

Inventive. Pioneering. Indian.



ANNUAL REPORT
2023 - 24



WITH ITS DISTINCTLY INDIAN SPIRIT OF INVENTIVENESS, IDEAForge IS ON A PIONEERING JOURNEY, CATALYZING EXPONENTIAL GROWTH FOR INDIA'S UNMANNED AVIATION SECTOR.

OUR RELENTLESS PURSUIT OF INNOVATIVE EXCELLENCE IS DRIVEN BY OUR AMBITION TO CREATE THE "WORLD'S FIRST AND THE WORLD'S BEST" TECHNOLOGY AND PRODUCTS. IT INSPIRES US TO CRAFT UNIQUE SOLUTIONS, PROPELLED BY OUR WORLD-CLASS TALENT, INDIGENOUS TECHNOLOGY, AND CREATIVE BUSINESS MODELS.

IDEAForge IS CREDITED WITH PIONEERING INDIA'S DRONE INDUSTRY AND SCALING A SUNRISE BUSINESS, DIRECTLY CONTRIBUTING TO THE NATION'S GROWTH AS A GLOBAL ECONOMY, WHILE SOWING THE SEEDS FOR INDIA EMERGING AS A PRODUCT NATION.

Inventive. Pioneering. Indian.

SPEARHEADING INDIA'S REVOLUTIONARY GROWTH IN THE UNMANNED AERIAL VEHICLE (UAV) INDUSTRY, IDEAForge HAS PIONEERED A NEW WAVE OF TECHNOLOGICAL INNOVATION LED BY ITS INVENTIVE SPIRIT. IT HAS CREATED UNIQUE DRONE SOLUTIONS DESIGNED TO GLOBAL BENCHMARKS IN INDIA, AND CRAFTED FOR THE SPECIALIZED NEEDS OF ITS GROWING DEFENCE AND CIVIL CUSTOMER BASE. DRIVEN BY THE THREE PILLARS OF PERFORMANCE, RELIABILITY AND AUTONOMY, IDEAForge DISTINGUISHES ITSELF AS A GLOBAL LEADER WITH INDIAN ROOTS.

From a startup incubated in Society for Innovation & Entrepreneurship, IIT, Bombay ideaForge has evolved into a state-of-the-art drone design, engineering and manufacturing company. Holistic innovation across drone platforms, diverse payloads, industry leading software and AI comes together into customer-centric solutions that have widespread acceptance. ideaForge has also emerged as India's first UAV player to promote a collaborative drone ecosystem. Its drone innovation platform approach has powered the Company's advancement as an end-to-end solutions provider; From pure-play drone platform offerings delivering performance and reliability, the company has opened up its platform architecture to integrate a variety of 3rd party payloads which opens up multiple use cases across industries and introduction of an automated workflow discovery platform for 3rd party software and AI solutions will provide finished solutions to the customers at one place, accelerating adoption of drone technology. ideaForge has now launched an industry-first Drone as a Service (Daas) which is set to unleash the next phase of growth, driven by SaaS business models built on full-stack innovation delivering new customer experiences.

Our unique UAV solutions are making a mark with their diverse applications. They are enabling the nation to secure its external borders, mitigate internal threats, monitor large-scale infra projects, and effectively manage traffic in urban areas. They are also helping the country map its mineral, forest and land resources, driving resource optimization for sustainable development in a growing economy. Our solutions have become a part of the security & governance infrastructure.

Through collaborative problem-solving with key defence and civil customers, we have delivered high-performance and reliable solutions at scale, creating an unmatched ecosystem of unmanned vehicles which promises to be a gamechanger for India's drone sector in the coming decades.

CONTENTS

02-55

CORPORATE OVERVIEW

- 02 Corporate Highlights
- 04 About ideaForge
- 06 Our Journey
- 08 The IPO Story
- 10 Innovative Platforms for a Soaring Future
- 12 Our Innovative Product Portfolio
- 20 Chairman's Communiqué
- 22 CEO's Letter
- 26 Strengths
- 30 Strategies
- 34 Key Performance Indicators
- 38 Environment
- 42 Social – Employees
- 46 Social – Communities
- 48 Governance
- 55 Corporate Information

56-152

STATUTORY REPORTS

- 56 Management Discussion & Analysis
- 70 Board's Report
- 96 Report on Corporate Governance
- 122 Business Responsibility & Sustainability Report

154-329

FINANCIAL STATEMENTS

- 154 Standalone Financial Statements
- 243 Consolidated Financial Statements

330 NOTICE



To view this report online and to know more about ideaforge, visit: www.ideafortech.com

Corporate Highlights

MEASURABLY SCALING GROWTH

ROBUST FINANCIAL GROWTH IN FY 2023-24*

**69%**

Revenue growth

**49%**

EBITDA growth

**42%**

PAT growth

RAPID CHANNEL EXPANSION

**~153**

Channel partners

**75%**Revenue contributed by
the Defence sector**21%**Revenue contributed
by Civil use cases

PIONEERING A NEW MARKET

**1st rank**in India's UAV space in FY 2021-22¹**50%**UAV market share in India²**1st**

To develop high-altitude drones in India

**1st**To indigenously develop VTOL &
Fixed-Wing VTOL Hybrid UAVs**5th rank**In global dual use case
(Civil and Defence)³**4,50,000+**Flights by the customers⁴**Every 5 Minutes**An ideaForge drone takes off⁵**1,00,000+**Flights completed
by the customers⁶**INR 2,315.45 Mn**worth of orders received⁶

* Growth comparison with FY 2022-23

Note:

1. Based on PLI Scheme data 2022

2. According to 1Lattice report

3. As of December 31, 2023, based on a global report

4. As of March 31, 2024, for surveillance & mapping operations

5. On an average for surveillance & mapping in FY 2023-24

6. In FY 2023-24

AWARDS & RECOGNITION

★ Best Aviation Startup of the Year
by FICCI in Wings India Event |
January 2024

★ Technology & Product Innovation
Champion
by The Society of Indian
Defence Manufacturers (SIDM) |
September 2023

★ National Technology Award
by Department of Science and
Technology, Government of India,
for indigenously developed
fixed-wing VTOL SWITCH UAV |
May 2023

★ The Disruptor - India's Business
Leader Award
by CNBC-TV18 | May 2023

★ Best Drone Company of the Year
by ASSOCHAM India | Year 2021

★ National Geospatial Award
by FICCI | Year 2021

★ National Intellectual Property Award
under 'Top Indian MSMEs for Patents
and Commercialization' category |
Year 2020

★ Young Alumnus Achiever
by IIT Bombay | Year 2020

★ Best Product Design Company
in the Indian Aerospace &
Defence Category
by IESA | Year 2017

★ Industrial Company of the Year
by VCCircle | February 2024

★ Best Brand in the Construction
& Infrastructure Industry
for Innovative Technology
by Economic Times | September 2023

★ India's Business Excellence
of the year
by Dun & Bradstreet | August 2023

★ Outstanding Achiever of the Year
by Thane Small Scale Industry
Association (TSSIA) | Year 2022

★ Business Leader of the Year
by Bizz World | Year 2020

★ TechEmerge World Bank Resilience
Challenge Winner | Year 2020

★ Entrepreneurial Company
of the Year
by Frost & Sullivans | Year 2019

★ Business Innovation Award
by Marico Innovation Foundation |
Year 2018

★ Young Achiever of the Year
by the Ascent Foundation |
Year 2017

About ideaForge

PIONEERING INDIA'S DEEP TECH UAV SECTOR

ideaForge Technology Limited (referred to as “ideaForge” or “the Company”) is a pioneer and pre-eminent market leader in India’s unmanned aircraft systems (UAS) industry. Driven by its exceptional indigenous deep tech expertise, it boasts of an enviable edge in delivering innovative unmanned aircraft vehicle (UAV) solutions. The Company is a powerhouse of capabilities in designing, development, engineering and manufacturing of UAVs, crafted to meet India’s growing need for high-end drones for security, mapping, inspection & logistics.

Our UAV systems are known for their reliability, performance and cutting-edge autonomy, setting high standards for Indian UAVs with global scalability. Our presence across the UAV value chain, backed by industry-leading capabilities and in-house quality controls, has led to our evolution as a global player in this niche, fast-growing domain.

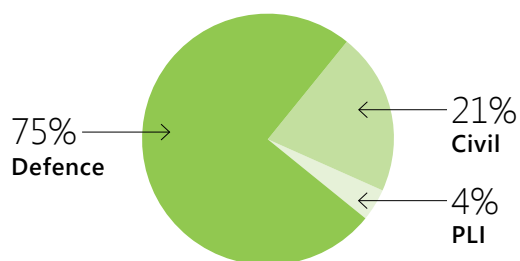
As on March 31, 2024, ideaForge had one of the largest operational deployments of indigenous UAVs across India, where on average, an ideaForge drone takes off every five (5) minutes for surveillance, inspection or mapping. Our customers have completed over 450,000 flights using our UAVs.

SCALING GROWTH & MARKET LEADERSHIP

ideaForge stands out as a fast-growing entity in India’s UAV sector, commanding a market share exceeding 50% (FY 2021-22). It enjoys a first-mover advantage in the industry in India, and has the distinction of developing and manufacturing Vertical Take-off and Landing (VTOL) UAVs domestically. Leveraging its leading-edge design and technology capabilities, as well as its vertically integrated operations, ideaForge has secured numerous contracts for both defence and civil applications.



Segment-wise revenue share (%) in FY 2023-24

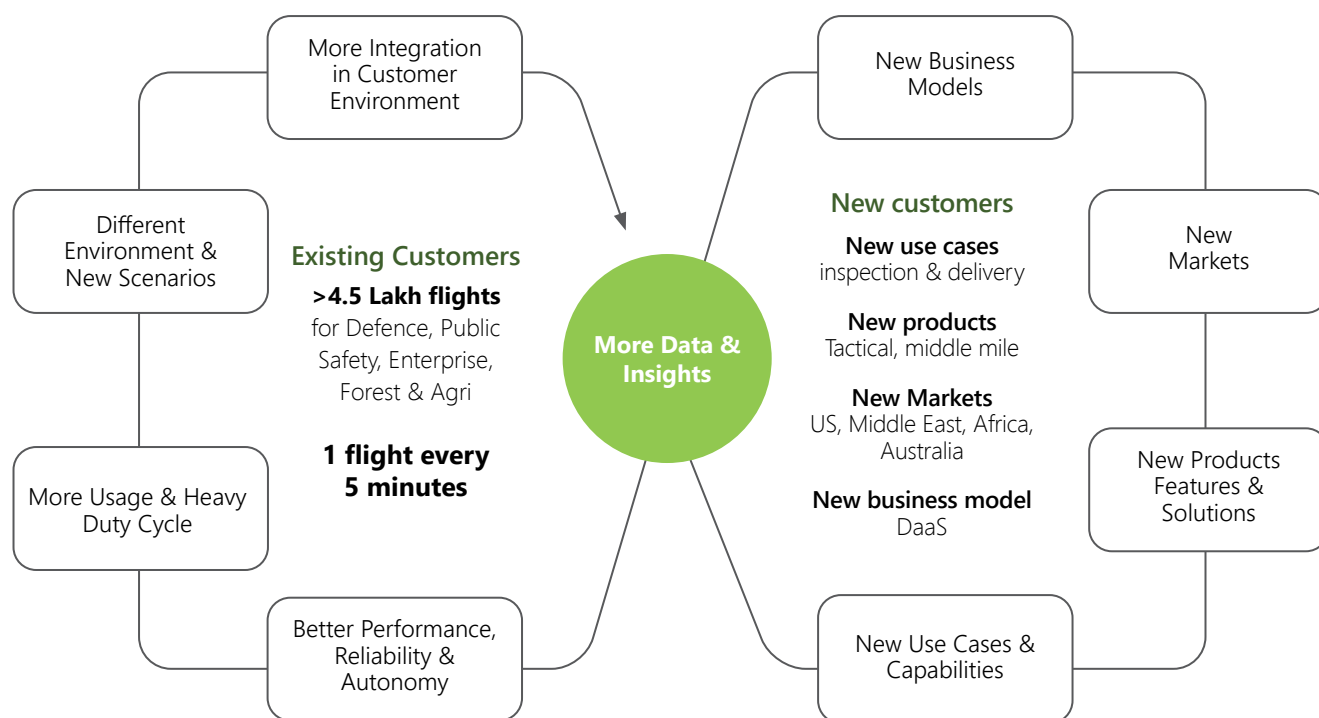


INDIGENOUS TECHNOLOGIES WITH NATIONAL IMPACT

The Company's remarkable growth trajectory has been powered by its indigenous design and technological prowess. Our ability to conceive, design and deliver customer-centric solutions has guided our evolution as one of the largest drone technology and manufacturing players in India. Our UAVs are designed to handle all terrains and temperature conditions.

ideaForge is currently pioneering the establishment of India's first UAV innovation platform, setting the stage for continued advancements in UAV technology and its manifold applications across sectors while building a robust drone ecosystem.

CUSTOMER-DRIVEN INNOVATION FLYWHEEL @IDEAFORGE



OUR JOURNEY

2009

- Received first angel investment
- Demonstrated NETRA, exhibiting the product launch of India's first quadcopter drone at DefExpo*
- Featured the early prototype of VTOL UAV (quadrotor helicopter) in a popular Bollywood movie '3 idiots'
- Developed one of the world's smallest and lightest autopilots*

2014

- Received INR 388.10 Million capital contract from Government of India entities

2016

- Developed the first hybrid VTOL drone with fixed wings in India, known as the SWITCH UAV*

2007

- Incorporation of the Company
- Incubation at Society for Innovation and Entrepreneurship, Mumbai
- Developed the first quadrotor UAV in India

2010

- Sale of the first drone to a state police department
- Developed NETRA UAV in partnership with a Government of India entity

2015

- Received angel Investment from Centre for Innovation, Incubation and Entrepreneurship, Indian Institute of Management, Ahmedabad (IIM-Ahmedabad)

* 1Lattice Report

2019

- Became the first company to participate in the demonstration of 5G-enabled UAVs at Indian Mobile Congress*

2022

- Won the largest mini-VTOL UAV contract against global competitors from Russia, Israel, France, Ukraine, and other countries*
- Bagged second round of institutional investment from Florintree Enterprise LLP, Infina Finance Private Limited and Export Import Bank of India, in addition to first round of institutional investors
- Incorporated a Subsidiary in USA - ideaForge Technology Inc.

2024

- Received Great Place to Work Certification in January 2024
- Initiated development of Tactical & Middle Mile logistics UAV platforms
- GPS denied navigation technology in advanced stages of development
- ISO 27001:2022
- AS9100D
- Top beneficiary of the Production Linked Incentive (PLI) Scheme due to high level of indigenization and domestic value addition

2017

- Received first round of institutional investment from Celesta Capital II Mauritius, Celesta Capital II-B Mauritius, Qualcomm Asia Pacific Pte. Ltd. and Infosys Limited

2020

- Bagged contract for UAVs for approximately US\$ 18.27 Million

2023

- Launched Netra V4 Pro, a quadcopter UAV platform with best-in-class 90 mins endurance in USA
- Got listed on Indian stock exchanges (BSE, NSE) in July 2023
- Established an Product Development Centre in Bengaluru

* 1Lattice Report

THE IPO STORY

July 2023 marked a momentous milestone in ideaForge's journey of growth and excellence. ideaForge became the first drone company to get listed on the Indian bourses – the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE).



ideaForge's IPO garnered an enthusiastic reception from investors, witnessing a staggering oversubscription of **106x**. The Company made an impact on the market with one of the best IPO subscriptions in nearly two years, achieving a remarkable gain on the listing day. With this, ideaForge has unlocked the next phase of its growth and paved the way for its future expansion, especially in emerging industry opportunities.



