flow hedging reserve			
Particulars	Securities premium	Employee stock option reserve (ESOP)	Retained earnings	Remeasurement of defined employee benefit plans	Capital Reserve	Share application money pending allotment	Effective portion of gains/ (loss) on derivatives designated as cash flow hedge (net)	Intrinsic value of derivatives designated as cash flow hedges (net)	Time value of derivatives designated as cash flow hedges (net)	Total equity
Balance as at April 1, 2025	**12,894**	**3,309**	**3,195**	**(103)**	**81**	**76**	**(16)**	**-**	**-**	**19,436**
Profit for the year	-	-	1,865	-	-	-	-	-	-	1,865
Other comprehensive income / (loss)	-	-	-	132	-	-	(112)	(15)	(7)	(2)
Total comprehensive income / (loss)	**-**	**-**	**1,865**	**132**	**-**	**-**	**(112)**	**(15)**	**(7)**	**1,863**
Call money on partly paid up shares	486	-	-	-	-	-	-	-	-	486
Issue of equity shares on account of exercise of ESOP	728	-	-	-	-	(728)	-	-	-	-
Share application money received during the year	-	-	-	-	-	652	-	-	-	652
Utilization of security premium against issuance of bonus shares	(110)	-	-	-	-	-	-	-	-	(110)
Bonus component on conversion of CCPS to equity shares	-	-	(18)	-	-	-	-	-	-	(18)
Fresh issue of shares under Initial public offer (Refer note 40)	10,224	-	32	-	-	-	-	-	-	10,256
Share issue expense for fresh issue of shares	(544)	-	-	-	-	-	-	-	-	(544)
Employee stock option expense	-	591	-	-	-	-	-	-	-	591
Transfer to securities premium on account of exercised ESOP	379	(379)	-	-	-	-	-	-	-	-
Transfer to retained earnings on account of vested ESOP lapsed	-	(19)	19	-	-	-	-	-	-	-
Balance as at March 31, 2026	**24,057**	**3,502**	**5,093**	**29**	**81**	**-**	**(128)**	**(15)**	**(7)**	**32,612**
Balance as at April 1, 2024	**12,108**	**2,880**	**1,848**	**(114)**	**81**	**22**	**32**	**-**	**-**	**16,857**
Profit for the year	-	-	1,321	-	-	-	-	-	-	1,321
Other comprehensive loss	-	-	-	11	-	-	(48)	-	-	(37)
Total comprehensive income / (loss)	**-**	**-**	**1,321**	**11**	**-**	**-**	**(48)**	**-**	**-**	**1,284**
Share application money received during the year	-	-	-	-	-	501	-	-	-	501
Issue of Equity shares	447	-	-	-	-	(447)	-	-	-	-
Additions on account of business combinations	-	-	-	-	(0)	-	-	-	-	(0)
Employee stock option expense	-	794	-	-	-	-	-	-	-	794
Transfer to securities premium on account of exercised ESOP	339	(339)	-	-	-	-	-	-	-	-
Transfer to retained earnings on account of vested ESOP lapsed	-	(26)	26	-	-	-	-	-	-	-
Balance as at March 31, 2025	**12,894**	**3,309**	**3,195**	**(103)**	**81**	**76**	**(16)**	**-**	**-**	**19,436**

Material accounting policies

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

Nature and purpose of reserves

(a) **Securities premium :** The amount received in excess of face value of the equity shares is recognised in Securities Premium. It can be used only in accordance with provisions of Companies Act, 2013 for specified purposes.

(b) **Employee stock options reserve :** This relates to Stock options granted by the Company to its employees and employees of other subsidiaries under an Employee Stock Options Plan.

(c) **Retained earnings :** Retained earnings are the profits that the Company has earned till date net of appropriations. It is available for distribution to shareholders.

(d) **Remeasurement of defined employee benefit plans :** Comprises actuarial gains and losses and return on plan assets (excluding interest income).

(e) **Capital Reserve :** Capital Reserve has been created pursuant to accounting of business transferred to the Company by its subsidiaries as per the business transfer agreements.

(f) **Share application money pending allotment :** Share application money pending allotment represents application money received on account of employees stock option plan.

(g) **Cash flow hedging reserve:** 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 year in which the underlying hedged transactions are settled.

As per our report of even date attached.

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

For and on behalf of the Board of Directors of
Fractal Analytics Limited
CIN: L72400MH2000PLC125369

Rajesh Mehra	**Srikanth Velamakanni**	**Sasha Gulu Mirchandani**	**Ashwath Bhat**	**Somya Agarwal**
Partner	Whole-Time Director	Director	Chief Financial Officer	Company Secretary
Membership Number: 103145	DIN: 01722758	DIN: 01179921		Membership number: A17336
Mumbai	Mumbai	Mumbai	Mumbai	Mumbai
Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026

Notes to Standalone Financial Statements
as at and for the year ended March 31, 2026

1. Corporate Information

Fractal Analytics Limited ('Fractal' or 'the Company') (Formerly known as Fractal Analytics Private Limited) is a limited Company, incorporated and domiciled in India.

The Company is the leading provider of advanced analytics that helps companies leverage data driven insights in taking considered decisions. The analytics solution of Company helps companies to enhance profitability by powering their customer management efforts with scientific decision making.

The registered office of the Company is located at Level 7, Commerz II, International Business Park, Oberoi Garden City, Western Express Highway, Goregaon (E), Mumbai, India. The Company changed its name to Fractal Analytics Limited effective from May 16, 2024. The Company, effective February 16, 2026, have been listed on National Stock Exchange of India Limited and BSE Limited.

2. Material accounting policies followed by the Company

2.1 Basis of Preparation of standalone financial statement

Basis of preparation

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

The standalone financial statements have been prepared on a historical cost basis, except for Derivative financial instruments, investment in mutual funds and share based payment arrangements which are measured at fair value; net defined benefit (asset) / liability is measured at present value of defined obligation less fair value of plan assets (refer note 2.10).

The standalone financial statements are presented in Indian rupees (INR), which is the Company's presentation and functional currency. All values are rounded off to nearest million, except when otherwise indicated. Amount denoted as '0' is less than ₹ 1 million in the standalone financial statements.

2.2 Property, plant and equipment ('PPE')

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Such cost includes its purchase price including inward freight, duties, taxes and all incidental expenses incurred to bring the asset to its present location and condition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Capital work in progress includes cost of PPE under development as at the Balance Sheet date and is carried at cost, comprising of direct cost and directly attributable cost.

The carrying amount of PPE is eliminated from the standalone financial statements, either on disposal or when retired from active use. Losses/gains arising on derecognition of the PPE is recognised in the Standalone Statement of Profit and Loss.

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

Depreciation

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. The management basis its past experience has estimated the useful lives, which is at variance with the life prescribed in Part C of Schedule II to the Act and has accordingly, depreciated the assets over such useful lives.

Useful life of assets considered are as below:

Description of assets	Useful life of assets
Furniture and fixtures	10 years
Office equipment	3 years
Leasehold improvements	Over the period of lease
Computers and accessories	3 - 6 years

2.3 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

The intangible assets are stated at cost less accumulated amortization and impairment losses, if any. Cost comprises of the acquisition price, and any cost directly attributable and allocable on a reasonable basis for making the asset ready for its intended use.

Intangible assets under development includes intellectual property under development as at the balance sheet date. Product development costs are incurred on developing/ upgrading the software products to launch new service modules and functionality to provide an enhanced suite of services. These development costs are capitalized and recognised as an intangible asset when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its ability and intention to use or sell the asset;
- The availability of adequate resources to complete the development and to use or sell the asset; and
- The ability to measure reliably the expenditure attributable to the intangible assets and probability of how the same will generate future economic benefits.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates and the cost of the asset can be measured reliably. All other expenditure is recognised in the standalone statement of profit and loss as incurred.

Amortization

Amortization is recognised in the standalone statement of profit and loss on a straight-line basis over the estimated useful lives of the intangible assets from the date that they are available for use.

The estimated useful lives are as follows:

Description of assets	Useful life of assets (Years)
Computer Software	3-5
Internally generated intellectual property	3-5

The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each financial year. Changes in the expected useful life are considered to modify the amortisation period and are treated as changes in accounting estimates.

Intangible assets are amortised over their expected useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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

2.4 Impairment of non-financial assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's each class of non-financial assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. Intangible assets under development are tested for impairment annually.

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the Company's share of identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Any impairment loss for goodwill is recognised directly in standalone statement of profit and loss. They are first used to reduce the carrying amount of any goodwill allocated to CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rate basis. An impairment loss recognised for goodwill is not reversed in subsequent periods. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed is 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.

2.5 Foreign Currency Translation

Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These standalone financial statements are presented in Indian Rupees (INR), which is functional and presentation currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recognised using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date and foreign exchange gain or loss are recognised in standalone statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction.

2.6 Revenue recognition

Revenue is recognized when the Company satisfies performance obligations under the terms of its contracts, and control of the services is transferred to its customers,

in an amount that reflects the consideration the Company expects to receive from its customers in exchange for those services. This process involves identifying the customer contract, determining the performance obligations in the contract, determining the transaction price, allocating the transaction price to the distinct performance obligations in the contract, and recognizing revenue when the performance obligations have been satisfied. A performance obligation is considered distinct from other obligations in a contract when it:

(a) provides a benefit to the customer either on its own or together with other resources that are readily available to the customer and;

(b) is separately identified in the contract. The Company considers a performance obligation satisfied once it has transferred control of services to the customer, meaning the customer has the ability to use and obtain the benefit from the services rendered.

Revenue from time and material contracts is recognised as and when services are performed on output basis measured by efforts expended.

Revenue related to fixed price retainership contracts is recognised based on time elapsed and is recognised on a straight-line basis over the period of performance.

In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') with contract costs incurred determining the degree of completion of the performance obligation.

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.

2.7 Employee benefits

Defined contribution plans

The Company's contribution to Provident fund and Labour Welfare Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Company provides benefits such as gratuity to its employees which are treated as defined benefit plans.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance linked incentive which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Compensated absences are measured basis accrual for unutilized leave balance determined for the entire available leave balance outstanding to the credit of the employees at year-end. The leave balance eligible for carry-forward is valued at gross compensation cost.

2.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are not taxable or deductible.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and the carry forward of unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit at the time of the transaction and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered and any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognised in the standalone statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.9 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for office premises and vehicles. The Company assesses whether a contract contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

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

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right -of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right -of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight -line method from the commencement date over the lease term.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Standalone Balance Sheet and lease payments have been classified as financing activity in standalone statement of cash flows.

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

2.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

(i) Classification, recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument except for trade receivables which are initially measured at transaction price.

The Company initially classifies its financial assets in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and

b) those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and whether the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in standalone statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
Debt instruments	Amortized cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount outstanding are measured at amortized cost.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on acquisition. EIR amortization is included in finance income. Any gain or loss on derecognition of the financial Instrument measured at amortized cost is recognised in standalone statement of profit and loss.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss which is recognized in Standalone statement of profit and loss Interest income, transaction cost and discount or premium on acquisition are recognized in the Standalone statement of profit and loss (finance income) using effective interest rate method. On derecognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to standalone statement of profit and loss in other gain and loss head.
	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss.	At fair value. Transaction costs of financial assets expensed to standalone statement of profit and loss	Any gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which it arises. Changes in fair value of such assets are recorded in standalone statement of profit and loss as other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in the finance income.
Equity instruments	FVOCI	The Company's management has made an irrevocable election at the time of initial recognition to account for the equity investment (on an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in fair value of such instruments are recorded in OCI. On disposal of such instruments, no amount is reclassified to Standalone statement of profit and loss Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividend income from such instruments are however recorded in Standalone statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to standalone statement of profit and loss	Changes in fair value of such assets are recorded standalone statement of profit and loss.

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, they are recorded as plus/minus transaction costs that are attributable to the acquisition of the financial assets.

Instruments in hedging relationship

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cashflows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuation by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank. The Company holds derivative financial instruments such as foreign exchange forward and option contracts.

The hedge instruments are designated and documented as hedges at the inception of the contract. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains in the standalone statement of profit and loss.

The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading effective portion of gains/(Loss) on derivatives designated as cashflow hedge.

The Company separates the intrinsic value and time value of an option and designates as hedging instruments only the change in intrinsic value of the option. The change in fair value of the intrinsic value and time value of an option is recognised in the other comprehensive income and accounted as a separate component of equity. Such amounts are reclassified into the statement of profit and loss when the related hedged items affect profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in standalone statement of profit and loss when the forecasted transaction ultimately affects profit and loss. Any gain or loss is recognised immediately in the standalone statement of profit and loss when the hedge becomes ineffective.

Instruments not in hedging relationship

The Company enters in contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the standalone statement of profit and loss.

(ii) Impairment

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

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, deposits, and bank balance.

b) Trade receivables

c) Contract assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. The Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors.

(iii) Derecognition of financial assets:

A financial asset is derecognised only when

(a) The contractual terms to the cash flows from the financial assets expire or the Company has transferred the rights to receive cash flows from the financial asset in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities and equity instruments:

Debt and equity instruments issued by an entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Classification, recognition and measurement:

(a) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(b) Financial liabilities:

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value minus any transaction costs that are attributable to the issue of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

- at amortized cost
- at fair value through profit or loss (FVTPL)

(i) Financial liabilities at amortized cost:

The Company is classifying the following under amortized cost;

- Borrowings from banks
- Borrowings from others
- Trade payables

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) Financial liabilities at fair value through profit or loss:

Financial liabilities held for trading are measured at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in standalone statement of profit and loss. The net gain or loss recognised in the standalone statement of profit and loss incorporates any interest paid on the financial liability.

Derecognition:

A financial liability is removed from the standalone balance sheet when the obligation is discharged, or is cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the carrying amounts extinguished and consideration paid is recognised in the standalone statement of profit and Loss.

2.11 Fair value measurement:

The Company measures financial instruments such as, certain investments and derivative instruments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 2.11: Financial Instruments

Note 2.14: Share-based payment arrangements

2.12 Provisions and Contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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.

2.13 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.

2.14 Cash and cash equivalents:

Cash and cash equivalents in the standalone statement of assets and liabilities comprises cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.15 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

2.16 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.

2.17 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 does not have right at the end of the reporting period 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.

2.18 Significant accounting estimates, judgements and assumptions:

The preparation of the Company's standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the standalone financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

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

a. Useful lives of property, plant and equipment and intangible assets:

The Company reviews the useful lives of property, plant and equipment and intangibles at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

b. Defined benefit plan:

The cost of the defined benefit gratuity obligation is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and attrition rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. Allowances for uncollected accounts receivable and advances:

Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which is the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

d. Provisions and contingencies:

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

e. Share-based payments:

The Company measures the cost of equity-settled transactions with employees using Black-Scholes and binomial model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 33.

f. Provision for income tax and deferred tax assets:

The Company uses judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

g. Revenue recognition:

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

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

h. Leases:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

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

i. Impairment of investment in subsidiaries:

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

j. Capitalisation of Internally generated intellectual property:

The Company undertakes various product development and incurs cost for developing/ upgrading the products to launch new service modules and functionality to provide an enhanced suite of services to its customers to generate future economic benefits for the Company. The Company capitalises cost incurred during the development phase of products as intangible assets under development based on the recognition criteria specified as per Ind AS 38. Identifying whether the products are in the development stage requires a high degree of judgment and significant complexity involved in assessing technical feasibility of such products, recognition and measurement of intangible assets under development.

2.19 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.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non -current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date, and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after April 1, 2025. The Company has applied the mandatory relief and will evaluate the new disclosure requirement relating to annual financial statements, as appropriate and disclose accordingly.

2.20 Amendment issued but not effective (effective from April 01, 2026):

The Ministry of Corporate Affairs (MCA) through notification dated August 13, 2025, notified amendment to Ind AS 1, Presentation of Financial statements. This amendment removes the carve-outs in Ind AS 1 from IAS 1 when there is a breach of a material covenant that transforms the liability from non-current to current. The Company will evaluate the requirements and apply these amendments from the effective date. However, presently the Company does not see any material impact on the financial statements.

(Amount in INR Million unless stated otherwise)

3 Property, plant and equipment

Particulars	Computers and accessories	Leasehold improvements	Furniture and fixtures	Office Equipment	Total
Gross carrying amount					
As at April 01, 2025	**882**	**243**	**62**	**119**	**1,306**
Additions	474	181	24	9	688
Disposals/derecognition	(149)	-	(2)	(22)	(173)
As at March 31, 2026	**1,207**	**424**	**84**	**106**	**1,821**
Accumulated depreciation					
As at April 01, 2025	**643**	**243**	**39**	**114**	**1,039**
Charge for the year	175	36	7	5	223
On Disposals/derecognition	(149)	-	(2)	(22)	(173)
As at March 31, 2026	**669**	**279**	**44**	**97**	**1,089**
Net carrying amount as at March 31, 2026	**538**	**145**	**40**	**9**	**732**
Gross carrying amount					
As at April 01, 2024	**756**	**255**	**60**	**131**	**1,202**
Additions	227	-	5	4	236
Disposals/derecognition	(101)	(12)	(3)	(16)	(132)
As at March 31, 2025	**882**	**243**	**62**	**119**	**1,306**
Accumulated depreciation					
As at April 01, 2024	**617**	**253**	**37**	**128**	**1,035**
Charge for the year	127	2	5	2	136
On Disposals/derecognition	(101)	(12)	(3)	(16)	(132)
As at March 31, 2025	**643**	**243**	**39**	**114**	**1,039**
Net carrying amount as at March 31, 2025	**239**	**-**	**23**	**5**	**267**

Note : The Company does not hold any immovable properties.

4 Right-of-use assets

Particulars	Office premises	Vehicles	Total
Gross carrying amount			
As at April 01, 2025	**1,615**	**51**	**1,666**
Additions	-	30	30
Disposals	(21)	(5)	(26)
As at March 31, 2026	**1,594**	**76**	**1,670**
Accumulated depreciation			
As at April 01, 2025	**268**	**9**	**277**
Charge for the year	326	23	349
On Disposals	(10)	(1)	(11)
As at March 31, 2026	**584**	**31**	**615**
Net carrying amount as at March 31, 2026	**1,010**	**45**	**1,055**
Gross carrying amount			
As at April 01, 2024	**1,122**	**-**	**1,122**
Additions	665	52	717
Disposals	(172)	(1)	(173)
As at March 31, 2025	**1,615**	**51**	**1,666**
Accumulated depreciation			
As at April 01, 2024	**168**	**-**	**168**
Charge for the year	272	9	281
On Disposals	(172)	(0)	(172)
As at March 31, 2025	**268**	**9**	**277**
Net carrying amount as at March 31, 2025	**1,347**	**42**	**1,389**

Note:
1. The Right-of-use assets as per Ind AS-116 comprises of lease of office premises and vehicles.
2. The aggregate depreciation expense on Right-of-use assets is included under depreciation and amortisation expenses in the standalone statement of profit and loss.

(Amount in INR Million unless stated otherwise)

5 Goodwill

Particulars	As at March 31, 2026	As at March 31, 2025
Goodwill at the beginning of the year	**596**	**596**
Additions on account of business combinations	-	-
Goodwill at the end of the year	**596**	**596**

Cash-generating units (CGUs) to which goodwill is allocated are tested for impairment 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 terminal growth rate of 5% as at

March 31, 2026 (March 31, 2025 : 3% to 5%) and discount rate of 15% to 16% as at March 31, 2026

(March 31, 2025 : 18% to 25%).

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the Cash Generating Unit (CGU).

6 Other intangible assets

Particulars	Computer Software	Client relationship	Internally generated Intellectual Property	Total
Gross carrying amount				
As at April 01, 2025	**89**	**44**	**484**	**617**
Additions	10	-	344	354
As at March 31, 2026	**99**	**44**	**828**	**971**
Accumulated amortisation				
As at April 01, 2025	**76**	**44**	**464**	**584**
Charge for the year	8	-	100	108
As at March 31, 2026	**84**	**44**	**564**	**692**
Net carrying amount as at March 31, 2026	**15**	**-**	**264**	**279**
Gross carrying amount				
As at April 01, 2024	**76**	**44**	**458**	**578**
Additions	13	-	26	39
As at March 31, 2025	**89**	**44**	**484**	**617**
Accumulated amortisation				
As at April 01, 2024	**68**	**11**	**402**	**481**
Charge for the year	8	33	62	103
As at March 31, 2025	**76**	**44**	**464**	**584**
Net carrying amount as at March 31, 2025	**13**	**-**	**20**	**33**

Notes to Standalone Financial Statements
as at and for the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

The estimated amortisation of intangibles assets for the year ended subsequent to March 31, 2026 is as follows :

Year ending March 31	in Rupees Million
2027	108
2028	103
2029 and beyond	68
Total	**279**

6.1 Intangible assets under development ('IAUD')

Particulars	Total
Gross carrying amount	
As at April 01, 2025	**134**
Additions	516
Less: Capitalisation	(354)
As at March 31, 2026	**296**
Gross carrying amount	
As at April 01, 2024	**32**
Additions	141
Less: Capitalisation	(39)
As at March 31, 2025	**134**

Ageing of Projects in progress

	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Gross Total
As at March 31, 2026	286	10	-	-	296
As at March 31, 2025	134	-	-	-	134

6.2 For Projects in progress, which has exceeded its cost compared to its original plan, for which details of when the project is expected to be completed as of March 31, 2026 is as follows:

	To be completed in				
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	201	-	-	-	201

6.3 Breakup of nature of expenses towards internally generated intellectual property which has been capitalised:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	339	99
Other expenses	173	33
Total	**512**	**132**

(Amount in INR Million unless stated otherwise)

7 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Investments (Non-current)		
Investments in equity instruments in subsidiaries		
(at cost)		
A. Unquoted equity shares		
Fractal Private Limited, Singapore	3	3
100,000 (March 31, 2025: 100,000) equity shares of SGD 1 fully paid up		
Fractal Analytics Inc., United States of America	4,285	4,285
1,055,337 (March 31, 2025: 1,055,337) equity shares of USD 1 fully paid up		
Cuddle Artificial Intelligence Private Limited** (Refer note 1 below)	-	7
Nil (March 31, 2025: 163,360,913) equity shares of ₹ 1 fully paid up		
Final Mile Consultants Private Limited** (Refer note 1 below)	-	143
Nil (March 31, 2025: 21,955) equity shares of Re 1 fully paid up		
Theremin AI Solutions Private Limited^ (Refer note 1 below)	-	153
Nil (March 31, 2025: 143,767,182) equity shares of ₹ 1 fully paid up		
Eugenie Technologies Private Limited (Refer note 1 below)	-	1
Nil (March 31, 2025: 100,000) equity shares of ₹ 1 fully paid up		
Senseforth AI Research Private Limited** (Refer note 1 below)		
2,628,824 (March 31, 2025: 100,000) equity shares of ₹ 10 fully paid up	-	-
Analytics Vidhya Educon Private Limited ^^		
227,155 (March 31, 2025: 127,023) equity shares of ₹ 10 fully paid up	897	408
Neal Analytics Services Private Limited** (Refer note 1 below)		
Nil (March 31, 2025: 10,000) equity shares of ₹ 10 fully paid up	-	81
Fractal Alpha Private Limited (Refer note 1 below)		
Nil (March 31, 2025: 5,000,000) equity shares of ₹ 1 fully paid up	-	5
B. Deemed Investment in subsidiaries		
Fractal Analytics Inc., United States of America***	1,053	947
Fractal Analytics UK Limited, UK	432	405
Theremin AI Solutions Private Limited	-	2
Senseforth AI Research Private Limited	184	186
Fractal Analytics (Canada) Inc.	5	1
Fractal Private Limited	2	2
Fractal Analytics Australia Pty Limited	5	1
Fractal Analytics Netherland B.V.	9	0
Fractal Alpha Private Limited	-	1
Fractal LLC-FZ	6	-
Fractal AI Limited	0	-
Asper.AI Technologies Private Limited	0	-
Analytics Vidhya Educon Private Limited	4	-
Investments in equity instruments in associate		
(at cost)		
A. Unquoted equity shares		
Qure.ai Technologies Private Limited	250	250
250,000,000 (March 31, 2025: 250,000,000 equity shares of ₹ 1 fully paid up)		
B. Other investments (Unquoted, measured at fair value through profit and loss)		
Qi-Cap Investments Private Limited (Refer note 31(b))	15	15
141,217 (March 31, 2025 : 141,217 shares of face value ₹ 1 each)		
Less : Provision for impairment of Investment (Refer note 26)	(200)	(347)
Total (Non-current)	**6,950**	**6,549**
Other investments (Current)		
Investment in mutual funds units (unquoted)		
(at fair value through profit and loss)		
Investment in mutual funds units (unquoted)	8,741	3,436
Total other investments	**8,741**	**3,436**
(a) Aggregate carrying amount of unquoted investments	**15,691**	**9,985**
(b) Aggregate amount of impairment in value of investments	**200**	**347**

** The gross value of investments in the above subsidiaries is as per the table below.

Particulars	As at March 31, 2026	As at March 31, 2025
Cuddle Artificial Intelligence Private Limited	-	168
Final Mile Consultants Private Limited	-	474
Neal Analytics Services Private Limited	-	300
Senseforth AI Research Private Limited	5	130
Total gross value of investments	**5**	**1,072**
Total net carrying value of investments	**-**	**231**

*** During the previous year ended March 31, 2025, Neal Analytics LLC had been merged with Fractal Analytics Inc. vide board resolution dated April 04, 2024. Accordingly, deemed investment in Neal Analytics LLC has been transferred to Fractal Analytics Inc.

^ During the previous year ended March 31, 2025, Board of Directors of Theremin AI Solutions Private Limited has approved for the conversion of compulsory convertible cumulative preference shares (CCCPS) into equity shares vide board resolution dated July 15, 2024 in the ratio of 1:1 equity shares for each CCCPS held.

^^ During the year ended March 31, 2026, the Board of Directors of the Company in its meeting held on November 21, 2025 has approved purchase of balance stake of 44.08% on paid-up capital basis of Analytics Vidhya Educon Private Limited for a consideration of ₹ 487 million. The share purchase agreement has been executed on November 22, 2025 and it has become a 100% subsidiary of the Company effective this date.

Note 1: Cuddle Artificial Intelligence Private Limited, Final Mile Consultants Private Limited, Neal Analytics Services Private Limited, Theremin AI Solutions Private Limited, Fractal Alpha Private Limited, Eugenie Technologies Private Limited (collectively "Transferors") had filed an application dated January 30, 2025 before the National Company Law Tribunal, Mumbai ("Tribunal") under Sections 230 to 232 read with Section 66 and 52 of the Companies Act, 2013, and the rules made thereunder to obtain a sanction of the Tribunal for the scheme of arrangement ("Scheme") amongst the Transferors and Senseforth AI Research Private Limited ("Transferee") through : (a) amalgamation of Transferors with and into the Transferee and (b) reduction of the share capital of the Transferee entity by cancelling and extinguishing 2,36,50,020 number of equity shares of 10 each held by the equity shareholders of the Transferee Company

Accordingly, the Company has given effect the Scheme of Merger on receipt of certified copy of the Hon'ble National Company Law Tribunal, Mumbai Bench - I ('NCLT'), dated October 14, 2025 wherein the NCLT has approved the scheme of merger. The effective appointed date of the Scheme is April 01, 2024. Pursuant to the above scheme of merger, the Company has accounted for the merger and capital reduction in the books as per the applicable accounting principles prescribed under Appendix C to Ind AS 103 for common and joint control business combinations.

Note 2: 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, 2026 and year ended March 31, 2025, the Company assessed the performance of its subsidiaries. The assessment was primarily based on future cash flow projections using a 3% (March 31, 2025 : 3% to 5%) terminal growth rate and discount rate of 20% (March 31, 2025: 18% to 25%) 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 ₹ 184 million (March 31, 2025 : ₹ 169) in Senseforth AI Research Private Limited, ₹ Nil (March 31, 2025 : ₹ 155 million) in Theremin AI Solutions Private Limited, ₹ Nil (March 31, 2025: ₹ 1 million) in Eugenie Technologies Private Limited, ₹ 16 million (March 31, 2025 : ₹ 16 million) in Analytics Vidhya Educon Private Limited, ₹ Nil (March 31, 2025 : ₹ 6 million) in Fractal Alpha Private Limited.

