

FRACTAL ANALYTICS LIMITED

IPO Details

Issue Opens	Monday, 9 th Feb'2026
Issue Close	Wednesday, 11 th Feb'2026
Total Size	₹ 2,833.90 Cr
Price Band	₹ 857 – 900
Face Value	₹ 1/-
Implied Market cap at Lower Band	₹ 14,790 Cr
Implied Market cap at Upper Band	₹ 15,480 Cr

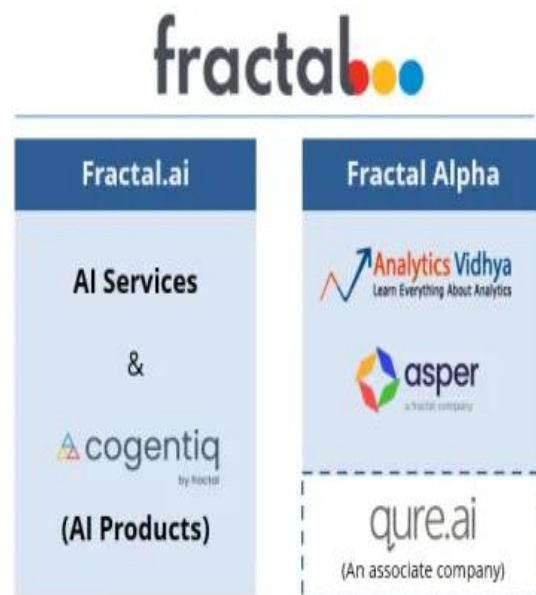
Recommendation :
Subscribe – Long Term

Key Highlights of IPO

Founded in 2000, Fractal Analytics is a globally recognized enterprise AI company focused on powering better human decisions through data-driven, end-to-end AI solutions. Serving large global enterprises across industries such as CPG & retail, BFSI, healthcare, and TMT, Fractal supports the full AI transformation lifecycle—from ideation to adoption—through its two segments, Fractal.ai and Fractal Alpha. Known for deep technical, domain, and functional expertise, the company works with many of the world's largest enterprises and is consistently recognized by Everest, Forrester, and Great Place to Work® for its leadership in AI, innovation, and culture.

Valuation

Fractal Analytics has a strong presence across its four focus industries and serves large global clients, with the top 10 clients averaging over eight years of engagement. At the upper price band of ₹900, the issue is valued at 78.9x FY25 P/E (post-issue). There are no listed companies in India or globally for comparison for similar business model, with positive sector outlook with moderate growth—18% revenue CAGR during FY23–25 and 20% YoY growth in 1HFY26. Attrition remains elevated at 16.3% in FY25 and 15.7% in 1HFY26. also Fractal is India's first pure-play AI company to list, positioned as a Decision Intelligence player combining AI services with incubated SaaS products (Fractal Alpha). we assign a Subscribe rating for Long Term high-risk growth focused Investor. (3–5 year horizon.)



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Anchor Bid on : Friday , 6th Feb ' 2026
Issue Opens on: Monday, 9th Feb' 2026
Issue closes on : Wednesday, 11th Feb' 2026

Fresh Issue of Equity Shares aggregating up to ₹1,023.50 Cr and Offer for Sale of Equity Shares aggregating up to ₹1,810.40 Cr

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	12-02-2026
Refunds/Unblocking ASBA Fund	13-02-2026
Credit of equity shares to DP A/c	13-02-2026
Trading commences	16-02-2026

Category	No. of Shares		₹ In Cr	(% of issue)
	Lower Band	Upper Band		
QIB	2,42,75,671	2,31,15,832	2,080.42	75%
NIB	48,55,134	46,23,166	416.08	15%
Big HNI	32,36,756	30,82,111	277.39	-
Small HNI	16,18,378	15,41,055	138.69	-
RET	32,36,756	30,82,111	277.39	10%
EMP	7,77,202	7,36,196	60	-
Total	3,31,44,763	3,15,57,306	2,833.90	100%

Shareholding (No. of Shares)

Pre and Post-issue	Post-issue~	Post-issue^
16,05,56,718	17,25,76,627	17,19,98,469

~@Lower price Band ^@ Upper Price Band

Issue highlights

- Fractal Analytics ("Fractal"), founded in 2000 and headquartered in Mumbai, is India's leading pure-play enterprise data, analytics, and AI company, with globally recognised capabilities across the DAAI value chain.
- The company delivers end-to-end AI and advanced analytics solutions to large global enterprises and has a strong international presence, with overseas markets contributing 92.4% of 1HFY26 revenue and 91.6% of FY25 revenue.
- Fractal has deep domain expertise across consumer packaged goods and retail, technology, media and telecom, healthcare and life sciences, and banking, financial services and insurance.
- The company follows a client-centric model focused on long-term value creation and served 122 Must Win Clients in FY25, defined as large enterprises meeting scale-based internal criteria.
- As of September 2025, Fractal's top ten clients had an average relationship tenure of over eight years, with marquee clients including Citibank, Costco, Franklin Templeton, Mars, Mondelez, Nationwide, Nestlé, and Philips.