INNOVATIVE PLATFORMS FOR A SOARING FUTURE

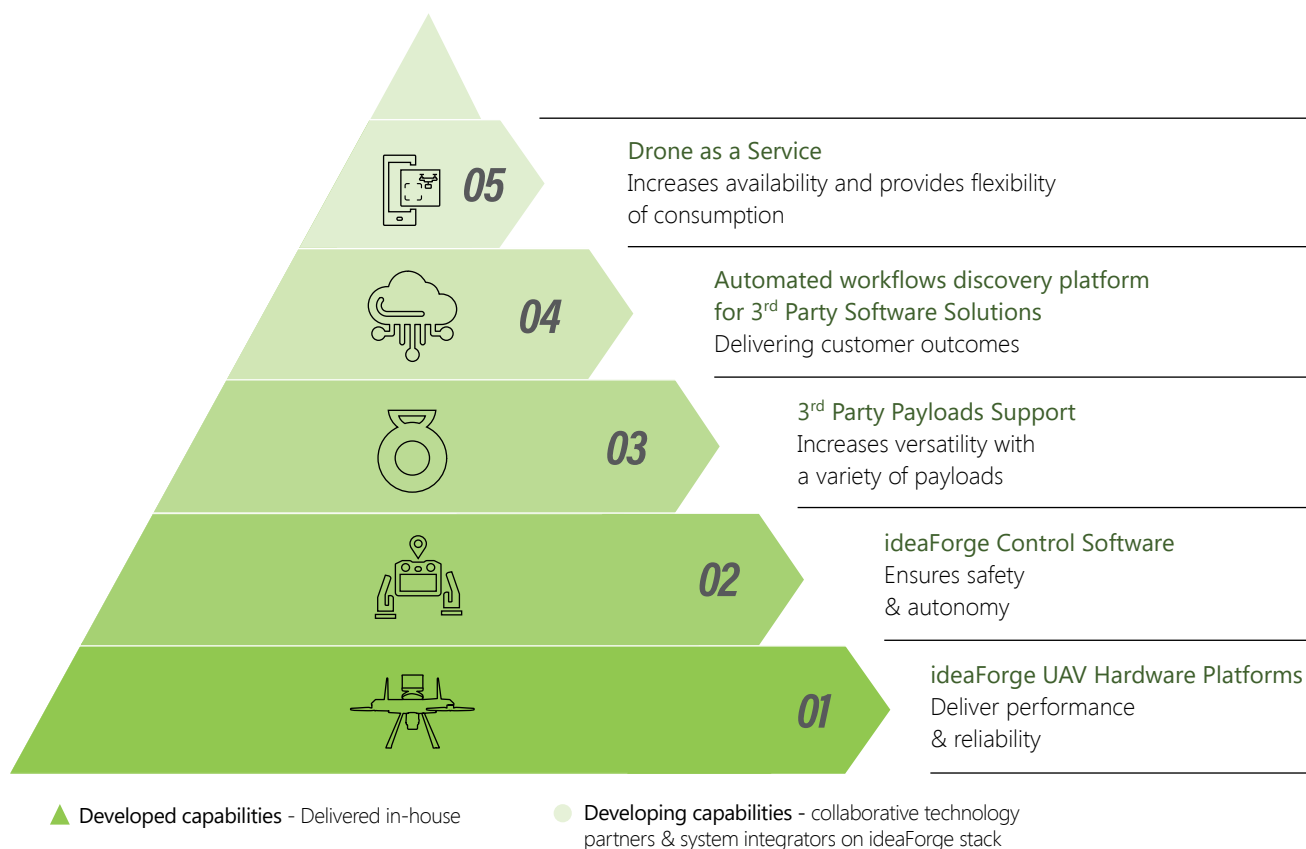
For nearly two decades, ideaForge has progressively strengthened the foundations of its presence in the UAV landscape, with FY 2023-24 witnessing:

- Infrastructure and facilities expansion
- Strategic US expansion
- New operational initiatives
- Beta testing of Drone as a Service (DaaS) with anchor customers

We have now embarked on the next phase of our growth trajectory, with the promotion of a collaborative UAV ecosystem with India's First Drone Innovation Platform.

BUILDING INDIA'S FIRST DRONE INNOVATION PLATFORM

Promoting a collaborative drone ecosystem with ideaForge drones



Drones are changing the way wars are fought and public safety is enforced, ushering in a new era in combat surveillance and tactical reconnaissance. They are also unleashing a societal revolution spanning diverse industries, from agriculture and healthcare to entertainment and to delivery services.

ideaForge's new drone innovation platform allows for highly customizable workflows and seamless integration with 3rd party systems and customer ecosystems.

This in turn gives ideaForge the ability to build a robust pipeline of opportunities and deliver new features, applications and business models.



OUR INNOVATIVE PRODUCT PORTFOLIO

ideaForge's current portfolio of innovative drone solutions continue to deliver stellar performance, addressing the evolving needs of diverse customer segments, and beyond. They are designed to work in extreme temperature and terrain conditions – from the deserts to the glaciers across India. ideaForge is one of VERY few UAV companies in the world to have complete control of the entire UAV lifecycle – from concept design, to engineering, to manufacturing to delivery, aftersales support and obsolescence management.

PRODUCT PORTFOLIO: HARDWARE

Q6



Description

This is a small category UAV. Its quadcopter design and high area coverage enable it to complete large-scale mapping with a minimum required time.

Application



Mapping



Land survey



Mining area planning



Construction



Real estate

NETRA V4+



Description

This is an intelligent and man-portable VTOL UAV with modular and rugged design. It is suitable for a wide range of mission-critical applications.

Application



Security and surveillance



Border security



Anti-terrorism



Counter insurgency



Crime control



Drone as a first responder

SWITCH



Description

This fixed wing and VTOL hybrid UAV features advanced flight time, higher safety, and simple operation, with additional fail-safe redundancies.

Application



Security and surveillance



Border security



Anti-terrorism



Counter insurgency



Wildfire management

NETRA V4 Pro



Description

The NETRA V4 PRO UAV is the newest addition to our NETRA Series. With a 90-minute flight time and a 15 km range, it's designed for mission-critical applications in defence, public safety, and emergency response.

Application



Defence



Public safety



Emergency response



Mapping

PRODUCT STACK: SOFTWARE

BlueFire Touch



Description

This GCS software is built to plan and command both mapping and surveillance missions, with the ability to pre-plan missions based on operational area and target locations via waypoint-based navigation. The BlueFire Touch also comes with several realtime analytics capabilities such as moving target tracking, human detection, counting, etc.

Application



Mapping



Surveillance

Autopilot

Autopilot

Description

The system enables both remote control and autonomous flight completion, incorporating pre-flight checks and intelligent failsafe features. These include return-to-home functionality for low battery, high wind, and communication loss scenarios, alongside battery imbalance detection. Additionally, it offers smart altitude management and GPS error handling capabilities.

Application



Public Safety



Mapping



Homeland Security



ISR

BlueFire MapAssist



Description

This software solution allows for simple and intuitive geotagging with flexibility for both survey grade as well as non-survey grade with optimized data capture and processing.

Application



Mapping



Surveying

BlueFire Live



Description

It facilitates real-time live streaming of the drone video feed and payload control. It integrates easily with CCTVs and command and control centers, operates in low bandwidth, and offers seamless remote payload control.

Application



Security and surveillance



Border management



Crowd monitoring



Campus security



Disaster management



Remote monitoring



Smart cities



Mapping an ISR operation

PRODUCT STACK: SOFTWARE

Surveillance Pro

Surveillance Pro

Description

The system incorporates advanced image intelligence features, including target tracking and moving target indicator capabilities. It supports Remote Video Terminal (RVT) with full UAV control and ADR communication modes, providing maximum flexibility for specialized missions.

RVT enables a second ground operator to receive the video stream, command the UAV, and control the payload, ensuring synchronized information for on-ground forces. ADR enables full duplex communication between Ground Control Station (GCS) software, ADR UAV, and payload/data capture UAV, facilitating non-line-of-sight operations for ISR missions.

Application



Security and surveillance



Border management



Crowd monitoring



Campus security



Disaster management



Remote monitoring



Smart cities

GIS Pro

GIS Pro

Description

It facilitates high resolution mapping with survey grade and optimized workflows.

Application



Mapping

FLYGHT Cloud



Description

FLYGHT Cloud offers a seamless end-to-end solution that eliminates the complexities associated with multiple vendors, regulations, and inefficient workflows. This facilitates effortless collaboration among team members by enabling easy sharing of data and insights, in minimal time.

The platform ensures unwavering security, guaranteeing that the customer's data is always protected by robust security measures. Additionally, FLYGHT Cloud is cost-effective, requiring minimal upfront investment to get started.

Users can also access pre-tested domain expert workflows embedded within the platform, allowing them to leverage industry-specific expertise for their particular needs.

The platform offers customizable solutions to address the unique needs of diverse industries, coupled with rapid data processing for swift turnaround times. Automated reporting streamlines the analysis process, while AI-powered tools enhance decision-making with intelligent insights.

It provides access to an extensive app marketplace for further customization and scalability, making it a comprehensive solution for businesses seeking to unlock the full potential of drone data intelligence.

Application



Usage by diverse industries, such as Construction, Mining, Utilities Management, Infrastructure and Forestry, to revolutionize drone data analytics



Data capture and processing within reduced time



Enhanced performance of GIS (geographic information system) teams across industries, handling the most demanding workloads with ease

DRONE AS A SERVICE

"Drone as a Service" (DaaS) offers a ready-to-fly network of drones for users to schedule or request on-demand flights. This service eliminates the need for owning hardware, software, or trained workforce. Users can access drone capabilities in a hassle-free manner through this service, which helps streamline tasks like aerial surveillance, mapping and inspections. DaaS provides a cost-effective and efficient solution for various industries, enhancing operational flexibility and productivity.

INVESTMENT IN PERFORMANCE, RELIABILITY AND AUTONOMY

- Being a technology-driven organization, the Company is always working on initiatives that push the boundaries of drone technology and create products and solutions that are the global best in their class. The core philosophy to stay a technology-first company has helped the Company to develop cutting-edge solutions and provided disproportionate growth against the investments made in technology and product development. This has also provided a competitive edge and created a sustainable moat for the Company in this emerging sector. Launched Netra V4 Pro, a 90-minute quadcopter in the USA, showcasing one of the highest endurance quadcopter platforms globally in its weight category.
- Introduced and integrated newer and more capable payloads including:
 - NAKSH D25 with 25x zoom and NAKSH D10 with 10x daylight zoom offering 720p video
 - NAKSH T32/T64, thermal payloads offering resolutions of 320p and 640p respectively
 - Parrot Sequoia, a multi-spectral payload enabling novel applications in the agriculture domain
- Enhanced autonomy through differentiated offerings like valley flying feature, improving mapping efficiency by allowing flight below the home location
- Enhanced the ability of drones to provide better outcomes to the customer through increased use of artificial intelligence and video analytics solutions and has taken autonomy in drone operations to the next level
- The key areas of AI for drones include safety automation, AI-based image intelligence, and AI-based human-only detection

EXPANSION OF SOLUTIONS AND PARTNERSHIPS

- Partnered with sensor/payload manufacturers and software vendors to offer end-to-end solutions for various customer verticals
- Introduced notable solutions such as:
 - Smart Forest Solution developed in collaboration with ESRI
 - Mining solution and mapping solution on the Switch platform



- Developing Flight Cloud platform to facilitate seamless integration of 3rd party software solutions.
- Continuously enhancing DaaS workflow and related software applications, including user/requester and pilot apps, to streamline the entire drone service process.

LONG-TERM PROGRAMS

- Ongoing development of unmanned tactical platform with enhanced performance and payload capabilities (50 Kg Maximum Take-Off Weight (MTOW) with up to 100 Kms operational range)
- Development of unmanned logistics platform aimed at revolutionizing middle-mile logistics, especially at high altitudes (500 Kg Maximum Take-Off Weight (MTOW) with 100+ Kms of operational range)
- Both platforms are in active development with planned releases in the coming years, contributing to the Company's long-term strategy and growth



CHAIRMAN'S COMMUNIQUE



THE COMPANY HAS DEVELOPED A DIVERSIFIED PORTFOLIO OF UAV PLATFORMS AND SOLUTIONS DESIGNED FOR BOTH DEFENCE AND CIVIL APPLICATIONS. LARGE-SCALE OPERATIONS HAVE UNIQUELY CONTRIBUTED TO ENHANCING THE COUNTRY'S DEFENCE AND SECURITY ARCHITECTURE BY ENSURING GREATER SAFETY FOR SOLDIERS.

Greetings Stakeholders,

FY 2023-24 marks a significant milestone for ideaForge Technology Limited as it presents the first Annual Report following an exceptional response to its Initial Public Offering (IPO) and listing on Indian stock exchanges.

FY 2023-24 marks a significant milestone for ideaForge Technology Limited as it presents the first Annual Report following an exceptional response to its Initial Public Offering (IPO) and listing on Indian stock exchanges. The journey so far has been remarkable, witnessing the resilience of the Indian UAV industry over the past two decades against global and domestic ups and downs and its rapid growth in the past few years due to much-needed tailwinds. As pioneers in the Indian UAV industry, ideaForge has been privileged to be the

flagbearer of this journey, navigating these challenges through a commitment to excellence, focus on innovation, and a supportive ecosystem. This is the beginning of an exciting new chapter in its journey. As the Company navigates the dynamic landscape post-listing, it remains committed to transparency, innovation, and value creation for its stakeholders.

Central to the ideaForge ethos are Performance, Reliability, and Autonomy driven by a DNA of innovation. These act

as cornerstones and guiding lights in every endeavor undertaken by the Company. This inventive spirit enables the identification and addressing of the unmet needs of customers with cutting-edge yet practical solutions. This approach has defined the journey, establishing ideaForge as the thought leader in the Indian UAV market. It is the first entity in India to develop and manufacture Vertical Take-off and Landing (VTOL) and fixed-wing VTOL hybrid UAVs indigenously. These endeavors have propelled ideaForge to lead the Indian UAV industry from the front. The technology and solutions created are capable of delivering performance and customer outcomes globally, having developed and evolved products to operate in extreme terrain and temperature conditions over the years based on a deep understanding of the customer environment.

The Company's leadership position in the Indian UAV market has been earned through relentless innovation and dedication to delivering excellence. The Company has developed a diversified portfolio of UAV platforms and solutions designed for both defence and civil applications. Large-scale operations have uniquely contributed to enhancing the country's defence and security architecture by ensuring greater safety for soldiers. This same commitment extends to civil use cases, where UAVs support growth in multiple sectors of civic and enterprise domains throughout India. The Company's expertise in developing technology and products for the sub-continent not only serves the Indian market but also prepares for global expansion, offering products that deliver unmatched performance and reliability worldwide.

This decade is set to witness robust growth in the UAV industry, both from the demand perspective as new use cases emerge and from the supply perspective as industry players push the boundaries of technology. The civil market for UAVs is anticipated to surpass defence in the medium term, while logistics will emerge as a large segment in overall UAV use by the end of the decade. The Company is poised to capitalize on the civil market opportunities with the development of specific use cases like asset inspection and infrastructure monitoring while further unlocking new applications through third-party payloads and analytics partnerships. The Company's strong partnerships with leading system integrators and channel partners across geographies will enable seamless global distribution of UAVs. As market leaders, these opportunities that provide a strong market presence will continue to be targeted. Additionally, the industry has benefited from the liberalization of UAV regulations in India. As the country continues its march towards greater unlocking of regulations to allow Advanced Air Mobility (AAM) and Beyond Visual Line-of-sight (BVLOS)

operations, the Company is building larger platforms in the form of tactical and middle-mile logistics drones for dual-use in both the Defence and Civil markets.

Looking ahead, the Company's long-term goals include pushing the boundaries of existing platforms & solutions, opening up for third-party innovation on its platforms, and leading the charge in middle-mile unmanned logistics & mobility innovations for defence & civil applications, while collaborating closely with government & corporate partners. Additionally, the development of a 'Drone as a Service' (DaaS) model aims to streamline mission-ready UAV deployments, further enhancing competitive edge. Geographical expansion and intensifying efforts to enable exports, particularly targeting North America and other key regions, are also underway. The focus remains on developing new technology to meet evolving customer needs, maximizing revenue across all channels, and expanding global presence.