(Amount in INR Million unless stated otherwise)

8 Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
- Third parties	692	849
- Related parties (Refer note 29)	4,492	6,590
- Unbilled receivables - Third parties	256	180
- Unbilled receivables - Related parties (Refer note 29)	1,522	1,283
Unsecured, credit impaired		
- Third parties	12	12
Sub Total	**6,974**	**8,914**
Allowances for expected credit loss	(26)	(49)
Trade receivables	**6,948**	**8,865**

Ageing for Trade receivables :

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables							
(i) Undisputed Trade receivables – considered good	578	4,603	1	2	-	-	5,184
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	12	12
	578	4,603	1	2	-	12	5,196
Trade receivables - Unbilled							1,778
							6,974
Less: Allowances for expected credit loss							(26)
Total							**6,948**

Ageing for Trade receivables :

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables							
(i) Undisputed Trade receivables – considered good	1,021	6,405	13	-	-	-	7,439
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	12	12
	1,021	**6,405**	**13**	**-**	**-**	**12**	**7,451**
Trade receivables - Unbilled							1,463
							8,914
Less: Allowances for expected credit loss							(49)
Total							**8,865**

(Amount in INR Million unless stated otherwise)

9a Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	0	0
Balance with banks		
In current accounts	578	223
Total cash and cash equivalents	**578**	**223**

9b Bank balance other than above

Particulars	As at March 31, 2026	As at March 31, 2025
Earmarked balance with banks (Refer note 40)	9,568	-
In fixed deposit account (with original maturity of more than 3 months but less than 12 months)	3	211
Total other bank balances	**9,571**	**211**

10 Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Current loans		
Unsecured, considered good		
Intercompany loan (Refer note 29)	-	180
Total current loans	**-**	**180**

Disclosures pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

Type of Borrower	Purpose	Interest rate	March 31, 2026		March 31, 2025	
			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	Managing working capital requirement	7.39%	-	-	180	100%
Total			**-**	**-**	**180**	**100%**

Note : Loan given was repayable on demand.

(Amount in INR Million unless stated otherwise)

11 Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Derivative assets	-	3
Guarantee fee receivable (Refer note 29)	-	17
Security deposits	175	160
Less : Provision for doubtful advances	(2)	(2)
Total non-current financial assets	**173**	**178**
Current financial assets		
Bank deposits with more than 12 months maturity	118	-
Sub total (A)	**118**	**-**
Derivative assets	2	18
Security deposits	5	14
Receivables from subsidiaries (Refer note 29)	167	113
Guarantee fee receivable (Refer note 29)	18	22
Interest accrued but not due	30	2
Receivable towards offer expenses (Refer note 40)^	547	-
Sub total (B)	**769**	**169**
Total current financial assets (A+B)	**887**	**169**

^ Represents unclaimed portion of offer expenses held in the designated public offer account maintained with a scheduled bank, of which ₹ 198 million is parent company's share of offer expenses and ₹ 349 million is selling shareholders share of expenses.

12 Deferred tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Significant components of deferred tax assets (net)		
Deferred tax assets (net)		
Property, plant and equipment and intangible assets	57	67
Financial guarantee contract	(1)	(1)
Mark to market on derivatives	99	14
Mark to market on investment in mutual funds	(54)	(38)
Right-of-use assets	(51)	(133)
Lease liabilities	86	152
Compensated absences	24	-
Others	16	18
Total Deferred tax assets	**176**	**79**

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

Particulars	Mark to market on derivatives	Right-of-use assets	Lease liabilities	Mark to market on investment in mutual funds	Property, plant & equipment and intangible assets	Financial guarantee contract	Compensated absences	Others*	Total
At April 1, 2025	**14**	**(133)**	**152**	**(38)**	**67**	**(1)**	**-**	**18**	**79**
(Charged) / Credited									
- to profit or loss	40	82	(66)	(16)	(10)	(0)	24	(2)	52
- to other comprehensive income	45	-	-	-	-	-	-	-	45
At March 31, 2026	**99**	**(51)**	**86**	**(54)**	**57**	**(1)**	**24**	**16**	**176**

(Amount in INR Million unless stated otherwise)

Particulars	Mark to market on derivatives	Right-of-use assets	Lease liabilities	Mark to market on investment in mutual funds	Property, plant & equipment and intangible assets	Financial guarantee contract	Compensated absences	Others*	Total
At April 1, 2024	**(18)**	**(225)**	**224**	**(28)**	**65**	**(3)**	**-**	**62**	**77**
(Charged) / Credited									
- to profit or loss	16	92	(72)	(10)	2	2	-	(44)	(14)
- to other comprehensive income	16	-	-	-	-	-	-	-	16
At March 31, 2025	**14**	**(133)**	**152**	**(38)**	**67**	**(1)**	**-**	**18**	**79**

*Others include tax impact for allowance for expected credit loss, loans and other temporary differences

(b) Total tax expense in standalone statement of profit and loss is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Current tax		
- For the year	664	421
- Tax adjustment for earlier year	(6)	9
(b) Deferred tax charge/(credit)	(52)	14
Total tax expense	**606**	**444**

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax	**2,471**	**1,765**
Tax rate	25.17%	25.17%
Computed tax expense	**622**	**444**
Current year losses/temporary differences/utilisation of losses for which deferred tax asset is not recognised	(13)	-
Income / expenses not taxable / deductible for tax purpose	6	(5)
Tax adjustment for earlier years	(6)	9
Impact of different tax rate	(1)	(3)
Others	(2)	(1)
Tax expense	**606**	**444**

13 Other assets

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Non-Current assets		
Prepaid expenses	20	16
Capital advances	-	45
Share application money pending allotment* (Refer note 29)	26	-
Total non-current assets	**46**	**61**
Current assets		
Prepaid expenses (Refer note below)	207	429
Contract assets (Refer note 27)	30	50
Advances to vendors and others	17	10
Balance with government authorities	296	112
Less: Provision for doubtful advances	-	(10)
Total current assets	**550**	**591**

Note : Prepaid expenses includes ₹ Nil (March 31, 2025: ₹ 243) towards planning for initial public offer and is to be shared between the Company and selling shareholders. Also refer note 40.
* During the year, the Company made an additional investment by way of subscription to equity shares of Fractal Analytics Inc., a wholly owned subsidiary of the Company. Pursuant to the said subscription, shares were allotted to the Company on April 1, 2026.

(Amount in INR Million unless stated otherwise)

14 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
389,400,000 equity shares of face value ₹ 1 each	389	389
(March 31, 2025 : 389,400,000 equity shares of face value ₹ 1 each)		
50,600,000 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each	51	51
(March 31, 2025 : Series B 0.001 % 50,600,000 Compulsorily convertible preference shares of face value ₹ 1 each)		
	440	**440**
Issued share capital		
171,965,112 equity shares of face value ₹ 1 each	172	27
(March 31, 2025 : 26,838,408 equity shares of ₹ 1 each)		
Nil Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each	-	5
(March 31, 2025 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each)		
	172	**32**
Subscribed and fully paid-up		
171,965,112 equity shares of face value ₹ 1 each fully paid up	172	26
(March 31, 2025 : 26,173,550 equity shares of ₹ 1 each fully paid up)		
Nil Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each	-	5
(March 31, 2025 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each fully paid up)		
	172	**31**
Subscribed but not fully paid-up		
Nil equity share of face value ₹ 1	-	0
(March 31, 2025 : 664,858 equity share of face value ₹ 1 (₹ 0.5 paid up))		
	-	**0**
	172	**31**

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

Particulars	As at March 31, 2026 Number of shares	As at March 31, 2026 Amount	As at March 31, 2025 Number of shares	As at March 31, 2025 Amount
Equity shares				
At the commencement of the year	26,838,408	27	26,317,789	26
Add : Shares issued during the year under				
- partly paid up shares	-	0		
- employee stock option plan (Refer note (i) below)	1,477,126	1	520,619	1
- bonus issue (Refer note (ii) below)	109,623,164	110	-	-
- conversion of Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each (Refer note (d) below)	22,618,020	23	-	-
- fresh issue under initial public offering (Refer note 40)	11,408,394	11	-	-
At the end of the year	**171,965,112**	**172**	**26,838,408**	**27**

(i) During the year ended March 31, 2026 : 1,477,126 shares (year ended March 31, 2025: 520,619 shares) were issued under employee stock option plan at various price (Refer note 33)

(ii) During the year ended March 31, 2026, the Board of Directors and shareholders of the Company in their meeting dated July 22, 2025 and July 29, 2025 respectively approved issue of four bonus shares for every one existing fully paid up equity share of face value of ₹ 1 each.

(Amount in INR Million unless stated otherwise)

Instruments entirely equity in nature – Series B 0.001 % Compulsorily convertible preference shares

Particulars	As at March 31, 2026 Number of shares	As at March 31, 2026 Amount	As at March 31, 2025 Number of shares	As at March 31, 2025 Amount
At the commencement of the period	4,523,604	5	4,523,604	5
Conversion to equity shares of face value ₹ 1 each	(4,523,604)	(5)	-	-
At the end of the year	**-**	**-**	**4,523,604**	**5**

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

Particulars	As at March 31, 2026 % of total shares in the class	As at March 31, 2026 Number of shares	As at March 31, 2025 % of total shares in the class	As at March 31, 2025 Number of shares
(a) Equity shares of ₹ 1 each fully paid-up held by				
Quinag Bidco Limited	12.72%	21,878,433	22.13%	5,939,620
TPG Fett Holdings Pte Limited	22.27%	38,292,610	27.84%	7,472,423
Gulu Mirchandani (on behalf of GLM Family Trust)	12.49%	21,482,780	19.73%	5,296,556
Pranay Agrawal*	4.72%	8,121,360	6.33%	1,697,904
Srikanth Velamakanni**	4.30%	7,395,590	5.70%	1,529,118
(b) Series B 0.001 % Compulsorily Convertible Preference Shares of ₹ 1 each fully paid-up held by				
Quinag Bidco Limited	-	-	73.78%	3,337,505
TPG Fett Holdings Pte Limited	-	-	26.22%	1,186,099

*Pursuant to gift deed dated May 14, 2025, Pranay Agrawal has transferred the beneficial ownership of 666,588 equity shares to Agrawal Family Trust (3,332,940 equity shares post bonus issue). Therefore, of the 8,121,360 Equity Shares, Pranay Agrawal is currently the registered owner of 3,332,940 Equity Shares (in dematerialized form) with the beneficial owner being the Agrawal Family Trust. Pranay Agrawal will transfer the registered ownership of these Equity Shares to the Agrawal Family Trust, upon the said trust having opened a demat account in its name, subject to applicable laws.

** includes 664,858 partly paid up shares issued on private placement basis. During the year ended March 31, 2026 these shares have been converted into fully paid up equity shares.

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

The Company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Rights, preferences and restrictions attached to Series B 0.001% Compulsorily convertible preference shares (CCPS)

Series B 0.001% Compulsorily Convertible preference shares: All outstanding CCPS shall be converted in the ratio of 1:1 on the earlier of :

(i) 1 (one) Business Day of the expiry of 5 (five) years from the Closing Date, as applicable; or

(ii) 1 (one) Business Day prior to the date of voluntary or involuntary liquidation, winding up or dissolution of the Company, including through a shareholders', members' or creditors' voluntary winding up process or a court directed winding-up process

(iii) 1 (one) Business Day prior to the date of consummation of the sale of any Securities by the Investor to a third party in accordance with the terms of the Shareholders agreement

(iv) 1 (one) Business Day prior to the last date for the conversion of convertible instruments under applicable Laws, prior to an IPO or a QIPO (as defined in the Shareholders Agreement) in terms of the Shareholders Agreement, as amended

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.

(Amount in INR Million unless stated otherwise)

The Company covenants that till such time that any of the CCPS are outstanding, the Company shall not be entitled to declare any dividend on any Equity Shares in any year till such time as the dividend in relation to the CCPS has been provided for in full.

The CCPS shall not have any voting rights other than as available under the Act to preference shares. The CCPS shall rank pari passu with the Equity Shares on liquidation and shall have no liquidation preference.

Pursuant to the issue of bonus shares to the equity shareholders (refer note 35), 4,523,604 outstanding CCPS had converted into 22,618,020 equity shares in accordance with the terms of the shareholder agreement. The Board of Directors in its meeting on January 23, 2026 had approved the conversion of Compulsorily Convertible Preference Shares (CCPS) into equity shares. Accordingly, the CCPS holders were issued 22,618,020 equity shares in lieu of the CCPS held by them.

(e) Shares reserved for issue under options

Particulars	March 31, 2026 No. of shares	March 31, 2025 No. of shares
Equity shares of Rs 1 each reserved for issue under employee stock option scheme	27,454,842	6,240,300

Note - Refer (a) and (d) for conversion of CCPS

(f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the year of five years immediately preceding the reporting date :

Particulars	March 31, 2026	March 31, 2025
Aggregate number of equity shares of ₹ 1 each allotted as fully paid up by way of bonus shares	109,623,164	Nil
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
Aggregate number and class of shares bought back	Nil	Nil

(g) Disclosure of shareholding of promoters as at March 31, 2026

The Board of Directors of the Company, pursuant to resolution dated August 01, 2025 have taken on record that the below persons are identified as promoters of the Company for all regulatory and statutory purposes.

Shares held by promoters

	As at March 31, 2026	
Promoter Name	Number of shares	% holding
Srikanth Velamakanni	7,395,590	4.30%
Chetana Kumar	6,377,155	3.71%
Pranay Agrawal	8,121,360	4.72%
Narendra Kumar Agrawal	5,962,180	3.47%
Rupa Agrawal	828,910	0.48%
Total	**28,685,195**	**16.68%**

(h) No dividend is declared by the Company during the year ended March 31, 2026 and year ended March 31, 2025.

15 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Securities premium reserve	24,057	12,894
Employee stock option reserve	3,502	3,309
Retained earnings	5,093	3,195
Remeasurement of defined employee benefit plans	29	(103)
Capital Reserve	81	81
Share application money pending allotment	-	76
Effective portion of (loss) on derivatives designated as cash flow hedge (net)	(128)	(16)
Intrinsic value of derivatives designated as cash flow hedges (net)	(15)	-
Time value of derivatives designated as cash flow hedges (net)	(7)	-
Total other equity	**32,612**	**19,435**

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

Notes to Standalone Financial Statements
as at and for the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

16 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Current trade payables		
- Total outstanding dues of micro enterprise and small enterprises (Refer below note)		
- Others	90	89
- Related parties (Refer note 29)	10	7
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Others	908	301
Total current trade payables	**1,008**	**397**
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;	100	96
- 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	7	3
- the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Ageing of Trade payables

As at March 31, 2026

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	41	17	-	-	-	58
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	104	191	-	-	-	295
(iii) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	7	7
Total	**145**	**208**	**-**	**-**	**7**	**360**
Accrued expenses						648
Total						**1,008**

(Amount in INR Million unless stated otherwise)

As at March 31, 2025

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	24	7	-	-	-	31
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	62	32	-	-	-	94
(iii) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	7	7
Total	**86**	**39**	**-**	**-**	**7**	**132**
Accrued expenses						265
Total						**397**

17 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current financial liabilities		
Derivative liability	-	20
Liabilities from financial guarantees (Refer note 29)	-	15
Total non-current financial liabilities	**-**	**35**
Current financial liabilities		
Derivative liability	396	61
Employee related obligations	1,277	1,068
Payable to subsidiaries (Refer note 29)	288	121
Liabilities from financial guarantees (Refer note 29)	16	22
Capital creditors	86	61
Total current financial liabilities	**2,063**	**1,333**

18 Other liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current liabilities		
Unearned revenue (Refer note 27)	104	87
Advances from customers	2	31
Statutory dues payable*	315	206
Total current liabilities	**421**	**324**

*Includes tax deducted at source, provident fund payable, professional tax and goods & services tax payable.

19 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current provisions		
Gratuity (Refer note 28)	29	159
Total non-current provisions	**29**	**159**
Current provisions		
Compensated absences (Refer note 28)	96	
Total current provisions	**96**	**-**
Movement of other provisions		
Opening balance	-	85
Amount paid during the year	-	(26)
Provision reversed during the year	-	(59)
Closing balance	**-**	**-**

(Amount in INR Million unless stated otherwise)

20 Revenue from operations

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sale of services (Refer note 27)		
Income from rendering of services		
- Third party	4,626	3,813
- Related Party (Refer note 29)	14,036	10,553
Total Revenue from operations	**18,662**	**14,366**

21 Other income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income under effective interest rate method on financial assets at amortised cost:		
- intercompany loan (Refer note 29)	15	2
- bank deposits	79	7
Interest income as per effective interest rate method for :		
- unwinding of security deposits	16	13
- unwinding of guarantee fees	23	22
Guarantee commission income	3	6
Gains (net) on redemption/sale of financial instruments measured at fair value through profit or loss	-	275
Gains (net) on investments mandatorily measured at fair value through profit or loss	63	41
Foreign exchange gain (net)	422	164
Miscellaneous income	10	9
Total other income	**631**	**539**

22 Employee benefits expense

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus*	12,022	9,722
Contribution to provident fund (Refer note 28)	311	249
Gratuity (Refer note 28)	234	196
Staff welfare expense	453	342
Total employee benefits expense	**13,020**	**10,509**

*During the year ended March 31, 2026, the Company has accrued retention bonus pursuant to acquisition amounting to ₹ 9 million (March 31, 2025 : ₹ 48 million) and ESOP cash bonus amounting to ₹ 1 million (March 31, 2025 : ₹ (1) million).

23 Finance costs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on :		
- lease liabilities (Refer note 30)	131	98
- others	35	5
Other borrowing cost	26	13
Total finance cost	**192**	**116**

24 Depreciation and amortisation expense

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant and equipment (Refer note 3)	223	136
Depreciation on right-of-use assets (Refer note 4)	349	281
Amortisation on intangible assets (Refer note 6)	108	103
Total depreciation and amortisation expense	**680**	**520**

(Amount in INR Million unless stated otherwise)

25 Other expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Outsourced manpower cost	120	148
Legal and professional fees	301	171
Payment to auditors (Refer note 25.1 below)	23	18
Software license and maintenance expense	287	276
Travelling and conveyance expense	244	224
Cloud and communication expense	429	282
Recruitment expense	72	26
Marketing expense	78	40
Repairs and maintenance expense	52	64
Facility management expenses	64	44
Rent, rates and taxes (Refer sub-note a below)	44	(11)
Insurance expense	39	40
Cost of delivery (Refer note 29)	91	19
Subcontracting expense	45	2
Fair value loss (net) on derivative contracts carried at fair value through profit or loss	156	65
Loss (net) on redemption/sale of financial instruments measured at fair value through profit or loss	42	-
Provision for doubtful advances	(10)	7
Membership and subscription charges	13	9
Bad debts	7	-
Allowances for expected credit loss	(23)	-
Corporate social responsibility (Refer note 41)	17	7
Loss on cancellation of guarantee	-	11
Miscellaneous expenses	72	8
Total other expenses	**2,163**	**1,450**

25.1 Payment to auditors :

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
For statutory audit	23	18
For tax audit	0	0
Initial Public Offer (IPO) expenses*	49	29
For other services	-	-
Total payment to auditors	**72**	**47**

* represents amounts paid to auditor towards initial public offer which is recoverable in nature, were included in Prepaid expenses in Note 13. Also, refer note 40.

Note:

(a) During the year ended March 31, 2023 the Company and all the Directors of the Company had received show cause notice (SCN) as to why prosecution proceedings under the Income tax Act, 1961 (Act) should not be initiated against them for delay in deposit of tax deducted at source ('TDS') of ₹ 405 million during FY 2019-20 (albeit the deposit of TDS was made with due interest for the delay without any intimation from the tax authorities). Detailed justification was provided against the said SCN to establish a reasonable cause for the delay in deposit of TDS. However, without acceptance/admission of guilt of offence under the provisions of the Act and to avoid litigation, the Company in its capacity and on behalf of all directors, on December 7, 2022 has filed an application for compounding of offence before the tax department.

During the previous year ended March 31, 2025, the Company had paid the compounding charges of ₹ 26 million based on intimation received from tax authorities. Further, the tax authorities issued a Compounding Order to the Company and all the six Directors in office as co-accused stating that the order is intended to resolve the offence and should not be considered as an admission of guilt of offence post which no further action is required on the matter by the Company or its Directors. Accordingly, the Company had written back provision of ₹ 59 million during the year ended March 31, 2025.

Notes to Standalone Financial Statements
as at and for the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

26 Exceptional items

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Investment / Receivable balances from subsidiaries written off (Refer note 29)	(346)	(106)
Impairment provision reversed on investments in and amounts recoverable from subsidiaries (net) (Refer note below) (Refer note 29)	146	8
Statutory impact of new labour codes (Refer note 42)	(102)	-
Total exceptional items	**(302)**	**(98)**

Note :

Note 1: 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 to the extent of ₹ (155) million (March 31, 2025 : ₹ (26) million) in Theremin AI Solutions Private Limited, ₹ (1) million (March 31, 2025 : ₹ (53) million) in Eugenie Technologies Private Limited, ₹ (6) million (March 31, 2025 : ₹ Nil) in Fractal Alpha Private Limited and ₹ 16 million (March 31, 2025 : ₹ 71 million) in Senseforth AI Research Private Ltd.

27 Revenue from Contracts with Customers (Clients)

The Company disaggregates revenue from operations based on contribution by industry in which client operates.

a. Revenue disaggregation by industry is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Consumer packaged goods and retail (CPGR)	508	554
Technology, Media and Telecom (TMT)	555	723
Healthcare and life sciences (HLS)	2,361	1,607
Banking, financial services and insurance (BFSI)	475	338
Others	14,763	11,144
Total industry wise revenue	**18,662**	**14,366**

The billing schedules agreed with customers include periodic performance-based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time range for the expected time to recognise those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

The Company has applied practical expedient as per paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

2 clients individually accounted for more than 10% of the third party revenue for the year ended March 31, 2026 and March 31, 2025, respectively. Revenue details with related parties are disclosed in note 29 - Related parties.

Changes in contract assets are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	50	94
Revenue recognized during the year	370	445
Invoices raised during the year	(390)	(490)
Others	0	1
Balance at the end of the year	**30**	**50**

Changes in unearned revenue are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	87	77
Revenue recognized out of the balance at the beginning of the year	(14)	(43)
Increase due to invoicing during the year, excluding amounts recognized as revenue during the year	25	64
Others	6	(11)
Balance at the end of the year	**104**	**87**

(Amount in INR Million unless stated otherwise)

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

Particulars	As at March 31, 2026	As at March 31, 2025
Contracted price	18,753	14,369
Reductions towards variable consideration components	(91)	(3)
Revenue recognized	**18,662**	**14,366**

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	Year ended March 31, 2026	Year ended March 31, 2025
Employer's contribution to provident fund	**311**	**249**

Included in contribution to provident fund under employee benefits expense (Refer note 22)

(b) Compensated absences

Liability under Compensated absences pertains to leave balances in the Company and is disclosed under current provisions. Below table summarizes the expense incurred in respective years :

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Compensated absence expense*	**96**	**-**

*Includes amount recognized under employee benefit expense and exceptional items (net).

(c) Defined benefit plans

Gratuity:

The Company operate a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to eligible employees at retirement or on termination of employment in accordance with the provisions under the Code on Social Security, 2020. Vesting occurs upon completion of contractual period of continuous years of service as defined in the Code on Social Security, 2020. The gratuity plan is a funded plan with respect to Company.

Key assumptions used for actuarial valuation by an independent actuary under the Projected Unit Credit Method are as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	7.60%	6.90%
Future salary increases	8.00%	9.00%
Attrition rate		
Based on Completed years of service		
Up to 2 years	7.00%	7.00%
3 - 4 years	7.00%	10.00%
Above 4 years	3.00%	2.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate -100%	Indian Assured Lives Mortality (2012-14) Ultimate -100%

Notes:

1. Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.
2. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

Notes to Standalone Financial Statements
as at and for the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

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

Change in the present value of obligation	As at March 31, 2026	As at March 31, 2025
Present value of obligation at the beginning of the year	**739**	**561**
Interest cost	52	40
Past service cost	12	-
Current service cost	216	184
Benefits paid	(35)	(29)
Remeasurement due to		
Actuarial (gain)/loss arising from change in financial assumptions	(183)	35
Actuarial (gain)/loss arising on account of experience changes	(15)	(33)
Actuarial loss / (gain) arising on account of demographical assumptions	23	(19)
Present value of obligation at the end of the year	**809**	**739**

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

Change in the fair value of plan assets	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	**580**	**396**
Expected returns on plan assets	1	(2)
Interest on plan assets	40	28
Contributions made by the Company	302	158
Benefits paid	(143)	-
Fair value of plan assets at the end of the year	**780**	**580**

Note: The Company has invested the amounts in funds managed by insurers.

Reconciliation of present value of defined benefit obligation and the fair value of assets	As at March 31, 2026	As at March 31, 2025
Present value of funded obligation at the end of the year	809	739
Fair value of plan assets as at the end of the year	(780)	(580)
Net liability in balances sheet	**29**	**159**

Amount recognised in the statement of profit and loss*	Year ended March 31, 2026	Year ended March 31, 2025
Current service cost	216	184
Past service cost	12	-
Interest cost	12	12
Total expense recognized in the statement of profit and loss	**240**	**196**

*Includes amount recognized under employee benefit expense and exceptional items (net).

Amount recognised in other comprehensive income	Year ended March 31, 2026	Year ended March 31, 2025
Remeasurements during the year due to		
Changes in financial assumptions	(183)	35
Changes in demographic assumptions	23	(19)
Experience adjustments	(15)	(33)
Expected return on plan assets	(1)	2
Amount recognised in other comprehensive income during the year	**(176)**	**(15)**

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

Impact from percentage point increase / decrease in	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate +100 basis points	(696)	(615)
Discount rate -100 basis points	947	896
Salary increase rate +100 basis points	883	809
Salary increase rate -100 basis points	(731)	(662)
Attrition Rate +50%	(817)	(714)
Attrition Rate -50%	792	765

(Amount in INR Million unless stated otherwise)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to previous year.

(e) Maturity profile of defined benefit obligation

	As at March 31, 2026	As at March 31, 2025
Gratuity plan	16 years	20 years

(f) Expected future benefit payments on undiscounted basis

Expected cash flows for following year	Year ended March 31, 2026	Year ended March 31, 2025
Expected total benefit payments in the next		
1 year	24	12
2 - 5 years	142	77
6 - 10 years	239	141
More than 10 years	3,050	3,166

(g) 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.

(h) Expected contribution during the next annual reporting period: The Company's best estimate of contribution during the next year is ₹ 29 million.

(i) 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.

