

IPO NOTE

Issue Details

Price Band: ₹ 857 to ₹ 900
Employee Discount: ₹ 85/Share
Issue Opens on: February 9, 2026
Issue Closes on: February 11, 2026
Lot Size: 16 Shares & in Multiples thereafter

Issue Highlights

Issue Size: ₹ 2,833.9 Cr.
No of Shares: 3,14,87,777
Face Value: ₹ 1

Offer Structure

Issuance	₹ in Cr.
Fresh Issue	1,023.50
Offer for Sale	1,810.40
Total	2,833.90

Issue Breakup

Reservation for	% of Issue	₹ in Cr. (at upper band)
QIB	75	2,080.43
HNI	15	416.09
RETAIL	10	277.39
Employee	-	60.00
TOTAL	100	2,833.90

Listing

BSE & NSE

Lead Managers

- Axis Capital Limited
 - Kotak Mahindra Capital Co. Ltd.
 - Morgan Stanley India Co. Pvt. Ltd.
 - Goldman Sachs (India) Securities Pvt. Ltd.

Registrar

MUFG Intime India Private Limited

Contact Details

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COMPANY OVERVIEW

Fractal Analytics globally recognized enterprise artificial intelligence (“AI”) company, with a vision to power human decisions in their clients’ enterprises by leveraging AI. As of September 30, 2025, their 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). The company 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.

The company focus on “Must Win Clients” (“MWC”)s, who they define as their clients and as of September 30, 2025, they served 122 MWCs; their clients include Citibank, N.A (“Citi”), Costco, Franklin Templeton, Mars, Mondelez, Nationwide, Nestle, Philips, among others.

Their domain expertise spans across 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”). Several of their products are publicly accessible, such as Kalaido.ai, MarshallGoldsmith.ai and Vaidya.ai.

HIGHLIGHTS

1. Leading Player in a large and growing AI market
2. Long-standing and growing relationships with marquee, global clients
3. Deep and integrated technical, domain, and functional expertise
4. Track record of inventing and investing to benefit clients

OBJECTS OF THE ISSUE

1. Investment in one of the Subsidiaries, Fractal USA, for pre-payment and/ or scheduled repayment, in full or in part, of its borrowings (₹ 264.9 Cr.)
 2. Purchase of laptops (₹ 57.1 Cr.)
 3. Setting-up new office premises in India (₹ 121.1 Cr.)
 4. Investment in (a) research and development; and (b) sales and marketing under Fractal Alpha (₹ 355.1 Cr.)
 5. Funding inorganic growth through unidentified acquisitions and other strategic initiatives, and general corporate purposes
- Offer for sale of equity shares aggregating up to ₹ 18,104 million by the Selling Shareholders. The company will not receive any proceeds from the Offer for Sale.

OUR VIEW

Incorporated in 2000, Fractal Analytics is India’s leading pure-play enterprise data, analytics and AI company, recognized globally, with capabilities across the data, analytics and AI (“DAAI”) value chain. It is a client-centric company, which focuses on prioritizing the clients’ success and creating long-term value for them.

The company is advancing multi-agentic systems such as Pioneer to streamline and enhance the software development lifecycle and for autonomous data science problem solving. They are building Fractal for the long term, through their culture that creates an environment conducive to learning and growth.

However, risks to consider are Security breaches, cyber-attacks, computer viruses, hacking activities and other cybersecurity incidents, ability to attract, retain and expand relationships with the clients, demand fluctuation for AI solutions, net loss in FY24, Revenue concentration from USA in last three years, Negative cash flow in past years, laws & Regulations governing the business, Exchange rate fluctuations may adversely affect the results of operations.

On the financial front, the Revenue grew at CAGR of 18% and PAT grew at CAGR 6.53% from FY23-FY25. The company posted loss in FY24 due to ESOP-related non-cash expenses. There was improvement in the YoY Revenue Growth and a volatility in the YoY EBITDA growth of the company. The company operated on an adjusted EBITDA margin of 17.4% and adjusted PAT margin of 12.6% in FY25 respectively and RONW at 12.5%.

The issue is priced at a P/BV of 7.76 based on its NAV of Rs. 116 as of September 30, 2025 and asking price is at a P/E of ~109.12x if we attribute FY26 annualized earnings. There are no listed peers to compare with as per the RHP. The issue is very aggressively priced.

Fractal Analytics offers investors an opportunity to contribute in a rapidly growing sector of DAAI services and generative AI that serves high-end consumer brands in India and globally but, Looking at all the factors, risks, opportunities and Elevated valuation, Investors with High-risk appetite can apply for Long term horizon.

Brief Financials

PARTICULARS	As at September 30,			₹ in Million
	2025	FY '25	FY '24	FY '23
Total Income	15,943	28,162	22,419	20,437
Total Expenditure	14,462	25,755	22,506	22,252
EBITDA	1,856	3,980	972	4,368
Profit/(Loss) before Tax	988	2,380	(305)	3,134
Profit/(Loss) after Tax	709	2,206	(547)	1,944
E.P.S. (Diluted)	4.09*	13.36	(3.12)	12.42
P/E (x) (Diluted)	-	67	-	-
RONW (%)	3.6*	12.6	(3.9)	14.5

*Not annualised

PRICE CHART (@ ₹ 900) (Retail Category)

LOT SIZE	Amount
16	14,400
32	28,800
48	43,200
64	57,600
80	72,000
96	86,400
112	100,800
128	115,200
144	129,600
160	144,000
176	158,400
192	172,800
208	187,200

HNI Payment Chart

Category	No. of Shares	Minimum Bid Lot Amount (Rs.)
Small HNI	224	201,600
Big HNI	1,120	1,008,000

Indicative Time Table

Tentative Events	Indicative Dates
Finalisation of Basis of Allotment with the Designated Stock Exchange	12/2/2026
Initiation of refunds/unblocking ASBA Fund	13/2/2026
Credit of Equity Shares to demat accounts of Allottees	13/2/2026
Commencement of trading of the Equity Shares on the Stock Exchanges	16/2/2026

For more details, Please refer RHP,

https://listing.bseindia.com/Download//PreAnchor/RHP_20260205161827.pdf

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