The change and dynamism of the operating environment have called for the utmost stress on embracing growth with inclusion. The opportunity, a strong, experienced, and spirited leadership, and a solid workforce have prepared the path for strong growth. To this effect, thanks are extended to the Board of Directors for the support they have rendered towards the success of the Company, the dedicated team, and the esteemed investors for continuing to believe in these endeavors. The trust, dedication, and cooperation provided are invaluable to continued achievement.

With continued support, the Company is poised to grow even stronger and deliver progressive and sustainable improvement for the future.

With best regards,

Srikanth Velamakanni

Chairman

CEO'S LETTER



OUR PRODUCT DEVELOPMENT EFFORTS ARE FOCUSED ON DELIVERING TOP-TIER SOLUTIONS TO OUR CUSTOMERS, MARKED BY UNPARALLELED ENDURANCE AND TECHNOLOGICAL ADVANCEMENTS. WITH COMPREHENSIVE IN-HOUSE CAPABILITIES SPANNING DESIGN, ENGINEERING, MANUFACTURING, AND SUPPORT, WE MAINTAIN FULL CONTROL OVER THE ENTIRE PRODUCT LIFECYCLE.



Greetings Stakeholders,

It is with immense pleasure that we present our inaugural Annual Report for FY 2023-24, encapsulating our organizational ethos, strategies, performance, and future outlook.

We are deeply grateful to our investor community for their overwhelming support, which led to the resounding success of our Initial Public Offering (IPO). Your trust and confidence in our vision have invigorated us to chart the course we envisioned for ideaForge. The remarkable oversubscription of our IPO underscores the faith reposed by the investor community in our business. This marks the commencement of a new chapter in our journey, and we are excited about the promising opportunities that lie ahead. We are committed to fostering transparent interactions with our valued investors, embodying the highest standards of corporate governance.

We commenced operations in 2007 and have ever since been the pioneer and a leader in the Uncrewed Aerial Vehicle (UAV) industry in India. Our journey has been characterized by a strong will, an inventive mindset, and a commitment to developing cutting-edge technology while driving its adoption. Despite facing severe challenges, especially when

the UAV technology was nascent, we introduced this market segment to our country and demonstrated its transformative potential in augmenting human efforts, even in traditional use cases. Today, UAVs are widely adopted across various sectors, spanning both defence and civil applications. Our commitment to technological innovation and strategic investments aims to effectively address stakeholders' interests and create positive momentum towards the widespread adoption and impact of this technology.

Having pioneered the drone industry in our country and it being the early days of the drone industry globally, we had to build the core technology stack from the ground up, as there were no readily available open-source intelligent subsystems for drones at that time. We are not only vertically integrated in technology, but we have also built a brand that our customers expect to deliver high performance, reliability, and autonomy in our systems, and well within the agreed timeframe.

Therefore, we always test any new initiative on the yardstick of furthering the cause of our brand. The pursuit of innovation in our product development efforts ensures that we remain on this track, thus shaping our DNA of striving to build technology and products that are either first in the world or best in the world while providing desired functionality and delivering real-world outcomes for our customers. Our quest to enhance the Performance, Reliability, and Autonomy of our systems for the benefit of customers forms the foundation of our innovation excellence and helps us continuously create impact through intellectual property. Furthermore, having in-house capabilities spanning design, development, manufacturing, delivery, and support, grants us control over the entire product lifecycle and gives us the ability to provide comprehensive state-of-the-art solutions to our customers.

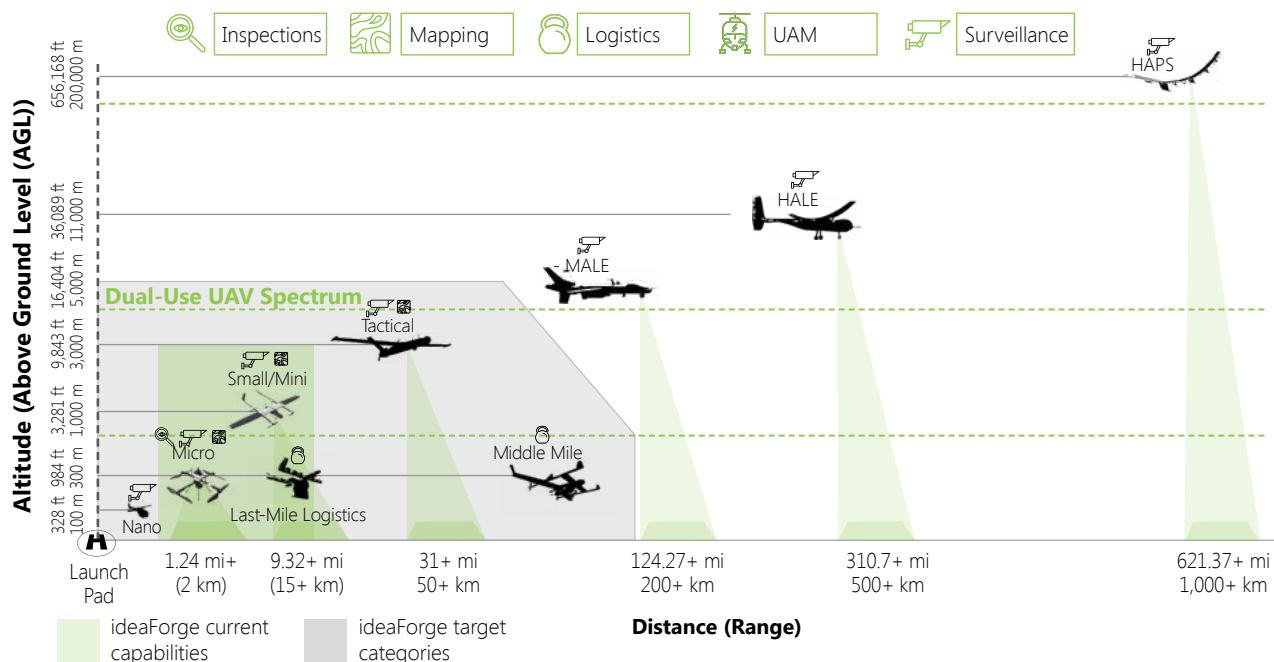
As we keep churning the intellectual property engine, we gain long-term competitive advantages that set us apart from traditional business models in the industry that rely on technology transfer and “built to print” activities. To date, we have been granted 38 patents across various jurisdictions, with 34 additional patents pending, positioning us at the forefront of innovation. Our commitment to expanding the boundaries of this technology remains firm as we strive to be unrivaled in pushing the limits and driving the adoption of Uncrewed Aerial Systems globally.

FY 2023-24 - A YEAR OF MILESTONES AND PREPARATION FOR THE NEXT PHASE OF GROWTH

The past year has been pivotal in our journey. Listing on the Indian stock exchanges, strengthening our operational capabilities and capacities, proving our mettle to deliver large

contracts before time, focusing on creating meaningful technologies and products, conceptualizing new business models and efforts towards expansion and pushing for the adoption of the UAV technology have been the highlights of the year that has gone by.

A differentiated technology and product portfolio has been at the core of our growth. Our pursuits have always been aimed at perfecting existing products and solutions and developing new cutting-edge products to provide our customers with the best that technology can offer. In the past year, we were continuously upgrading our existing categories of products in the quadcopter and VTOL-fixed wing hybrid platforms space. We have also initiated building cutting-edge features which have been guided by the milieu prevailing globally, on our existing and upcoming platform categories that will enhance our customers’ ability to carry out critical missions by multifold including swarming and operating in challenging GPS-denied and communications-denied environments. We have also kick-started the development of two larger drone platforms - Tactical UAV (Maximum take-off Weight (MTOW) of 50 Kg and range of up to 100 Kms) and Middle-mile Logistics UAV (MTOW of 500 Kg and range of 100+ Kms). These larger platforms will not only open up new use cases and applications for us but will also usher the Indian UAV industry into a new phase of growth. With these two platforms included in our product and technology portfolio, ideaForge will have an end-to-end presence in the dual use case UAV spectrum, from micro category to large size UAVs enabling logistics and proving to be a segway to the Urban Air Mobility (UAM).



Scale in illustration is representation purpose only

Further, we have also conceptualized and operationalized a pioneering and unique drone ecosystem by enabling the industry to innovate on our high-performance and reliable drone platforms by making payloads for new use cases and opening new markets for our platforms. We are also in the final stages of preparation for the beta launch of an online drone analytics discovery platform (FLYGH T Cloud) where third-party ecosystem players can offer automated analytics and reports to their customers, riding on top of the seamless edge-to-cloud and automated data processing workflow enabled by leveraging our class-leading drone platforms. Our partnership approach to collaborating with domain experts will also accelerate the adoption of this model. We have joined hands with ESRI India (smart forest solutions) and GalaxEye (fog penetration and foliage penetration radar for security forces) to provide domain-specific solutions through joint development and joint go-to-market approaches. Overall, this is in line with ideaForge's commitment to lowering the total cost of ownership of end-to-end drone-based solutions by driving innovation in performance, reliability, and autonomy.

While we are making strides in technology and product development, we have also taken up initiatives to expand our business through geographic diversification and business model innovation. We have identified North America as our next frontier for active investments in geography expansion. Our products have proven their capabilities in India, operating in extreme terrain and temperature conditions, delivering 450,000+ missions by our end-users. Our efforts in the past year have enabled us to take the technology we have developed and evolved in India to the global stage. In this direction, we have initially set ourselves up to take SWITCH and NETRA V4 Pro UAVs to the US market, initiating product demonstrations and training sessions with customers and Value-Added Reseller partners (VARs). Our products have already made a difference on a few occasions where they were leveraged for real-life missions. This exemplifies our dedication to expanding our footprint and cementing our presence in key global markets. Our approach for expansion in the US will be to lay a strong foundation by achieving the right product-market fit and building a network of reliable and experienced VARs. We believe that instead of chasing quick wins, a phased approach would help us to offer the best solutions to the customers and create greater value for the Company.

We also invested significant time and energy in business model diversification initiatives by introducing one-of-a-kind Drone-as-a-Service (DaaS), offering a ready-to-fly network of drones for scheduled or on-demand flights. This initiative has the potential to add a consistent base to our revenue streams, deepen our penetration into the UAV ecosystem, and drive the adoption of the UAV technology. We anticipate that the DaaS business model will enhance the accessibility of our drones by

offering a flexible consumption model. This model is already operational for pilot programs where its potential for scale-up and enablement of franchise-based growth is being evolved.

Additionally, we were working on strengthening our offerings of Software-as-a-Service (SaaS) through our BlueFire Live! platform and the latest software and AI-enabled features on our platforms. Our pioneering subscription-based support package, ideaForge Care plan(s), is in line with global best practices prevalent within the UAV and ICT (Information and Communication Technologies) industry tailored to meet diverse needs, ideaForge Care offers customers a range of support plans, including 24x7 assistance and replacement UAV options, ensuring comprehensive support throughout their UAV journey.

We are cognizant of the fact that to leverage the benefits of any strategy, the execution has to be at or above par. In this direction, we have made significant improvements in strengthening our operational and execution capabilities and capacities. With business excellence and operational excellence initiatives, we have been able to increase our production capacities without any major capital expenses, allowing us to derive better value out of the already deployed resources. In addition to capacity expansion, we have also strengthened our process to be at par with global standards. Grants of renowned certifications like AS9100D, ISO 9001:2015, ISO 27001:2022 and Great Place to Work (GPTW) not only underscores our commitment to excellence but also helps us extend our competitive advantage.

ROBUST FINANCIAL PERFORMANCE

Coming to our financial performance, we have registered strong growth in FY 2023-24. On a consolidated basis, our revenue from operations stood at INR 314.0 Crores. The gross profit during the year was INR 156.7 Crores. EBITDA stood at INR 85.9 Crores while PAT stood at INR 45.3 Crores in FY 2023-24. EBITDA and PAT margin stood at 27.4% and 14.4%, respectively. Our order book now stands at approx. INR 125 Crores at the end of the reporting period with substantial opportunities poised for conversion in the coming quarters.

PEOPLE AND ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) EFFORTS

Our operations are supported by the relentless dedication and efforts of our team in helping us pursue our vision and maintain our competitiveness. Flying together is one of our core values, and therefore, fostering a strong relationship with our team is fundamental to our growth-oriented ethos. Our commitment to inclusivity is epitomized by our Great Place to Work certification, which has not only elevated employee morale but also instilled a profound sense of pride in being associated with ideaForge. Our culture of appreciation

and recognition has bolstered employee engagement and dedication to our collective objectives.

In addition to our corporate responsibilities, we align our efforts with Environmental, Social, and Governance (ESG) principles, to proactively reduce our carbon footprint and contribute positively to society. We recognize our commitments to the communities that enable our operations and view them as integral stakeholders. To support them, we have developed initiatives to foster positive impacts on their lives. For environmental protection, we are focusing on seven key transitions toward a low-carbon future. On the social front, we have identified critical social issues and directed our efforts to address these gaps. These initiatives demonstrate our commitment as a responsible corporate citizen, dedicated to creating sustainable impact.

A GLIMPSE INTO THE FUTURE: FY 2024-25 AND BEYOND

The macro environment is increasingly leaning towards accelerating the use of UAV technology, both globally and in India. At a global level, the dynamic geopolitical situations are compelling nations to be equipped with the latest technology to handle any adverse situations. The proliferation of drones in recent conflicts like the Russia-Ukraine war, and Israel-Hamas confrontation has proved that going forward drones will be force multipliers and game changers in modern warfare. The rapid pace at which the situations and requirements on the warfronts are changing will require UAV companies to continue thinking out of the box, innovate, and adopt at an unprecedented pace. Another major phenomenon unfolding at a global level is the decoupling of certain geographies of concern from the global drone supply chain. Increasingly, more countries are controlling the source of import of critical technologies and components. The United States has recently banned the use of active components and subsystems in drones offered for federal programs, citing cybersecurity and national security concerns. This has opened up the US market for players from democratic and friendly countries like India.

Domestically, the Government of India's ambitious vision to establish India as a global drone hub by 2030, through collaboration with diverse stakeholders, has provided much-needed push to the growing UAV sector. The liberalization of regulations for civil drone operations through the introduction of the Drone Rules 2021 was a key step forward, coupled with the prohibition on importing complete drone systems, bolstering the industry alongside the introduction of the Production Linked Incentive (PLI) scheme. Moreover, the recent relaxation of export policies for drones by the Directorate General of Foreign Trade (DGFT) has expanded access to international markets for domestic companies like ours. The expected significant growth in both

domestic and global markets throughout the decade presents significant opportunities for drone OEMs. As a market leader, we are well-positioned to capitalize on these opportunities. Industry projections indicate that civil use cases will surpass defence markets in the medium term, with logistics additionally poised for substantial growth, emerging as a key segment of the drone market towards the end of the decade.

We actively pursue these opportunities, exploring new applications such as asset inspections and facilitating novel use cases through platform partnerships. Additionally, our development of a middle-mile logistics drone aims to address both defence and civil logistics needs, further enhancing our market position and relevance.

We are confident that our current initiatives and strategies will fuel the next phase of growth for ideaForge. The upcoming cutting-edge features on the existing product portfolio will continue to extend our advantage over the competition globally, the larger platforms - Tactical and middle-mile logistics - will open up new markets and segments, and presence in the US will not only provide geographical diversification but will open up access to new markets across the globe, and the success of DaaS will provide necessary tailwinds to UAV technology adoption in addition to business model diversification. We are confident in our ability to execute the strategies and initiatives we have taken up and deliver disproportionate results out of them. We are confident in our ability to execute them and have put in required resources, team and processes in place to achieve our goals as planned.

I extend my heartfelt appreciation to our shareholders, esteemed customers, and valued business associates for their continued trust and support. We also acknowledge the invaluable contributions and dedication of our employees, management, and the Board of Directors.

As we plan to grow this year with our diverse product portfolio and our commitment to innovation, we are highly optimistic about our prospects across the various markets we serve. Our ability to continuously launch new projects, extend our competitive edge, and remain relevant to our customers further bolsters this confidence. As we look ahead, we approach the future with renewed enthusiasm and promise.