29 Related party disclosure

(a) Related parties

Sr. No	Name of the party	Nature of relationship
1	Quinag Bidco Limited	Companies having significant influence
2	TPG Fett Holdings Pte Limited	Companies having significant influence
3	Fractal Analytics Inc., USA	Subsidiary Company
4	Fractal Private Limited, Singapore	Subsidiary Company
5	Fractal Alpha Private Limited (Refer note 7)	Subsidiary Company
6	Cuddle Artificial Intelligence Private Limited (Refer note 7)	Subsidiary Company
7	Final Mile Consultants Private Limited (Refer note 7)	Subsidiary Company
8	Theremin AI Solutions Private Limited (Refer note 7)	Subsidiary Company
9	Eugenie Technologies Private Limited (Refer note 7)	Subsidiary Company
10	Senseforth AI Research Private Limited (Refer note 7)	Subsidiary Company
11	Analytics Vidhya Educon Private Limited	Subsidiary Company
12	Neal Analytics Services Private Limited (Refer note 7)	Subsidiary Company
13	Fractal Analytics UK Limited (Subsidiary of Fractal Analytics Inc., USA)	Step-down subsidiary
14	Fractal Analytics (Switzerland) GmbH (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
15	Fractal Analytics (Canada) Inc. (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
16	Fractal Analysis Germany GmbH. (Germany) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
17	Fractal Analytics Netherlands B.V. (Netherlands) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
18	Cuddle.ai Inc. (USA) (Subsidiary of Cuddle Artificial Intelligence Private Limited) (Refer note 3 below)	Step-down subsidiary
19	Symphony LLC (Ukraine) (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
20	Final Mile Consulting LLC (Subsidiary of Fractal Analytics Inc.)	Step-down subsidiary
21	Fractal Analytics Sweden AB (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
22	Fractal Analytics (Shanghai) Limited (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
23	Fractal Analytics Malaysia SDN BHD (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
24	Asper.AI Technologies Private Limited (w.e.f. September 01, 2023)	Step-down subsidiary
25	Fractal Analytics Australia Pty Ltd (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
26	Theremin Multi Strategy Fund LLP (Subsidiary of Theremin AI Solutions Private Limited) (Refer note 4 below)	Step-down subsidiary
27	Asper.AI Inc (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
28	Senseforth Inc. (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
29	Asper.AI Limited (Subsidiary of Samya.AI INC., USA)	Step-down subsidiary
30	Eugenie.ai Inc. (Subsidiary of Fractal Analytics Incorporated, USA)	Step-down subsidiary
31	Neal Analytics LLC (Subsidiary of Fractal Analytics Incorporated, USA) (Refer note 1 below)	Step-down subsidiary
32	Analytics Vidhya Inc. (Subsidiary of Analytics Vidya Educon Private Limited, India)	Step-down subsidiary
33	Fractal Frontier Inc (Subsidiary of Fractal Alpha Private Limited, India)	Step-down subsidiary
34	Fractal LLC-FZ (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
35	Fractal Japan KK (Subsidiary of Fractal Private Limited, Singapore) (Refer note 2 below)	Step-down subsidiary
36	Fractal AI Limited (Subsidiary of Fractal Private Limited, Singapore)	Step-down subsidiary
37	Qure.ai Technologies Private Limited	Associate Company
38	Qure.ai Technologies Inc. (Subsidiary of Qure.ai Technologies Private Limited)	Associate Company
39	Qure.ai Technologies Limited , UK (Subsidiary of Qure.ai Technologies Inc.)	Associate Company
40	Tario Partners LLP #	Entity in which director is interested
41	GLM Family Trust ^^^	Entity in which director is interested
42	Fractal Analytics Limited Employees Group Gratuity Assurance Scheme	Post-employment benefit plans

Note 1 During the previous year ended March 31, 2025 subsidiary Neal Analytics LLC was merged with Fractal Analytics Incorporated, USA w.e.f. April 09, 2024.

Note 2 During the previous year ended March 31, 2025, Fractal Japan KK has been dissolved w.e.f. July 31, 2024.

Note 3 During the previous year ended March 31, 2025, Cuddle.ai Inc. one of step down subsidiary filed for dissolution and was approved dated April 24, 2024 with State of Delaware to be effective from March 31, 2024 and subsequently all the approvals for dissolution have been received by March 31, 2025.

Note 4 Theremin Multi Strategy Fund LLP has been struck off with effect from August 21, 2025.

(b) Key managerial personnel

Sr. No	Particulars	Nature of relationship
1	Mr. Srikanth Velamakanni^ *	Whole-time Director
2	Mr. Pranay Agrawal ^ *	Non- Executive Director
3	Mr. Gulu Mirchandani (upto April 26, 2024) *	Non- Executive Director
4	Mr. Sasha Gulu Mirchandani (w.e.f. April 26, 2024) ^^^	Additional Director
5	Mr. Rohan Haldea	Non- Executive Director
6	Mr. Anurag Sud (upto March 27, 2025)	Non- Executive Director
7	Mr. Gavin Patterson #^*	Non- Executive Director
8	Mr. Puneet Bhatia (upto August 01, 2025)	Non- Executive Director
9	Mr. Vivek Mohan	Non- Executive Director
10	Ms. Karen Ann Terrell**	Non- Executive and Independent Director
11	Ms. Neelam Dhawan**	Non- Executive and Independent Director
12	Ms. Janaki Akella (w.e.f. August 01, 2024)	Non- Executive and Independent Director
13	Mr. Ashwath Bhat (w.e.f. August 01, 2025) ^ *	Chief Financial Officer

(Amount in INR Million unless stated otherwise)

(c) Transactions and balances

Sr. No	Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
A	**Transactions**		
1	**Managerial remuneration**	84	74
2	**Investment in equity shares of subsidiary company**		
	Fractal Analytics Inc, USA	-	-
2	**Receipt of amount towards partly paid equity shares**		
	Mr. Srikanth Velamakanni	487	-
3	**Investment in equity shares of subsidiary company**		
	Fractal Analytics Inc, USA	-	859
	Analytics Vidhya Educon Private Limited	489	-
4	**Amount received on account of subsidiaries merged and capital reduction thereof (Refer note 7)**		
	Senseforth AI Research Private Limited	47	-
5	**Deemed investment in subsidiary company (Refer note 7)**		
	Fractal Analytics Inc, USA	105	274
	Fractal Analytics UK Limited	26	63
	Senseforth AI Research Private Limited	(4)	174
	Fractal Analytics (Canada) Inc.	3	1
	Fractal Analytics Australia Pty Ltd	3	1
	Fractal Private Limited, Singapore	1	2
	Fractal Analytics Netherlands B.V.	9	0
	Fractal Alpha Private Limited	-	1
	Fractal Analytics FZ LLC	6	-
	Fractal AI Limited	0	-
	Asper.AI Technologies Private Limited	0	
	Analytics Vidhya Educon Private Limited	4	
6	**Advance towards Share application money pending allotment**		
	Fractal Analytics Inc, USA	26	-
7	**Reimbursement of expenses**		
	Fractal Analytics Inc, USA	73	46
	Asper.AI Technologies Private Limited	1	52
	Fractal Analytics UK Limited	19	1
	Eugenie Technologies Private Limited		
	Senseforth AI Research Private Limited	34	7
	Theremin AI Solutions Private Limited		
	Fractal Analytics (Canada) Inc.	-	0
	Fractal Analytics Australia Pty Ltd	1	0
	Fractal LLC-FZ	-	0
	Fractal Private Limited, Singapore	0	0
	Final Mile Consultants Private Limited	-	0
	Fractal Analytics Netherlands B.V.	-	0
	Asper.AI Inc	-	0
	Fractal AI Limited	-	0
	Qure.ai Technologies Private Limited	15	-
	Fractal Analytics (Switzerland) GmbH	0	-
	Symphony LLC (Ukraine)	0	-
	Fractal Analytics Malaysia SDN BHD	(0)	-
	Analytics Vidhya Educon Private Limited	1	-

Notes to Standalone Financial Statements
as at and for the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

Sr. No	Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
8	**Expenses incurred for the Company**		
	Senseforth AI Research Private Limited	6	1
	Eugenie Technologies Private Limited	-	0
	Fractal Private Limited, Singapore	0	1
	Fractal Analytics Netherlands B.V.	0	0
	Fractal Analytics Australia Pty Ltd	-	1
	Fractal Analytics Malaysia SDN BHD	-	0
	Asper.ai Technologies Private Limited	86	0
	Asper.AI Inc	0	-
	Asper.ai Limited, UK	-	1
	Fractal AI Limited	0	1
	Fractal Analytics Inc, USA	74	37
	Fractal Analytics UK Limited	2	20
	Analytics Vidhya Educon Private Limited	-	0
	Qure.ai Technologies Private Limited	-	8
	Quinag Bidco Limited	519	-
	TPG Fett Holdings Pte. Limited	265	-
	GLM Family Trust	265	-
	Fractal Analytics (Canada) Inc.	0	-
	Fractal LLC-FZ	0	-
9	**Reimbursement of expenses of shared office**		
	Asper.AI Technologies Private Limited	5	5
10	**Interest income**		
	Eugenie Technologies Private Limited	-	0
	Fractal Alpha Private Limited^^	-	0
	Senseforth AI Research Private Limited^^	15	2
11	**Revenue from operations**		
	Fractal Analytics Inc, USA	14,030	10,551
	Senseforth AI Research Private Limited	1	2
	Analytics Vidhya Educon Private Limited	9	6
12	**Passthrough Revenue**		
	Senseforth AI Research Private Limited	5	6
13	**Revenue from operations - Ancillary**		
	Senseforth AI Research Private Limited	0	-
14	**Income from unwinding of interest and guarantee fees**		
	Fractal Analytics Inc, USA	26	28
15	**Intercorporate loan/ advance given**		
	Eugenie Technologies Private Limited	-	4
	Senseforth AI Research Private Limited	29	49
16	**Intercorporate loans with interest repaid**		
	Eugenie Technologies Private Limited	-	4
	Senseforth AI Research Private Limited	222	-
17	**Cost of delivery**		
	Senseforth AI Research Private Limited	0	1
18	**Staff training expenses**		
	Analytics Vidhya Educon Private Limited	91	20
19	**Provision for doubtful receivables and loans**		
	Senseforth AI Research Private Limited	-	101

(Amount in INR Million unless stated otherwise)

Sr. No	Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
20	**Reversal of provision for doubtful receivables and loans**		
	Eugenie Technologies Private Limited	-	53
	Theremin AI Solutions Private Limited	-	25
	Senseforth AI Research Private Limited	-	200
	Fractal Alpha Private Limited	-	1
21	**Reversal of impairment on investment**		
	Senseforth AI Research Private Limited	146	-
22	**Investment written off**		
	Senseforth AI Research Private Limited	346	-
23	**Collection on behalf by group company**		
	Cuddle Artificial Intelligence Private Limited	-	2
	Final Mile Consultants Private Limited	-	0
24	**Collection for the group company**		
	Final Mile Consultants Private Limited	-	2
25	**Sundry balance written off**		
	Theremin AI Solutions Private Limited	-	20
	Eugenie Technologies Private Limited	-	53
	Senseforth AI Research Private Limited	-	33
26	**Provision for impairment on deemed investment**		
	Senseforth AI Research Private Limited	-	169
	Fractal Alpha Private Limited	-	1
27	**Business consideration payable**		
	Senseforth AI Research Private Limited	-	0
B	**Closing balances**		
1	**Trade and other receivables including unbilled receivables (Gross)**		
	Fractal Analytics Inc, USA	6,014	7,882
	Final Mile Consultants Private Limited	-	2
	Fractal Analytics Limited, UK	-	0
	Senseforth AI Research Private Limited	13	29
	Asper.AI Technologies Private Limited	154	62
	Fractal Analytics (Canada) Inc.	-	0
	Fractal Analytics Australia Pty Ltd	-	0
	Cuddle Artificial Intelligence Private Limited	-	17
	Fractal Private Limited, Singapore	-	0
	Fractal Analytics Netherlands B.V.	-	0
	Fractal Alpha Private Limited	-	0
2	**Trade and other payables**		
	Analytics Vidhya Educon Private Limited	10	7
	Fractal Analytics Inc, USA	199	98
	Fractal Analytics Limited, UK	43	21
	Fractal Private Limited, Singapore	1	1
	Fractal Analytics Australia Pty Ltd	2	1
	Fractal Analytics Malaysia SDN BHD	-	0
	Asper.ai Limited, UK	-	0
	Senseforth Inc.	40	0
	Symphony LLC (Ukraine)	0	-
	Fractal Analytics (Switzerland) GmbH	0	-
	Qure.ai Technologies Private Limited	2	-
3	**Advance from Customer**		
	Senseforth Inc.	-	5

(Amount in INR Million unless stated otherwise)

Sr. No	Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
4	**Intercompany loans (Gross)**		
	Senseforth AI Research Private Limited	-	180
5	**Credit liabilities from financial guarantees**		
	Fractal Analytics Inc, USA	16	37
6	**Deemed Investment in subsidiaries (Refer note 7)**		
	Fractal Analytics Inc, USA	1,053	947
	Fractal Analytics UK Limited	432	405
	Theremin Ai Solutions Private Limited	-	2
	Senseforth AI Research Private Limited	184	186
	Fractal Private Limited, Singapore	2	2
	Fractal Analytics (Canada) Inc.	5	1
	Fractal Analytics Netherlands B.V.	9	0
	Fractal Analytics Australia Pty Ltd	5	1
	Fractal Alpha Private Limited	-	1
	Fractal LLC-FZ	6	-
	Fractal AI Limited	0	-
	Asper.AI Technologies Private Limited	0	
	Analytics Vidhya Educon Private Limited	4	
7	**Investments in equity instruments in subsidiary**		
	Fractal Private Limited, Singapore	3	3
	Fractal Analytics Inc, USA	4,285	4,285
	Theremin Ai Solutions Private Limited	-	153
	Eugenie Technologies Private Limited	-	1
	Senseforth AI Research Private Limited		
	Analytics Vidhya Educon Private Limited	897	408
	Fractal Alpha Private Limited	-	5
	Final Mile Consultants Private Limited	-	143
	Neal Analytics Services Private Limited	-	81
	Cuddle Artificial Intelligence Private Limited	-	7
8	**Investments in equity shares in associate**		
	Qure.ai Technologies Private Limited	250	250
9	**Share application money pending allotment**		
	Fractal Analytics Inc, USA	26	-
9	**Guarantee commission receivable**		
	Fractal Analytics Inc, USA	18	39
10	**Impairment provision for investment in equity instruments in subsidiary**		
	Theremin Ai Solutions Private Limited	-	153
	Eugenie Technologies Private Limited	-	1
	Analytics Vidhya Educon Private Limited	16	16
	Fractal Alpha Private Limited	-	5
11	**Impairment provision for deemed investment in subsidiaries**		
	Theremin Ai Solutions Private Limited	-	2
	Senseforth AI Research Private Limited	-	169
	Fractal Alpha Private Limited	-	1
	Senseforth AI Research Private Limited	184	-
12	**Receivable from Selling Shareholders**		
	Quinag Bidco Limited	170	-
	TPG Fett Holdings Pte. Limited	87	-
	GLM Family Trust	87	-

Refer note 11, note 13 and note 40 with respect to initial public offer expense.

(Amount in INR Million unless stated otherwise)

Key managerial personnel who are under the employment of the Company are entitled to post employment benefits recognized as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are amounts provided on the basis of actuarial valuation, the same is not included above. Gratuity has been computed for the Company as a whole and hence excluded.

*The above key managerial personnel have been issued four bonus shares for every one existing fully paid up share of face value of ₹ 1 each held by them. (Refer note 14(a)(ii).

**The remuneration paid to non -executive directors amounting to ₹ 29 million and ₹ 23 million for the year ended March 31, 2026 and March 31, 2025 respectively.

^ Total employee stock option expense for the years ended March 31, 2026 and March 31, 2025 includes a charge of ₹ 14 million and ₹ 64 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, 2025 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, 2026.

30 Leases

Company as lessee

The Company has entered into cancellable leasing arrangement in respect of office premises and vehicles for a period of 2-5 years which are renewable on mutual consent.

Ind AS 116 – Lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current	806	1,098
Current	315	283
Total	**1,121**	**1,381**

(i) Movement in Lease liabilities:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	1,381	890
Add: Additions on account of new leases	30	689
Add: Finance cost accrued during the year	131	98
Less: Termination/cancellation	(16)	(1)
Less: Payment of lease liabilities	(405)	(295)
Closing Balance	**1,121**	**1,381**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Payable within one year	407	404
Payable later than one year and not later than five years	895	1,304

(iii) Following amounts are recognised in the standalone statement of profit and loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on right of use assets	349	281
Interest expense on lease liabilities	131	98
Expense relating to low value assets / short term leases (included in other expenses)	35	44

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.

Notes to Standalone Financial Statements
as at and for the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

31 Fair value measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value those include cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities.

(a) Financial instruments by category

(i) Fair value through profit and loss (FVTPL)

Particulars	Level	As at March 31, 2026	As at March 31, 2025
Assets			
Investments (Refer note a below)	2	8,741	3,436
Investments (Refer note b below)	3	15	15
Derivative asset (Refer note a below)	2	2	5
Total assets		**8,758**	**3,456**
Liabilities			
Derivative liability (Refer note a below)	2	195	44
Total liabilities		**195**	**44**

(ii) Fair value through other comprehensive income

Particulars	Level	As at March 31, 2026	As at March 31, 2025
Assets			
Derivative asset (Refer note a below)	2	-	16
Total assets		**-**	**16**
Liabilities			
Derivative liability (Refer note a below)	2	201	37
Total liabilities		**201**	**37**

(iii) Amortised cost

Particulars	As at March 31, 2026	As at March 31, 2025
Assets		
Trade receivables	6,948	8,865
Cash and cash equivalents	578	223
Bank balance other than cash and cash equivalents	9,689	211
Loans	-	180
Other financial assets	940	326
Total assets	**18,155**	**9,805**
Liabilities		
Trade payables	1,008	397
Other financial liabilities	1,667	1,287
Total liabilities	**2,675**	**1,684**

Note: Carrying amounts of trade receivables, cash and cash equivalents, bank balance, loans, other financial assets, trade payables and other financial liabilities as at March 31, 2026 and March 31, 2025 approximate their fair value due to their short-term nature.

(a) Valuation technique : Fair value of investments and derivative assets/liabilities is considered based on the valuation quotes received from mutual fund house for investments and bankers for derivative instruments which are considered under level 2.

(Amount in INR Million unless stated otherwise)

(b) Reconciliation of fair value measurement of the investment categorised at level 3:

Particulars	As at March 31, 2026	As at March 31, 2025
At fair value through profit and loss		
Opening Balance	15	0
Addition during the year	-	15
Closing Balance	**15**	**15**

Sensitivity of level 3 financial instrument's fair value to changes in significant unobservable inputs (price per share) used in their fair valuation:

	Impact on profit after tax and equity	
Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Level 3 Investments		
- Increase by 5%	1	1
- Decrease by 5%	**(1)**	**(1)**

Valuation of investments is determined basis transaction price determined acquisition value/independent valuation report.

Note :
There are no transfers between any of these levels during the current and previous year.

32 Financial risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies. The Board holds regular meetings on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables, investments, loans and other receivables from subsidiaries, cash and cash equivalents and other balances with banks. None of the financial instruments of the Company result in material concentration of credit risk."

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored.

(Amount in INR Million unless stated otherwise)

The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

The Company's exposure to customers is diversified and four customer contributes to more than 10% of outstanding trade receivables (including unbilled receivables) as at March 31, 2026 (one customers as at March 31, 2025).

The movement in the allowance for expected credit loss in respect of trade receivables is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	49	49
Movement during the year	(23)	-
Balance at the end of the year	**26**	**49**

Loans and other financial assets

Loans and other financial assets mainly consists of bank deposits, security deposits, receivable from selling shareholders and loan to related party. The security deposits pertains to rent deposits given to lessors. The Company does not expect any losses from non performance by these parties. Loans to related party is secured, accordingly the Company considers that the related credit risk is low.

Investments

Investments primarily include investment in mutual fund units with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low.

Derivatives

The derivatives are entered into with banks with good credit ratings.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as and when they are due. The Company has access to undrawn revolving credit facility as at March 31, 2026 amounting to ₹ 915 million (USD 10 million) and March 31, 2025 amounting to ₹ 915 million (USD 11 million) which could be used for the working capital needs as and when required.

Maturities of financial liabilities

The below table analyses the Company's financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows.

		Undiscounted amount		
Particulars	**Carrying amount**	**<12months**	**1- 2 Years**	**> 2 Years**
March 31, 2026				
Non Derivative financial instruments				
Trade payables	1,008	1,008	-	-
Lease liabilities	1,121	407	401	493
Other financial liabilities	1,667	1,667	-	-
Derivative financial instruments				
Derivative liability -- forward contracts	396	396	-	-
March 31, 2025				
Non Derivative financial instruments				
Trade payables	397	397	-	-
Lease liabilities	1,381	404	402	902
Other financial liabilities	1,287	1,272	15	-
Derivative financial instruments				
Derivative liability -- forward contracts	81	81	-	-

The Company has given guarantee to financial institution on behalf loan taken by one of its subsidiary amounting to ₹ 5,368 million (March 31, 2025 : ₹ 4,888 million). Subsequent to year end, the aforesaid loan has been fully repaid by the subsidiary on April 23, 2026 and accordingly, the corporate guarantee stands discharged as of that date.

(Amount in INR Million unless stated otherwise)

(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, 2026

Particulars	USD	EUR	Others
Financial assets			
Cash and cash equivalents	0	0	0
Trade receivables	6,026	287	-
Net exposure to foreign currency (assets)	**6,026**	**287**	**-**
Financial liabilities			
Trade payables	118	-	-
Other financial liabilities	239	-	47
Net exposure to foreign currency (liabilities)	**357**	**-**	**47**
Net exposure to foreign currency	**5,669**	**287**	**(47)**

As at March 31, 2025

Particulars	USD	EUR	Others
Financial assets			
Trade receivables	7,919	266	11
Other financial assets	-	-	0
Net exposure to foreign currency (assets)	**7,919**	**266**	**11**
Financial liabilities			
Trade payables	3	-	-
Other financial liabilities	98	-	23
Net exposure to foreign currency (liabilities)	**101**	**-**	**23**
Net exposure to foreign currency	**7,818**	**266**	**(12)**

Sensitivity analysis of currency risk

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at year ended March 31, 2026 and year ended March 31, 2025 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignore any impact of forecast sales and purchases.

Particulars	Impact on profit after tax and equity As at March 31, 2026	 As at March 31, 2025
USD		
- Increase by 5%	212	293
- Decrease by 5%	(212)	(293)
EUR		
- Increase by 5%	11	10
- Decrease by 5%	(11)	(10)
Others		
- Increase by 5%	(2)	(0)
- Decrease by 5%	2	0

Outstanding Derivative contracts

The Company hedges exposures to changes in foreign currency. The counterparty for these contracts is a bank. Contracts are valued at fair value through profit and loss and through other comprehensive income based on quotes received from the counter party.

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

Particulars	As at March 31, 2026 Notional amount of contracts (₹ in million)	 Notional amount of contracts (₹ in million)
(fair valuation through profit and loss)		
USD	24	2,252
EUR	2	270
(fair valuation through other comprehensive income)		
USD	24	2,252
EUR	6	655

Particulars	As at March 31, 2025 Notional amount of contracts (₹ in million)	 Notional amount of contracts (₹ in million)
(fair valuation through profit and loss)		
USD	50	4,231
EUR	5	459
(fair valuation through other comprehensive income)		
USD	68	5,770
EUR	8	782

The Company has entered into derivative instruments not in hedging relationship by way of foreign exchange forward and currency options. As at March 31, 2026 and as at March 31, 2025, the notional amount of outstanding contracts aggregated to ₹ 2,475 million and ₹ 3,621 million respectively, and the respective fair value of these contracts have a loss of ₹ 190 million and gain of ₹ 27 million respectively.

Exchange Fair value gain of ₹ 4 million, ₹ 12 million on foreign exchange forward and currency options contracts that do not qualify for hedge accounting have been recognised in the standalone statement of profit and loss for the year ended March 31, 2026, and March 31, 2025 respectively.

(Amount in INR Million unless stated otherwise)

The movements in cash flow hedging reserve for derivatives designated as cash flow hedge is as follows :

	March 31, 2026		
	Effective portion of gains/(loss) on derivatives	Intrinsic value of derivatives	Time value of derivatives
Balance at the beginning of the year	(16)	-	-
Loss transferred to profit and loss on occurrence of forecasted hedge transactions	180	-	-
Deferred tax on loss transferred to profit and loss on occurrence of forecasted hedge transactions	(45)	-	-
Change in the fair value of effective portion of cash flow hedges	(330)	(20)	(9)
Deferred tax on change in the fair value of effective portion of cash flow hedges	83	5	2
Balance at the end of the year	**(128)**	**(15)**	**(7)**

The movements in cash flow hedging reserve for derivatives designated as cash flow hedge is as follows :

	March 31, 2025		
	Effective portion of gains/(loss) on derivatives	Intrinsic value of derivatives	Time value of derivatives
Balance at the beginning of the year	32	-	-
Loss transferred to profit and loss on occurrence of forecasted hedge transactions	23	-	-
Deferred tax on loss transferred to profit and loss on occurrence of forecasted hedge transactions	(6)	-	-
Change in the fair value of effective portion of cash flow hedges	(87)	-	-
Deferred tax on change in the fair value of effective portion of cash flow hedges	22	-	-
Balance at the end of the year	**(16)**	**-**	**-**

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.

	Impact on profit after tax and equity	
Particulars	**As at March 31, 2026**	**As at March 31, 2025**
(fair valuation through profit and loss)		
USD		
- Increase by 5%	84	158
- Decrease by 5%	(84)	(158)
EUR		
- Increase by 5%	10	17
- Decrease by 5%	(10)	(17)
(fair valuation through other comprehensive income)		
USD		
- Increase by 5%	84	216
- Decrease by 5%	(84)	(216)
EUR		
- Increase by 5%	25	29
- Decrease by 5%	(25)	(29)

(Amount in INR Million unless stated otherwise)

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's deposits/loans are all at fixed rate and are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company has assessed no exposure to fluctuating change of market interest rates.

(iii) Capital management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

33 Employee stock options scheme (ESOP)

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

	Year ended March 31, 2026	Year ended March 31, 2025
Employee Stock Options Scheme (Refer note b)*	486	311
Management Stock Options Scheme (Refer note c)	(21)	136
Total	**465**	**447**

*This expense includes ₹ 32 million towards the employee discount provided to employees for subscription of shares under the Initial Public Offering (IPO) of the Company during the year ended March 31, 2026. Refer note 40

B Employee stock options scheme (ESOP)

The Company has granted stock options under Fractal Employees Stock Option Plan (ESOP) to its employees which was approved by its Board and Shareholders and further amended in line with the provisions of Companies Act, 2013. Pursuant to the Plan, the Company has issued grants to its various employees including employees of subsidiary company from time to time during financial year ended March 31, 2008 to year ended March 31, 2026. These options vest over the period of 1-4 years from the grant date and are exercisable within 10 years from vesting date for 2007 scheme and are exercisable within 10 years from grant date for 2019 scheme . In the case of resignation of the employee, the vested grants lapse (if not exercised) after 60 days from the date of resignation from service. Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The employee compensation expense for the year is determined on fair value basis.

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

Particulars	March 31, 2026		March 31, 2025	
	No. of options	WAEP	No. of options	WAEP
Options outstanding at the beginning of the year	**2,495,688**	**1,239**	**2,496,131**	**1,078**
Options outstanding at the beginning of the year - Post Bonus issue **	**12,478,440**	**248**	**-**	**-**
Options granted during the year	4,254,212	998	545,300	1,712
Options lapsed during the year	(1,090,011)	669	(129,640)	1,529
Options revived during the year	24,755	186	525	2,202
Options exercised during the year	(927,873)	382	(416,628)	810
Bonus shares issued for above exercised options during the year (Refer note 14(a)(ii))	(987,940)	-	-	-
Options outstanding at the end of the year	**13,751,583**	**455**	**2,495,688**	**1,239**
Options exercisable at the end of the year	**7,635,447**	**221**	**1,391,967**	**967**

** During the year on July 29, 2025 the company has allotted a bonus at the ratio of 1:4 as approved by shareholders.

(Amount in INR Million unless stated otherwise)

The options granted under the above Scheme, shall vest in graded manner over a period of 1-4 years. Each option will entitle the participant to one equity share.

The weighted average fair values of the options granted during the year ended March 31, 2026 was ₹ 207 (adjusted for post bonus issue price) (year ended March 31, 2025 : ₹ 1,294).

The weighted average stock price of the options granted during the year ended March 31, 2026 post bonus impact was ₹ 689 (adjusted for post bonus issue price) (year ended March 31, 2025 : ₹ 1,712).

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

Exercise Price	55.96	119.05	122.00	128.00	169.20	454.00	464.00	643.60	1,075.00
No. of options outstanding	262,310	122,500	75,000	587,575	6,091,067	2,759,970	282,500	251,425	3,319,236
Weighted average remaining contractual life (in years)	3.31	3.27	5.26	5.55	6.54	7.88	9.16	6.12	9.24

The fair valuation of option have been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

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

Particulars	As at March 31, 2026	As at March 31, 2025
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 companies publicly traded equity shares during the year equivalent to the expected term of the options.