Issue Details

Issue Size - ₹ 2,833.90 Cr

Face Value - ₹ 1/-

Employee Reservation - Shares up to ₹ 60 Cr

Price Band - ₹ 857 – 900

Bid Lot - 16 Shares and in multiples

Employee Discount - ₹ 85

Post Issue Implied Market Cap - ₹ 14,790 - 15,480 Cr

BRLM's - Axis Capital, Kotak Mahindra Capital, Morgan Stanley, Goldman Sachs (India)

Registrar - MUFG Intime India

Shareholding (%)

	Pre-Issue	Post-Issue
Promoters	17.87%	16.68%
Promoter Group	0.31%	0.29%
Public – Investor Selling S/h	63.51%	47.59%
Public – Other	18.31%	35.44%
Total	100.00%	100.00%

Category	Retail Category	Small HNI 2 - 10 Lakhs	Big HNI > ₹ 10 Lakhs
Min. Bid Lot	16 Shares	224 Shares	1,120 Shares
Min. Bid	₹ 14,400^	₹ 2,01,600^	₹ 10,08,000^
Appl for 1x	1,92,632 Apps	6,880 Apps	13,759 Apps

Big HNI - Bid Above Rs. 10 Lakhs

Small HNI Bid between Rs. 2 to 10 Lakhs'

- As of March 31, 2025, Fractal worked with a majority of the “Magnificent Seven” companies and with several of the world’s largest CPG, TMT, HLS, BFSI, and retail players.
- Fractal provides DAAI consulting, AI services, software solutions, and AI products, supported by strong capabilities in artificial intelligence, advanced analytics, computer vision, natural language processing, and generative AI.
- The company operates through two business segments: Fractal.ai, which delivers AI services and products primarily through its proprietary agentic AI platform, Cogentiq, and Fractal Alpha, which houses independent AI ventures targeting core clients, adjacent markets, and new geographies.
- Fractal has developed proprietary and foundational AI models including Kalaido.ai, Vaidya.ai, and the open-sourced large reasoning model Fathom-R1-14B.
- As of January 19, 2026, the company held 28 granted patents and 38 patent applications, reflecting continued investment in R&D.
- Fractal has been selected under the Government of India’s IndiaAI Mission to develop India’s first large reasoning model, including sovereign models of up to 70 billion parameters and specialised medical reasoning models.
- At the upper IPO price band of ₹900, Fractal is valued at a FY25 P/E multiple of 78.9x on a post-issue basis.
- While the company benefits from a strong blue-chip client base and long-standing relationships, the valuation appears elevated given revenue growth of 18% CAGR during FY23–FY25 and 20% year-on-year growth in 1HFY26.
- Employee attrition remains elevated at 16.3% in FY25 and 15.7% in 1HFY26, and increasing client insourcing of AI capabilities poses a potential risk to the business model.

BUSINESS STRATEGIES

- Founded in 2000, Fractal Analytics Ltd (“Fractal”) is a globally recognised enterprise AI company focused on enabling better human decision-making through AI. The company partners with large global enterprises to deliver end-to-end AI and advanced analytics solutions, leveraging over 25 years of technical, domain, and functional expertise.
- As of September 30, 2025, Fractal’s offerings are organised under two segments. **Fractal.ai** provides AI services and AI products, largely delivered through Cogentiq, the company’s proprietary agentic AI platform that enables rapid product development with built-in low-code, security, governance, and interoperability features. **Fractal Alpha** comprises independent AI businesses targeting Fractal.ai’s core Must Win Clients, adjacent markets, and new geographies, with each venture operating under separate management.
- Fractal supports clients across the full AI transformation lifecycle, from ideation to enterprise-wide adoption. Its Must Win Clients are large enterprises defined by scale thresholds, and as of September 30, 2025, the company served 122 MWCs. Its client base includes leading global organisations such as Citibank, Costco, Franklin Templeton, Mars, Mondelez, Nationwide, Nestlé, and Philips, and as of March 31, 2025, it served a majority of the “Magnificent Seven” companies.
- The company has deep domain expertise across consumer packaged goods and retail, technology, media and telecom, healthcare and life sciences, and banking, financial services and insurance. As of FY25, Fractal worked with several of the world’s largest companies across these sectors, including 10 of the top 20 CPG companies, 8 of the top 20 TMT companies, 10 of the top 20 HLS companies, and select BFSI and retail leaders.