Let us unite our efforts to scale greater heights together in the years to come.

Best regards,

Ankit Mehta

Chief Executive Officer

Strengths

FORTIFYING FOUNDATIONS

ideaForge's strengths as listed ahead are the key to driving its continuous growth and value creation journey. It is the foundation on which we have built our competitive edge, and continue evolve, expand and excel. We make regular targeted investments towards reinforcing these strengths, with the overarching aim of nurturing the Company's future-readiness.

Our fully integrated operations model gives us complete control over the entire product stack, enabling us to deliver an unparalleled customer experience. Comprehensive in-house capabilities in design, development, engineering and manufacturing serve as the cornerstone for crafting superior products tailored to the customers' evolving needs. Our technological prowess, investment in next-generation software and future-centric strategic orientation are helping us create a moat of differentiated strengths that will give us enviable, disproportionate returns in the future.

FIRST-MOVER ADVANTAGE

As one of the pioneering entities to venture into India's UAV market, the Company holds a coveted first-mover advantage. It stands as the pioneering organization to domestically conceive and produce VTOL UAVs. Our commitment to retaining leadership within the UAV industry motivates us to continually innovate and enhance our technological prowess, ensuring market relevance and continued growth in the long run.

IMPACT FACTORS

NETRA UAVs

developed in partnership with a Government of India entity

First company

to participate in the demonstration of 5G-enabled UAVs at Indian Mobile Congress in 2018

Largest operational deployment

of indigenous UAVs across India



DIVERSIFIED PRODUCT PORTFOLIO AND ROBUST TECHNOLOGICAL CAPABILITIES

Our diverse portfolio of UAV products, backed by robust technological innovation, gives us the competitive advantage needed to stay ahead of the curve in the ever-transforming market. This distinctive strength enables ideaForge to deliver to the unique customer needs across a multitude of applications, from civil to defence. It has placed the Company at the helm of the UAV revolution in India.

With versatility embedded in every product, our dynamic and diversified product line equips us to maximize the burgeoning opportunity in the UAV space.

Our products have feature-based differentiation, including:

- Weight class (approximately 2-7 kg)
- Endurance class (25-120 minutes flying time)
- Take-off altitude range (up to 6,000 meters)
- Communication range (approximately 2-15 km)
- Segment & application specific Payload types

STRONG RELATIONSHIPS WITH A DIVERSE CUSTOMER BASE

Our robust relationships with diverse domestic and global clientele across the defence and civil domains is a core strength driving repeat business critical for long-term growth. Delivering cutting-edge, client-focused solutions in hardware, software and services through multiple end user touchpoints ensures customer loyalty and advocacy. Our dedication to product excellence helps create an environment of trust and dependability. Our customer connections and testimonials have emerged as a pivot around which we continue to build our brand visibility and resilience.

Comprehensive Solution Stack and Unmatched Support

At ideaForge, we offer more than just UAVs to our growing customer network. We provide a comprehensive solution stack backed by unmatched support. A full-stack UAV solution, inclusive of ground control software, firmware and after-sales support, ensures seamless operations for the clients. The introduction of 'ideaForge Care', a pioneering subscription-based support plan, underscores our commitment to providing tailored maintenance options to our customers. Our cutting-edge AI-based image intelligence capabilities and proprietary solutions like BlueFire Live! enhance operational efficiency and security, setting industry benchmarks matched to global standards.



Driving Growth through Repeat Business

Our enduring relationships with defence and civil segments are reflected in the Company's customer retention data, with many of our clients increasing their business volume with ideaForge over time. This also underscores our commitment to delivering bespoke UAV solutions. It demonstrates our dedication to building lasting partnerships, founded on trust, reliability and mutual growth in the UAV industry.

INTEGRATED ONE-STOP CAPABILITIES IN PRODUCT DEVELOPMENT

Integrated operations, spanning the entire business value chain from design and development to manufacturing, assembly, testing and software solutions, is an important driving force for the Company to deliver to all customer needs through a single platform. Our commitment to promoting the quality, reliability and durability of our product portfolio reinforces our position as an industry leader in innovation and customization.

In FY 2023-24, we augmented our product development team through hiring from tier-1 campuses and at leaderships positions, leading to 77% increase in the team size compared with March 31, 2023. We have also been continually enhancing our manufacturing capabilities over the years to drive greater production excellence.





72

Patents filed, and **38** patents granted in total, with **34** in process



17

Patents granted in FY 2023-24



ISO 27001:2022

Certification received for information security management



Maintaining compliance with

ISO 9001:2015 & AS9100D

At our manufacturing units



Manufacturing infrastructure

Spread over **100K sq. feet** across **4** locations



Strategies

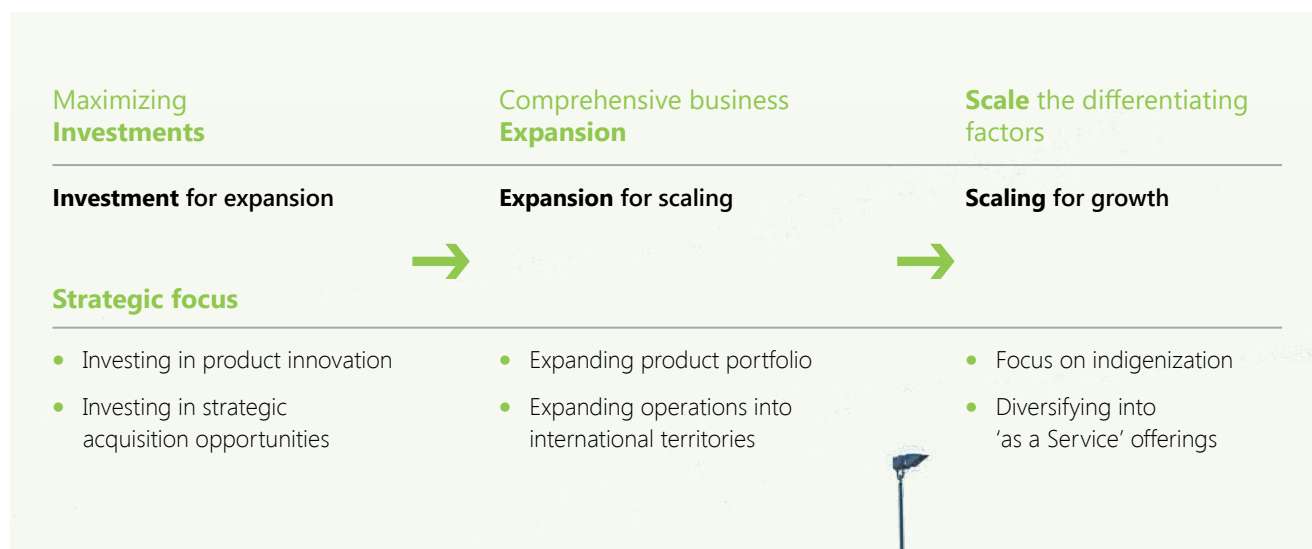
BLUEPRINT FOR SUCCESS

At ideaForge, customer-centricity is the mantra around which we have anchored our blueprint for strategic growth. Driven by continuous product development, organic and inorganic innovation, the Company makes focused investments in internal and external business opportunities to maximize RoI, prevent disruption and drive global business growth.

In addition, we also have an agile approach to solving dynamic customer needs, which gives us a sharp differentiated edge and resulting in several custom solutions, opportunity-led interventions and initiatives.

STRATEGIC BLUEPRINT

ideaForge's strategic blueprint delves into three different dimensions, which blend together to deliver comprehensive business growth.



Strategy #1

Investing in Product Innovation

The drone industry's dynamic evolution presents a fertile ground for continuous innovation. Continuous shifts in market and consumer landscapes demand agile responses, offering a large canvas for growth and adaptation. The Company's strategy thrives on this dynamism, transforming customer needs into opportunities for innovation and expansion.

Progress so far

- Prioritizing continuous innovation and enhancement of product and technology stack
- Introducing new products and enterprise-specific solutions for diverse applications (RYNO, Q6, Q4i, NETRA V4+, NETRA V4 PRO, and SWITCH)
- Expanding market reach through VARs and distributor channels
- Implementing adaptive micro-learning and customer support initiatives for enhanced product adoption and operational efficiency

Strategy #2

Investing in Strategic Acquisition Opportunities

The Company pursues strategic investment and acquisition opportunities to complement its growth strategy and strengthen its presence in targeted domestic and overseas markets. India's drone indigenization initiatives present a vast potential in sectors like defence, commercial, homeland security, and counter UAV, estimated at approximately 1.8* Lakh Crores of the total domestic manufacturing potential.

Progress so far

- Exploring strategic alliances with global and domestic players in the drone industry to capitalize on synergies
- Utilizing capabilities to seize significant growth opportunities presented by the UAV industry

Strategy #3

Expanding Product Portfolio

With UAVs being increasingly utilized across varied sectors, such as infrastructure, agriculture, logistics and others, there is immense potential to introduce differentiated offerings. Emerging trends and economic viability in sectors like asset inspection and delivery are further fueling this opportunity.

Progress so far

- Continuously expanding the product portfolio to introduce innovative UAVs tailored for diverse applications and industries
- Focusing on developing UAVs for asset inspection missions, and enhancing payload capacity for middle mile logistics, aligning with market trends
- Tracking emerging global trends in Defence, Public Safety, Civil, Smart City, Environment, Forestry and Agriculture and planning strategic expansion into new sectors with differentiated offerings

* Source: Retail Research report - HDFC Securities June, 2023

Strategy #4

Expanding Operations into International Territories

With a proven track record and established product portfolio, the Company is well-positioned to tap into the global market demand for drone solutions. It is focusing particularly on regions like the United States of America (USA), anticipated to be a major market, as well as the South Asian nation of Bhutan and the African country of Nigeria. The Company's global expansion is being aided by its experience in solving complex problems for Defence and Civil customers. This unique ability has been nurtured by India's diverse and challenging geographical terrains, providing opportunities to test products in difficult conditions and prove their performance capabilities in the most challenging of environments.

Source: 1Lattice Report

Progress so far

- Strategically leveraging existing presence in the USA and evaluating expansion into other global markets such as UK, Australia, Nepal, etc.
- Building a robust network of channel partners and national distributors, with plans to further expand presence in the USA
- Showcasing products at international conferences and exhibitions to enhance brand visibility and attract global customers
- Introducing initiatives like the Early Adopter Program (EAP) to provide potential customers in the USA and Canada with first-hand experience of UAVs, fostering trust

Strategy #5

Focusing on Indigenization

Reducing dependency on imported components presents a strategic opportunity amidst the growing market for UAVs in India. The Government's initiatives like the Production Linked Incentive (PLI) Scheme and "Atmanirbhar Bharat Abhiyan", aimed at promoting indigenization and boosting domestic manufacturing, have unlocked a significant opportunity to leverage local vendors and suppliers to meet the increasing demand for UAV sub-systems.

Progress so far

- Continuously evaluating potential domestic vendors to reduce dependency on imported components for UAV manufacturing
- Partial import of specific components while strategically transitioning towards sourcing more components domestically
- Capitalizing on Government incentives like the PLI scheme to boost domestic manufacturing and export capabilities
- Partnering with start-up companies for the development of indigenous UAV propulsion systems, aligning with the aim of reducing import dependency and promoting self-reliance in UAV production

Strategy #6

Diversifying into 'as a Service' Offerings

Expanding business services and software revenue through 'as a Service' offerings, such as 'drone as a service' (DaaS), presents a strategic opportunity. It allows customers to access drone services without the burden of owning hardware, software, or trained workforce, enabling ease of adoption and reducing the initial investment costs.

Progress so far

- Leveraging hardware and software capabilities to offer DaaS solutions, enabling customers to schedule or request on-demand flights with pay-per-use convenience
- Developing a scalable DaaS model for widespread deployment, aimed at simplifying mission execution for users
- Introducing software solutions like BlueFire MapAssist and BlueFire Live! on a Software as a Service (SaaS) model, catering to customer needs with subscription-based packages
- Enhancing revenue through maintenance services like ideaForge Care packages, offering customers various support options and annual maintenance contracts to strengthen customer relationships and increase service sales



Key Performance Indicators

ROBUST FINANCIAL PERFORMANCE

Continuous product development and a strong focus on innovation have provided ideaForge with the platform to sustain positivity in its financial performance. Lucrative market demand, coupled with regulations that restrict imports and support local manufacturing, have been the key drivers behind the Company's robust growth. Additionally, ideaForge's organizational strategies have proven to be time-tested and result-driven in the long run, creating a favorable environment to nurture performance excellence over the years.

The Company distinguishes itself as an intellectual property-led business in the UAV industry, unlike previously existing business models relying on the transfer of technology (ToT) or built-to-print manufacturing. Its efforts on technology development, product innovation, and diversification with respect to business models and geographies are continually helping it raise the bar of its financial performance to create long-term value creation for its stakeholders. They are collectively steering ideaForge's emergence as a drone company with a difference, with an industry-leading competitive edge to boost stakeholder returns in the long run.

PERFORMANCE REVIEW FY 2023-24

Revenue from operations

(INR Million)

FY 2023-24		3,140
FY 2022-23		1,860
FY 2021-22		1,594

Growth in revenue from operations

(%)

FY 2023-24		69
FY 2022-23		17
FY 2021-22		359

Gross Profit

(INR Million)

FY 2023-24		1,567
FY 2022-23		1,272
FY 2021-22		1,182

Gross Margin

(%)

FY 2023-24		50
FY 2022-23		68
FY 2021-22		74

EBITDA

(INR Million)

FY 2023-24	<div style="width: 85.9%;"></div>	859
FY 2022-23	<div style="width: 57.5%;"></div>	575
FY 2021-22	<div style="width: 75.1%;"></div>	751

EBITDA Margin

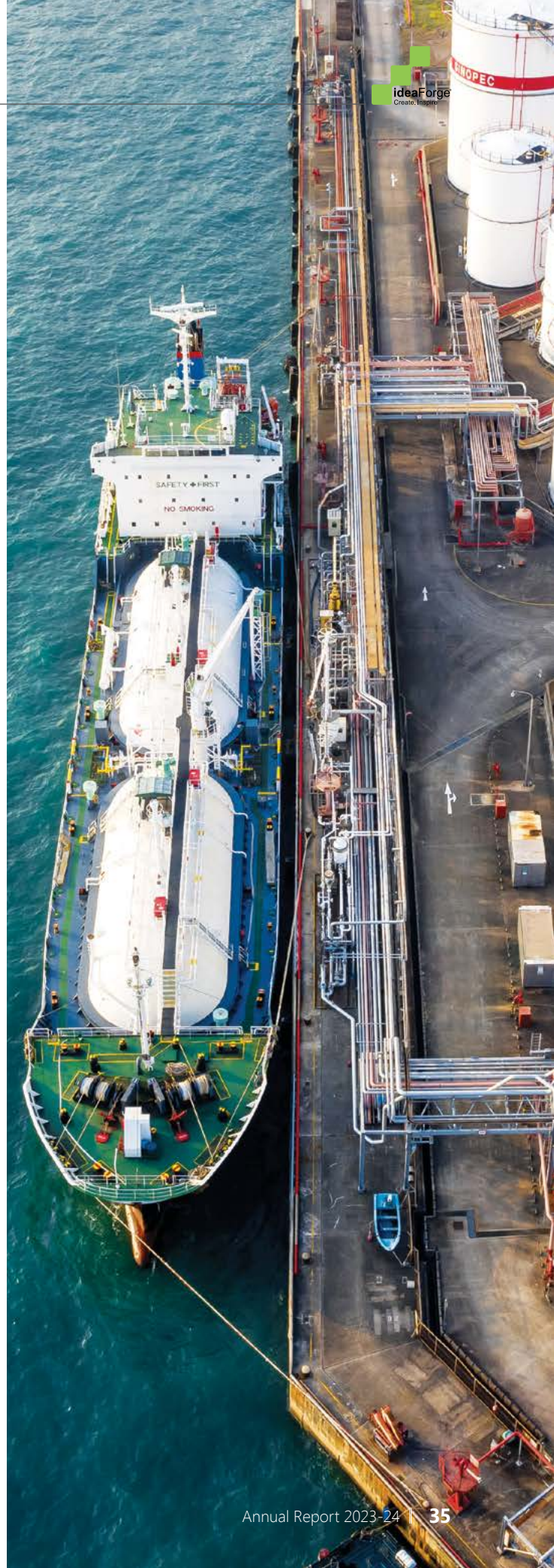
(%)