C Management Stock Options Scheme (MSOP)

The Company has granted stock option under it's 'Employee Stock Option Plan (ESOP) Time/Performance Based Management Incentive Plan (MIP) 2019' to its employees which was approved by its Board and Shareholders. Pursuant to the Plan, the company had issued grants to its various employees from time to time. Of these options, time based options will vest over the period of 1-4 years from the grant date, whereas performance based options will vest over satisfaction of milestones stipulated in performance based management plan. These MIP's are exercisable within 10 years from grant date. In the case of termination of employment without Cause or resignation for good reason of the management personnel, the vested grant lapses (if not exercised) after 3 months from the date of resignation from service. Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The management personnel compensation expense for the year has been determined on fair value basis.

(Amount in INR Million unless stated otherwise)

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

	Time Based		Performance Based		Time Based		Performance Based	
	March 31, 2026		March 31, 2026		March 31, 2025		March 31, 2025	
Particulars	No. of options	WAEP	No. of options	WAEP	No. of options	WAEP	No. of options	WAEP
Options outstanding at the beginning of the year	**897,225**	**1,027**	**2,017,308**	**1,015**	**1,007,279**	**1,029**	**2,029,338**	**1,016**
**Options outstanding at the beginning of the year - Post Bonus issue ** **	**4,486,125**	**205**	**10,086,540**	**203**				
Options granted during the year	-	-	-		-	-	-	-
Options lapsed during the year	(20,045)	354	(299,023)	325	(6,063)	924	(12,030)	1,202
Options settled/cancelled during the year	-	-	-		-	-	-	-
Options exercised during the year	(549,253)	681	-	-	(103,991)	1,054	-	-
Bonus shares issued for above exercised options during the year (Refer note 14(a)(ii))	(1,281,592)	-	-	-	-	-	-	-
Options outstanding at the end of the year	**2,635,235**	**205**	**9,787,517**	**201.38**	**897,225**	**1,027**	**2,017,308**	**1,015**
Options exercisable at the end of the year	**2,617,575**	**205**	**-**	**-**	**869,266**	**1,018**	**-**	**-**

** During the year on July 29, 2025 the company has allotted a bonus at the ratio of 1:4 as approved by shareholders.

The options granted under the above Scheme, shall vest in graded manner over a period of 1-4 years. Each option will entitle the participant to one equity share.

The weighted average fair values of the options granted during the year ended March 31, 2026 is ₹ Nil (March 31, 2025: Nil).

The weighted average stock price of the options granted during the year ended March 31, 2026 is ₹ Nil (March 31, 2025: Nil).

The fair valuation of option has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model for time based options and Binomial Model for performance based options.

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

Exercise Price	169	454
No. of options outstanding	11,057,622	1,365,130
Weighted average remaining contractual life (in years)*	5.77	5.97

*includes remaining contractual life of both time and performance based MSOPs

The key assumptions for Black and Scholes Model and Binomial Model for calculating fair value as on the date of grant for respective year ended are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
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 companies publicly traded equity shares during the year equivalent to the expected term of the options.

(Amount in INR Million unless stated otherwise)

34 Ratios

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	6.65	5.79	14.94%	Not applicable as variance within threshold limit defined as per Schedule III
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	7.14%	7.27%	-1.79%	Not applicable as variance within threshold limit defined as per Schedule III
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade receivables	2.36	1.83	28.97%	Increase is mainly due to increase in revenue in current year whereas average trade receivable is at same level in both period.
Trade Payable Turnover Ratio	Purchases of services and other expenses	Average Trade Payables	3.49	5.36	-34.90%	Decrease is mainly due to proportionately increase in trade payables in current year as compare to proportionate increase in expenses.
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Average Working capital	1.08	1.34	-19.24%	Not applicable as variance within threshold limit defined as per Schedule III
Net Profit ratio	Net Profit after taxes	Net sales = Total sales - sales return	9.99%	9.20%	8.64%	Not applicable as variance within threshold limit defined as per Schedule III
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Net Worth + Borrowings + Deferred tax liability	8.12%	9.66%	-15.91%	Not applicable as variance within threshold limit defined as per Schedule III
Return on Investment	Income generated from invested funds	Average Investments	4.08%	7.35%	-44.43%	Decrease is mainly due to additional investment in fixed deposits at the end of the year on which interest accrued only for approx 2 months.

Note: Debt-Equity ratio, Debt Service Coverage Ratio, Inventory turnover ratio not applicable to the Company.

35 Earnings per share

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit attributable to the equity holders of the Company (in Rupees Million)	1,865	1,321
Weighted average number of equity shares for Basic EPS (in nos)	160,567,484	30,782,447
Adjustment for Bonus shares issued during the year ended March 31, 2026	-	123,129,788
Revised weighted average number of equity shares for Basic EPS (in nos)**	160,567,484	153,912,235
Add : Potential equity shares on exercise of options (in nos)**	9,454,894	12,951,565
Weighted average number of equity shares for Diluted EPS (in nos)	170,022,378	166,863,800
Earnings per share (in ₹):		
- Basic	11.62	8.58
- Diluted	10.97	7.92
Face value per equity share (₹)	1.00	1.00

**During the year, the Company issued bonus shares in accordance with Section 63 of the Companies Act, 2013 in the ratio of 1:4 (for every one equity share four bonus shares were issued) to all equity shareholders with equity shares on July 29, 2025 as approved by shareholders. Consequently, 4,523,604 outstanding CCPS were to be converted into 22,618,020 equity shares in accordance with the terms of the shareholder agreement. The Board of Directors in its meeting on January 23, 2026 has approved the conversion of Compulsorily Convertible Preference Shares (CCPS) into equity shares. Accordingly, the CCPS holders were issued 22,618,020 equity shares in lieu of the CCPS held by them.

The weighted average number of shares for the year ended March 31, 2025 have been adjusted to reflect the impact of the above as per Ind AS 33.

(Amount in INR Million unless stated otherwise)

36 Segment reporting

The Company publishes these standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

37 Other Statutory Information

(i) The Company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries"); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

(a) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries"); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) The 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).

38

The Company is having following transactions with struck off company during the year ended March 31, 2026:

Name of the struck off company	Nature of transactions with struck off company	Transactions during the year ended March 31, 2026	Balance outstanding as at March 31, 2026
Phonographic Performance Limited	Recipient of services	0	-

There are no transactions with struck off companies during the year ended March 31, 2025.

39 Commitments and contingent liabilities

Particulars		As at March 31, 2026	As at March 31, 2025
(a)	**Commitments**		
	Capital commitments	-	253
(b)	**Contingent liabilities**		
	Claims against the Company not acknowledged as debt:		
	For income tax matters under appeal*	97	136
	For good and service tax under appeal*	3	3

*The Company believes that these claims are not tenable and hence no provision has been made in this regard. The amount of contingent liabilities is disclosed based on the best possible estimate, excluding consequential interest and penalty, if any, which in turn is based on the likelihood of possible outcomes of proceedings by the tax authorities and the possible cash outflow will be known on settlement of the proceedings by the tax authorities.

40 Utilisation of Initial public offering fund

During the year, the Company has completed its Initial Public Offer (IPO) of 31,523,948 equity shares of face value of ₹ 1 each at an issue price of ₹ 900 per share (including a share premium of ₹ 899 per share). A discount of ₹ 85 per share was offered to eligible employees bidding in the employee reservation portion of 383,008 equity shares. The issue comprised of a fresh issue of 11,408,394 equity shares aggregating to ₹ 10,235 million and offer for sale of 20,115,554 equity shares by selling shareholders aggregating to ₹ 18,104 million. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on February 16, 2026.

(Amount in INR Million unless stated otherwise)

The unutilised amount of IPO proceeds has been temporarily invested / deposited in fixed deposits with scheduled commercial banks and is disclosed as earmarked balances with banks (Refer note 9b). The total offer expenses are estimated at ₹ 1,770 million (inclusive of applicable taxes), which have been proportionately allocated between the Parent Company and the selling shareholders in proportion to their respective equity shares in the offer. "

Utilisation of IPO proceeds:

Objects of the issue as per prospectus	Amount to be utilised as per prospectus (net off offer expenses)	Amount utilised upto March 31, 2026	Amount remaining unutilised
Investment in one of our Subsidiaries, Fractal USA, for pre-payment and/ or scheduled repayment, in full or in part, of its borrowing	2,649	(26)	2,623
Purchase of laptops	571	-	571
Setting-up new office premises in India	1,211	-	1,211
Investment in (a) research and development; and (b) sales and marketing under Fractal Alpha	3,551	-	3,551
Funding inorganic growth through unidentified acquisitions and other strategic initiatives, and general corporate purposes	1,611	-	1,611
Total	**9,593**	**(26)**	**9,567**

41 Corporate social responsibility

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
Corporate social responsibility expenditure			
Amount required to be spent as per Section 135 of the Companies Act, 2013		16	6
Amount spent during the year on:			
(i)	Construction / acquisition of an asset	-	-
(ii)	Purposes other than (i) above	17	7
(iii)	nature of CSR activities		
i)	Contribution to Public Trust	-	-
ii)	Contribution to Charitable Trust (The amount during the year has been spent towards disabled rehabilitation project, girls' college scholarship project, STEM access - math and science foundation program, menstrual health education & supplies, employability skill training (CRM – Non Voice), nature positive farming solutions)	17	7

42 On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed the impact of the changes, consistent with the Labour Codes, rules, FAQs and legal opinion. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact as "Statutory impact of new Labour Codes" under "Exceptional Items" in the standalone statement of profit and loss for the year ended March 31, 2026. The Company is further assessing certain aspects of labor code, recently enacted Central and State Rules as well as clarifications from the Government on different aspects and upon conclusion, would provide appropriate accounting effect in the books of accounts.

(Amount in INR Million unless stated otherwise)

43 Subsequent events after March 31, 2026 :

There are no material subsequent events which have occurred between the reporting date as on March 31, 2026 and the adoption of the financial statements by the board of directors as on May 11, 2026.

44 These standalone financial statements were authorised for issue by the Company's Board of directors on May 11, 2026.

As per our report of even date attached.

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

For and on behalf of the Board of Directors of

Fractal Analytics Limited
CIN: L72400MH2000PLC125369

Rajesh Mehra	**Srikanth Velamakanni**	**Sasha Gulu Mirchandani**	**Ashwath Bhat**	**Somya Agarwal**
Partner	Whole-Time Director	Director	Chief Financial Officer	Company Secretary
Membership Number: 103145	DIN: 01722758	DIN: 01179921		Membership number: A17336
Mumbai	Mumbai	Mumbai	Mumbai	Mumbai
Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026

Independent Auditor's Report

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associate including its subsidiaries (associate including its subsidiaries together referred to as "associate"), which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and associate as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition– Fixed price contracts where revenue is recognised using percentage of completion method

See Note 2.23(g) and 27 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit

The company inter alia engages in fixed-price contracts, wherein performance obligations are satisfied over a period of time and revenue is recognised using the percentage of completion computed as per the input method. This is based on the company's estimate of contract costs and efforts for completion of contract.
We identified revenue recognition of fixed price contracts where the percentage of completion method is used as a key audit matter since -
• there is an inherent risk and presumed fraud risk around the accuracy and existence of revenues recognised, that it may not be appropriate due to the contracts customised for different customers and complex nature of these contracts and significant inputs of IT systems for measurement of revenue;
• application of revenue recognition using percentage of completion under accounting standard is complex. It involves estimation of the future cost-to-completion of each contract which is used to determine the percentage of completion of the relevant performance obligation;
• these contracts may involve onerous obligations which requires critical estimates of foreseeable losses to be made by the Company; and
• at year-end, significant amount of contract assets, unearned and deferred revenue balances related to these contracts are recognised on the balance sheet.
	In view of the significance of the matter, we applied the following audit procedures in this area, amongst others, to obtain sufficient appropriate audit evidence:
	• Evaluating the accounting policy for revenue recognition by comparing it with the applicable accounting standards.
	• Obtaining an understanding of the systems, processes and controls implemented by the company and evaluating the design and implementation of internal financial controls for measuring revenue.
	• Involving internal Information technology ('IT') specialists to test the design and operating effectiveness of key IT controls over the IT environment in which the business systems operate.
	• Evaluating the design and implementation and testing operating effectiveness of company's key manual and IT controls over:
	  • Computation of revenue recognition;
	  • Allocation of resources and budgeting systems which prevent the unauthorised recording/ changes to costs incurred; and
	  • Estimation of total expected inputs to the satisfaction of the performance obligation in the contract.
	• For statistically selected samples of revenue from fixed price contracts:
	  • Checking the approval for estimates of costs to completion by appropriate personnel of the Company;
	  • Carrying out a retrospective analysis of costs incurred with estimated costs to identify any significant variations. Challenging whether those variations are required to be considered in estimating the remaining costs to complete the ongoing contracts;
	  • Assessing the contract assets and unearned revenue on balance sheet date by evaluating the underlying contracts to identify possible delays in achieving milestones which require change in estimated costs to complete the remaining performance obligations;
	  • Assessing underlying rationale and performing substantive procedures over changes to budgeted costs to determine reasonableness; and
	  • Evaluating the adequacy and appropriateness of provision in respect of onerous contracts, if any.
	• Assessing the appropriateness of the related disclosures in the consolidated financial statements.

Internally generated intellectual property including intangible assets under development

See Note 2.23(i) and 6.1 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit

The carrying value of internally generated intellectual property including Intangible Assets under Development is ₹ 889 million as at 31 March 2026 (31 March 2025: ₹ 303 million).
The Group undertakes various product development and incurs cost for developing/upgrading the products to launch new service modules and functionality to provide an enhanced suite of services to its customers to generate future economic benefits for the Group. The company capitalises cost incurred during the development phase of products as intangible assets under development based on the recognition criteria specified as per Ind AS 38.
Because identifying whether the products are in the development stage requires a high degree of judgment and significant complexity involved in assessing technical feasibility of such products, recognition and measurement of internally generated intellectual property including intangible assets under development is considered as a key audit matter.
	In view of the significance of the matter, we applied the following audit procedures in this area, amongst others, to obtain sufficient appropriate audit evidence:
	• Evaluating the accounting policy for capitalisation of development costs by comparing it with the applicable accounting standards.
	• Evaluating the design and implementation and testing the operating effectiveness of key internal financial controls implemented by the management to ensure compliance with recognition and measurement criteria specified under Ind AS 38.
	• Obtaining project-specific list of intangible assets under development to understand its nature and corroborate with our understanding of the Group's business activities.
	• Assessing accuracy and existence of costs capitalised as intangible assets under development.
	• Assessing whether the costs capitalised by the company relate to the development phase by obtaining management's technical assessment for each asset to evaluate:
	  • Technical feasibility of completing the intangible asset.
	  • Intention and ability of the company to complete and use the intangible asset.
	  • whether intangible asset can generate probable future economic benefits for the Group.
	  • Whether there is availability of adequate technical, financial and other resources to complete the product development.
	  • Whether expenditure incurred with respect to development projects can be reliably measured.
	• Obtaining project wise ageing of intangible assets under development to identify projects exceeding the originally estimated costs or timelines for completion.
	• Evaluating adequacy of the related disclosures in the consolidated financial statements.

Impairment of goodwill

See Note 2.7 and 5 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group has recognised goodwill amounting to ₹ 3,854 million (31 March 2025: ₹ 3,582 million) in relation to the CGUs - Alpha and AI. The majority of goodwill has been allocated to the Fractal.ai cash generating unit (CGU). The annual impairment testing of goodwill has been considered as a key audit matter considering that the assessment of impairment of goodwill is complex as it involves significant judgement required in determining the assumptions to be used to estimate the recoverable amount.	In view of the significance of the matter we applied the following audit procedures in this area, amongst others, to obtain audit evidence: • Assessing the appropriateness of the Group's accounting policy for impairment of goodwill with the applicable accounting standard. • Evaluating the design and implementation and testing operating effectiveness of the Group's key internal financial controls over impairment of goodwill. • Involving internal specialists to assist us in evaluating the valuation method and key assumptions used for impairment analysis such as revenue growth rate, Earnings before interest, tax, depreciation and amortisation (EBITDA), terminal growth rate and discount rate. • Assessing the appropriateness of the assumptions applied to key inputs such as revenue growth, EBITDA, terminal growth rates and weighted average cost of capital (discount rate) based on our knowledge of the Group and historical trends. • Performing sensitivity analysis over key assumptions used. • Evaluating the adequacy of disclosures in the consolidated financial statements including disclosures of key assumptions, judgments and sensitivities.

Recoverability of deferred tax assets

See Note 2.23(f) and 13 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group has recognised deferred tax assets in a subsidiary of INR 965 million as at 31 March 2026. The analysis of recoverability of such deferred tax assets involves significant estimate regarding availability of sufficient taxable income in the future and significant judgements regarding the interpretation of tax regulations and appropriateness of tax positions adopted by the Company. Considering the significant estimate and judgement involved in determining the recoverability of deferred tax assets, the matter is considered as a key audit matter.	In view of the significance of the matter, we applied the following audit procedures in this area to obtain sufficient appropriate audit evidence: • Evaluating the design and implementation and testing operating effectiveness of the key internal financial controls over recognition and measurement of deferred tax assets and underlying data; • Challenging the key underlying assumptions used in forecasting future taxable profits and the expected timing of utilisation of the carried forward tax losses; • Evaluating the projections of future taxable profits and performing sensitivity analysis. Testing the underlying data and assumptions used and other convincing evidence like operating business model of the subsidiary and contractual arrangements in place. • Evaluating the adequacy of the disclosures in the consolidated financial statements on deferred tax and assumptions used.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

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

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements of seven subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 3,032 million as at 31 March 2026, total revenues (before consolidation adjustments) of ₹ 3,265 million and net cash outflows (before consolidation adjustments) (net) amounting to ₹ 263 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Holding Company's share of net loss (and other comprehensive income) of ₹ 692 million for the year ended 31 March 2026, in respect of associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

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

reports of other auditors and the conversion adjustments prepared by the management of the Group and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

c. The financial statements/ financial information of sixteen subsidiaries, whose financial statements/ financial information reflects total assets (before consolidation adjustments) of ₹ 1,118 million as at 31 March 2026, total revenues (before consolidation adjustments) of ₹ 1,011 million and net cash outflows (before consolidation adjustments) (net) amounting to ₹ 47 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial statements/ unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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

2. A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except:

      – for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

      – in respect of Holding Company, one subsidiary and one step-down subsidiary, the back-up of software used for maintaining payroll master which forms part of the 'books of account and other relevant books and papers in electronic mode' have not been maintained on the servers physically located in India till 21 May 2025;

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 1 April 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and associate company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate/ consolidated financial statements of the subsidiaries and associate, as noted in the "Other Matters" paragraph:

   a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group and its associate. Refer Note 38(b) to the consolidated financial statements.

   b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 32 to the consolidated financial statements in respect of such items as it relates to the Group and its associate.

   c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and associate company incorporated in India during the year ended 31 March 2026.

   d (i) The respective management of the Holding Company and its subsidiary companies, and associate company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and associate company respectively that, to the best of its knowledge and belief, as disclosed in the Note 42(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies and associate company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies and associate company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (ii) The respective management of the Holding Company and its subsidiary companies, and associate company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and associate company respectively that, to the best of its knowledge and belief, as disclosed in the Note 42(ii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies and associate company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies and associate company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, 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 Holding Company and its subsidiary companies and associate company incorporated in India have neither declared nor paid any dividend during the year.

   f. Based on our examination, which included test checks, considering reports of independent auditor's in relation to controls at the service organisation for accounting softwares, and the procedures performed by the respective auditors of the subsidiary companies and associate company which are companies incorporated in India whose financial statements/ financial information have been audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiary companies and associate company have used accounting softwares for maintaining its books of account which, along with privilege access management tools, wherever applicable, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

      (i) In respect of Holding Company, one subsidiary and one step-down subsidiary, at the database level, in the absence of an independent auditor's report in relation to controls at a service organization, for an accounting software used for maintaining general ledger, which is operated by third party software service provider, we are unable to comment whether the audit trail feature for the said software was enabled and operated throughout the year for all the relevant transactions recorded in the said software.

      Further, where audit trail (edit log) facility was enabled and operated, we and the respective auditors of such subsidiary companies, step-down subsidiary companies and associate company, did not come across any instance of the audit trail feature being tampered with, except in case of application level for accounting software used for maintaining general ledger,

in the absence of change log over audit trail feature, we are unable to comment whether audit trail feature has been tampered with.

Additionally, where audit trail (edit log) facility was enabled and operated in the previous year, we and respective auditors of such subsidiary companies, step-down subsidiary companies and associate company, observed that the audit trail has been preserved by the Company as per the statutory requirements for record retention except in case of accounting software used for maintaining the revenue transactions where logs for any direct data changes were not retained for more than 365 days at the database level.

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

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and associate incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies and associate company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies and associate company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Mehra
Partner
Membership No.: 103145
ICAI UDIN:26103145TWTSAR6389

Place: Mumbai
Date: 11 May 2026

Annexure A

the Independent Auditor's Report on the Consolidated Financial Statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) for the year ended 31 March 2026

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

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Analytics Vidhya Educon Private Limited	U80904MP2014PTC032389	Subsidiary Company	Clause xvii - Pertaining to cash losses in the preceding financial year
2	Senseforth AI Research Private Limited	U72900MH2017PTC436180	Subsidiary Company	Clause xvii - Pertaining to cash losses in the preceding financial year

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Mehra
Partner
Membership No.: 103145
ICAI UDIN:26103145TWTSAR6389

Place: Mumbai
Date: 11 May 2026

Annexure B

to the Independent Auditor's Report on the consolidated financial statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Fractal Analytics Limited (formerly known as Fractal Analytics Private Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies and associate company, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies and associate company, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies and associate company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and associate company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial information insofar as it relates to three subsidiary companies and one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Mehra
Partner
Membership No.: 103145
ICAI UDIN:26103145TWTSAR6389

Place: Mumbai
Date: 11 May 2026

Consolidated balance sheet

as at March 31, 2026

(Amount in INR Million unless stated otherwise)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	3	821	316
(b) Right-of-use assets	4	1,217	1,602
(c) Goodwill	5	3,854	3,582
(d) Other Intangible assets	6	1,757	1,370
(e) Intangible assets under development	6.1	356	137
(f) Investment accounted for using the equity method	7.1	3,566	4,258
(g) Financial assets			
(i) Investments	7.2	68	64
(ii) Loans	10	349	-
(iii) Other financial assets			
- Bank deposits	11	9	9
- Others	11	188	181
(h) Deferred tax assets (net)	13	1,219	561
(i) Income tax assets (net)		315	188
(j) Other non-current assets	12	23	62
Total non-current assets (A)		**13,742**	**12,330**
(B) Current assets			
(a) Financial assets			
(i) Investments	7.2	8,741	5,614
(ii) Trade receivables	8	7,102	5,848
(iii) Cash and cash equivalents	9a	2,067	2,649
(iv) Bank balance other than (iii) above	9b	9,585	234
(v) Loans	10	-	303
(vi) Other financial assets			
- Bank deposits	11	118	-
- Others	11	591	39
(b) Other current assets	12	2,125	1,559
Total current assets (B)		**30,329**	**16,246**
Total Assets (A+B)		**44,071**	**28,576**
EQUITY AND LIABILITIES			
(C) Equity			
(a) Share capital	14	172	31
(b) Other equity	15	31,677	17,501
Equity attributable to owners of the Company		**31,849**	**17,532**
(c) Non-controlling interest		14	122
Total equity (C)		**31,863**	**17,654**
(D) Liabilities			
(E) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	-	2,577
(ii) Lease liabilities	30	921	1,272
(iii) Other financial liabilities	18	408	450
(b) Provisions	20	69	188
(c) Deferred tax liabilities	13	688	688
Total non-current liabilities (E)		**2,086**	**5,175**
(F) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	2,860	85
(ii) Lease liabilities	30	403	356
(iii) Trade payables	17		
1. Total outstanding dues of micro enterprise and small enterprises		95	102
2. Total outstanding dues of creditors other than micro enterprises and small enterprises		1,261	518
(iv) Other financial liabilities	18	3,092	2,913
(b) Other current liabilities	19	2,023	1,647
(c) Provisions	20	160	64
(d) Current tax liabilities (net)		228	62
Total current liabilities (F)		**10,122**	**5,747**
Total liabilities (D=E+F)		**12,208**	**10,922**
Total Equity and Liabilities (C+D)		**44,071**	**28,576**
Material accounting policies	2		

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

As per our report of even date attached.

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

For and on behalf of the Board of Directors of

Fractal Analytics Limited
CIN: L72400MH2000PLC125369

Rajesh Mehra	**Srikanth Velamakanni**	**Sasha Gulu Mirchandani**	**Ashwath Bhat**	**Somya Agarwal**
Partner	Whole-Time Director	Director	Chief Financial Officer	Company Secretary
Membership Number: 103145	DIN: 01722758	DIN: 01179921		Membership number: A17336
Mumbai	Mumbai	Mumbai	Mumbai	Mumbai
Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026

Consolidated statement of profit and loss

For the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

Particulars	Note	Year ended March 31, 2026	Year ended March 31, 2025
(1) Income			
(a) Revenue from operations	21	32,997	27,654
(b) Other income	22	629	508
Total Income		**33,626**	**28,162**
(2) Expenses			
(a) Employee benefits expense	23	22,914	20,048
(b) Employee stock option expense	33	634	798
(c) Finance costs	24	474	577
(d) Depreciation and amortisation expense	25	1,358	1,023
(e) Other expenses	26	4,366	3,309
Total Expenses		**29,746**	**25,755**
(3) Profit before share of loss of an associate, exceptional items and tax expense (1-2)		**3,880**	**2,407**
(4) Share of (loss) of an associate	36	(703)	(297)
(5) Profit before exceptional items and tax expense (3+4)		**3,177**	**2,110**
(6) Exceptional items (net)	26.1	(110)	270
(7) Profit before tax expense (5+6)		**3,067**	**2,380**
(8) Tax expense	13		
(a) Current tax		733	557
(b) Deferred tax (credit)		(534)	(383)
Total tax expense		**199**	**174**
(9) Profit for the year (7-8)		**2,868**	**2,206**
(10) Other comprehensive income			
(1) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement of defined employee benefit plans	28	182	16
(b) Income tax on item (a) above		(46)	(4)
(2) Items that will be reclassified subsequently to profit or loss			
(a) Effective portion of (loss) on derivative designated as cash flow hedge		(330)	(88)
(b) (Loss) due to changes in intrinsic value of derivatives designated as cash flow hedge		(20)	-
(c) (Loss) due to changes in time value of derivatives designated as cash flow hedge		(9)	-
(d) Effective portion of gain on derivatives designated as cash flow hedge reclassified to profit or loss		180	23
(e) Income tax on items (a), (b), (c) & (d) above		45	16
(f) Share of loss of associate (net of taxes) recognised in other comprehensive income	36	11	(1)
(g) Exchange differences on translation of foreign operations		353	(12)
Total other comprehensive income		**366**	**(50)**
(11) Total comprehensive income for the year (9+10)		**3,234**	**2,156**
Profit / (loss) for the year attributable to:			
Owners of the parent		2,922	2,230
Non-controlling Interest		(54)	(24)
Total		**2,868**	**2,206**
Other comprehensive income / (loss) for the year attributable to:			
Owners of the parent		366	(50)
Non-controlling Interest		0	0
Total		**366**	**(50)**
Total comprehensive income / (loss) for the year attributable to:			
Owners of the parent		3,288	2,180
Non-controlling Interest		(54)	(24)
Total		**3,234**	**2,156**
Earnings per share (EPS)(Rupees per share)	37		
Face value of ₹ 1 each			
(1) Basic EPS		18.20	14.49
(2) Diluted EPS		17.19	13.36
Material accounting policies	2		

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

As per our report of even date attached.