- Fractal differentiates itself through the integration of AI, engineering, and design (“AED”), enabling scalable, user-centric, and decision-focused AI solutions. Its approach combines data science with behavioural science to drive adoption and business impact, supported by proprietary frameworks such as Behaviour Architecture™ and EthnoLab™.
- The company has made sustained investments in AI research and development, building proprietary and foundational models including Kalaido.ai, Vaidya.ai, and the open-sourced large reasoning model Fathom-R1-14B. Its Project Ramanujan initiative focuses on advanced reasoning models, including award-winning work recognised at NeurIPS 2024 and presented at ICLR 2025. Several of its AI products are publicly accessible.
- Fractal is widely recognised as an industry leader, having been named a “Leader” by Forrester across multiple Customer Analytics Service Provider Waves and by Everest Group in its Data and AI Services Specialists PEAK Matrix® from 2021 to 2025.
- The company is led by co-founders Srikanth Velamakanni and Pranay Agrawal, who have guided Fractal since inception, supported by an experienced board and industry advisors. As of September 30, 2025, Fractal employed 5,722 people globally and operated through a flexible office model across India, the U.S., Europe, the Middle East, and Asia-Pacific.
- Fractal places strong emphasis on culture and talent development and has consistently been recognised as a “Great Place to Work” across multiple geographies. Its strong employer brand is reflected in high trust index scores and favourable Glassdoor ratings.

KEY GROWTH STRATEGIES

- Acquire and grow Must Win Clients (MWCs).
- Expand capabilities by investing in AI research and product innovation.
- Partner with leading technology companies and accelerate capabilities through acquisitions.
- Accelerate their capabilities through acquisitions.
- Facilitate continuous learning and growth.

KEY RISKS

- The company's operations and reputation could be adversely affected by cybersecurity incidents, including data breaches, cyber-attacks, malware, or hacking attempts, which may result in operational disruptions, financial losses, regulatory exposure, or legal liabilities.
- Fractal has a high degree of client concentration within its Fractal.ai segment. During the six months ended September 30, 2025, the top 10 clients accounted for 54.2% of segment revenue, with the single largest client contributing 8.2%. In the same period, 79.6% of Fractal.ai revenue was derived from existing Must Win Clients, making the company sensitive to changes in spending or retention of these clients.
- Revenue concentration across focus industries presents an additional risk. In the six months ended September 30, 2025, the CPGR, TMT, HLS, and BFSI sectors contributed 37.5%, 27.2%, 17.0%, and 12.2%, respectively, to Fractal.ai segment revenue. A slowdown in AI adoption or reduced client demand in any of these industries could negatively impact business performance.
- The company has significant geographic exposure to the United States, which contributed 64.9% of revenue in the six months ended September 30, 2025, and between 61.9% and 66.0% of revenue across Fiscal 2023 to Fiscal 2025 and the six months ended September 30, 2024. Dependence on a single geography exposes the company to economic, regulatory, and operational risks associated with international operations.
- Fractal, its subsidiaries, and two of its directors are involved in ongoing income tax proceedings totaling ₹88.1 crore. Any unfavourable outcome in these matters could have an adverse impact on the company's financial condition and results of operations.

KC Securities (Kantilal Chhaganlal) Outlook on Fractal Analytics Limited - IPO

- Rating – High Risky Long Term Investor can Subscribe with 3-5 Year Horizon
- Fractal is India's first pure-play AI company to list, positioned as a Decision Intelligence player combining AI services with incubated SaaS products (Fractal Alpha).
- Fractal Analytics has a strong presence across its four focus industries and serves large global clients, with the top 10 clients averaging over eight years of engagement
- Fractal's Top ten clients had an average relationship tenure of over eight years, with marquee clients including Citibank, Costco, Franklin Templeton, Mars, Mondelez, Nationwide, Nestlé, and Philips.
- Fractal has been selected under the Government of India's IndiaAI Mission to develop India's first large reasoning model, including sovereign models of up to 70 billion parameters and specialised medical reasoning models.
- . At the upper price band of ₹900, the issue is valued at 78.9x FY25 P/E (post-issue), As there are no listed companies in India or globally for comparison for similar business model , and company working is growth focused with positive sector outlook IPO Price Looks fairly valued.

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