FY 2023-24	<div style="width: 27%;"></div>	27%
FY 2022-23	<div style="width: 31%;"></div>	31%
FY 2021-22	<div style="width: 47%;"></div>	47%

Adjusted EBITDA

(INR in Million)

FY 2023-24	<div style="width: 93.5%;"></div>	935
FY 2022-23	<div style="width: 85.2%;"></div>	852
FY 2021-22	<div style="width: 81.4%;"></div>	814



Adjusted EBITDA

(%)

FY 2023-24		30
FY 2022-23		46
FY 2021-22		51

Return on Equity

[ROE (%)]

FY 2023-24		9
FY 2022-23		13
FY 2021-22		39

PAT

(INR Million)

FY 2023-24		453
FY 2022-23		320
FY 2021-22		440

Return on Capital Employed

[ROE (%)]

FY 2023-24		11
FY 2022-23		13
FY 2021-22		50

PAT Margin

(%)

FY 2023-24		14
FY 2022-23		17
FY 2021-22		28

Adjusted ROCE

(%)

FY 2023-24		24
FY 2022-23		27
FY 2021-22		77

Revenue from Operations split by Sale of Products (INR Million)



Order Book (INR Million)



Revenue from Operations split by Sale of Services (INR Million)

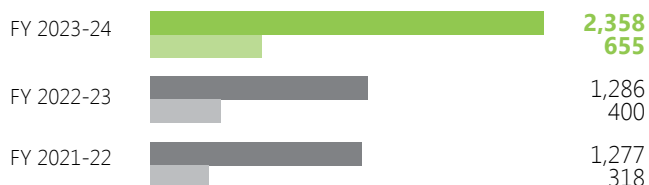


Order Book Splits - Defence and Civil (INR Million)



■ Defence ■ Civil

Revenue from Operations split by Defence and Civil (INR Million)



■ Defence ■ Civil

Number of Flights by End Users



Environment

FULFILLING SUSTAINABILITY IMPERATIVES

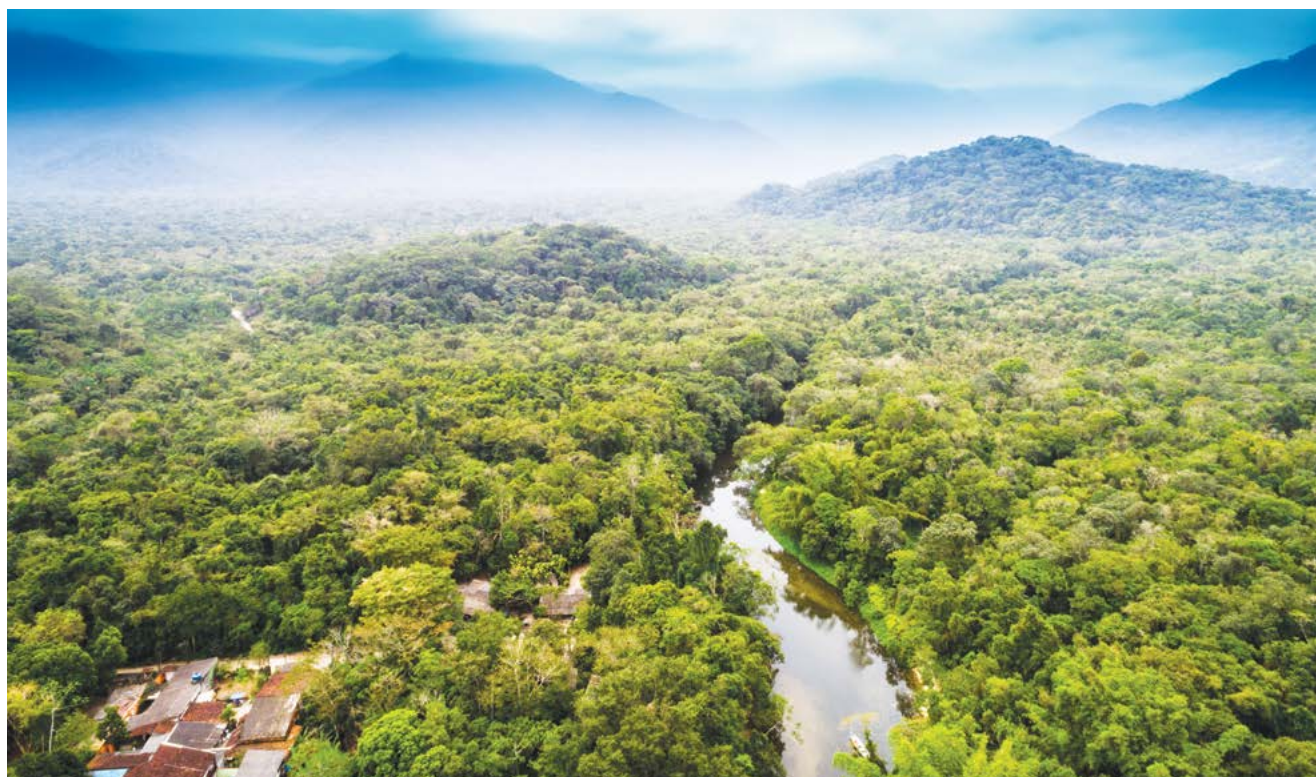
Environmental sustainability has emerged as a major concern globally, prompting Governments and industries alike to prioritize the mitigation of carbon emissions. Recognizing the pivotal role of environmental conservation in safeguarding humanity's future, nations worldwide are committed to curbing their carbon footprints. Joining this collective endeavor, India has set forth an ambitious target of achieving Net Zero Emissions by 2070.

In adherence to India's environmental sustainability ethos, and as a conscientious corporate entity, ideaForge has harmonized its operations with the Government's environment protection initiatives. By aligning its activities with the nation's agenda, the Company aims to maximize the impact of its sustainability

initiatives, and foster environmental and economic positivity. The Company's concerted efforts are strengthening its in-house practices, while concurrently reaffirming its commitment to being a net contributor to environmental preservation.

ideaForge is committed to supporting the Government of India in **seven key transitions** to low-carbon development pathways, as outlined below:

Transition Strategy	ideaForge's Alignment
Develop low-carbon electricity systems consistent with Enhanced Development Benefits	<ul style="list-style-type: none"> Locating and operating facilities in areas where the electrical grid is expanding its use of renewables to bolster the grid strength
Develop an integrated, efficient and inclusive transport system	<ul style="list-style-type: none"> Ensuring that our facilities minimize energy demand through implementation of automated facility management systems Driving innovation in electric UAVs for logistics and mobility
Promote adaptation in urban design, energy and material efficiency in buildings, and sustainable urbanization	<ul style="list-style-type: none"> Seating and operating facilities in close proximity to public transport hubs for enhanced accessibility and efficiency Innovating in smart city monitoring, inspection, and service delivery to citizens
Promote economy-wide decoupling of growth from emissions and development of an efficient, innovative low emission industrial system	<ul style="list-style-type: none"> Driving innovative remote monitoring technologies for industries and enterprises, leveraging reliable electric UAV systems Operating facilities designed for optimal energy and material efficiency, contributing to sustainable urban development Operating facilities equipped with innovative technologies aimed at reducing emissions



Transition Strategy	ideaForge's Alignment
Develop carbon dioxide removal and related engineering solutions	<ul style="list-style-type: none"> • Innovating and indigenizing the supply chain to minimize freight and logistics, while auditing suppliers for alignment with low-carbon pathways • Innovating technologies for CO₂ removal, carbon capture, and solar farm mapping applications
Enhance forest and vegetation cover, consistent with socioeconomic and ecological considerations	<ul style="list-style-type: none"> • Creating innovative inspection technologies and solutions for solar panel inspection • Actively supporting the Government, forest departments, NGOs, and enterprise customers in monitoring deforestation, afforestation and green cover
Address economic and financial needs of low-carbon development	<ul style="list-style-type: none"> • Contributing to efforts aimed at tracking animal movements and encroachments on green cover • Innovating affordable low-carbon unmanned technologies, catering to an emerging low-carbon economy • Providing UAVs with superior endurance across sectors like Defence, Homeland Security, Enterprise, Industrial, and Agriculture

ENERGY-EFFICIENT MODULES UTILIZED FOR DAILY OPERATIONS



Switched from normal fluorescent tube lights to energy-efficient LED lights, resulting in reduction in electricity consumption



Installed motion sensor-based water taps to conserve water



Installed air compressor to supply pneumatic power for the operations of riveting gun, grinding machine and spray gun, resulting in reduction in power consumption



Ensured scheduled equipment checks to avoid voltage imbalance, motor failure, and over-exposure of equipment

Case Study 1

Disaster Management

The National Disaster Relief Force (NDRF) employs ideaForge UAVs to monitor environments for potential disasters, conduct post-event surveillance for impact assessment, and aid search and rescue operations in inaccessible regions. These UAVs also help track the migration of disaster victims, facilitating efficient rehabilitation planning.



Case Study 2

Logistics & Transport Management

As part of its commitment to innovation in unmanned logistics and mobility, ideaForge collaborates with the Government and enterprise clients, offering ISR capabilities. Future plans include introducing logistics and mobility solutions to minimize road and rail construction, reducing India's transportation carbon footprint. These innovations aim to provide scalable transportation, bridging urban and rural economies.



Case Study 3

Waste Management

ideaForge ensures meticulous waste management procedures, segregating regulated waste at its source and storing it in compliance with regulatory standards. Different types of waste, including hazardous and non-hazardous, are identified, segregated and labeled accordingly. Non-hazardous waste is sent to authorized vendors/recyclers, while hazardous waste is dispatched to Common Hazardous Waste Treatment, Storage, and Disposal Facilities (CHWTSDF) for proper disposal, aligning with environmental regulations.



Social – Employees

EMPOWERING THE WORKFORCE

ideaForge's reputation as an industry leader in the UAV space is driven by the dedication and hard work of its employees, who are central to the Company's growth proposition. Nurturing the human resources (HR) and maintaining high motivation levels within the workplace is imperative for sustaining the Company's growth momentum. The impact of our people-centric initiatives and efforts extends beyond the workplace, resulting in a holistic positive transformation in the lives of the workforce. Every HR endeavor at ideaForge is meticulously planned and executed to generate lasting positive effects and enable inclusive development.

KEY HIGHLIGHTS



413

Total workforce as on March 31, 2024



194

Individual onboarded in FY 2023-24

HR STRATEGY AT IDEAForge

The people strategy at ideaForge is an eclectic blend of diverse initiatives enabling personal and professional growth. We believe in the all-encompassing development of our employees and accordingly invest in their overall progression, covering both career and individual growth. Talent nurturance, continuous learning and development, skill upgradation, leadership pipeline development, and welfare are some of the key people intervention areas at ideaForge.

Talent management

Human resource management serves as the engine driving ideaForge's overall excellence. With a strong commitment to talent development and promotion of a vibrant workplace culture, the Company's HR department plays a pivotal role in attracting, nurturing and retaining top-tier talent. Through the implementation of strategic recruitment processes, comprehensive training programs, and personalized development initiatives, the Company ensures that its workforce is equipped with the requisite skills and support needed to steer innovation and achieve success.

Learning and Development Initiatives

The HR strategies at ideaForge are designed to fuel growth and foster internal talent. Learning is ingrained in the Company's ethos, and we have launched specialized programs tailored to enhance functional and behavioral skills across all organizational tiers. From empowering individual contributors with self-management skills, to grooming new managers into effective mentors and aligning leaders with business needs, our people initiatives are firmly rooted in the Company's core values, fostering confidence and driving continuous improvement.



38

Employee training sessions conducted in FY 2023-24



Promoting Open Dialogue and Continuous Improvement

ideaForge prioritizes open communication and continuous enhancement through a range of platforms. These include digital suggestion boxes, town halls, and informal coffee chats with HR, fostering an environment where every team member's input is valued. The Company's flat office structure underscores inclusivity, promoting transparent communication across all levels. We have also established robust feedback mechanisms for idea submission, ensuring that constructive feedback is provided, and every voice within the organization is heard and cherished.

Reward and Recognition (R&R) Framework

Central to the Company's ethos is its reward and recognition (R&R) framework, which celebrates contributions and motivates employees. Aligned with the organization's core values, this comprehensive system encompasses both intrinsic and extrinsic motivators, with monthly, quarterly and annual awards. From the Value Champion Award to the Innovation Champion Award, the R & R Committee effectively supervised the motivational efforts at ideaForge during FY 2023-24, ensuring fairness and consistency. These efforts culminated in the heartfelt expressions of gratitude to mark the annual Thanksgiving Day.

Leadership Support Initiatives

The leadership at ideaForge leads by example, actively participating in idea-sharing and normalizing a culture of innovation. Through regular reflection exercises, leaders provide guidance and vision, steering the team towards aligned objectives. This commitment to openness and innovation inspires employees at every level to contribute their best.



Cumulatively, 10-12 forums were created in FY 2023-24

on Functional Town Hall, Sampark (Open House), Skip Level meetings, Coffee with HR

Employee Satisfaction Index (ESI)

Employee satisfaction is a key priority at ideaForge, and the Great Place to Work certification has endorsed this commitment. Regular evaluation of various aspects of the employee experience and anonymous feedback system fosters openness and trust. This enables us to identify areas for improvement and enhance overall satisfaction, loyalty and pride within the organization.

Case Study

ideaForge's Transformation with Great Place to Work Certification

Obtaining the Great Place to Work certification has deeply impacted ideaForge's culture and employee satisfaction. This validation has bolstered employee morale, fostering pride and a sense of value within the workforce. Employees feel prioritized and appreciated, resulting in an increased engagement and commitment to the Company's goals.

The certification has also strengthened ideaForge's internal dynamics by promoting trust and transparency among employees. Improved communication and collaboration have become evident across departments and levels, boosting the overall teamwork. Additionally, ideaForge's enhanced employer brand has positioned it as a desirable workplace, attracting top talent that aligns with the Company's values and culture, thus driving continuous improvement and success.



Diversity and inclusion

At ideaForge, we place a strong emphasis on equal employment opportunities, with focus on promotion of diversity and inclusion within the workplace. We pursue a fair approach to all hiring and employment practices, ensuring no discrimination against associates or applicants based on race, gender, culture, socioeconomic background, experience,

disability, or any other protected status. Diverse perspectives are embraced, spanning a broad spectrum of human differences. Through customized policies, programs and processes, ideaForge cultivates an environment where diversity is both respected and valued, enriching the workforce as well as the broader community.

Case Study

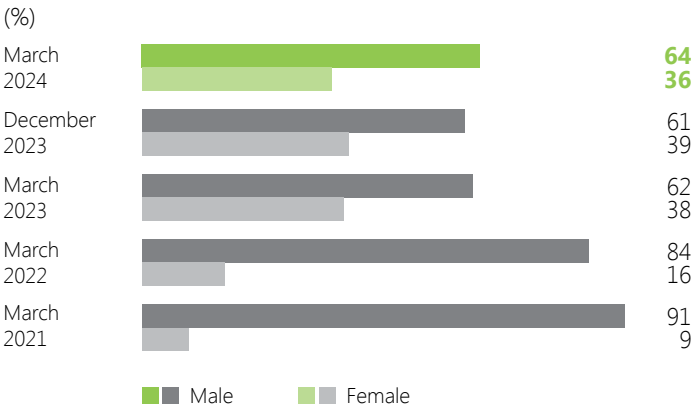
ideaForge’s Triumph in Gender Diversity

Gender diversity is integral to ideaForge’s efforts to nurture a workforce where diversity, equity, and inclusion are key priorities. It is vital for boosting productivity and fostering effective engagement. While the manufacturing industry in India has historically faced gender imbalances, our achievement in increasing women’s representation to nearly 36% far surpasses the industry average of around 15%. Notably, we have achieved this significant milestone within three years of our operations, reflecting our dedication to nurturing an inclusive and empowered workplace.