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

For and on behalf of the Board of Directors of

Fractal Analytics Limited
CIN: L72400MH2000PLC125369

Rajesh Mehra	**Srikanth Velamakanni**	**Sasha Gulu Mirchandani**	**Ashwath Bhat**	**Somya Agarwal**
Partner	Whole-Time Director	Director	Chief Financial Officer	Company Secretary
Membership Number: 103145	DIN: 01722758	DIN: 01179921		Membership number: A17336
Mumbai	Mumbai	Mumbai	Mumbai	Mumbai
Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026

Consolidated statement of cash flows

For the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
(A)	**Cash flows from operating activities**		
	Profit before tax expense	3,067	2,380
	Adjustment for:		
	Depreciation and amortisation expense	928	683
	Depreciation on right of use assets	430	340
	Finance costs	462	572
	Interest income on bank deposits and loan to directors	(106)	(42)
	Gains (net) on investments mandatorily measured at fair value through profit or loss / redemption / sale of financial instruments	(424)	(276)
	Fair value loss (net) on derivative contracts carried at fair value through profit or loss	156	65
	Interest income on unwinding of security deposits	(16)	(13)
	Group's share of losses in an associate	703	297
	Remeasurement gain of retained interest in associate	-	(297)
	(Gain) on early termination of leases	(2)	-
	Impairment in value of intangible assets under development	-	27
	Unrealised foreign exchange (gain) (net)	(125)	(84)
	Employee stock option expense	634	798
	Provision for tax settlement (Refer note 26(a))	-	(59)
	(Gain) on sale of property plant and equipment	(3)	-
	Bad Debts	24	23
	Provision for expected credit loss and doubtful advances	(29)	17
	Operating cash flows before working capital changes	**5,699**	**4,431**
	Adjustment for changes in working capital:		
	(Increase) in trade receivables	(1,068)	(452)
	(Increase) in other current financial assets	(541)	(11)
	Decrease / (Increase) in other non current financial assets	8	(46)
	(Increase) in other current assets	(330)	(135)
	(Increase) in other non current assets	(6)	(5)
	Increase in trade payables	708	108
	(Decrease) / Increase in other non current financial liabilities	(61)	120
	Increase in other current financial liabilities	34	309
	Increase / (Decrease) in provisions	149	(9)
	Increase in other current liabilities	246	217
	Cash generated from operations	**4,838**	**4,527**
	Tax paid (net of refunds)	(748)	(557)
	Net cash generated from operating activities	**4,090**	**3,970**
(B)	**Cash flows from investing activities**		
	Payment for purchase of property, plant and equipment and intangible assets	(2,187)	(828)
	Payment towards investment in equity shares	-	(15)
	Investment in bank deposits (net)	(9,468)	(167)
	Purchase of mutual fund units	(14,586)	(7,308)
	Maturity proceeds on redemption of mutual fund units	11,956	6,482
	Interest on bank deposits	62	26
	Net cash (used in) investing activities	**(14,223)**	**(1,810)**

(Amount in INR Million unless stated otherwise)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
(C)	**Cash flows from financing activities**		
	Proceeds from issue of equity shares and share application money pending allotment (Refer sub note 2 below)	10,734	501
	Proceeds from issue of equity shares issued by subsidiary company to Non controlling interest	51	-
	Repayment of lease liabilities	(507)	(371)
	Repurchase of employee stock option by subsidiary	(50)	-
	Purchase of shares from non-controlling interest (Refer note 43)	(489)	-
	Interest paid during the year	(273)	(314)
	Repayments of borrowing (Refer sub note 3 and 4 below)	(88)	(40)
	Net cash generated from / (used in) financing activities	**9,378**	**(224)**
	Net (Decrease) / Increase in cash and cash equivalents (A+B+C)	**(755)**	**1,936**
	Cash and cash equivalents at the beginning of the year	2,649	812
	Effect of exchange rate changes	173	(99)
	Cash and cash equivalents at the end of the year	**2,067**	**2,649**
	Cash and cash equivalents comprise of:		
	Cash in hand	0	0
	Balance with banks:		
	In current accounts	2,067	2,649
	Total cash and cash equivalents	**2,067**	**2,649**

Notes :

1. Purchase of property, plant and equipment and intangibles are shown inclusive of movements in Intangible asset under development.
2. Proceeds from issue of equity shares and share application money pending allotment is net of share issue expenses including taxes of ₹ 642 million thereon.
3. Details of borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	2,662	2,501
Cash movement (net)	(88)	(40)
Arrangement fees expensed off on refinancing of borrowings	27	137
Effect of exchange rate changes	259	64
Balance at the end of the year	**2,860**	**2,662**

4. During the previous year ended March 31, 2025, the proceeds has been settled on net basis of ₹ 2,631 million (USD 31.48 Million). The Company has paid ₹ 57 million as arrangement fees on refinancing of borrowings.
5. Refer note 30(i) for movement of lease liabilities.

Material accounting policies 2

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

As per our report of even date attached.

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

For and on behalf of the Board of Directors of
Fractal Analytics Limited
CIN: L72400MH2000PLC125369

Rajesh Mehra	**Srikanth Velamakanni**	**Sasha Gulu Mirchandani**	**Ashwath Bhat**	**Somya Agarwal**
Partner	Whole-Time Director	Director	Chief Financial Officer	Company Secretary
Membership Number: 103145	DIN: 01722758	DIN: 01179921		Membership number: A17336
Mumbai	Mumbai	Mumbai	Mumbai	Mumbai
Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026

Consolidated statement of changes in equity

For the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

Equity share capital

Particulars	Note	Amount
Balance as at April 1, 2025		**27**
Changes in equity share capital due to Call money received on partly paid shares	14	0
Changes in equity share capital under employee stock option plan	14	1
Changes in equity share capital for issue of bonus shares	14	110
Changes in equity share capital for conversion of Series B 0.001 % Compulsorily convertible preference shares	14	23
Changes in equity share capital on fresh issue under initial public offering	14	11
Balance as at March 31, 2026		**172**
Balance as at April 1, 2024		**26**
Changes in equity shares capital during the year	14	1
Balance as at March 31, 2025		**27**

Instruments entirely equity in nature – Series B 0.001 % Compulsorily convertible preference shares

Particulars	Note	Amount
Balance as at April 1, 2025		**5**
Changes in preference shares capital on conversion to equity shares	14	(5)
Balance as at March 31, 2026		**-**
Balance as at April 1, 2024		**5**
Changes in preference share capital during the year	14	-
Balance as at March 31, 2025		**5**

Other equity

				Reserve and Surplus		Items of other comprehensive income				
							Cash flow hedging reserve			
Particulars	Share application money pending allotment	Securities premium	Employee stock option reserve (ESOP)	Retained earnings	Remeas-urement of defined employee benefit plans	Exchange differences on translating the financial statements of a foreign operation	Effective portion of gains/ (loss) on derivatives designated as cash flow hedge (net)	Intrinsic value of derivatives designated as cash flow hedges (net)	Time value of derivatives designated as cash flow hedges (net)	Total attributable to Owners of the Company	Attributable to Non controlling interest	Total equity
Balance as at April 01, 2025	76	12,894	3,309	1,173	(89)	155	(17)	-	-	17,501	122	17,623
Profit / (loss) for the year	-	-	-	2,922	-	-	-	-	-	2,922	(54)	2,868
Other comprehensive income / (loss)	-	-	-	-	136	364	(112)	(15)	(7)	366	0	366
Total comprehensive income	**-**	**-**	**-**	**2,922**	**136**	**364**	**(112)**	**(15)**	**(7)**	**3,288**	**(54)**	**3,234**
Call money on partly paid up shares	-	486	-	-	-	-	`	-	-	486	-	486
Issue of equity shares on account of exercise of ESOP	(728)	728	-	-	-	-	-	-	-	-	51	51
Share application money received during the year	652	-	-	-	-	-	-	-	-	652	-	652
Utilization of security premium against issuance of bonus shares	-	(110)	-	-	-	-	-	-	-	(110)	-	(110)
Acquisition of non-controlling interests (Refer note 44)	-	-	-	(497)	-	-	-	-	-	(497)	(44)	(541)
Bonus component on conversion of CCPS to equity shares	-	-	-	(18)	-	-	-	-	-	(18)	-	(18)
Fresh issue of shares under Initial public offer (Refer note 39)	-	10,224	-	32	-	-	-	-	-	10,256	-	10,256
Share issue expense for fresh issue of shares	-	(544)	-	-	-	-	-	-	-	(544)	-	(544)
Employee stock option expense	-	-	591	-	-	-	-	-	-	591	11	602
Transfer to retained earnings on account of vested ESOP lapsed	-	-	(19)	19	-	-	-	-	-	-	-	-

(Amount in INR Million unless stated otherwise)

				Reserve and Surplus		Items of other comprehensive income				
							Cash flow hedging reserve			
Particulars	Share application money pending allotment	Securities premium	Employee stock option reserve (ESOP)	Retained earnings	Remeas-urement of defined employee benefit plans	Exchange differences on translating the financial statements of a foreign operation	Effective portion of gains/ (loss) on derivatives designated as cash flow hedge (net)	Intrinsic value of derivatives designated as cash flow hedges (net)	Time value of derivatives designated as cash flow hedges (net)	Total attributable to Owners of the Company	Attributable to Non controlling interest	Total equity
Transfer to securities premium on account of exercised ESOP	-	379	(379)	-	-	-	-	-	-	-	-	-
" Transfer to retained earnings due to merger of subsidiaries (Refer note 35) "	-	-	-	72	-	-	-	-	-	72	(72)	-
Balance as at March 31, 2026	**-**	**24,057**	**3,502**	**3,703**	**47**	**519**	**(129)**	**(15)**	**(7)**	**31,677**	**14**	**31,691**
Balance as at April 01, 2024	**22**	**12,108**	**2,880**	**(1,071)**	**(112)**	**167**	**32**	**-**	**-**	**14,026**	**142**	**14,168**
Profit / (loss) for the year	-	-	-	2,230	-	-	-	-	-	2,230	(24)	2,206
Other comprehensive income / (loss)	-	-	-	-	11	(12)	(49)	-	-	(50)	(0)	(50)
Total comprehensive income	**-**	**-**	**-**	**2,230**	**11**	**(12)**	**(49)**	**-**	**-**	**2,180**	**(24)**	**2,156**
Issue of equity shares	(447)	447	-	-	-	-	-	-	-	-	-	-
Share application money received during the year	501	-	-	-	-	-	-	-	-	501	-	501
Derecognition of non controlling interest				(5)				-	-	(5)	5	-
Transfer from remeasurement of defined benefit plans	-	-	-	(12)	12	-	-	-	-	-	-	-
Employee stock option expense	-	-	794	-	-	-	-	-	-	794	4	798
Transfer to retained earnings on account of vested ESOP lapsed	-	-	(26)	31	-	-	-	-	-	5	(5)	-
Transfer to securities premium on account of exercised ESOP	-	339	(339)	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	**76**	**12,894**	**3,309**	**1,173**	**(89)**	**155**	**(17)**	**-**	**-**	**17,501**	**122**	**17,623**

Material accounting policies 2

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

Nature and purpose of reserves

(a) Share application money pending allotment: Share application money pending allotment represents application money received on account of employees stock option plan.

(b) 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.

(c) Employee stock option reserve: This relates to stock options granted by the Parent Company to its Group's employees under an Employee stock options plan.

(d) Retained earnings: Retained earnings are the profits that the Group has earned till date net of appropriations.

(e) Remeasurement of defined benefit plans : Comprises actuarial gains and losses and return on plan assets (excluding interest income).

(f) Exchange differences on translating the financial statements of a foreign operation : Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency i.e. ₹ are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are subsequently reclassified to Consolidated Statement of Profit and Loss on the disposal of the foreign operation.

(g) Cash flow hedging reserve: The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or loss will be reclassified to Consolidated Statement of Profit and Loss in the year in which the underlying hedged transactions are settled.

As per our report of even date attached.

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

For and on behalf of the Board of Directors of
Fractal Analytics Limited
CIN: L72400MH2000PLC125369

Rajesh Mehra	**Srikanth Velamakanni**	**Sasha Gulu Mirchandani**	**Ashwath Bhat**	**Somya Agarwal**
Partner	Whole-Time Director	Director	Chief Financial Officer	Company Secretary
Membership Number: 103145	DIN: 01722758	DIN: 01179921		Membership number: A17336
Mumbai	Mumbai	Mumbai	Mumbai	Mumbai
Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026	Date: May 11, 2026

1. Corporate Information

Fractal Analytics Limited ('Fractal' or 'the Company' or 'the Parent') (Formerly known as Fractal Analytics Private Limited) is a limited Company, incorporated and domiciled in India. The Company and its subsidiaries (hereinafter referred to as 'the Group') is the leading provider of advanced analytics that helps companies leverage data driven insights in taking considered decisions. The analytics solution of Group helps companies to enhance profitability by powering their customer management efforts with scientific decision making.

The registered office of the Parent Company is located at Level 7, Commerz II, International Business Park, Oberoi Garden City, Western Express Highway, Goregaon (E), Mumbai, India. The Company changed its name to Fractal Analytics Limited effective from May 16, 2024. The Company, effective February 16, 2026, have been listed on National Stock Exchange of India Limited and BSE Limited.

2. Material accounting policies followed by the Group

2.1 Basis of Preparation of consolidated financial statement

Basis of preparation

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

The consolidated financial statements have been prepared on a historical cost basis, except for Derivative financial instruments, investment in mutual funds and equity / preference securities and share based payment arrangements which are measured at fair value; net defined benefit (asset) / liability is measured at present value of defined obligation less fair value of plan assets (refer note 2.10).

The consolidated financial statements are presented in Indian rupees (INR), which is the Company's presentation and functional currency. All values are rounded off to nearest million, except when otherwise indicated. Amount denoted as '0' is less than ₹ 1 million in the consolidated financial statement.

Basis of Consolidation

The financial statements comprise the financial statements of the Company and its subsidiaries and its associate for the year ended March 31, 2026.

The consolidated financial statement are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.2 Business Combination

(i) The Group accounts for each business combination by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

(ii) Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity.

(iii) The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred less the net recognized amount of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognized in the OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

(iv) Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in the Consolidated Statement of Profit and Loss.

(v) Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the Consolidated Statement of Profit and Loss.

(vi) Transaction costs that the Group incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

Notes to Consolidated Financial Statements
as at and for the year ended March 31, 2026

(vii) Non-controlling interest is measured at proportionate share in the recognised amounts of the acquiree's identifiable net assets.

Any goodwill that arises on account of such business combination is tested annually for impairment.

2.3 Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary.

(ii) Derecognises the carrying amount of any noncontrolling interests.

(iii) Derecognises the cumulative translation differences recorded in equity.

(iv) Recognises the fair value of the consideration received.

(v) Recognises any surplus or deficit in profit and loss.

(vi) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.4 Investment in associate

(i) An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but has no control or joint control of those policies. Investments in associate is accounted for using the equity method unless otherwise stated.

(ii) Under the equity method, on initial recognition the investment in an associate is recognised at deemed cost. The carrying amount of the investment in associate is increased or decreased to recognise the Group's share of the profit or loss after the date of acquisition, unless the share purchase agreement specify otherwise. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. Unrealised gains and losses on transactions between the Group and its associate are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

(iii) Pursuant to change in ownership interest in associate, the Group has continued to apply equity method. The gain or loss on the change in ownership interest in an equity-accounted investee is calculated as the difference between:

- the entity's ownership interest in the new assets received by the investee for the subscription of the new shares ; and
- the reduction in ownership interest in the previous carrying amount and any resulting gain or loss is recognised in Consolidated Statement of Profit or Loss

2.5 Property, plant and equipment ('PPE')

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Such cost includes its purchase price including inward freight, duties, taxes and all incidental expenses incurred to bring the asset to its present location and condition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Capital work in progress includes cost of PPE under development as at the Balance Sheet date and is carried at cost, comprising of direct cost and directly attributable cost.

The carrying amount of PPE is eliminated from the consolidated financial statement, either on disposal or when retired from active use. Losses/gains arising on derecognition of the PPE is recognised in the Consolidated Statement of Profit and Loss.

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

Depreciation

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. The management basis its past experience has estimated the useful lives, which is at variance with the life prescribed in Part C of Schedule II to the Act and has accordingly, depreciated the assets over such useful lives.

Useful life of assets considered are as below:

Description of assets	Useful life of assets
Furniture and fixtures	10 years
Office equipment	3 years
Leasehold improvements	Over the period of lease
Computers and accessories	3 - 6 years

2.6 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

The intangible assets are stated at cost less accumulated amortization and impairment losses, if any. Cost comprises of the acquisition price, and any cost directly attributable and allocable on a reasonable basis for making the asset ready for its intended use.

Intangible assets under development includes intellectual property under development as at the balance sheet date. Product development costs are incurred on developing/ upgrading the software products to launch new service modules and functionality to provide an enhanced suite of services. These development costs are capitalized and recognised as an intangible asset when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its ability and intention to use or sell the asset;
- The availability of adequate resources to complete the development and to use or sell the asset; and
- The ability to measure reliably the expenditure attributable to the intangible assets and probability of how the same will generate future economic benefits.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates and the cost of the asset can be measured reliably. All other expenditure is recognised in the Consolidated Statement of Profit and Loss as incurred.

Amortization

Amortization is recognised in the Consolidated Statement of Profit and Loss on a straight-line basis over the estimated useful lives of the intangible assets from the date that they are available for use.

The estimated useful lives are as follows:

Description of assets	Useful life of assets (Years)
Computer Software	3
Client Relationships	3 -10
Patent	3
Brand	5
Developed Content	10
Internally generated intellectual property	3-5

The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each financial year. Changes in the expected useful life are considered to modify the amortisation period and are treated as changes in accounting estimates.

Intangible assets are amortised over their expected useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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

2.7 Impairment of non-financial assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Groups' each class of non-financial assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. Intangible assets under development are tested for impairment annually.

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the Group's share of identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Any impairment loss for goodwill is recognised directly in Consolidated Statement of Profit and Loss. They are first used to reduce the carrying amount of any goodwill allocated to CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rate basis. An impairment loss recognised for goodwill is not reversed in subsequent periods. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed is 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.

Notes to Consolidated Financial Statements
as at and for the year ended March 31, 2026

2.8 Foreign Currency Translation

Functional and presentation currency

Items included in the consolidated financial statement of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These consolidated financial statements are presented in Indian Rupees (INR), which is functional and presentation currency of the Parent Company.

Transactions and balances

Transactions in foreign currencies are initially recognised using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date and foreign exchange gain or loss are recognised in Consolidated Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction.

Group Companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet
- income and expenses are translated at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

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

2.9 Revenue recognition

Revenue is recognized when the Group satisfies performance obligations under the terms of its contracts, and control of the services is transferred to its customers, in an amount that reflects the consideration the Group expects to receive from its customers in exchange for those services. This process involves identifying the customer contract, determining the performance obligations in the contract, determining the transaction price, allocating the transaction price to the distinct performance obligations in the contract, and recognizing revenue when the performance obligations have been satisfied. A performance obligation is considered distinct from other obligations in a contract when it:

(a) provides a benefit to the customer either on its own or together with other resources that are readily available to the customer and;

(b) is separately identified in the contract. The Group considers a performance obligation satisfied once it has transferred control of services to the customer, meaning the customer has the ability to use and obtain the benefit from the services rendered.

Revenue from time and material contracts is recognised as and when services are performed on output basis measured by efforts expended.

Revenue related to fixed price retainership contracts is recognised based on time elapsed and is recognised on a straight-line basis over the period of performance.

In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') with contract costs incurred determining the degree of completion of the performance obligation.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance-based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change.

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

2.10 Employee benefits

Defined contribution plans

The Group's contribution to Provident fund and Labour Welfare Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Group provides benefits such as gratuity to its employees which are treated as defined benefit plans.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance linked incentive and compensated absences in few geographies which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Compensated absences are measured basis accrual for unutilized leave balance determined for the entire available leave balance outstanding to the credit of the eligible employees at year end. The leave balance eligible for carry-forward is valued at gross compensation cost.

2.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are not taxable or deductible.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and the carry forward of unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit at the time of the transaction and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered and any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognised in the Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.12 Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for office premises. The Group assesses whether a contract contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the group has the right to direct the use of the asset.

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

The group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right -of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right -of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight -line method from the commencement date over the lease term.

The group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing activity in consolidated statement of cash flows.

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

2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

(i) Classification, recognition and measurement:

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument except for trade receivables which are initially measured at transaction price.

The Group initially classifies its financial assets in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and

b) those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and whether the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in Consolidated Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
Debt instruments	Amortized cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount outstanding are measured at amortized cost.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on acquisition. EIR amortization is included in finance income. Any gain or loss on derecognition of the financial Instrument measured at amortized cost is recognised in Consolidated Statement of Profit and Loss.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss which is recognized in Consolidated Statement of Profit and Loss Interest income, transaction cost and discount or premium on acquisition are recognized in the Consolidated Statement of Profit and Loss (finance income) using effective interest rate method. On derecognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to Consolidated Statement of Profit and Loss in other gain and loss head.
	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss.	At fair value. Transaction costs of financial assets expensed to Consolidated Statement of Profit and Loss	Any gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which it arises. Changes in fair value of such assets are recorded in Consolidated Statement of Profit and Loss as other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in the finance income.
Equity instruments	FVOCI	The Group's management has made an irrevocable election at the time of initial recognition to account for the equity investment (on an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in fair value of such instruments are recorded in OCI. On disposal of such instruments, no amount is reclassified to Consolidated Statement of Profit and Loss Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividend income from such instruments are however recorded in Consolidated Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment.
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to Consolidated Statement of Profit and Loss	Changes in fair value of such assets are recorded Consolidated Statement of Profit and Loss.

Notes to Consolidated Financial Statements
as at and for the year ended March 31, 2026

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, they are recorded as plus/minus transaction costs that are attributable to the acquisition of the financial assets.

Instruments in hedging relationship

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cashflows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuation by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank. The Company holds derivative financial instruments such as foreign exchange forward and option contracts.

The hedge instruments are designated and documented as hedges at the inception of the contract. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains in the statement of profit and loss.

The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading effective portion of gains/(Loss) on derivatives designated as cashflow hedge.

The Group separates the intrinsic value and time value of an option and designates as hedging instruments only the change in intrinsic value of the option. The change in fair value of the intrinsic value and time value of an option is recognised in the other comprehensive income and accounted as a separate component of equity. Such amounts are reclassified into the statement of profit and loss when the related hedged items affect profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in statement of profit and loss when the forecasted transaction ultimately affects profit and loss. Any gain or loss is recognised immediately in the statement of profit and loss when the hedge becomes ineffective.

Instruments not in hedging relationship

The Group enters in contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

(ii) Impairment

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

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, deposits, and bank balance.

b) Trade receivables

c) Contract assets

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors.

(iii) Derecognition of financial assets:

A financial asset is derecognised only when

(a) The contractual terms to the cash flows from the financial assets expire or the Group has transferred the rights to receive cash flows from the financial asset in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities and equity instruments:

Debt and equity instruments issued by an entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Classification, recognition and measurement:

(a) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

(b) Financial liabilities:

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value minus any transaction costs that are attributable to the issue of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

- at amortized cost
- at fair value through profit or loss (FVTPL)

(i) Financial liabilities at amortized cost:

The Group is classifying the following under amortized cost;

- Borrowings from banks
- Borrowings from others
- Trade payables

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) Financial liabilities at fair value through profit or loss:

Financial liabilities held for trading are measured at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in the Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability.

Derecognition:

A financial liability is removed from the Consolidated Balance Sheet when the obligation is discharged, or is cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the carrying amounts extinguished and consideration paid is recognised in the Consolidated Statement of Profit and Loss.

2.14 Fair value measurement:

The Group measures financial instruments such as, certain investments and derivative instruments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statement are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 2.13: Financial Instruments

Note 2.16: Share-based payment arrangements

2.15 Provisions and Contingencies

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.16 Share-based payments:

The cost of equity-settled transactions with employees is measured at fair value at the date at which are granted. The fair value of share awards is determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Group's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations.

2.17 Segment reporting:

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

2.18 Cash and cash equivalents:

Cash and cash equivalents in the Consolidated Statement of assets and liabilities comprises cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.19 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.20 Government grants:

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as reduction from expense on a systematic basis over the period of the related costs.

2.21 Earnings per share:

The basic earnings per share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

The diluted earnings per share ("DEPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as adjusted for the effects of all dilutive potential equity shares.

2.22 Current / Non-current classification:

An asset is classified as current if:

(a) it is expected to be realised or sold or consumed in the Group's normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be realised within twelve months after the reporting period; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(a) it is expected to be settled in the normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be settled within twelve months after the reporting period; or

(d) the Group does not have right at the end of the reporting period to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and

cash equivalents. The Group's normal operating cycle is twelve months.

2.23 Significant accounting estimates, judgements and assumptions:

The preparation of the Group's consolidated financial statement in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the consolidated financial statement were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Group's accounting policies, management has made the following judgements and estimates which have significant effect on the amounts recognised in the consolidated financial statement:

a. Useful lives of property, plant and equipment and intangible assets:

The Group reviews the useful lives of property, plant and equipment and intangibles at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

b. Defined benefit plan:

The cost of the defined benefit gratuity obligation is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and attrition rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. Allowances for uncollected accounts receivable and advances:

Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which is the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

d. Provisions and contingencies:

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Group uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statement.

e. Share-based payments:

The Group measures the cost of equity-settled transactions with employees using Black-Scholes and binomial model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 33.

f. Provision for income tax and deferred tax assets:

The Group uses judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

g. Revenue recognition:

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

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Group estimates the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.

h. Leases:

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated.

i. Capitalisation of Internally generated intellectual property:

The Group undertakes various product development and incurs cost for developing/ upgrading the products to launch new service modules and functionality to provide an enhanced suite of services to its customers to generate future economic benefits for the Group. The Group capitalises cost incurred during the development phase of products as intangible assets under development based on the recognition criteria specified as per Ind AS 38. Identifying whether the products are in the development stage requires a high degree of judgment and significant complexity involved in assessing technical feasibility of such products, recognition and measurement of intangible assets under development.

2.24 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date, and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after April 1, 2025. The Group has applied the mandatory relief and will

evaluate the new disclosure requirement relating to annual financial statements, as appropriate and disclose accordingly.

2.25 Amendment issued but not effective (effective from April 01, 2026):

The Ministry of Corporate Affairs (MCA) through notification dated August 13, 2025, notified amendment to Ind AS 1, Presentation of Financial statements. This amendment removes the carve-outs in Ind AS 1 from IAS 1 when there is a breach of a material covenant that transforms the liability from non-current to current. The Group will evaluate the requirements and apply these amendments from the effective date. However, presently the Group does not see any material impact on the financial statements.

(Amount in INR Million unless stated otherwise)

3 Property, plant and equipment

Particulars	Computers and accessories	Leasehold improvements	Furniture and fixtures	Office Equipment	Total
Gross carrying amount					
As at April 01, 2025	**1,027**	**476**	**67**	**163**	**1,733**
Additions	535	184	32	10	761
Disposals / derecognition	(150)	-	(2)	(22)	(174)
Exchange differences on translation of foreign operations	13	22	1	4	40
As at March 31, 2026	**1,425**	**682**	**98**	**155**	**2,360**
Accumulated depreciation					
As at April 01, 2025	**752**	**476**	**43**	**146**	**1,417**
Charge for the year	210	37	8	5	260
On disposals / derecognition	(150)	-	(2)	(22)	(174)
Exchange differences on translation of foreign operations	10	22	1	3	36
As at March 31, 2026	**822**	**535**	**50**	**132**	**1,539**
Net carrying amount as at March 31, 2026	**603**	**147**	**48**	**23**	**821**
Gross carrying amount					
As at April 01, 2024	**889**	**482**	**65**	**173**	**1,609**
Additions	260	-	5	5	270
Disposals / derecognition	(123)	(12)	(3)	(16)	(154)
Exchange differences on translation of foreign operations	1	6	0	1	8
As at March 31, 2025	**1,027**	**476**	**67**	**163**	**1,733**
Accumulated depreciation					
As at April 01, 2024	**702**	**481**	**41**	**158**	**1,382**
Charge for the year	162	1	5	4	172
On disposals / derecognition	(112)	(12)	(3)	(16)	(143)
Exchange differences on translation of foreign operations	(0)	6	0	(0)	6
As at March 31, 2025	**752**	**476**	**43**	**146**	**1,417**
Net carrying amount as at March 31, 2025	**275**	**-**	**24**	**17**	**316**

Note : The Group does not hold any immovable properties.