Beyond just providing equal opportunities, we are dedicated to uplifting our women workforce with adequate skill development, career advancement opportunities, and inclusive policies, so that they feel valued and supported in their professional journeys. The open and inclusive workplace culture prevalent at ideaForge celebrates the unique contributions of every employee, promoting increased collaboration, creativity and innovation within the manufacturing units. This further translates into inspiring future generations of women to pursue careers in manufacturing, contributing to a more balanced and diverse industry landscape.



People diversity statistics



36%

Women in the total workforce

Social – Communities

MAKING A SOCIAL IMPACT

At ideaForge, we believe that investing in social upliftment is not merely our duty but our inherent responsibility as a conscientious corporate entity. The Company strives to foster comprehensive growth, promoting inclusive societal development. We are focused on tackling pressing social issues, and have prioritized holistic individual and collective growth with the aim of ushering a long-lasting positive impact into the lives of the people in the areas of our social outreach.

ideaForge has established a dedicated Corporate Social Responsibility (CSR) committee. This committee is tasked with devising and implementing initiatives aimed at making a positive impact on the communities in which the Company operates. Our aim, through these endeavors, is to uphold our values of integrity, compassion and accountability, contributing to the betterment of the society while serving as a beacon of responsible corporate citizenship.

KEY HIGHLIGHTS



500

Lives benefited



INR 5 Million

Total CSR investment

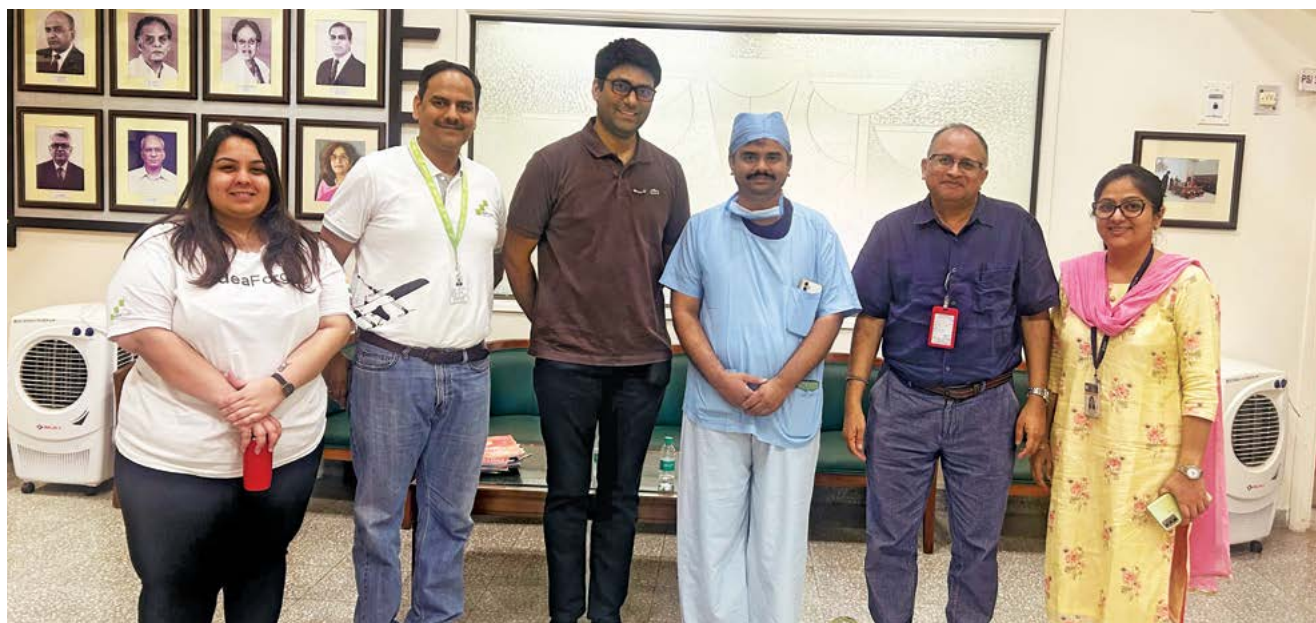


4

New initiatives launched

(During FY 2023-24)





KEY CSR INTERVENTION AREAS

Clean water and sanitation

- Implementing programs to educate communities on sanitation and safe drinking water, contributing to initiatives like the Swachh Bharat Kosh for sanitation promotion

Hunger & poverty eradication

- Supporting educational initiatives, including vocational skills training for children, women, elderly, and differently-abled individuals, and undertaking livelihood enhancement projects

Education promotion

- Promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly, and differently abled, along with livelihood enhancement projects

Promoting gender equality and welfare

- Empowering women through shelters, old age homes, and day care centers, reducing inequalities for socially and economically backward groups

Environmental sustainability

- Contributing to ecological balance, conservation of natural resources, and rejuvenation of the Ganga river through initiatives like the Clean Ganga Fund

Heritage protection

- Restoring historical sites, promoting traditional arts, handicrafts and public libraries to preserve the national heritage and culture

Support for veterans and armed forces personnel

- Providing assistance to veterans, war widows, and their dependents, including those from Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF)

Sports training and development

- Offering training for rural, national, paralympic and Olympic sports, encouraging sports development

Socio-economic relief fund contributions

- Supporting socio-economic development through contributions to Government relief funds like the Prime Minister's National Relief Fund and PM CARES Fund, focusing on marginalized groups and women

Technology incubator support

- Providing funds to approved technology incubators within academic institutions, and undertaking rural development projects

Disaster management and relief efforts

- Engaging in disaster relief, rehabilitation and reconstruction efforts, alongside initiatives for slum area development

Governance

ENSURING EFFICIENCY AND EFFECTIVENESS

A robust governance framework is an organizational imperative for maintaining market leadership. With a diverse and experienced Board of Directors and Management team, ideaForge's governance structure stands out as a beacon of ethics and integrity in the industry. Our leadership is responsible for providing necessary guidance to the team, ensuring adherence to the organizational decisions and their effective execution. Each decision undergoes thorough scrutiny, considering operational facets, stakeholder concerns, and risk appetite. The Board meticulously reviews and makes decisions beneficial for profitability and impact, encompassing both business and social responsibilities.

Corporate governance encompasses the framework of rules, practices and processes guiding the direction and management of a company. The Board of Directors serves as the primary driver of corporate governance, overseeing key aspects such as structure, composition (including independence and diversity), succession planning, practices, and evaluation through its respective committees. Additionally, the Board, supported by appropriate committees, monitors the Company's compliance program and remains vigilant regarding significant compliance issues. Internally, standard operating procedures (SOPs) are

developed by respective functions, and disseminated to relevant employees via a shared drive.

The Corporate Social Responsibility (CSR) Committee established by the Company and the Board formulates the CSR policy, which is then approved by the Board after due consideration of the committee's recommendations. The Board ensures that only activities outlined in the policy are pursued, and it approves the annual CSR budget accordingly.



BOARD COMPOSITION

The Board committees, comprising experienced directors, are tasked with overseeing specific matters, such as audit, remuneration and nominations, ensuring comprehensive governance and effective decision-making processes. Their focused attention allows for deeper analysis and strategic planning, enhancing transparency and accountability within the organization.

AC

Audit Committee (AC)

NCR

Nomination and Remuneration Committee (NRC)

SRC

Stakeholder Relationship Committee (SRC)

CSRC

Corporate Social Responsibility Committee (CSRC)

RMC

Risk Management Committee (RMC)

BOARD DIVERSITY

The Company currently maintains a diverse Board, encompassing a blend of diverse skills, expertise, experience, and ethnic backgrounds. It places emphasis on achieving gender balance in the boardroom to enhance performance, culture and governance. By embracing diversity, the Company aims to foster more robust decision-making, drive innovation, and elevate corporate governance standards.



8

Board members



1

Women director



20+ years

Average Board experience



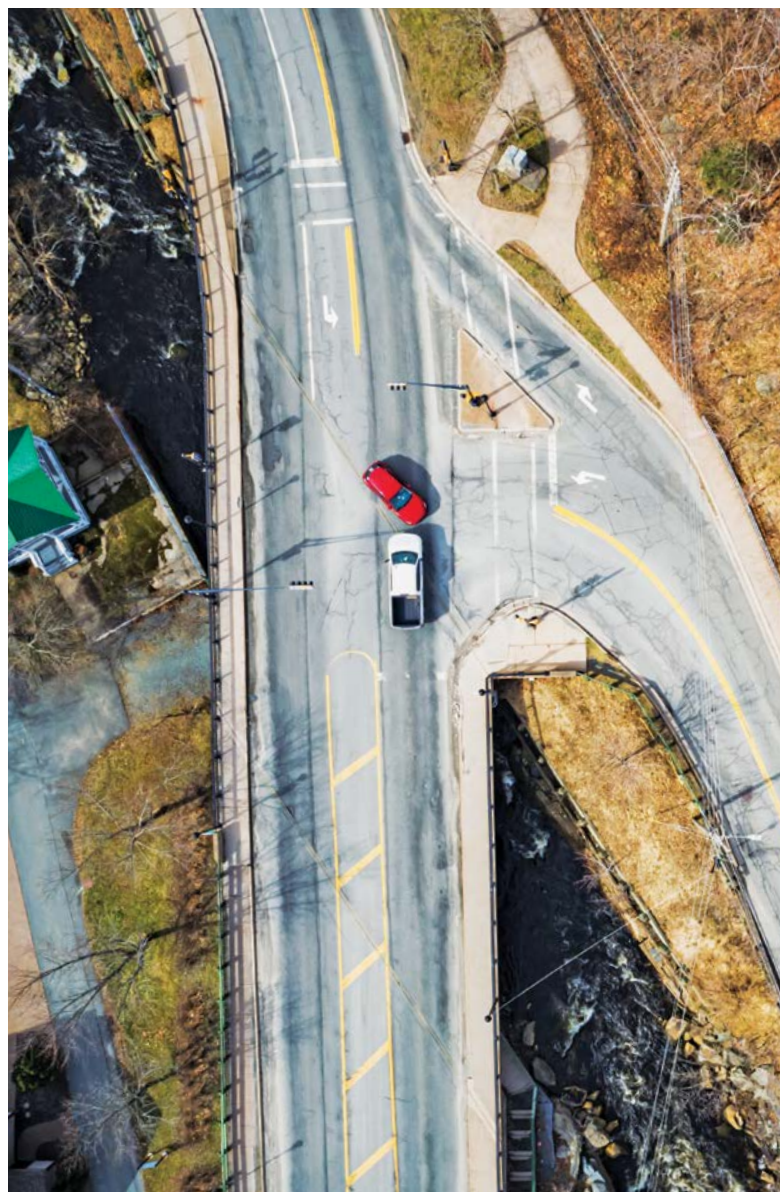
5 years

Average Board member tenure



7

Key managerial personnel



MEET THE BOARD



SRC M RMC M

Ankit Mehta

CEO and Whole-time Director

Mr. Ankit Mehta is the Co-founder and CEO of ideaForge, a next-generation drone systems company that manufactures advanced Unmanned Aerial Vehicles (UAVs) for defence, homeland security, and industrial applications. Mr. Ankit graduated from IIT Bombay with a Dual Degree in Mechanical Engineering in 2005.

Mr. Ankit with his team has led ideaForge to become a global technology leader in VTOL Micro and Mini UAV space and is a market leader in India. ideaForge's UAVs have been utilized for saving the lives of service personnel and civilians in several anti-terror & counter-insurgency operations, disaster response, and security & surveillance missions. Today, its drones also serve the rural citizens of India by mapping Indian villages under the SVAMITVA Scheme. Mr. Ankit and his Co-founders are also the recipients of the Young Alumni Achiever Award by IIT Bombay in 2020.

In 2018, Mr. Ankit won the 50 Most Innovative Entrepreneur award by the World Innovation Congress. Mr. Ankit and his Co-founders are also the recipients of the Young Alumni Achiever Award by IIT Bombay in 2020. The journey continued till date with numerous prestigious awards and recognitions, and ideaForge got listed into BSE Limited and National Stock Exchange of India Limited on July 07, 2023.

As a member of the Drones Task Force, BVLOS BEAM Committee & the UTM Committee of India, Mr. Ankit is playing a prominent role in defining & standardizing UAV regulations in India and providing neutral policy suggestions to positively impact the entire industry. He is also the Co-Chair, FICCI Committee on Drones.



CSRC C

Rahul SinghVP - Engineering and
Whole-time Director

Mr. Rahul Singh is the Co-founder, Vice President (Engineering) and Whole-Time Director of ideaForge, a next generation drone systems company that manufactures advanced Unmanned Aerial Vehicles (UAVs) for defence, homeland security and industrial applications. Mr. Rahul is a distinguished trailblazer in the Indian technology and aerospace landscape, renowned for his profound impact and leadership in the Unmanned Aircraft Systems (UAS) sector. With an illustrious career marked by innovation, engineering prowess, and a passion for technology, Mr. Rahul has left an indelible mark on India's UAS market.

Mr. Rahul's journey in technology began at the prestigious Indian Institute of Technology, Bombay (IIT-B), where he pursued a Bachelor of Technology degree in Mechanical Engineering. His academic foundation laid the groundwork for a career marked by continuous learning and innovation.

As a pivotal member of the founding team at ideaForge, Mr. Rahul's innovative spark ignited the creation of quad-rotor configurations, setting the cornerstone for the company's establishment. In this capacity, he bears the responsibility of spearheading innovation, shaping the product and technology roadmap, and guiding the company's engineering endeavors.

In 2018, Mr. Rahul was honored with the Marico Innovation Foundation Award for Business Innovation. His alma mater, IIT-Bombay, also acknowledged his achievements with the Young Alumnus Achiever Award in 2020. Under Mr. Rahul's visionary leadership, ideaForge has garnered a plethora of prestigious awards.



Ashish Bhat
VP - Product Development
and Whole-time Director

Mr. Ashish Bhat is the Co-founder, Vice President (Product Development) and Whole-Time Director of ideaForge, a next generation drone systems company that manufactures advanced Unmanned Aerial Vehicles (UAVs) for defence, homeland security and industrial applications. Mr. Ashish received his B.Tech. degree in Electrical Engineering from IIT Bombay in 2007.

Mr. Ashish holds certain patents to his name, which demonstrates his passion for technology. He has been awarded and honored by the Massachusetts Institute of Technology for developing the world's smallest and lightest autonomous Unmanned Aerial Vehicle in 2010. Mr. Ashish is also the recipient of the Young Alumni Achiever Award by IIT Bombay in 2020.

A technologist to the core, Mr. Ashish has been working tirelessly with ideaForge to develop state-of-the-art solutions for the forces. At ideaForge, Mr. Ashish ensures the UAV systems perform flawlessly in the toughest of conditions and develops innovative solutions to meet ever-growing customer demands. Mr. Ashish has always taken up the challenge of customizing existing technology or creating new solutions within highly limited timeframes. As a result, he and his team have not only won the tenders that were seeded on demonstrations, but also spontaneous tenders. ideaForge bagged these opportunities against firms from USA, Israel, Europe, and India as well.



NRC M
Srikanth Velamakanni
Chairman &
Independent Director

Mr. Srikanth Velamakanni is the Co-founder and Executive Vice Chairman of Fractal. Fractal is an AI firm that powers decision-making for some of the largest, most admired companies on the planet. Mr. Srikanth is also founder & trustee at Plaksha University, where he teaches a course on decision-making. Mr. Srikanth is a member of the executive council at Nasscom and serves as an Independent Director at Metro Brands, BARC India & NIIT Ltd., and as a Non-Executive Chairman at ideaForge Technology Limited. Mr. Srikanth believes in extreme client centricity and taking a long-term view of business. He considers himself a lifelong student of mathematics and the behavioral sciences.