4 Right-of-use assets

Particulars	Office premises	Vehicles	Total
Gross carrying amount			
As at April 01, 2025	**1,925**	**51**	**1,976**
Additions	16	30	46
Disposals	(22)	(5)	(27)
Exchange differences on translation of foreign operations	29	-	29
As at March 31, 2026	**1,948**	**76**	**2,024**
Accumulated depreciation			
As at April 01, 2025	**365**	**9**	**374**
Charge for the year	407	23	430
On disposals	(11)	(1)	(12)
Exchange differences on translation of foreign operations	15	-	15
As at March 31, 2026	**776**	**31**	**807**
Net carrying amount as at March 31, 2026	**1,172**	**45**	**1,217**
Gross carrying amount			
As at April 01, 2024	**1,383**	**-**	**1,383**
Additions	719	52	771
Disposals	(185)	(1)	(186)
Exchange differences on translation of foreign operations	8	-	8
As at March 31, 2025	**1,925**	**51**	**1,976**
Accumulated depreciation			
As at April 01, 2024	**217**	**-**	**217**
Charge for the year	331	9	340
On disposals	(185)	(0)	(185)
Exchange differences on translation of foreign operations	2	-	2
As at March 31, 2025	**365**	**9**	**374**
Net carrying amount as at March 31, 2025	**1,560**	**42**	**1,602**

Note:

1. The right-of-use assets as per Ind AS-116 comprises of lease of office premises and vehicles.
2. Exchange differences on translation of foreign operations reflects change in value of asset adjusted for closing rate of local currency in respective geography.
3. The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expenses in the consolidated statement of profit and loss.

(Amount in INR Million unless stated otherwise)

5 Goodwill

Particulars	As at March 31, 2026	As at March 31, 2025
Goodwill at the beginning of the year	**3,582**	**3,513**
Add: Exchange differences on translation of foreign operations	272	69
Goodwill at the end of the year	**3,854**	**3,582**

The carrying amount of goodwill allocated to acquisitions forming part of operating segments (as defined in note 34) are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Fractal.ai	3,538	3,274
Fractal Alpha		
- Asper.ai Group	134	126
- Analytics Vidhya Educon Private Limited	182	182
Total	**3,854**	**3,582**

Cash-generating units to which goodwill is allocated are tested for impairment at each reporting date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit. The Group estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies.

The goodwill amount for respective years (relating to different CGUs individually) has been evaluated based on the cash flow forecasts of the related CGUs over a period of five years and the recoverable amounts of these CGUs exceeded their carrying amounts.

An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount as on date."

The estimated value-in-use of CGUs is based on the future cash flows using terminal growth rate of 2% to 5% as at March 31, 2026 (March 31, 2025 : 3% to 5%) and discount rate of 15% to 21% as at March 31, 2026 (March 31, 2025 : 18% to 25%).

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the Cash Generating Unit (CGU).

6 Other intangible assets

Particulars	Computer Software	Client relationship	Internally generated intellectual property	Brand	Developed content	Patent	Total
Gross carrying amount							
As at April 01, 2025	**791**	**960**	**1,124**	**30**	**102**	**6**	**3,013**
Additions	367	-	562	-	-	-	929
Disposals	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	96	92	76	-	-	1	265
As at March 31, 2026	**1,254**	**1,052**	**1,762**	**30**	**102**	**7**	**4,207**
Accumulated depreciation							
As at April 01, 2025	**240**	**385**	**958**	**20**	**34**	**6**	**1,643**
Charge for the year	349	88	215	6	10	-	668
On disposals	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	42	40	56	-	-	1	139
As at March 31, 2026	**631**	**513**	**1,229**	**26**	**44**	**7**	**2,450**
Net carrying amount as at March 31, 2026	**623**	**539**	**533**	**4**	**58**	**-**	**1,757**
Gross carrying amount							
As at April 01, 2024	**424**	**939**	**1,109**	**30**	**102**	**5**	**2,609**
Additions	353	-	143	-	-	-	496
Disposals (Refer note 2 below)	-	-	(140)	-	-	-	(140)
Exchange differences on translation of foreign operations	14	21	12	-	-	1	48
As at March 31, 2025	**791**	**960**	**1,124**	**30**	**102**	**6**	**3,013**

(Amount in INR Million unless stated otherwise)

Particulars	Computer Software	Client relationship	Internally generated intellectual property	Brand	Developed content	Patent	Total
Accumulated depreciation							
As at April 01, 2024	**108**	**261**	**841**	**14**	**24**	**5**	**1,253**
Charge for the year	128	118	249	6	10	-	511
On disposals (Refer note 2 below)	-	-	(140)	-	-	-	(140)
Exchange differences on translation of foreign operations	4	6	8	-	-	1	19
As at March 31, 2025	**240**	**385**	**958**	**20**	**34**	**6**	**1,643**
Net carrying amount as at March 31, 2025	**551**	**575**	**166**	**10**	**68**	**-**	**1,370**

Note 1 : The estimated amortisation of intangible assets for the year ended subsequent to March 31, 2026 is as follows :

Year ending March 31	in Rupees Million
2027	703
2028	568
After 2028	486

Note 2 : The Group during the previous year ended March 31, 2025 had assessed the carrying value of its intangible assets of its subsidiary and basis its assessment the Group is not intending to use its assets and accordingly has written-off of ₹ 140 million.

6.1 Intangible assets under development ('IAUD')

Particulars	Total
Gross carrying amount	
As at April 01, 2025	137
Additions	**789**
Less: Capitalisation	(574)
Exchange differences on translation of foreign operations	4
As at March 31, 2026	**356**
Gross carrying amount	
As at April 01, 2024	59
Additions	261
Less: Capitalisation	(156)
Less : Amount written off (net of impairment) (Refer sub note 1 below)	(27)
As at March 31, 2025	**137**

Note 1 : During the previous year ended March 31, 2025, the Group has assessed the carrying value of its intangible assets in a subsidiary company, leading to intangible asset under development's recoverable amount to be below its carrying amount and hence written-off ₹ 27 million.

Ageing of Projects in progress

	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Gross Total
As at March 31, 2026	346	10	-	-	356
As at March 31, 2025	137	-	-	-	137

For Projects in progress, which has exceeded its cost compared to its original plan, for which details of when the project is expected to be completed as of March 31, 2026 is as follows:

	To be completed in				
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	244	-	-	-	244

Breakup of nature of expenses towards internally generated intellectual property which has been capitalised:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	584	203
Other expenses	199	49
Total	**783**	**252**

(Amount in INR Million unless stated otherwise)

7.1 Investment accounted for using the equity method

Particulars	As at March 31, 2026	As at March 31, 2025
Investments in unquoted equity instruments		
Qure.ai Technologies Private Limited		
250,000,000 (March 31, 2025: 250,000,000) equity shares of ₹ 1 each fully paid up (Refer note 36)	3,566	4,258
Total carrying value	**3,566**	**4,258**

7.2 Investments (Non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Investment in Equity instruments		
(Unquoted, measured at fair value through profit and loss) (Refer note 31(b))		
Commure, Inc. 5,003 (March 31, 2025 : 5,003) shares of common stock	1	1
Qi-Cap Investments Private Limited	15	15
141,217 (March 31, 2025 : 141,217) shares of face value ₹ 1 each		
B. Investment in preferred stock		
(Unquoted, measured at fair value through profit and loss) (Refer note 31(b))		
Commure, Inc. 6,941 (March 31, 2025 : 6,941) shares of series D preferred stock	52	48
	68	**64**
Total Investments (Non-current)	**3,634**	**4,322**

7.2 Investments (Current)

Particulars	As at March 31, 2026	As at March 31, 2025
((Measured at fair value through profit and loss) (Refer note 31(a))		
Investment in mutual funds units (unquoted)	8,741	5,614
Total Investments (Current)	**8,741**	**5,614**
(a) Aggregate carrying value of unquoted investments	**12,375**	**9,936**

8 Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
- Unsecured, considered good	5,500	4,161
- Unsecured, credit impaired	12	12
- Unbilled receivables - Unsecured, considered good	1,701	1,798
Sub Total	**7,213**	**5,971**
Allowances for expected credit loss	(111)	(123)
Trade receivables	**7,102**	**5,848**

(Amount in INR Million unless stated otherwise)

Ageing for Trade receivables :

As at March 31, 2026

Particulars	Current but not due	Outstanding for following periods from due date of payment: Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables							
(i) Undisputed Trade receivables – considered good	4,852	627	18	3	-	-	5,500
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	12	12
	4,852	**627**	**18**	**3**	**-**	**12**	**5,512**
Trade receivables - Unbilled							1,701
							7,213
Less: Allowances for expected credit loss							(111)
Total							**7,102**

Ageing for Trade receivables :

As at March 31, 2025

Particulars	Current but not due	Outstanding for following periods from due date of payment: Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables							
(i) Undisputed Trade receivables – considered good	3,344	795	19	1	2	-	4,161
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	12	12
	3,344	**795**	**19**	**1**	**2**	**12**	**4,173**
Trade receivables - Unbilled							1,798
							5,971
Less: Allowances for expected credit loss							(123)
Total							**5,848**

9a Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	0	0
Balance with banks		
In current accounts	2,067	2,649
Total cash and cash equivalents	**2,067**	**2,649**

9b Bank balance other than above

Particulars	As at March 31, 2026	As at March 31, 2025
Earmarked balance with banks (Refer note 39)	9,568	-
In fixed deposit account (with original maturity of more than 3 months but less than 12 months)	17	234
Total other bank balances	**9,585**	**234**

(Amount in INR Million unless stated otherwise)

10 Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current loans		
Unsecured, considered good		
Loan to director (Refer note 29)	349	-
Total non-current loans	**349**	**-**
Current loans		
Unsecured, considered good		
Loan to director (Refer note 29)	-	303
Total current loans	**-**	**303**

Note : Loan is given to a director on December 8, 2021. The Parent and the director entered into a loan extension agreement dated December 9, 2025, pursuant to which the repayment of the outstanding loan along with accrued interest has been extended up to December 8, 2027. Loan given is solely for director's own account and beneficial interest.

11 Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current financial assets		
Other bank deposits	9	9
Sub total (A)	**9**	**9**
Derivative asset	-	3
Security deposits	190	180
Less : Provision for doubtful balances	(2)	(2)
Sub total (B)	**188**	**181**
Total non-current other financial assets	197	190
Current financial assets		
Bank deposits with more than 12 months maturity	118	
Sub total (A)	**118**	**-**
Derivative asset	2	18
Security deposits	10	18
Other advances	1	1
Receivable towards offer expenses (Refer note 29 and 39)*	547	-
Interest accrued but not due	31	2
Sub total (B)	**591**	**39**
Total current other financial assets	**709**	**39**

*Represents unclaimed portion of offer expenses held in the designated public offer account maintained with a scheduled bank, of which ₹ 198 million is parent company's share of offer expenses and ₹ 349 million is selling shareholders share of expenses.

12 Other assets

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Non-Current assets		
Prepaid expenses	23	17
Capital advances	-	45
Total non-current other assets	**23**	**62**
Current assets		
Prepaid expenses (Refer note below)	394	580
Contract assets (Refer note 27)	1,383	847
Advances to vendors and others	26	62
Balance with government authorities	322	80
Less : Provision for doubtful advances	-	(10)
Total current other assets	**2,125**	**1,559**

Note : Prepaid expenses includes ₹ Nil million (March 31, 2025: ₹ 243 million) towards planning for initial public offer and is shared between the Parent Company and selling shareholders.

(Amount in INR Million unless stated otherwise)

13 Deferred tax assets/(liabilities)

Particulars	As at March 31, 2026	As at March 31, 2025
Significant components of deferred tax assets (net)		
Deferred tax assets/(liabilities)		
Mark to market on derivatives	100	15
Property, plant & equipment and intangible assets	26	68
Purchase price allocation	391	-
Business losses / unabsorbed depreciation	485	385
Right-of-use assets	(288)	(145)
Lease liabilities	325	164
Employee benefits	194	88
Others*	(14)	(14)
Total Deferred tax assets (net)	**1,219**	**561**
Fair value of Associate Company	(688)	(688)
Total Deferred tax liabilities	**(688)**	**(688)**

*Others include impact for mark to market gain/loss on fair value of investments and other temporary differences

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

Particulars	Mark to market on derivatives	Property, plant & equipment and intangible assets	Purchase price allocation	Business losses / unabsorbed depreciation	Fair value of Associate Company	Right-of-use assets	Lease liabilities	Employee benefits	Others	Total
At April 01, 2025	**15**	**68**	**-**	**385**	**(688)**	**(145)**	**164**	**94**	**(20)**	**(127)**
(Charged) / Credited										
- to profit or loss	40	(42)	368	58	-	61	(37)	85	1	534
- to other comprehensive income	45	-	-	-	-	-	-		-	45
- Exchange differences on translation of foreign operations	-	(6)	23	42	-	(2)	2	15	5	79
Reclassification	-	6	-	-	-	(202)	196	-	-	-
At March 31, 2026	**100**	**26**	**391**	**485**	**(688)**	**(288)**	**325**	**194**	**(14)**	**531**
At April 01, 2024	**(17)**	**59**	**-**	**378**	**(1,016)**	**(226)**	**224**	**74**	**(13)**	**(537)**
(Charged) / Credited										
- to profit or loss (Refer sub-note (a) below)	16	9	-	-	328	81	(60)	10	(1)	383
- to other comprehensive income	16	-	-	-	-	-	-	-	-	16
- Exchange differences on translation of foreign operations	-	-	-	7	-	-	-	4	-	11
At March 31, 2025	**15**	**68**	**-**	**385**	**(688)**	**(145)**	**164**	**88**	**(14)**	**(127)**

a) During the previous year ended March 31, 2025, Finance Act 2024 was passed and there were amendments in the manner of calculation of long-term capital gain. Further, the Finance Act, 2024 reduced the tax rate on long term capital gain from previously 20% to 12.5% (excluding applicable surcharge and education cess thereon). Consequently to above amendments, the Company has reversed the deferred tax liability of ₹ 370 million in the previous year ended March 31, 2025. The Group has created additional deferred tax liability of ₹ 42 million on remeasurement gain on retained interest in associate Company recorded under exceptional items.

b) In respect of certain foreign subsidiaries, the Group has recognised deferred tax assets on unutilised tax losses to the extent that it is probable that sufficient future taxable profits will be available, based on management's assessment of expected business performance and specific internal measures undertaken, against which such losses can be utilised.
Further, deferred tax assets have not been recognised on remaining tax losses and deductible temporary differences aggregating to ₹ 1,069 million (March 31, 2025: ₹ 971 million) relating to subsidiaries that have cumulative tax losses.

(Amount in INR Million unless stated otherwise)

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

Particulars	As at March 31, 2026	As at March 31, 2025
0 - 5 years	497	505
From 5 - 8 years	1,339	649
Beyond 8 years	1,185	965
Indefinite	3,701	3,281

(c) Income tax expense

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

Income tax expense is as follows

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit and loss		
(a) Current tax		
- For the year	725	531
- Tax adjustment for earlier year	8	26
(b) Deferred tax (credit)	(534)	(383)
Total current tax expense	**199**	**174**

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax	**3,067**	**2,380**
Tax rate of Parent Company	25.17%	25.17%
Computed tax expense	**772**	**599**
Adjustments:		
Current year losses/temporary differences/utilisation of losses for which deferred tax asset is not recognised	(170)	(76)
Utilisation of losses from previous year for which deferred tax asset is not recognised	(574)	-
Expenses not deductible for tax purpose	14	15
Tax adjustment for earlier year	8	18
Impact of different tax rate	(43)	(57)
Impact on account of changes in enacted tax rates	-	(370)
Share of loss of associate	177	75
State taxes	2	20
Others	13	(50)
Tax expense	**199**	**174**
Consolidated effective tax rate	**6.5%**	**7.3%**

14 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
389,400,000 equity shares of face value ₹ 1 each	389	389
(March 31, 2025 : 389,400,000 equity shares of face value ₹ 1 each)		
50,600,000 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each	51	51
(March 31, 2025 : 50,600,000 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each)		
	440	**440**
Issued share capital		
171,965,112 equity shares of face value ₹ 1 each	172	27
(March 31, 2025 : 26,838,408 equity shares of ₹ 1 each)		
Nil Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each	-	5
(March 31, 2025 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each)		
	172	**32**
Subscribed and fully paid-up		
171,965,112 equity shares of face value ₹ 1 each fully paid up	172	26
(March 31, 2025 : 26,173,550 equity shares of ₹ 1 each fully paid up)		
Nil Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each	-	5
(March 31, 2025 : 4,523,604 Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each)		
	172	**31**
Subscribed but not fully paid-up		
Nil equity share of face value ₹ 1 each		
(March 31, 2025 : 664,858 equity share of face value ₹ 1 each (₹ 0.5 paid up))	**-**	**0**
	-	**0**
	172	**31**

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

Particulars	As at March 31, 2026 Number of shares	As at March 31, 2026 Amount	As at March 31, 2025 Number of shares	As at March 31, 2025 Amount
Equity shares				
At the commencement of the year	26,838,408	27	26,317,789	26
Add :- Shares issued during the year under				
- partly paid up shares	-	0	-	-
- employee stock option plan (Refer note (i) below)	1,477,126	1	520,619	1
- bonus issue (Refer note (ii) below)	109,623,164	110	-	-
- conversion of Series B 0.001 % Compulsorily convertible preference shares of face value ₹ 1 each (Refer note (d) below)	22,618,020	23	-	-
- fresh issue under initial public offering (Refer note 39)	11,408,394	11	-	-
At the end of the year	**171,965,112**	**172**	**26,838,408**	**27**

(i) During the year ended March 31, 2026 : 1,477,126 shares (year ended March 31, 2025: 520,619 shares) were issued under employee stock option plan at various price (Refer note 33)

(ii) During the year ended March 31, 2026, the Board of Directors and shareholders of the Parent Company in their meeting dated July 22, 2025 and July 29, 2025 respectively approved issue of four bonus shares for every one existing fully paid up equity share of face value of ₹ 1 each.

(Amount in INR Million unless stated otherwise)

Instruments entirely equity in nature – Series B 0.001 % Compulsorily convertible preference shares

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the period	4,523,604	5	4,523,604	5
Conversion to equity shares of face value ₹ 1 each	(4,523,604)	(5)	-	-
At the end of the year	**-**	**-**	**4,523,604**	**5**

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
(a) Equity shares of ₹ 1 each fully paid-up held by				
Quinag Bidco Limited	12.72%	21,878,433	22.13%	5,939,620
TPG Fett Holdings Pte Limited	22.27%	38,292,610	27.84%	7,472,423
Gulu Mirchandani (on behalf of GLM Family Trust)	12.49%	21,482,780	19.73%	5,296,556
Pranay Agrawal*	4.72%	8,121,360	6.33%	1,697,904
Srikanth Velamakanni**	4.30%	7,395,590	5.70%	1,529,118
(b) Series B 0.001 % Compulsorily Convertible Preference Shares of ₹ 1 each fully paid-up held by				
Quinag Bidco Limited	-	-	73.78%	3,337,505
TPG Fett Holdings Pte Limited	-	-	26.22%	1,186,099

*Pursuant to gift deed dated May 14, 2025, Pranay Agrawal has transferred the beneficial ownership of 666,588 equity shares to Agrawal Family Trust (3,332,940 equity shares post bonus issue). Therefore, of the 8,121,360 Equity Shares, Pranay Agrawal is currently the registered owner of 3,332,940 Equity Shares (in dematerialized form) with the beneficial owner being the Agrawal Family Trust. Pranay Agrawal will transfer the registered ownership of these Equity Shares to the Agrawal Family Trust, upon the said trust having opened a demat account in its name, subject to applicable laws.

** includes 664,858 partly paid up shares issued on private placement basis during the year ended March 31, 2025. During the year ended March 31, 2026, these shares have been converted into fully paid up equity shares.

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

The Company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Rights, preferences and restrictions attached to Series B 0.001% Compulsorily convertible preference shares (CCPS)

Series B 0.001% Compulsorily Convertible preference shares: All outstanding CCPS shall be converted in the ratio of 1:1 on the earlier of :

(i) 1 (one) Business Day of the expiry of 5 (five) years from the Closing Date, as applicable; or

(ii) 1 (one) Business Day prior to the date of voluntary or involuntary liquidation, winding up or dissolution of the Company, including through a shareholders', members' or creditors' voluntary winding up process or a court directed winding-up process

(iii) 1 (one) Business Day prior to the date of consummation of the sale of any Securities by the Investor to a third party in accordance with the terms of the Shareholders agreement

(iv) 1 (one) Business Day prior to the last date for the conversion of convertible instruments under applicable Laws, prior to an IPO or a QIPO (as defined in the Shareholders Agreement) in terms of the Shareholders Agreement, as amended

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

(Amount in INR Million unless stated otherwise)

the Equity Shares, the Company shall declare dividend on the CCPS equal to the per Equity Share dividend pro-rated to the Assumed Equity Percentage.

The Company covenants that till such time that any of the CCPS are outstanding, the Company shall not be entitled to declare any dividend on any Equity Shares in any year till such time as the dividend in relation to the CCPS has been provided for in full.

The CCPS shall not have any voting rights other than as available under the Act to preference shares. The CCPS shall rank pari passu with the Equity Shares on liquidation and shall have no liquidation preference.

Pursuant to the issue of bonus shares to the equity shareholders (refer note 37), 4,523,604 outstanding CCPS will be converted into 22,618,020 equity shares in accordance with the terms of the shareholder agreement. The Board of Directors in its meeting on January 23, 2026 has approved the conversion of Compulsorily Convertible Preference Shares (CCPS) into equity shares. Accordingly, the CCPS holders were issued 22,618,020 equity shares in lieu of the CCPS held by them.

(e) Shares reserved for issue under options

Particulars	March 31, 2026 No. of shares	March 31, 2025 No. of shares
Equity shares of ₹ 1 each reserved for issue under employee stock option scheme (Refer note 33)	27,454,842	6,240,300

Note - Refer (a) and (d) for conversion of CCPS

(f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :

Particulars	March 31, 2026	March 31, 2025
Aggregate number of equity shares of ₹ 1 each allotted as fully paid up by way of bonus shares	109,623,164	Nil
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
Aggregate number and class of shares bought back	Nil	Nil

(g) Disclosure of shareholding of promoters as at March 31, 2026

The Board of Directors of the Company, pursuant to resolution dated August 01, 2025 have taken on record that the below persons are identified as promoters of the Company for all regulatory and statutory purposes.

Shares held by promoters

Particulars	As at March 31, 2026	
	Number of shares	% holding
Srikanth Velamakanni	7,395,590	4.30%
Chetana Kumar	6,377,155	3.71%
Pranay Agrawal	8,121,360	4.72%
Narendra Kumar Agrawal	5,962,180	3.47%
Rupa Agrawal	828,910	0.48%
Total	**28,685,195**	**16.68%**

(h) No dividend is declared by the Company during the year ended March 31, 2026 and year ended March 31, 2025.

15 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Share application money pending allotment	-	76
Securities premium	24,057	12,894
Employee stock option reserve	3,502	3,309
Retained earnings	3,703	1,173
Remeasurement of defined benefit plans	47	(89)
Exchange differences on translation of foreign operations	519	155
Effective portion of (loss) on derivatives designated as cash flow hedge (net)	(129)	(17)
Intrinsic value of derivatives designated as cash flow hedges (net)	(15)	-
Time value of derivatives designated as cash flow hedges (net)	(7)	-
Total other equity	**31,677**	**17,501**

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

(Amount in INR Million unless stated otherwise)

16 Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current borrowings		
(at amortised cost)		
Secured		
- Term loan (Refer note (a) below)	2,881	2,708
Less : Arrangement fees	(21)	(46)
- Term loan (Net) at amortised cost	**2,860**	**2,662**
Less : Current maturities of long term debt	(2,860)	(85)
Total non-current secured borrowings	**-**	**2,577**
Current borrowings		
Secured		
- Current maturities of long term debt - Term loan (Refer note (a) below)	2,860	85
Total current secured borrowings	**2,860**	**85**

Note :
The Group has refinanced the outstanding amount of existing floating rate loan amounting to USD 31.48 million (₹ 2,631 million) through banks on September 26, 2024. The Term loan sanctioned is USD 32 million (₹ 2,675 million) and the amount outstanding (Gross) as at March 31, 2026 is USD 30.70 million (₹ 2,881 million). Subsequent to the year ended March 31, 2026, the borrowings has been fully repaid on April 23, 2026.

The Group has incurred transaction cost amounting to USD 0.69 million (₹ 57 million) in respect of the said transaction which are disclosed as net from the actual proceeds and are amortised over the tenure of the loan to the consolidated statement of profit and loss. Given below are various terms pertaining to the term loan.

Year ended	Total	Current	Non Current	Interest rate	Duration	Repayment terms	Purpose of borrowings
March 31, 2026	2,860	2,860	-	Secured Overnight Financing Rate (SOFR) + 150 Basis Point (BPS)	Last payment is due on December 15, 2026	Quarterly prepayment with no prepayment penalty	To refinance the existing borrowing from financial institution and to pay transaction expenses
March 31,2025	2,662	85	2,577				

Collateral :

(a) Pledge of charge over 100% (one hundred percent) equity shares, equivalent to 1,055,337 equity shares having face value of USD 1 (United States Dollar One) each held by the Group in its wholly owned subsidiary abroad, i.e., Fractal Analytics Inc., an entity incorporated under the laws of United States of America.

Guarantor :
The above borrowing is backed by the guarantee given by Fractal Analytics Limited. The terms of arrangement with the banks also specifies 1.5% of the loan payable towards guarantee fees.

17 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Current trade payables		
- Total outstanding dues of micro enterprise and small enterprises (Refer below note)	95	102
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Others	1,261	518
Total current trade payables	**1,356**	**620**
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;	95	102

(Amount in INR Million unless stated otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025
- 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	7	3
- the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Ageing of Trade payables

As at March 31, 2026

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	44	20	-	-	-	64
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	183	225	-	-	-	408
(iii) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	7	7
Total	**227**	**245**	**-**	**-**	**7**	**479**
Accrued expenses						877
Total						**1,356**

As at March 31, 2025

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	26	7	-	-	-	33
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	85	45	-	-	-	130
(iii) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	7	7
Total	**111**	**52**	**-**	**-**	**7**	**170**
Accrued expenses						450
Total						**620**

(Amount in INR Million unless stated otherwise)

18 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current financial liabilities		
Derivative liability	-	20
Employee related obligation	408	430
Total non-current financial liabilities	**408**	**450**
Current financial liabilities		
Employee related obligation	2,610	2,446
Capital creditors	86	404
Derivative liability	396	61
Interest accrued and due	0	2
Total current financial liabilities	**3,092**	**2,913**

19 Other liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current liabilities		
Unearned revenue (Refer note 27)	1,354	1,108
Contract liabilities*	78	112
Advance from customer	20	8
Statutory dues payable**	571	419
Total current liabilities	**2,023**	**1,647**

*During the year, provision of ₹ 60 million has been created and ₹ 102 million has been utilised / trued-up towards contract liabilities.

**Includes tax deducted at source, provident fund payable, professional taxes, etc.

20 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current provisions		
Gratuity (Refer note 28)	69	188
Total non-current provisions	**69**	**188**
Current provisions		
Provision for employee benefits:		
Gratuity (Refer note 28 and 43)	-	1
Compensated absences (Refer note 28)	160	63
Other provisions (Refer movement below and note 26 (a))	-	-
Total current provisions	**160**	**64**
Movement of other provisions		
Opening balance	-	85
Amount paid during the year	-	(26)
Provision reversed during the year	-	(59)
Closing balance	**-**	**-**

21 Revenue from operations

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from services and products (Refer note 27)	32,997	27,654
Total Revenue from operations	**32,997**	**27,654**

(Amount in INR Million unless stated otherwise)

22 Other income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income under effective interest rate method on financial assets at amortised cost:		
- bank deposits	91	28
- Loan to director (Refer note 29)	15	14
Interest income as per effective interest rate method for :		
- unwinding of security deposits given	16	13
Gains (net) on investments mandatorily measured at fair value through profit or loss	63	20
Gains (net) on redemption/sale of financial instruments measured at fair value through profit or loss	10	291
Foreign exchange gain (net)	414	126
Miscellaneous income	20	16
Total other income	**629**	**508**

23 Employee benefits expense

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus*	21,356	18,827
Contribution to provident and other funds (Refer note 28)	399	328
Gratuity (Refer note 28)	255	206
Staff welfare expense	904	687
Total employee benefits expense	**22,914**	**20,048**

*During the year ended March 31, 2026, the Group has recognised government grants amounting to ₹ 115 million (March 31, 2025 : ₹ 49 million) from foreign governments on compliance of several employment-related conditions and accordingly, accounted as a credit to employee benefits expense.