MEET THE BOARD



AC M NRC C

Sutapa Banerjee
Independent Director

Ms. Sutapa Banerjee has over three decades of professional experience. She spent 24 years in the financial services industry across 2 large multinational banks (ANZ Grindlays and ABN AMRO), and a boutique Indian Investment bank (Ambit). Well recognized in the financial services industry having headed and successfully built from scratch the Private Banking businesses in both ABN AMRO Bank and Ambit Capital, Ms. Sutapa was voted one of the 'Top 20 Global Rising Stars of Wealth Management' by the Institutional Investor Group in 2007 - the only Indian and one of only two winners from Asia. As CEO she led Ambit Private Wealth to 'Best Private Bank in India' in the 2013 Asia Money polls. In 2012 she was shortlisted in the '50 most Powerful Women' by Fortune India.

Currently her Independent Directorships include the boards of Zomato Limited, Godrej Properties, Polycab Industries, JSW Cement and ideaForge Technology. She was on the Board of Oxfam and the Nominee Director of Women's World Banking NY, in India.

Ms. Sutapa is an Advanced Leadership Fellow (2015) at Harvard University. She teaches, consults, writes and speaks both internationally and in India on Behavioral Insights and Design Thinking including its applications on Corporate Governance.

Ms. Sutapa is a gold medalist in Economics from the XLRI school of Management in India, and an Economics major from Presidency College Kolkata. She has served on the CII National Committee on 'Integrity and Transparency in Governance', the CII National Committee on 'Women's Empowerment' and the 'Indian Women Network' as well as the Advisory Panel of the 'India Responsible Business Forum'.

AC C SRC M
CSRC RMC M

Vikas Balia
Independent Director

Dr. Vikas Balia, a Senior Advocate who is also a rank holding chartered accountant with a passion for sustainable living ideas and a wide exposure to several areas of law, finance, management and policy making. Making a living as a solution finder makes him an inveterate optimist.

As a lawyer, Dr. Vikas founded legal sphere, a full-service law & consulting firm and appeared as a counsel before courts as well. As an investor, Dr. Balia invested in distressed asset industry, affordable housing, knowledge process outsourcing and financial guarantees. Currently his directorships include the board of Hindalco Ltd., ideaForge Technology Limited, Hasti Petro Chemicals Limited and Eqaro Sureties Ltd.

Dr. Vikas also mentors a few start-ups. As an academician, his Ph.D. has been in the area of securitization and lectures on issues which sit at the confluence of his various areas of work. He founded the Desert Leaf Foundation with his sister and a close friend to undertake projects of lasting value. At the forefront of this endeavor has been a not-for-profit tennis academy and Kitaabo, a children's literature festival attracting massive audiences.



CSRC M RMC C

Ganapathy Subramaniam

Non-Executive
Nominee Director

Mr. Ganapathy Subramaniam has 30+ years of experience in the deep tech Industry and is currently Managing Partner with Yali Capital. He serves in the board of Tonbo Imaging (Singapore), Kyulux (Japan), Cirel Systems (India), and Galaxeye (India). He is also advisor to Celesta Capital where he served as a Partner for 8 years.

Mr. Ganapathy has invested in personal capacity in deep tech companies such as Haystack Genomics, Ethereal Machines Nano Semi (USA) and Atonarp (Japan).

Mr. Ganapathy Co-founded Cosmic Circuits in 2005 and was CEO till its exit. Cosmic Circuits established itself as a leading player in Analog and Mixed Signal IP. It won TSMC IP partner award twice. More than 100 Million ICs were shipped annually to usimillionic Circuits IP. Cadence acquired Cosmic Circuits in 2013. Cirel Systems, where Mr. Ganapathy served as Chairman was acquired by Micron in 2023.

He Co-founded Cosmic Circuits in 2005, which was established as a leading player in Analog and Mixed Signal IP. Prior to Cosmic Circuits, Mr. Ganapathy held senior management roles in Texas Instruments, including Director - Mixed Signal Technology Center & Director WLAN Engineering.

Mr. Ganapathy holds a bachelor's degree in engineering from the National Institute of Technology (NIT) Trichy where he was awarded the best outgoing student. He served as executive council member of Indian Semiconductor Association from 2011-2013. He received Silicon India youngest Entrepreneur award in 2012 and EDN ASIA Innovator award in 2000. He was awarded Distinguished Alumni of NIT Trichy in 2016.



AC M NRC M

SRC C

Mathew Cyriac

Non-Executive
Nominee Director

Mr. Mathew Cyriac holds a bachelor's degree in engineering and an MBA from the Indian Institute of Management, Bangalore. Mr. Mathew was awarded the IIMB Gold Medal for graduating at the top of his MBA class.

Mr. Mathew is currently working with Florintree Advisors. He served as the Managing Director in the Corporate Private Equity Group of Blackstone India based in Mumbai for nearly a decade. He has rich experience in the Investment Banking Division of Bank of America in India and in the Engineering Division of Tata Motors. Mr. Mathew also served as Head Corporate Development Strategy of iGate Global Solutions Limited.

KEY MANAGERIAL PERSONNEL**Vipul Joshi****Chief Financial Officer**

- Handling the Finance and Operations. Part of the ideaForge since 2008
- B. Com (Honors) and MBA (University of Business and Finance, Switzerland)

**Vishal Saxena****Vice President - Sales and Business Development**

- Previously associated with CISCO System and Indian Army
- Bachelor in Science & Technology and PG in Management (Indian School of Business)

**Sonam Gupta****Company Secretary and Compliance Officer**

- Responsible for ensuring managerial and secretarial compliance
- Previously associated with Oriental Rail and Bharat Wire Ropes

**Nilesh Jaywant****Senior Manager - Legal & Compliances**

- Bachelor in Law & Company Secretary
- Responsible for Legal, Secretarial & Compliance work
- Previously associated with Huhtamaki India Limited

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Ankit Mehta

Chief Executive Officer and
Whole-time Director

Mr. Rahul Singh

Vice President Engineering and
Whole-time Director

Mr. Ashish Bhat

Vice President-Research &
Development and Whole-time Director

Independent Directors

Mr. Srikanth Velamakanni

Ms. Sutapa Banerjee

Mr. Vikas Balia

Non-Executive Nominee Directors

Mr. Ganapathy Subramaniam

Mr. Mathew Cyriac

Board Committees

Audit Committee

Mr. Vikas Balia

Chairman

Ms. Sutapa Banerjee

Member

Mr. Mathew Cyriac

Member

Nomination and Remuneration Committee

Ms. Sutapa Banerjee

Chairperson

Mr. Srikanth Velamakanni

Member

Mr. Mathew Cyriac

Member

Stakeholder Relationship Committee

Mr. Mathew Cyriac

Chairman

Mr. Vikas Balia

Member

Mr. Ankit Mehta

Member

Corporate Social Responsibility Committee

Mr. Rahul Singh

Chairman

Mr. Ganapathy Subramaniam

Member

Mr. Vikas Balia

Member

Risk Management Committee

Mr. Ganapathy Subramaniam

Chairman

Mr. Vikas Balia

Member

Mr. Ankit Mehta

Member

Mr. Vipul Joshi

Member

Chief Financial Officer

Mr. Vipul Joshi

Company Secretary & Compliance Officer

Ms. Sonam Gupta

Statutory Auditors

B S R & Co. LLP

Chartered Accountant

Internal Auditors

GMJ & Co.

Chartered Accountant

Secretarial Auditors

M/s. S. N. Ananthasubramanian & Co.

Practising Company Secretary

Registered Office & Manufacturing Location

El-146, TTC Industrial Area,

Electronic Zone MIDC,

Mahape, Navi Mumbai, Thane,

Maharashtra, India, 400710.

CIN: U31401MH2007PLC167669

Tel.: +91 22 6787 1007

Email: compliance@ideaforgetech.com

Website: www.ideaforgetech.com

Product Development Centre

702, Q2, Aurum Q Paré,

TTC Industrial Area,

Thane Belapur Road,

Ghansoli, Navi Mumbai-400710,

Maharashtra, India

Tel: +91 22 67871000

Subsidiary Company

ideaforge Technology Inc.

5900, Balcones Drive STE 100

Austin TX 78731

Bankers

HDFC Bank Limited

AXIS Bank Limited

Union Bank of India

Export Import Bank of India

Registrar & Share Transfer Agent

Link Intime India Private Limited

C-101, 247 Park,

L B S Marg, Vikhroli West,

Mumbai-400083, Maharashtra, India

Tel: +91 22 49186000

Fax: +91 22 49186060

Email: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

Listed At

National Stock Exchange of India Limited

BSE Limited

Management Discussion and Analysis

ECONOMIC OVERVIEW

Global Economy

The global economy exhibited remarkable resilience in 2023. The International Monetary Fund (IMF) has revised its projection for global economic growth in 2023 from 3.0% in its October 2023 outlook to 3.1%. Ongoing geopolitical challenges, volatility in energy and food markets, aggressive monetary tightening, and higher-for-longer interest rates have contributed to the moderation in global economic growth.

Global inflation continues to recede faster than expected. It declined from 8.7% in 2022 to 6.8% in 2023. While headline inflation has sustained a decline from its unprecedented peaks,

core inflation has proven to be sticky. Global headline inflation is expected to decrease to 5.8% in 2024 and to 4.4% in 2025.

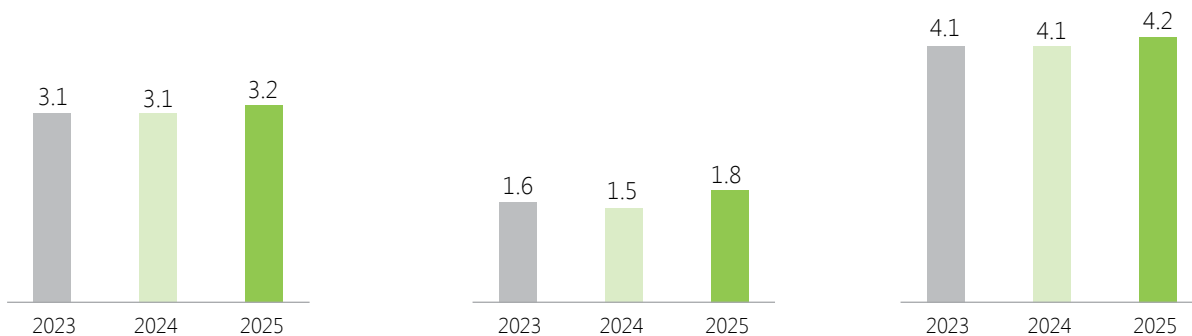
Economic growth in several emerging markets and developing economies (EMDEs) has exceeded expectations in 2023. The US economy has experienced the strongest recovery among major economies. Its GDP is estimated to grow from 1.9% in 2022 to 2.5% in 2023. The European Union (EU) has demonstrated resilience in navigating through unprecedented shocks from the prolonged Russia-Ukraine war and higher interest rates. Although its GDP growth contracted from 3.6% in 2022 to 0.6% in 2023, the EU managed to avoid the recession in 2023.

Global Economic Growth (%)

Global Economy

Advanced Economics

Emerging Market & Developing Economies



Source: International Monetary Fund

The economic outlook for 2024 will be impacted by higher interest rates, carrying the risk of a resurgence in inflation due to persistent core inflation and shifts in the anticipated monetary stance. Furthermore, the ongoing Russia-Ukraine conflict has the potential to dampen the overall economic outlook of the EU. The escalation of geopolitical conflict in the Middle East and the Red Sea route could elevate logistics costs, energy, and commodity prices, raise the risks of supply disruptions, and pose downside risks to the global economy. However, with faster disinflation and steady growth, the possibility of a severe economic downturn has diminished. The global economy is expected to sustain its resilience in 2024. The IMF forecasts a global growth of 3.1% in 2024, with a slight uptick to 3.2% in 2025. The Asia-Pacific (APAC) region is expected to be the

fastest-growing region in the world economy in 2024, driven by robust domestic demand in East Asia and India.

While geopolitical developments have created uncertainties in many domains, **the defence sector has seen an increased focus from customers and governments in general.** Due to supply chain reliability issues, increasing number of nations are pushing towards indigenization/localization of the defence supply. Also, **the technologies in deep tech areas of defence are evolving at a rapid pace, and countries and their forces are emphasizing the modernization of their defence and law enforcement forces and equipment.** The initiatives and programs around indigenization and modernization are more concrete, result-oriented, and time-bound than ever before.

Indian Economy

Amid the volatile global economic environment, India continues to shine as a beacon of hope. It is the fifth-largest economy in the world and is expected to retain its position as the fastest-growing major economy in the world. Its GDP growth remained strong at 7.3% in FY 2023-24 as against 7.2% in FY 2022-23, supported by buoyant domestic demand, moderate inflation, a stable interest rate environment, and strong foreign exchange reserves.

As per the First Advance Estimates of National Income, 2023-24, all the economic sectors have performed well by recording more than 6% growth, except for the Agriculture and Allied sectors, for which the estimated growth is 1.8%. The construction sector has been estimated to have double-digit growth of 10.7%. Furthermore, the Index of Industrial Production (IIP) shows that the output of India's industry grew by 6.1% in the first three quarters of FY 2023-24 compared to 5.5% in the corresponding period of last year.

CPI inflation is on a downward trajectory and eased to 4.83% in March, from 5.10% in January, and 5.09% in February 2024. Headline inflation is expected to gradually decline to the target although it remains volatile due to repetitive food price shocks. The RBI keeps the policy repo rate unchanged at 6.50%.

Downside risks to India's economic growth arise from inflationary pressures in advanced countries and supply chain disruptions re-emerging from persistent geopolitical stress. Global supply disruptions could cause recurrent commodity price volatility. Despite the challenges posed by a volatile global macro environment, India's economic outlook remains optimistic, backed by stronger consumer demand and private investment, physical and digital infrastructure enhancements, augmented capital expenditure, and the government's proactive policy measures. Specially for the defence and deep tech sectors, the outlook remains positive as the country is pushing for indigenization and modernization initiatives in these domains. Ongoing geopolitical and supply chain situations not only validate the need for such initiatives but also, advocate accelerating these initiatives to achieve desired outcomes earlier than previous envisions. According to the IMF, the Indian economy is expected to advance steadily at 6.5% in 2024. The Interim Budget 2024-25 reflects the government's continued focus on infrastructure development, economic stability, sector-specific developments, environmental sustainability, and strategic global positioning. It sets the foundation for the vision of a 'Viksit Bharat' (Developed India) by 2047.

INDUSTRY OVERVIEW

Global UAV (Drone) Industry

The global UAV (drone) industry has witnessed significant growth at a CAGR of 19% over CY 2018-22 and it is expected to grow even faster at a CAGR of 20% to be ~US\$ 51.4 Billion in CY 2027 and further leap to ~US\$ 91.3 Billion by CY 2030.

The unmanned aerial vehicle (UAV) market is undergoing rapid growth and transformation, driven by the expanding applications of drones in military and defence, aerospace, agriculture, construction, mining, and various other sectors. The growth is further fueled by regulatory shifts, technological advancements, and increased demand in the global market. Major factors driving the expansion of the global drone market include the increasing use of UAVs in civil and commercial applications, the rising deployment of UAVs in military operations, and the regulatory exemptions granted globally for drone usage. Moreover, growing consumer interest in using drones for recreational activities, such as drone racing and photography is fostering a robust market.

The defence segment holds the largest share of the global drone market. In the rapidly evolving military technology landscape, UAVs have been playing a critical role in both surveillance and retaliatory actions. Advanced military drones have revolutionized modern battlefield operations, influencing even the most active conflicts of recent years, such as the Russia-Ukraine war and the Israel-Gaza conflict.

Drone regulations vary from country to country, and as of now, there is no universally applicable international drone legislation. Several aviation authorities have relaxed their guidelines to allow commercial and recreational use of drones. The key players in drone operations include Australia, China, and the UK, which boast advanced regulatory frameworks that have evolved progressively. While the US and China leads in drone industry innovation, they still adhere to stringent regulations, which have gradually become more lenient over time. Furthermore, Beyond Visual Line of Sight (BVLOS) operations are prohibited in certain



**THE DEFENCE SEGMENT
HOLDS THE LARGEST SHARE
OF THE GLOBAL DRONE
MARKET. IN THE RAPIDLY
EVOLVING MILITARY
TECHNOLOGY LANDSCAPE,
UAVs HAVE BEEN PLAYING
A CRITICAL ROLE IN BOTH
SURVEILLANCE AND
RETALIATORY ACTIONS.**

countries like the USA, France, and New Zealand unless a waiver is requested. Countries like the UK, Canada, Singapore, and Kenya have permitted BVLOS operations for various purposes and use cases. On the regulatory front, India has made significant progress. The introduction of the Drone Rules 2021 has proved to be an inflection point for the drone industry in India. The rules not only liberalized drone manufacturing and operations in the country but also brought transparency of execution.