*During the year ended March 31, 2026, the Group has accrued retention bonus pursuant to acquisition amounting to ₹ 18 million (March 31, 2025 : ₹ 293 million) and ESOP cash bonus amounting to ₹ 77 million (March 31, 2025 : ₹ 231 million).

24 Finance costs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense under effective interest rate method on financial liabilities at amortised cost :		
- borrowings	198	255
- others	93	55
Interest on lease liabilities (Refer note 30)	156	121
Other borrowing cost	27	146
Total finance costs	**474**	**577**

25 Depreciation and amortisation expense

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation on property, plant and equipment (Refer note 3)	260	172
Depreciation on right-of-use assets (Refer note 4)	430	340
Amortisation on intangible assets (Refer note 6)	668	511
Total depreciation and amortisation expense	**1,358**	**1,023**

(Amount in INR Million unless stated otherwise)

26 Other expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Outsourced manpower expense	549	576
Legal and professional fees	738	523
Software license and maintenance expense	644	544
Travelling and conveyance expense	572	469
Cloud and communication expense	584	423
Recruitment expense	157	68
Marketing expense	173	134
Repairs and maintenance expense	95	105
Facility management expense	75	48
Rent, rates and taxes (Refer sub-note (a) below)	128	81
Insurance expense	41	43
Subcontracting expense	256	46
Fair value loss (net) on derivative contracts carried at fair value through profit or loss	156	65
Provision for doubtful advances	(10)	17
Bad debts	24	-
Allowances for expected credit loss	(19)	23
Membership and subscription charges	38	37
Corporate social responsibility (Refer note 40)	20	7
Miscellaneous expenses	145	100
Total other expenses	**4,366**	**3,309**

Note:

(a) During the year ended March 31, 2023, the Parent Company and all the Directors of the Parent Company had received show cause notice (SCN) as to why prosecution proceedings under the Income tax Act, 1961 (Act) should not be initiated against them for delay in deposit of tax deducted at source ('TDS') of ₹ 405 million during FY 2019-20 (albeit the deposit of TDS was made with due interest for the delay without any intimation from the tax authorities). Detailed justification was provided against the said SCN to establish a reasonable cause for the delay in deposit of TDS. However, without acceptance / admission of guilt of offence under the provisions of the Act and to avoid litigation, the Parent Company in its capacity and on behalf of all directors, on December 7, 2022 filed an application for compounding of offence before the tax department. The Group had provided ₹ 80 million during the year ended March 31, 2023 and ₹ 5 million during the year ended March 31, 2024 which was disclosed under rent, rates and taxes.
During the year ended March 31, 2026, the Parent Company has paid the compounding charges of ₹ 26 million based on intimation received from tax authorities. Further, the tax authorities issued a Compounding Order to the Parent Company and all the six Directors in office as co-accused stating that the order is intended to resolve the offence and should not be considered as an admission of guilt of offence post which no further action is required on the matter by the Parent Company or its Directors. Accordingly, the Group has written back provision of ₹ 59 million during the previous year ended March 31, 2025.

26.1 Exceptional Items (net)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Impairment in value of intangible assets and intangible assets under development	-	(27)
Remeasurement gain of retained interest in associate	-	297
Statutory impact of new labour codes (Refer note 43)	(110)	-
Total exceptional items	**(110)**	**270**

27 Revenue from Contracts with Customers (Clients)

The Company disaggregates revenue from operations based on contribution by industry in which client operates.

a. Revenue disaggregation by industry is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Consumer packaged goods and retail (CPGR)	11,924	10,615
Technology, Media and Telecom (TMT)	8,035	8,087
Healthcare and life sciences (HLS)	6,215	3,745
Banking, financial services and insurance (BFSI)	3,924	2,980
Others	2,092	1,610
Total industry wise revenue for Fractal.ai segment	**32,190**	**27,037**
Fractal Alpha revenue	908	644
Inter segment eliminations	(101)	(27)
Total revenue from operations	**32,997**	**27,654**

(Amount in INR Million unless stated otherwise)

The billing schedules agreed with clients include periodic performance-based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time range for the expected time to recognise those revenues, the Group has applied the practical expedient in Ind AS 115. Accordingly, the Group has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to client typically involving time and material, outcome based and event based contracts.

The Group has applied practical expedient as per paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

Changes in contract assets are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	847	896
Revenue recognized during the year	9,593	7,969
Invoices raised during the year	(9,202)	(8,072)
Others	145	54
Balance at the end of the year	**1,383**	**847**

Changes in unearned revenue are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	1,108	1,031
Revenue recognized that was included in the unearned balance at the beginning of the year	(815)	(645)
Increase due to invoicing during the year, excluding amounts recognized as revenue during the year	907	759
Others	154	(37)
Balance at the end of the year	**1,354**	**1,108**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Contracted price	33,456	28,013
Reductions towards variable consideration components	(459)	(359)
Revenue recognized	**32,997**	**27,654**

Note : Variable consideration includes volume discount / service credit to clients.

28 Employee benefits

The Group contributes to the following post-employment defined contribution plan and defined benefit plans in India and United States of America.

(a) Defined contribution plan

The Group entities in India have a defined contribution plan in respect of provident fund. Contributions are made to Employee's provident fund organisation which is the provident fund authority in India for employees as per regulations. The contributions are made to registered provident fund administered by the Government of India. One of the group subsidiary contributes to 401K plan for its employees in United States of America with effect from April 01, 2024. The obligation of the Group is limited to the amount contributed and it has neither further contractual nor any constructive obligation.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Employer's contribution to provident and other funds	399	328

Included in 'Contribution to provident and other funds under employee benefits expense (Refer Note 23)

(Amount in INR Million unless stated otherwise)

(b) Compensated absences

Liability under Compensated absences pertains to leave balances in the Group companies and is disclosed under current provisions. Below table summarizes the expense incurred in respective years :

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Compensated absence expense*	106	24

*Includes amount recognized under employee benefit expense and exceptional items (net).

(c) Defined benefit plans

Gratuity:

The Group entities in India operate a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to eligible employees at retirement or on termination of employment in accordance with the provisions under the Code on Social Security, 2020. Vesting occurs upon completion of contractual period of continuous years of service as defined in the Code on Social Security, 2020. The gratuity plan is a funded plan with respect to Parent Company.

Key assumptions used for actuarial valuation by an Independent actuary under the Projected Unit Credit Method are as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	7.60%	6.90%
Future salary increases	8.00%	9.00%
Attrition rate		
Based on Completed years of service		
Up to 2 years	7.00%	7.00%
3 - 4 years	7.00%	10.00%
Above 4 years	3.00%	2.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate -100%	Indian Assured Lives Mortality (2012-14) Ultimate -100%

Notes:

1. Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.
2. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

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

	As at March 31, 2026		As at March 31, 2025	
Change in the present value of obligation	**Funded Plan***	**Unfunded Plan**	**Funded Plan***	**Unfunded Plan**
Present value of obligation at the beginning of the year	739	30	553	32
Liability assumed on amalgamation				
Derecognition of liability on account of change of relationship of subsidiary entity to associate entity (Refer note 37)	-	-	-	-
Liability assumed on acquisition				
Interest cost	52	2	40	2
Past service cost	12	0	-	-
Current service cost	216	18	184	8
Transfer in/(out)	-	-	8	(8)
Benefits paid	(35)	(4)	(29)	(3)
Remeasurement recognised in other comprehensive income due to				
Actuarial loss/(gain) arising from change in financial assumptions	(182)	(5)	35	1
Actuarial loss/(gain) arising on account of experience changes	(15)	(2)	(33)	(1)
Actuarial loss arising on account of demographical assumptions	22	1	(19)	(1)
Present value of obligation at the end of the year	**809**	**40**	**739**	**30**

*The Group has invested the amounts in funds managed by insurers.

(Amount in INR Million unless stated otherwise)

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

Change in the fair value of plan assets	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	**580**	**396**
Expected returns on plan assets	1	(2)
Interest on plan assets	40	28
Contributions made by the Company	302	158
Benefits paid	(143)	-
Fair value of plan assets at the end of the year	**780**	**580**

Reconciliation of present value of defined benefit obligation and the fair value of assets	As at March 31, 2026	As at March 31, 2025
Present value of obligation at the end of the year	849	769
Fair value of plan assets as at the end of the year	(780)	(580)
Net liability in Consolidated Balance Sheet	**69**	**189**
- liability of funded plan	29	159
- liability of unfunded plan	40	30

Amount recognised in the consolidated statement of profit and loss	Year ended March 31, 2026	Year ended March 31, 2025
Current service cost	234	192
Past service cost	12	-
Interest cost (net)	14	14
Total expense recognized in the consolidated statement of profit and loss*	**260**	**206**
- Total expense recognized for obligation with funded plan	229	196
- Total expense recognized for obligation with unfunded plan	31	10

*Includes amount recognized under employee benefit expense and exceptional items (net).

Amount recognised in consolidated other comprehensive income	Year ended March 31, 2026	Year ended March 31, 2025
Remeasurements during the year due to		
Changes in financial assumptions	(187)	36
Changes in demographic assumptions	23	(20)
Experience adjustments	(17)	(34)
Expected return on plan assets	(1)	2
Amount recognised in consolidated other comprehensive income during the year	**(182)**	**(16)**
- Total expense /(income) recognized for obligation with funded plan	(176)	(15)
- Total expense/ (income) recognized for obligation with unfunded plan	(6)	(1)

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

Closing liability on percentage point increase / decrease in	As at March 31, 2026	As at March 31, 2025
Discount rate +100 basis points	(725)	(641)
Discount rate -100 basis points	986	931
Salary increase rate +100 basis points	919	842
Salary increase rate -100 basis points	(762)	(689)
Attrition Rate +50%	(851)	(743)
Attrition Rate -50%	825	796

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to previous year.

(Amount in INR Million unless stated otherwise)

d. Maturity profile of defined benefit obligation :

Particulars	As at March 31, 2026	As at March 31, 2025
Gratuity plan	16 Years	20 Years

e. Expected future benefit payments on undiscounted basis

Expected cash flows for following year	Year ended March 31, 2026	Year ended March 31, 2025
Expected total benefit payments in next		
1 year	26	15
Year 2 - 5 years	145	83
6 - 10 years	243	174
More than 10 years	3,123	3,234

f. Funding arrangements and funding Policy

The Parent Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Parent Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

g. Expected contribution during the next annual reporting period: The Group's best estimate of contribution during the next year is ₹ 29 million.

h. Interest rate risk

The plan is defined benefit in nature which is sponsored by the parent Company and hence it under writes all the risk pertaining to the plan. In particular, this exposes the parent Company to the actual risk such as adverse salary growth, changes in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to the employees in future. Since the benefits are lumpsum in nature, the plan is not subject to any longevity risks.

29 Related party disclosure

(a) Related parties

Sr. No	Name of the party	Nature of relationship
1	Quinag Bidco Limited	Company having significant influence
2	TPG Fett Holdings Pte. Limited	Company having significant influence
3	Qure.ai Technologies Private Limited	Associate Company
4	Fractal Analytics Limited Employees Group Gratuity Assurance Scheme	Post-employment benefit plans

(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)	Non- Executive Director
5	Mr. Rohan Haldea	Non- Executive Director
6	Mr. Anurag Sud (upto March 27, 2025)	Non- Executive Director
7	Mr. Gavin Patterson # ^ *	Non- Executive Director
8	Mr. Puneet Bhatia (upto August 01, 2025)	Non- Executive Director
9	Mr. Vivek Mohan	Non- Executive Director
10	Ms. Karen Ann Terrell**	Non- Executive and Independent Director
11	Ms. Neelam Dhawan**	Non- Executive and Independent Director
12	Ms. Janaki Akella (w.e.f. August 1, 2024)	Non- Executive and Independent Director
13	Mr. Ashwath Bhat (w.e.f. August 01, 2025)^ *	Chief financial officer

(Amount in INR Million unless stated otherwise)

(c) Enterprise in which Director is interested

Sr. No	Particulars
1	Tario Partners LLP
2	GLM Family Trust

(d) Transactions and balances

Sr. No	Name of the party	Year ended March 31, 2026	Year ended March 31, 2025
1	**Managerial remuneration**	216	193
2	**Receipt of amount towards partly paid equity shares**		
	Srikanth Velamakanni	487	-
3	**Interest Income**		
	Pranay Agrawal	15	14
4	**Consulting services**		
	Tario Partners LLP	11	10
5	**Reimbursement of expense**		
	Qure.ai Technologies Private Limited	15	7
6	**Expenses incurred by the Group on behalf of**		
	Quinag Bidco Limited	519	-
	TPG Fett Holdings Pte. Limited	265	-
	GLM Family Trust	265	-

Sr. No	Balances	As at March 31, 2026	As at March 31, 2025
1	**Loans including interest accrued**		
	Pranay Agrawal	349	303
2	**Trade payables (including provisions)**		
	Qure.ai Technologies Private Limited	2	-
3	**Receivable from Selling Shareholders**		
	Quinag Bidco Limited	170	-
	TPG Fett Holdings Pte. Limited	87	-
	GLM Family Trust	87	-

*The above key managerial personnel have been issued four bonus shares for every one existing fully paid up share of face value of ₹ 1 each held by them. (Refer note 14(a)(ii).
**The remuneration fees paid to non-executive directors amounting to ₹ 29 million and ₹ 23 million for the year ended March 31, 2026 and March 31, 2025 respectively.
^Total employee stock option expense for the year ended March 31, 2026 and March 31, 2025 includes a charge of ₹ 14 million and ₹ 64 million, respectively, towards key management personnel.
Refer note 12 and note 39 with respect to initial public offer expenses.
Key managerial personnel who are under the employment of the Parent Company are entitled to post employment benefits recognized as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are amounts provided on the basis of actuarial valuation, the same is not included above. Gratuity has been computed for the entity as a whole and hence excluded.
The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

30 Leases

Group as lessee

The Group entities have entered into cancellable leasing arrangement in respect of office premises and vehicles for a period of 2-5 years which are renewable on mutual consent.

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current	921	1,272
Current	403	356
Total	**1,324**	**1,628**

(Amount in INR Million unless stated otherwise)

(i) Movement in lease liabilities:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	1,628	1,131
Add: Additions on account of new leases	46	743
Add: Finance cost accrued during the year	156	121
Less: Termination/cancellation	(16)	(1)
Add: Exchange differences on translation of foreign operations	17	5
Less: Payment of lease liabilities	(507)	(371)
Closing Balance	**1,324**	**1,628**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Payable within one year	512	500
Payable later than one year and not later than five years	1,023	1,503

(iii) Following amounts are recognised in the consolidated statement of profit and loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on right-of-use assets	430	340
Interest expense on lease liabilities	156	121
Expense relating to low value assets / short term leases (included in other expense)	120	130

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

Lease not yet commenced to which Group is committed is ₹ 206 million for a lease term of five to six years.

31 Fair value measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value - those include cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities.

(a) Financial instruments by category

(i) Fair value through profit and loss (FVTPL)

Particulars	Level	As at March 31, 2026	As at March 31, 2025
Assets			
Investments (Refer note a below)	2	8,741	5,614
Investments (Refer note b below)	3	68	64
Derivative asset	2	2	5
Total assets		**8,811**	**5,683**
Liabilities			
Derivative liability	2	195	44
Total liabilities		**195**	**44**

(ii) Fair value through other comprehensive income

Particulars	Level	As at March 31, 2026	As at March 31, 2025
Assets			
Derivative asset	2	-	16
Total assets		**-**	**16**
Liabilities			
Derivative liability	2	201	37
Total liabilities		**201**	**37**

(Amount in INR Million unless stated otherwise)

(iii) Amortised cost

Particulars	As at March 31, 2026	As at March 31, 2025
Assets		
Trade receivables	7,102	5,848
Cash and cash equivalents	2,067	2,649
Bank balance other than cash and cash equivalents	10,185	243
Loans	349	303
Other financial assets	116	199
Total assets	**19,819**	**9,242**
Liabilities		
Borrowings	2,860	2,662
Trade payables	1,356	620
Other financial liabilities	3,104	3,282
Total liabilities	**7,320**	**6,564**

Note: Carrying amounts of trade receivables, cash and cash equivalents, Bank balance other than cash and cash equivalents, loans, other financial assets, borrowings, trade payables and other financial liabilities as at year ended March 31, 2026 and year ended March 31, 2025 approximate the fair value.

(a) Valuation technique : Fair value of investments and derivative assets / liabilities is considered based on the valuation quotes received from mutual fund house for investments and bankers for derivative instruments which are considered under level 2.

(b) Reconciliation of fair value measurement of the investment categorised at level 3:

Particulars	As at March 31, 2026	As at March 31, 2025
At fair value through profit and loss		
Opening Balance	64	79
Addition during the year	-	15
Fair valuation (loss) of financial instruments	-	(33)
Exchange differences on translating the foreign operations	4	3
Closing Balance	**68**	**64**

Sensitivity of level 3 financial instrument's fair value to changes in significant unobservable inputs (price per share) used in their fair valuation:

	Impact on profit after tax and equity	
Particulars	As at March 31, 2026	As at March 31, 2025
Level 3 Investments		
- Increase in per share price by 5%	3	2
- Decrease in per share price by 5%	(3)	(2)

Valuation of investments is determined basis transaction price determined acquisition value/independent valuation report.

Note :
There are no transfers between any of these levels during the current and previous year.

(Amount in INR Million unless stated otherwise)

32 Financial risk management framework

The Parent Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Additionally, the Board for each Group entity is responsible for developing and monitoring the risk management policies. The Board holds regular meetings on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and each Company's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables, investments, cash and cash equivalents and other balances with banks. None of the financial instruments of the Company result in material concentration of credit risk.

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Group generally keep the funds in the banks with high credit ratings, accordingly the Group considers that the related credit risk is minimal.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness. Outstanding customer receivables are regularly monitored.

The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

The Group's exposure to customers is diversified and one customer contributed to more than 10% of outstanding trade receivables (including unbilled receivables) as at March 31, 2026 (one customer as at March 31, 2025).

The movement in the allowance for expected credit loss in respect of trade receivables is as follows:

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	123	100
Movement during the year	(19)	23
Exchange differences on translation of foreign operations	7	0
Balance at the end of the year	**111**	**123**

Loans and other financial assets

Loans and other financial assets mainly consists of bank deposits, security deposits, receivable from selling shareholders and loan to related party. The security deposits pertains to rent deposits given to lessors. The Group does not expect any losses from non performance by these parties including loans to related party, accordingly the Group considers that the credit risk is low on these assets.

Investments

Investments primarily include investment in mutual fund units and fixed deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Group considers that the related credit risk is low.

Notes to Consolidated Financial Statements
as at and for the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

Derivatives

The derivatives are entered into with banks with good credit ratings.

b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. The Group has access to undrawn revolving credit facility as at March 31, 2026 amounting to ₹ 2,792 million (USD 30 million) and March 31, 2025 amounting to ₹ 2,649 million (USD 31 million) which could be used for the working capital needs as and when required.

Maturities of financial liabilities

The below table analyses the Group's financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows.

		Undiscounted amount		
Particulars	**Carrying amount**	**<12months**	**1- 2 Years**	**> 2 Years**
March 31, 2026				
Non Derivative financial instruments				
Trade payables	1,356	1,356	-	-
Other financial liabilities	3,104	2,696	408	-
Lease liabilities	1,324	512	465	558
Borrowings	2,860	2,881	-	-
Derivative financial instruments				
Other financial liabilities	396	396	-	-
March 31, 2025				
Non Derivative financial instruments				
Trade payables	620	620	-	-
Other financial liabilities	3,282	2,852	430	-
Lease liabilities	1,628	500	485	1,018
Borrowings	2,662	85	2,623	-
Derivative financial instruments				
Other financial liabilities	81	61	20	-

(c) Market risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – that will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

(i) Currency risk

The Group is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the company's functional currency. The Group ensures that the net exposure is kept to an acceptable level.

Exposure to currency risk

The Group's exposure to foreign currency risk at the end of the reporting year expressed in INR, is as follows:

(Amount in INR Million unless stated otherwise)

As at March 31, 2026

Particulars	USD	EUR	GBP	Others
Financial assets				
Cash and cash equivalents	2	0	0	0
Trade receivables	7,875	607	12	28
Net exposure to foreign currency (assets)	**7,877**	**607**	**12**	**28**
Financial liabilities				
Trade payables	831	1	43	5
Net exposure to foreign currency (liabilities)	**831**	**1**	**43**	**5**
Net exposure to foreign currency	**7,046**	**606**	**(31)**	**24**

As at March 31, 2025

Particulars	USD	EUR	GBP	Others
Financial assets				
Cash and cash equivalents	0	0	0	0
Trade receivables	7,983	476	24	61
Net exposure to foreign currency (assets)	**7,983**	**476**	**24**	**61**
Financial liabilities				
Trade payables	5	-	-	-
Net exposure to foreign currency (liabilities)	**5**	**-**	**-**	**-**
Net exposure to foreign currency	**7,978**	**476**	**24**	**61**

Sensitivity analysis of currency risk

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at year ended March 31, 2026 and year ended March 31, 2025 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignore any impact of forecast sales and purchases.

	Impact on profit after tax and equity	
Particulars	As at March 31, 2026	As at March 31, 2025
USD		
- Increase by 5%	264	299
- Decrease by 5%	(264)	(299)
EUR		
- Increase by 5%	23	18
- Decrease by 5%	(23)	(18)
GBP		
- Increase by 5%	(1)	1
- Decrease by 5%	1	(1)
Others		
- Increase by 5%	1	2
- Decrease by 5%	(1)	(2)

Outstanding Derivative contracts

The Group hedges exposures to changes in foreign currency through currency forwards & options. The counterparty for these contracts is a bank. Contracts are valued at fair value through profit and loss and through other comprehensive income based on quotes received from the counter party.

(Amount in INR Million unless stated otherwise)

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

	As at March 31, 2026	
Particulars	Notional amount of contracts (in million)	Notional amount of contracts (₹ in million)
(fair valuation through profit and loss)		
USD	22	2,252
EUR	2	270
(fair valuation through other comprehensive income)		
USD	26	2,252
EUR	7	655

	As at March 31, 2025	
Particulars	Notional amount of contracts (in million)	Notional amount of contracts (₹ in million)
(fair valuation through profit and loss)		
USD	50	4,231
EUR	5	459
(fair valuation through other comprehensive income)		
USD	68	5,770
EUR	8	782

The Group has entered into derivative instruments not in hedging relationship by way of foreign exchange forward and currency options. As at March 31, 2026 and as at March 31, 2025, the notional amount of outstanding contracts aggregated to ₹ 2,475 million and ₹ 3,621 million respectively, and the respective fair value of these contracts have a loss of Rs 190 million and gain of Rs 27 million respectively.

Exchange Fair value gain of ₹ 4 million, ₹ 12 million on foreign exchange forward and currency options contracts that do not qualify for hedge accounting have been recognised in the consolidated statement of profit and loss for the year ended March 31, 2026, and March 31, 2025 respectively.

The movements in cash flow hedging reserve for derivatives designated as cash flow hedge is as follows :

	March 31, 2026		
	Effective portion of gains/(loss) on derivatives	Intrinsic value of derivatives	Time value of derivatives
Balance at the beginning of the year	**(17)**	**-**	**-**
Loss transferred to profit and loss on occurrence of forecasted hedge transactions	180	-	-
Deferred tax on loss transferred to profit and loss on occurrence of forecasted hedge transactions	(45)	-	-
Change in the fair value of effective portion of cash flow hedges	(330)	(20)	(9)
Deferred tax on change in the fair value of effective portion of cash flow hedges	83	5	2
Balance at the end of the year	**(129)**	**(15)**	**(7)**

(Amount in INR Million unless stated otherwise)

The movements in cash flow hedging reserve for derivatives designated as cash flow hedge is as follows :

	March 31, 2025		
	Effective portion of gains/(loss) on derivatives	Intrinsic value of derivatives	Time value of derivatives
Balance at the beginning of the year	**32**	**-**	**-**
Loss transferred to profit and loss on occurrence of forecasted hedge transactions	23	-	-
Deferred tax on loss transferred to profit and loss on occurrence of forecasted hedge transactions	(6)	-	-
Change in the fair value of effective portion of cash flow hedges	(88)	-	-
Deferred tax on change in the fair value of effective portion of cash flow hedges	22	-	-
Balance at the end of the year	**(17)**	**-**	**-**

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.

	Impact on profit after tax and equity	
Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
(fair valuation through profit and loss)		
USD		
- Increase by 5%	84	158
- Decrease by 5%	(84)	(158)
EUR		
- Increase by 5%	10	17
- Decrease by 5%	(10)	(17)
(fair valuation through other comprehensive income)		
USD		
- Increase by 5%	84	216
- Decrease by 5%	(84)	(216)
EUR		
- Increase by 5%	25	29
- Decrease by 5%	(25)	(29)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates or change in interest rate on account of non compliance of covenants on borrowings. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Exposure to interest rate risk

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Group is exposed to interest rate risk on the borrowing outstanding in the books at the end of each reporting year pursuant to movement in Term SOFR. The interest reset period or the amortization schedule is not fixed under this credit facility and hence the same has not been hedged.

(Amount in INR Million unless stated otherwise)

Sensitivity analysis

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

	Impact on profit after tax and equity	
Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
Change in Term SOFR		
- Increase by 1%	(22)	(20)
- Decrease by 1%	22	20

(iii) Capital management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

Net gearing ratio at the end of the reporting year is as follows:

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Borrowings	2,860	2,662
Less : Cash and cash equivalents	(2,067)	(2,649)
Less : Other bank balances	(9,712)	(243)
Net Debt (A)	**(8,919)**	**(230)**
Total Equity (B)	**31,863**	**17,654**
Net Gearing Ratio (A/B)	**-**	**-**

Investment in mutual funds is not considered for computation of net debt.

33 Employee stock options scheme (ESOP)

(a) The expense recognised for employee services received during the period / year is shown in the following table:

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
Employee Stock Options Scheme (Refer note b)*	693	271
Management Stock Options Scheme (Refer note c)	(70)	523
Employee Stock Options Scheme expense pertaining to subsidiaries**	11	4
Total	**634**	**798**

*This expense includes ₹ 32 million towards the employee discount provided to employees for subscription of shares under the Initial Public Offering (IPO) of the Parent Company during the year ended March 31, 2026.

**This expense pertains to ESOP of subsidiary companies and expense has been recognised using black-scholes model as per the terms of the respective plans.

(b) Employee Stock Options Scheme

The Company has granted options under Fractal Employees Stock Option Plan (ESOP) to its employees which was approved by its Board and Shareholders and further amended in line with the provisions of Companies Act, 2013. Pursuant to the Plan, the Parent Company has issued grants to its various employees from time to time from financial year ended March 31, 2008 to year ended March 31, 2026. 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.

(Amount in INR Million unless stated otherwise)

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

	March 31, 2026		March 31, 2025	
Particulars	**No. of options**	**WAEP**	**No. of options**	**WAEP**
Options outstanding at the beginning of the year	**2,495,688**	**1,239**	**2,496,131**	**1,078**
Options outstanding at the beginning of the year - Post Bonus issue **	**12,478,440**	**248**	**-**	**-**
Options granted during the year	4,254,212	998	545,300	1,712
Options lapsed during the year	(1,090,011)	669	(129,640)	1,529
Options revived during the year	24,755	186	525	2,202
Options exercised during the year	(927,873)	382	(416,628)	810
Bonus shares issued for the above exercised options during the year (Refer note 14(a)(ii))	(987,940)	-	-	-
Options outstanding at the end of the year	**13,751,583**	**455**	**2,495,688**	**1,239**
Options exercisable at the end of the year	**7,635,447**	**221**	**1,391,967**	**967**

** On July 29, 2025 the company has allotted a bonus in the ratio of 1:4 as approved by shareholders.

The options granted under the above Scheme, shall vest in graded manner over a period of 1-4 years. Each option will entitle the participant to one equity share.

The weighted average fair values of the options granted during the year ended March 31, 2026 was ₹ 207 (adjusted for post bonus issue price) (year ended March 31, 2025 : ₹ 1,294).

The weighted average stock price of the options granted during the year ended March 31, 2026 post bonus impact was ₹ 689 (adjusted for post bonus issue price) (year ended March 31, 2025 : ₹ 1,712).

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

Exercise Price	55.96	119.05	122	128	169	454	464	644	1,075
No. of options outstanding	262,310	122,500	75,000	587,575	6,091,067	2,759,970	282,500	251,425	3,319,236
Weighted average remaining contractual life (in years)	3.31	3.27	5.26	5.55	6.54	7.88	9.16	6.12	9.24

The fair valuation of options has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

The key assumptions in the Black-Scholes Model for calculating fair value at grant date for respective years are as follows:

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
Risk Free Rate	5.45 % - 9.19 %	5.45 % - 9.19 %
Option Life (Based on Simplified Average Method)	5 to 14 years	5 to 14 years
Expected Volatility**	9.76 % - 63.91 %	9.76 % - 63.91 %
Expected Growth in Dividend	0%	0%

**Expected volatility during the expected term of the options is based on historical volatility of the observed market price of the publicly traded equity shares of comparable companies during the period equivalent to the expected term of the options.

(c) Management Stock Options Scheme

The Company has granted stock option under its 'Employee Stock Option Plan (ESOP) Time/Performance Based Management Incentive Plan (MIP) 2019' to its employees which was approved by its Board and Shareholders. Pursuant to the Plan, the Company has issued grants to its various employees from time to time during the year ended March 31, 2026. Of these options, time based options will vest over the period of 1-4 years from the grant date, whereas performance based options will vest over satisfaction of milestones stipulated in performance based management plan. These MIP's are exercisable within 10 years from grant date. In the case of termination of employment without cause or resignation for good reason of the management personnel the vested grant lapses (if not exercised) after 3 months from the date of resignation from service. Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The management personnel compensation expense for the year is determined on fair value basis.

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

	Time Based		Performance Based		Time Based		Performance Based	
	March 31, 2026		March 31, 2026		March 31, 2025		March 31, 2025	
Particulars	**No. of options**	**WAEP**	**No. of options**	**WAEP**	**No. of options**	**WAEP**	**No. of options**	**WAEP**
Options outstanding at the beginning of the year	**897,225**	**1,027**	**2,017,308**	**1,015**	**1,007,279**	**1,029**	**2,029,338**	**1,016**
Options outstanding at the beginning of the year - Post Bonus issue **	**4,486,125**	**205**	**10,086,540**	**203**	**-**	**-**	**-**	**-**
Options granted during the year	-	-	-		-	-	-	-
Options lapsed during the year	(20,045)	354	(299,023)	325	(6,063)	924	(12,030)	1,202
Options settled/cancelled during the year	-	-	-		-	-	-	-
Options exercised during the year	(549,253)	681	-	-	(103,991)	1,054	-	-
Bonus shares issued for the above exercised options during the year (Refer note 14(a)(ii))	(1,281,592)	-	-	-	-	-	-	-
Options outstanding at the end of the year	**2,635,235**	**205**	**9,787,517**	**199**	**897,225**	**1,027**	**2,017,308**	**1,015**
Options exercisable at the end of the year	**2,617,575**	**205**	**-**	**-**	**869,266**	**1,018**	**-**	**-**

** On July 29, 2025 the company has alloted a bonus in the ratio of 1:4 as approved by shareholders.

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.

No options have been granted during the year ended March 31, 2026 and year ended March 31, 2025.

The fair valuation of option has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model for time based options and Binomial Model for performance based options.

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

Exercise Price	169	454
No. of options outstanding	11,057,622	1,365,130
Weighted average remaining contractual life (in years)*	5.77	5.97

*includes remaining contractual life of both time and performance based MSOPs

The key assumptions for Binomial Model for calculating fair value at grant date for respective year ended are as follows:

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
Risk Free Rate	5.75% to 7.13%	5.75% to 7.13%
Option Life (Based on Simplified Average Method)	5 years	5 years
Expected Volatility*	19.98% -39.76%	19.98% -39.76%
Expected Growth in Dividend	0%	0%

*Expected volatility during the expected term of the options is based on historical volatility of the observed market price of the publicly traded equity shares of comparable companies during the period equivalent to the expected term of the options.

(Amount in INR Million unless stated otherwise)

34 Operating Segment

Basis of segmentation

The Group's segments are reflected based on principal business activities carried on by the Group. The Group's businesses are as under:

1) Fractal.ai: This consists of AI services and AI products – our AI products are primarily hosted on Cogentiq, our flagship agentic AI platform designed to help product owners and enterprises accelerate building and upgrading products through a pre-built suite of agents, tools, connectors with in-built low-code, security, governance, auditability and inter-operability features.

2) Fractal Alpha: This consists of independent AI businesses that target Fractal.ai's core Must Win Clients (MWCs) and broader markets and new geographies, with each business under separate management.

   The Chief executive officer of the Group has been identified as Chief Operating Decision Maker (CODM) who allocates the resources based on analysis of various performance indicators of the Group as disclosed for the above segment.

While Fractal.ai and Fractal alpha are distinct segments of the Fractal Group, both segments contribute collaboratively to create solutions with both product and services in their scope to solve business problems of clients and cater to both the AI services and software markets."

Geographical information

The Group's operations are majorly based in Americas, Europe and APAC & Others.

Segment accounting policies

Segment accounting policies are in line with accounting policies of the Group. In addition, the following specific accounting policies have been followed for segment reporting :

i) Segment revenue includes income directly identifiable with the segments.

ii) Segment result is derived after deducting employee related expenses, employee stock option expense and other expenses from segment revenue. Expenses and Incomes that are directly identifiable with the segments are considered for determining the segment result.

iii) Expenses and Income which relate to the Group as a whole and not allocable to segments are included under "Unallocated".

iv) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

Summarised segment information for the year ended March 31, 2026 and for the year ended March 31, 2025 is as follows:

March 31, 2026

Particulars	Fractal.ai	Fractal alpha	Unallocated	Intersegment elimination	Total
Revenue from operations	32,190	908	-	(101)	32,997
Segment result*	5,409	(170)	(156)	-	5,083
Other income	-	-	629	-	629
Finance cost	-	-	(474)	-	(474)
Depreciation and amortisation expense	-	-	(1,358)	-	(1,358)
Share of (loss) of associate	-	-	(703)	-	(703)
Exceptional items	-	-	(110)	-	(110)
Profit before tax					**3,067**

*Segment result is net of employee stock option expense (including ESOP cash bonus (refer note 23)) of ₹ 696 million and ₹ 15 million for Fractal.ai and Fractal alpha and retention bonus pursuant to acquisition of ₹ 9 million and ₹ 9 million respectively.

(Amount in INR Million unless stated otherwise)

March 31, 2025

Particulars	Fractal.ai	Fractal alpha	Unallocated	Intersegment elimination	Total
Revenue from operations	27,037	644	-	(27)	27,654
Segment result*	3,788	(283)	(6)	-	3,499
Other income	-	-	508	-	508
Finance cost	-	-	(577)	-	(577)
Depreciation and amortisation expense	-	-	(1,023)	-	(1,023)
Share of (loss) of associate	-	-	(297)	-	(297)
Exceptional items	-	-	270	-	270
Profit before tax					**2,380**

*Segment result is net of employee stock option expense (including ESOP cash bonus (refer note 23)) of ₹ 1019 million and ₹ 10 million for Fractal.ai and Fractal alpha and retention bonus pursuant to acquisition of ₹ 277 million and ₹ 16 million respectively.

Particulars	March 31, 2026	March 31, 2025
Segment Asset		
Fractal.ai	19,279	15,857
Fractal alpha	4,179	5,019
Unallocated	20,613	7,700
	44,071	**28,576**
Segment Liabilities		
Fractal.ai	6,341	5,553
Fractal alpha	1,137	1,079
Unallocated	4,730	4,290
	12,208	**10,922**
Capital expenditure		
Fractal.ai	1,675	764
Fractal alpha	230	120
Unallocated	46	771
	1,951	**1,655**

Geographical disclosure

Geographical revenue is allocated based on the location of the customer. Information regarding geographical revenue is as follows :

Country	Year ended March 31, 2026	Year ended March 31, 2025
Americas		
- United States of America	21,908	18,022
- Other countries	270	333
Europe	6,515	4,841
APAC & Others		
- India	2,426	2,318
- Other countries	1,878	2,140
	32,997	**27,654**

Geographical non-current assets (Comprising of property, plant and equipment, right-of-use assets, goodwill, other intangible assets, income tax assets and other non-current assets) are allocated based on the location of the assets.

(Amount in INR Million unless stated otherwise)

Information regarding geographical non-current assets is as follows:

Country	As at March 31, 2026	As at March 31, 2025
Americas		
- United States of America	5,038	4,174
Europe	141	7
APAC & Others		
- India	3,507	3,048
- Other countries	5	1
Total	**8,691**	**7,230**

Disclosure of top customers having sales more than 10 % of the revenue from operation

	% of Total Revenue	
Customer	Year ended March 31, 2026	Year ended March 31, 2025
(under Fractal.ai Segment) Customer A	7%	10%

35 Particulars of subsidiaries considered in the preparation of the consolidated financial statements:

Subsidiaries	Country of incorporation / Place of business	As at March 31, 2026	As at March 31, 2025
(a) Subsidiaries directly held			
Fractal Analytics Inc, USA	United States of America	100.00%	100.00%
Fractal Private Limited, Singapore	Singapore	100.00%	100.00%
Cuddle Artificial Intelligence Private Limited*^^	India	-	100.00%
Final Mile Consultants Private Limited^^	India	-	100.00%
Theremin AI Solutions Private Limited^^	India	-	71.03%
Eugenie Technologies Private Limited^^	India	-	100.00%
Senseforth AI Research Private Limited^^	India	100.00%	100.00%
Analytics Vidhya Educon Private Limited (Refer note 43)	India	100.00%	55.92%
Neal Analytics Services Private Limited^^	India	-	100.00%
Fractal Alpha Private Limited^^	India	-	100.00%
(b) Subsidiaries indirectly held			
Fractal Analytics UK Limited	United Kingdom	100.00%	100.00%
Fractal Analytics (Switzerland) GmbH	Switzerland	100.00%	100.00%
Fractal Analytics (Canada) Inc.	Canada	100.00%	100.00%
Fractal Analysis Germany GmbH (Germany)	Germany	100.00%	100.00%
Fractal Analytics Netherland B.V (Netherlands)	Netherlands	100.00%	100.00%
Cuddle.ai Inc.^	United States of America	-	-
Limited Liability Company Symphony (Ukraine)	Ukraine	100.00%	100.00%
Final Mile Consulting LLC	United States of America	100.00%	100.00%
Fractal Analytics Sweden AB	Sweden	100.00%	100.00%
Fractal Analytics (Shanghai) Limited	China	100.00%	100.00%
Fractal Analytics Malaysia SDN BHD	Malaysia	100.00%	100.00%
Fractal Analytics Australia Pty. Ltd	Australia	100.00%	100.00%
Theremin Multistrategy Fund LLP @	India	-	71.03%
Asper.AI Limited	United Kingdom	87.68%	96.69%
Asper.AI Inc*	United States of America	87.68%	96.69%
Asper.AI Technologies Private Limited	India	87.68%	96.69%
Senseforth Inc	United States of America	100.00%	100.00%
Eugenie.ai Inc.	United States of America	100.00%	100.00%
Neal Analytics LLC^^^	United States of America	-	-
Fractal Analytics FZ LLC	United Arab Emirates	100.00%	100.00%
Fractal Frontiers Inc.	United States of America	100.00%	100.00%
Analytics Vidhya Inc	United States of America	100.00%	55.92%
Fractal Japan KK #	Japan	-	-
Fractal AI Limited (w.e.f. June 26 2024)	United Arab Emirates	100.00%	100.00%

*Based on equity holding excluding dilution due to convertible instruments and employee stock option pool of subsidiary companies.

The Group is engaged in principal activity of Analytics, Machine Learning and Artificial Intelligence.

(Amount in INR Million unless stated otherwise)

^During the year ended March 31, 2025, Cuddle.ai Inc. one of step down subsidiary filed for dissolution and was approved dated April 24, 2024 with State of Delaware to be effective from March 31, 2024 and subsequently all the approvals for dissolution have been received by March 31, 2025.

^^^During the year ended March 31, 2025 subsidiary Neal Analytics LLC was merged with Fractal Analytics Incorporated, USA w.e.f. April 09, 2024.

During the year ended March 31, 2025, Fractal Japan KK has been dissolved w.e.f. July 31, 2024.

@ Theremin Multi Strategy Fund LLP has been struck off with effect from August 21, 2025.

^^ The Board of Directors of Cuddle Artificial Intelligence Private Limited, Final Mile Consultants Private Limited, Neal Analytics Services Private Limited, Theremin AI Solutions Private Limited, Fractal Alpha Private Limited, Eugenie Technologies Private Limited and Senseforth AI Research Private Limited in their respective board meetings had approved scheme of arrangement amongst each other subject to requisite approvals, consents permissions of the shareholders and creditors as applicable, of these companies and due sanction of National Company Law Tribunal ('NCLT') Mumbai bench based on share exchange ratio as determined. The NCLT in its original order dated September 9, 2025 and revised order dated September 23, 2025 has approved the scheme of merger and necessary filings with the Registrar of Companies (RoC) have been made. Accordingly, the Company has carried out the accounting of the scheme as per Appendix C to Ind AS 103 for common and joint control business combinations during the year ended March 31, 2026 in the consolidated financial statements.

As per Schedule III of the Companies Act 2013, the required information on subsidiaries and associate is provided in the following table:

As at and for the period ended March 31, 2026

Name of the subsidiaries	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount
Parent								
Fractal Analytics Limited	103%	32,786	65%	1,863	-1%	(2)	58%	1,861
Subsidiaries								
Fractal Analytics Inc., USA	8%	2,574	63%	1,793	0%	-	55%	1,793
Fractal Private Limited, Singapore	1%	184	0%	9	0%	-	0%	9
Senseforth AI Research Private Limited^	0%	25	0%	6	1%	4	0%	10
Analytics Vidya Educon Private Limited	-0%	(40)	1%	30	1%	2	1%	32
Step down Subsidiaries								
Fractal Analytics UK Limited	3%	926	2%	63	0%	-	2%	63
Asper.AI Inc	-3%	(1,008)	-13%	(386)	0%	-	-12%	(386)
Asper.AI Technologies Private Limited	1%	248	2%	67	0%	(0)	2%	67
Senseforth AI Research Inc	0%	62	-0%	1	0%	-	-0%	1
Asper.AI Limited, UK	0%	9	0%	2	0%	-	0%	2
Fractal Analytics (Switzerland) GmbH	0%	27	0%	1	0%	-	0%	1
Fractal Analytics Malaysia SDN BHD	0%	5	0%	1	0%	-	0%	1
Fractal Analytics (Germany) GmbH	0%	12	0%	1	0%	-	0%	1
Fractal Analytics (Canada) Inc.	0%	134	0%	14	0%	-	1%	14
Fractal Analytics Netherlands B.V	0%	43	0%	9	0%	-	0%	9
Fractal Analytics Australia Pty. Limited	1%	176	1%	16	0%	-	1%	16
Fractal Analytics Sweden AB	0%	(0)	0%	1	0%	-	0%	1
Fractal Analytics (Shanghai) Limited	0%	39	0%	0	0%	-	0%	0
Fractal L.L.C-FZ	0%	57	1%	21	0%	-	1%	21
Fractal AI Limited	0%	6	0%	3	0%	-	0%	3
Fractal Frontiers, Inc	-0%	(0)	-0%	(0)	0%	-	-0%	(0)

(Amount in INR Million unless stated otherwise)

Name of the subsidiaries	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount
Limited Liability Company "Symphony (Ukraine)	0%	38	0%	5	0%	-	0%	5
Final Mile Consulting LLC	-1%	(306)	0%	5	0%	-	0%	5
Cuddle.ai Inc	-	-	-0%	0	0%	-	-0%	0
Eugenie.AI INC	0%	3	0%	(0)	0%	-	0%	(0)
Analytics Vidhya Inc	0%	4	0%	2	0%	-	0%	2
Total	**113%**	**36,004**	**123%**	**3,527**	**1%**	**4**	**109%**	**3,531**
Adjustments arising out of consolidation:	-22%	(7,033)	3%	98	96%	351	14%	449
Adjustment for associate entity accounted under equity method	9%	2,878	-24%	(703)	3%	11	-21%	(692)
Non-controlling interest	0%	14	-2%	(54)	0%	0	-2%	(54)
Total	**100%**	**31,863**	**100%**	**2,868**	**100%**	**366**	**100%**	**3,234**

^ During the year ended March 31, 2026, Cuddle Artificial Intelligence Private Limited, Final Mile Consultants Private Limited, Neal Analytics Services Private Limited, Theremin AI Solutions Private Limited, Fractal Alpha Private Limited, Eugenie Technologies Private Limited had merged with Senseforth AI Research Private Limited on receipt of certified copy of the approval of the Scheme of arrangement filed with the Hon'ble National Company Law Tribunal ('NCLT'). The effective appointed date of the Scheme is April 01, 2024. Pursuant to the above scheme of merger, Senseforth AI Research Private Limited has accounted for the merger as per the applicable accounting principles prescribed under Appendix C to Ind AS 103 for common and joint control business combinations.

As at and for the period ended March 31, 2025

Name of the subsidiaries	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount
Parent								
Fractal Analytics Limited	110%	19,467	60%	1,321	75%	(37)	60%	1,284
Subsidiaries								
Fractal Analytics Inc., USA	3%	487	14%	315	0%	-	15%	315
Fractal Private Limited, Singapore	1%	143	0%	9	0%	-	0%	5
Senseforth AI Research Private Limited	0%	64	-3%	(68)	-4%	2	-3%	(66)
Analytics Vidya Educon Private Limited	0%	(24)	-3%	(56)	2%	(1)	-3%	(57)
Step down Subsidiaries								
Fractal Analytics UK Limited	4%	742	3%	69	0%	-	5%	100
Asper.AI Inc	-3%	(605)	-11%	(240)	0%	-	-12%	(252)
Asper.AI Technologies Private Limited	1%	181	2%	39	-2%	1	2%	40
Senseforth AI Research Inc	0%	56	0%	1	0%	-	0%	2
Asper.AI Limited, UK	0%	5	0%	0	0%	-	0%	0
Fractal Analytics (Switzerland) GmbH	0%	22	0%	3	0%	-	0%	3
Fractal Analytics Malaysia SDN BHD	0%	4	0%	(2)	0%	-	0%	(1)
Fractal Analytics (Germany) GmbH	0%	9	0%	(0)	0%	-	0%	0
Fractal Analytics (Canada) Inc.	1%	103	1%	24	0%	-	1%	21

(Amount in INR Million unless stated otherwise)

Name of the subsidiaries	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount
Fractal Analytics Netherlands B.V	0%	20	0%	7	0%	-	0%	7
Fractal Analytics Australia Pty. Limited	1%	129	2%	43	0%	-	2%	40
Fractal Analytics Sweden AB	0%	(1)	0%	(2)	0%	-	0%	3
Fractal Analytics (Shanghai) Limited	0%	34	0%	0	0%	-	0%	0
Fractal L.L.C-FZ	0%	25	1%	15	0%	-	1%	15
Fractal AI Limited	0%	2	0%	2	0%	-	0%	2
Fractal Frontiers, Inc	0%	0	0%	(1)	0%	-	0%	(1)
Limited Liability Company "Symphony (Ukraine)	0%	32	0%	3	0%	-	0%	(1)
Final Mile Consulting LLC	-2%	(283)	0%	8	0%	-	0%	8
Cuddle.ai Inc	0%	0	0%	0	0%	-	0%	0
Eugenie.AI INC	0%	3	5%	103	0%	-	4%	95
Theremin Multistrategy Fund LLP	0%	-	0%	-	0%	-	0%	-
Analytics Vidhya Inc	0%	1	0%	1	0%	-	0%	1
Total	**117%**	**20,615**	**72%**	**1,594**	**254%**	**(35)**	**72%**	**1,562**
Adjustments arising out of consolidation:	-38%	(6,653)	14%	308	28%	(14)	13%	291
Adjustment for associate entity accounted under equity method	20%	3,570	15%	328	3%	(1)	15%	327
Non-controlling interest	1%	122	-1%	(24)	0%	0	-1%	(24)
Total	**100%**	**17,654**	**100%**	**2,206**	**100%**	**(50)**	**100%**	**2,156**

36 Investment accounted for using the equity method

As at March 31, 2026 the Group has interest of 31.51% (as at March 31, 2025 : 31.51 %) in Qure.ai Technologies Private Limited ('Qure.ai').

(a)	Particulars	As at March 31, 2026	As at March 31, 2025
	Opening value of investment	4,258	4,259
	Loss for the year	(692)	(298)
	Remeasurement gain of retained interest in associate	-	297
	Aggregate carrying amount	**3,566**	**4,258**

(b)	Summary of Statement of Balance Sheet	As at March 31, 2026	As at March 31, 2025
	Non Current assets	746	1,472
	Current assets	3,238	4,063
	Non Current liabilities	(152)	(164)
	Current liabilities	(1,193)	(702)
	Equity	**2,638**	**4,669**

(c)	Summary of Statement of Profit and Loss	Year ended March 31, 2026	Year ended March 31, 2025
	Revenue from operations and other income	1,418	1,904
	Net loss after tax	(2,232)	(904)
	Total comprehensive loss for the year	(2,198)	(908)
	Group's share of loss in associate	(703)	(297)
	Group's share of other comprehensive income in associate	11	(1)
	Group's share of total comprehensive income in associate	(692)	(298)

(Amount in INR Million unless stated otherwise)

37 Earnings per share

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit attributable to the equity holders of the Parent Company (in Rupees million)	2,922	2,230
Weighted average number of equity shares for Basic EPS (in nos)	160,567,484	30,782,447
Adjustment for Bonus shares issued during the year ended March 31, 2026**	-	123,129,788
Revised weighted average number of equity shares for Basic EPS (in nos)	160,567,484	153,912,235
Add : Potential equity shares on exercise of options (in nos)**	9,454,894	12,951,565
Weighted average number of equity shares for Diluted EPS (in nos)	170,022,378	166,863,800
Earnings per share (in ₹):		
- Basic	18.20	14.49
- Diluted	17.19	13.36
Face value per equity share (₹)	1.00	1.00

**During the year, the Holding Company issued bonus shares in accordance with Section 63 of the Companies Act, 2013 in the ratio of 1:4 (for every one equity share four bonus shares were issued) to all equity shareholders with equity shares on July 29, 2025 as approved by shareholders. Consequently, 4,523,604 outstanding CCPS were to be converted into 22,618,020 equity shares in accordance with the terms of the shareholder agreement. The Board of Directors in its meeting on January 23, 2026 has approved the conversion of Compulsorily Convertible Preference Shares (CCPS) into equity shares. Accordingly, the CCPS holders were issued 22,618,020 equity shares in lieu of the CCPS held by them.

The weighted average number of shares for the period ended March 31, 2025 have been adjusted to reflect the impact of the above as per Ind AS 33.

38 Commitments and contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Commitments		
Capital commitments	-	253
(b) Contingent liabilities		
Claims against the Group not acknowledged as debt: For income tax matters under appeal*	97	136
For good and service tax under appeal*	3	3

*The Group believes that these claims are not tenable and hence no provision has been made in this regard. The amount of contingent liabilities is disclosed based on the best possible estimate, excluding consequential interest and penalty, if any, which in turn is based on the likelihood of possible outcomes of proceedings by the tax authorities and the possible cash outflow will be known on settlement of the proceedings by the tax authorities.

39 Utilisation of Initial public offering fund

During the year, the Company has completed its Initial Public Offer (IPO) of 31,523,948 equity shares of face value of ₹ 1 each at an issue price of ₹ 900 per share (including a share premium of ₹ 899 per share). A discount of ₹ 85 per share was offered to eligible employees bidding in the employee reservation portion of 383,008 equity shares. The issue comprised of a fresh issue of 11,408,394 equity shares aggregating to ₹ 10,235 million and offer for sale of 20,115,554 equity shares by selling shareholders aggregating to ₹ 18,104 million. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on February 16, 2026.

The unutilised amount of IPO proceeds has been temporarily invested / deposited in fixed deposits with scheduled commercial banks and is disclosed as earmarked balances with banks (Refer note 9b). The total offer expenses are estimated at ₹ 1,770 million (inclusive of applicable taxes), which have been proportionately allocated between the Parent Company and the selling shareholders in proportion to their respective equity shares in the offer.

Notes to Consolidated Financial Statements
as at and for the year ended March 31, 2026

(Amount in INR Million unless stated otherwise)

Utilisation of IPO proceeds:

Objects of the issue as per prospectus	Amount to be utilised as per prospectus (net off offer expenses)	Amount utilised upto March 31, 2026	Amount remaining unutilised
Investment in one of our Subsidiaries, Fractal USA, for pre-payment and/ or scheduled repayment, in full or in part, of its borrowing	2,649	(26)	2,623
Purchase of laptops	571	-	571
Setting-up new office premises in India	1,211	-	1,211
Investment in (a) research and development; and (b) sales and marketing under Fractal Alpha	3,551	-	3,551
Funding inorganic growth through unidentified acquisitions and other strategic initiatives, and general corporate purposes	1,611	-	1,611
Total	**9,593**	**(26)**	**9,567**

40 Corporate social responsibility

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Corporate social responsibility expenditure		
Amount required to be spent as per Section 135 of the Companies Act, 2013	16	6
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) Purposes other than (i) above	17	7
(iii) nature of CSR activities		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	17	7
(The amount during the year has been spent towards disabled rehabilitation project, girls' college scholarship project, STEM access - math and science foundation program, menstrual health education & supplies, employability skill training (CRM – Non Voice), nature positive farming solutions)		

41

The Group is having following transactions with struck off companies during the year ended March 31, 2026 :

Name of the struck off company	Nature of transaction	Transaction during the year ended March 31, 2026	Balance outstanding as at year ended March 31, 2026
Phonographic Performance Limited	Recipient of services	0	-

There are no transactions with struck off companies during the previous year ended March 31, 2025.

42 Other Statutory Information

(i) The Group has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries"); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries."

(ii) The Group has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

(a) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries"); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(Amount in INR Million unless stated otherwise)

43 On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed the impact of the changes, consistent with the Labour Codes, rules, FAQs and legal opinion. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Group has presented such incremental impact as "Statutory impact of new Labour Codes" under "Exceptional Items" in the standalone statement of profit and loss for the year ended March 31, 2026. The Group is further assessing certain aspects of labor code, recently enacted Central and State Rules as well as clarifications from the Government on different aspects and upon conclusion, would provide appropriate accounting effect in the books of accounts.

44 The Board of Directors of the Parent Company in its meeting on November 21, 2025 has approved purchase of balance stake of 44.08% on paid-up capital basis of Analytics Vidhya Educon Private Limited for a consideration of ₹ 487 million. The share purchase agreement has been executed on November 22, 2025 and it has become a 100% subsidiary of the Parent Company effective this date.

45 Subsequent events

There are no material subsequent events which have occurred between the reporting date as on March 31, 2026 and the adoption of the financial statement by the board of directors as on May 11, 2026.

46 The consolidated financial statement were authorised for issue by the Parent's Board of Directors on May 11, 2026.

As per our report of even date attached.

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

Rajesh Mehra
Partner
Membership Number: 103145

Mumbai
Date: May 11, 2026

For and on behalf of the Board of Directors of

Fractal Analytics Limited
CIN: L72400MH2000PLC125369

Srikanth Velamakanni
Whole-Time Director
DIN: 01722758

Mumbai
Date: May 11, 2026

Sasha Gulu Mirchandani
Director
DIN: 01179921

Mumbai
Date: May 11, 2026

Ashwath Bhat
Chief Financial Officer

Mumbai
Date: May 11, 2026

Somya Agarwal
Company Secretary
Membership number: A17336

Mumbai
Date: May 11, 2026

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