The Drone-as-a-Service model is gaining momentum across industries due to higher operational efficiency and reduced cost. While countries like Australia, the UK, and New Zealand have already initiated drone delivery operations, other countries are still in the trial and testing phase. Currently, regulations are stringent for drone use in the logistics sector; however, the situation is expected to improve with relaxed norms for drone deliveries and other logistical use cases. The logistics drone market is anticipated to hold the largest share of the overall drone market by 2030, followed by enterprise and defence.

Indian UAV (Drone) Industry

The drone industry is at a nascent stage in India. Despite a relative late start in drone adoption compared to other nations, a strong nationwide drive is underway to promote drone adoption in various sectors. The Indian drone industry has experienced substantial growth in the last decade, gaining momentum, particularly in the post-pandemic period. Several startups and companies in India are involved in developing and identifying new applications and use cases for drones.

The Indian drone market is projected to grow from US\$ 43 Million by Fiscal 2022 to US\$ 812 Million by Fiscal 2027, exhibiting a growth CAGR of 80%. The growth of the Indian drone industry

is driven by the government's industry-friendly policies and incentives, growing drone use cases and their prospective applications, a rise in domestic demand, and an upsurge in startups and investments.

The drone industry holds immense potential to revolutionize defence, agriculture, infrastructure, disaster management, transportation, geo-spatial mapping, law enforcement, and various other sectors. Drones play a critical role in strengthening border surveillance and supporting national security initiatives in the defence sector.

The government aims to promote domestic drone research, development, manufacturing, and export by fostering the creation of drone infrastructure and ecosystems. It is trying to facilitate the production and operation of drones with the recent liberalization of drone guidelines to make the market more accessible to drone start-ups and international investors. There are no restrictions for foreign-owned/controlled Indian companies to operate drones in India. Consequently, the recent regulations aim to attract global investment in the sector. Over the next three years, the government has targeted an investment of ~US\$ 600 Million in the drone manufacturing industry. As a step towards transforming India into a global drone hub by 2030, the government launched the Production Linked Incentive (PLI) scheme for drones and drone components in September 2021 to boost domestic production and export of drones. The total incentive is INR 120 Crores spread over three financial years. The Ministry of Civil Aviation has disbursed an amount of ~INR 30 Crores to the beneficiaries during FY 2022-23 under the PLI Scheme. The scheme allocation is targeted towards increasing India's manufacturing capacity, creating more employment opportunities, lessening the nation's dependency on imports, and increasing exports. Through meticulous public and private investments, the Indian drone industry is set to establish itself as a global competitor in both civil and military drones. The infusion of advanced technology and investment in Indian drone companies is set to unleash tremendous potential for indigenous drone companies in India.

OPPORTUNITIES

- **Enhanced focus on indigenous manufacturing:** Recognizing the transformative capabilities of drone technology across various sectors, such as infrastructure, defence, and agriculture, the government is encouraging the indigenous production of drones through various initiatives such as the PLI scheme, 'Make in India' and 'Atmanirbhar Bharat' and 'Bharat Drone Shakti 2023'. Furthermore, the government imposed a ban on the import of UAVs (except for Product Development and defence) due to security reasons and to provide an impetus to domestic manufacturing of drones, aiming to position India as a global drone hub by 2030.



THE GROWTH OF THE INDIAN DRONE INDUSTRY IS DRIVEN BY THE GOVERNMENT'S INDUSTRY-FRIENDLY POLICIES AND INCENTIVES, GROWING DRONE USE CASES AND THEIR PROSPECTIVE APPLICATIONS, A RISE IN DOMESTIC DEMAND, AND AN UPSURGE IN STARTUPS AND INVESTMENTS.

- **Widespread adoption of drone technology:** The drone industry in India has experienced swift growth in recent years, expanding its reach across diverse sectors. The increasing array of drone applications is not only accelerating the market growth but also propelling the entire drone ecosystem, including after-sales services, drone platform services, as well as drone training and education.
 - **Increasing demand in India's Defence Sector:** The Indian Army will mark 2024 as the "Year of Technology Absorption" as it is transforming into a modernized force. This initiative involves the integration of drones and counter-drone systems across infantry, artillery, and armored battalions. The Indian army, as part of its Make II program, has significant requirements for drones and has also issued requirements for the purchase of integrated surveillance and loitering munition systems.
 - **Increasing demand in non-defence sectors:** The Indian enterprise drone market finds key applications in agriculture, utilities, and public safety. Drones are pivotal in bridging manpower gaps in precision farming, while law enforcement employs them for traffic monitoring and crime prevention. Policy changes are unlocking further opportunities. High-definition cameras enable visual inspections, enhancing efficiency in construction monitoring and land governance under the SVAMITVA scheme.
- In e-commerce, mid-mile delivery drones will streamline logistics, reducing transportation times. Indian companies, buoyed by government support, are poised to lead in drone technology, transforming middle-mile logistics and contributing to the country's burgeoning logistics sector.
- **Budgetary support:** The introduction of the Production Linked Incentive (PLI) Scheme with the quantum of INR 120 Crores has provided a necessary boost towards the indigenization of drone technology. Additionally, budgetary allocation for the Defence sector is INR 1.72 Lakh Crores for FY 2024-25 which is 20.33% higher than the actual expenditure of FY 2022-23. Also, a corpus of INR 1 Lakh Crores is to be established, offering a 50-year interest-free loan facility. This corpus aims to provide long-term financing or refinancing with extended tenures and minimal interest rates. Such measures will incentivize the private sector to substantially boost research and innovation in emerging fields. The increased budget allocation will bolster defence capabilities and aid in providing the Armed Forces with cutting-edge, niche technology, including surveillance and armed drone swarms.
 - **Global de-risking of the supply chain:** Globally, nations and corporations are revisiting and redefining their supply chain strategy due to cybersecurity concerns arising from the usage of drones originating from certain geographies of concern. The United States through NDAA, has banned the use of intelligent subsystems (which deal with data storage, processing, and transmission) originating from geographies of concern. Other countries are following suit. This creates an opportunity for the Indian drone industry to take Indian products globally.
 - **Liberalization and relaxation of UAV regulations in India:** To promote the growth of the industry, the liberalized Drone Rules 2021 has provided the Indian drone industry with much-needed tailwinds. The Drone Rules 2021 brought in many welcoming regulations like abolishment of the need for registration and several approvals for operating non-commercial drones and increased the number of 'free to fly' green zones.
 - **Export opportunities:** The disruption in the global supply chain has created favorable conditions for large-scale manufacturing in India, driven by key policy initiatives like production-linked incentive (PLI) schemes and reduced corporate tax rates. This shift has also benefited the country's UAV ecosystem. With major global brands looking for alternative manufacturing destinations, India has a prime opportunity to become the preferred global choice for customers. With meticulous public and private investments facilitated by the government, the Indian UAV sector is poised to establish itself as a global export leader in both civil and military domains.
- (Source: 1lattice report, <https://economictimes.indiatimes.com/news/economy/policy/policy-push-to-help-india-grab-manufacturing-opportunity/articleshow/88653130.cms?from=mdr>)
- **Development of a full-fledged drone ecosystem:** India's drone industry is evolving rapidly, propelled by the increasing number of manufacturers and service providers entering the market, alongside supportive regulations. The Indian government is committed to fostering domestic drone research, development, and manufacturing through the establishment of drone infrastructure and a conducive ecosystem. Continuous innovation through product and market research is essential for sustained growth in the UAV sector. Additionally, as drone applications expand and startups thrive, coupled with increased investments, the future of the drone industry in India looks promising.
- (Source: 1lattice report)



OVER THESE 17 YEARS OF JOURNEY, IDEAForge HAS DEVELOPED A ROBUST PRODUCT PORTFOLIO OF UAVs, DESIGNED FOR MULTIPLE USE CASES ACROSS DIVERSE APPLICATIONS. IDEAForge'S INNOVATION DNA IS BASED ON THREE ELEMENTS – PERFORMANCE, RELIABILITY, AND AUTONOMY.

- **India as a global drone hub:** The drone and its sub-systems industry presents a compelling opportunity for India, with the potential to bolster its manufacturing capacity to approximately US\$ 23 Billion by 2030, as outlined in the recent EY - FICCI report titled, "Making India the drone hub of the world". Becoming a powerhouse in drone manufacturing would not only align with India's goal of achieving a US\$ 5 Trillion economy but also foster prosperity across various sectors nationwide. In the same context, India has the opportunity to unlock approximately INR 1.8 Lakh Crores of domestic manufacturing potential by prioritizing drone indigenization projects, with an anticipated 80% compound annual growth rate (CAGR) from 2020 to 2025, followed by a 35% CAGR from 2025 to 2030. Initiatives like "Drone Shakti" not only nurture indigenous talent but also elevate India's standing as a fertile ground for pioneering drone technology.

(Source: https://www.ey.com/en_in/government-public-sector/how-india-can-become-the-drone-hub-of-the-world-by-2030)

- **Integration of Artificial Intelligence (AI):** The integration of AI into drone technology presents a remarkable opportunity to enhance both defence and civilian applications. The expansion of AI and robotics within drones has fueled their growing adoption in the defence sector, augmenting existing platforms with advanced capabilities and empowering humans to utilize robotic systems for enhanced safety and decision-making. In the civilian realm, applications such as inspection, surveillance, mapping, and public safety monitoring stand

to benefit greatly from AI-powered drones equipped with high-definition cameras and other payloads. AI integration enables drones to rapidly process vast amounts of data in realtime, optimizing responses as situations evolve.

(Source: 1lattice report)

COMPANY OVERVIEW

Incorporated in 2007, ideaForge Technology Limited ("ideaForge" or "the Company") is the pioneer and market leader in the Indian Unmanned Aircraft Systems (UAS) market, holding a 50% market share in FY 2021-22. A dual-use UAV technology player, ideaForge is ranked 5th globally in the drone industry rating. Driven by an innovator's DNA, ideaForge has filed 72 patents globally and has solidified its dominance in the Indian drone market. It has been a pioneer in developing Vertical Take-off and Landing (VTOL) UAVs domestically and has been at the forefront of Indian UAV space by pushing technology to its boundaries and delivering state-of-the-art solutions to customers. ideaForge has one of the largest operational deployment of UAVs across India delivering mission-critical outcomes in some of the most challenging environmental and operational conditions in the world.

Over these 17 years of journey, ideaForge has developed a robust product portfolio of UAVs, designed for multiple use cases across diverse applications. ideaForge's innovation DNA is based on three elements – Performance, Reliability, and Autonomy.

Performance

Deliver the best-in-class endurance and output for every gram we put in the air and result-oriented data that lead to valuable insights and enable decision-making.

Reliability

Designing and delivering systems that work in the harshest of environments without failure and provide the best TCO (total cost of ownership) to the customers.

Autonomy

Imparting intelligence into systems and making them capable of taking care of themselves in dynamic real-world situations and enabling users to focus on the mission instead of flying the UAV.

The UAVs designed with the philosophy based on these three pillars are among the best platforms globally. To achieve Performance, Reliability, and Autonomy, these systems are designed with extensive analysis and simulations of real-world situations and undergo rigorous testing. Essentially, each ideaForge UAV is built like a bird and tested like a tank.

And these world-class UAVs carry out crucial missions in mapping, surveying, security, and surveillance applications. Crafted to navigate diverse terrains and withstand extreme temperatures and environmental conditions, these UAVs highlight ideaForge's technological prowess. The adaptability of ideaForge's UAVs positions them as reliable and versatile solutions suitable for a broad spectrum of applications.

The Company's diversified product portfolio consists of:

- **Hardware** which includes Unmanned Aerial Vehicles (UAVs) like V4PRO, Q4i, Q6, NETRA V4+, SWITCH, payloads like daylight cameras, thermal cameras, photogrammetry payloads, megaphones, battery systems, communication systems, ground control stations, packaging systems, etc.
- **Software and embedded sub-systems** include BlueFire Touch (Ground Control Software) for controlling and managing UAVs and autopilot sub-systems, BlueFire Live (Live streaming and payload control software), Autopilot, etc.
- **Solutions:** BlueFire MapAssist, Surveillance Pro, GIS Pro
- **Support** After sales services for product support, extended warranties, repairs, and fleet upkeep to ensure the customers always have mission-ready systems available.
- **Drone as a Service (DaaS)** ensures the availability of drones on demand for various use cases eliminating the upfront investment and continuous upkeep of the drone fleet at the customer's end

ideaForge is one of the few players globally that provide a full stack dual-use (civil and defence) UAV solution along with Ground Control Software (BlueFireTouch), and comprehensive solutions as well as robust after-sales support. With over 150+ distributors and channel partners globally, it has one of the best distribution and support networks in India for UAVs. Its flagship support package 'iFCare 360' is the first-of-its-kind subscription-based support package in the Indian UAV industry. It is renowned for offering replacement options for the comprehensive UAV system, in the event of any hardware or software issues, making it a unique offering in the Indian drone industry.



4,50,000+

Flights completed by customers



72

Patents filed, and **38** patents granted in total, with **34** in process

The Company caters to a diverse clientele both domestically and internationally across the defence and civil sectors. Defence is the largest contributor to ideaForge's revenues, followed by civil contracts. The Company's valued clients encompass the Indian Armed Forces, Central Armed Forces, Disaster Management Forces, Forest Department, and State Police departments, among others. By having served clients from diverse backgrounds, ideaForge have amassed unique insights on the customer preferences and pain points related to UAV operations. The fact that customers have completed 4,50,000+ missions on the field using ideaForge drones underscores customers' trust in ideaForge and its UAVs.

Design and Manufacturing Operations

ideaForge is a leading technology player in the dual-use UAV space and is among the very few players globally to own an end-to-end technology stack. With expertise amassed over 17 years, ideaForge is at the forefront of technological breakthroughs in the drone sector developing innovative solutions.

The Company has two product development centers in-house in India. Equipped with the latest equipment and software solutions, these product development centers serve as epicenters for technological innovation happening at ideaForge. These dedicated centers help in rapid designing, prototyping, and refining new products to ensure the products developed at ideaForge offer the best that technology allows.

The Company has a state-of-the-art manufacturing facility in India equipped with innovative equipment, advanced technology, and semi-automated systems, enabling the manufacturing of a diverse range of products and providing essential adaptability to meet the dynamic demands of the market. The manufacturing facility is accredited with a quality management system and adheres to ISO 9001:2015 and AS9100D standards for the design and manufacturing of unmanned aerial vehicles.

In line with its commitment to serving the customers and ensuring equipment availability, ideaForge has also successfully established four service centers strategically located in key regions around customers' major areas of operations. These centers help ideaForge to streamline its Customer Success & Support (CSS) operations and provide localized support to its customers. Taking this a step further, ideaForge has also started Service-on-Wheels – mobile service centers to cater to the fleet deployed in most remote areas in the country.

OPERATIONAL OVERVIEW

The Company's journey has been remarkable, marked by dedication and resilience toward creating world-class products through technology and innovation. It has established a solid foundation by leveraging its extensive expertise, industry-leading design, technology capabilities, vertically integrated operations, and unique offerings. This enabled ideaForge to adapt swiftly to market dynamics and secure numerous contracts for defence and homeland applications.

ideaForge has a large presence in the Indian UAV market, which it pioneered. The Company has established a fully owned subsidiary in the USA with an aim to expand into the USA and Canada, both of which are growing and mature UAV markets with an appetite for new technology. ideaForge aims to tailor its products to the specific needs and preferences of customers through user research and design thinking that drive product and business innovation.

In addition, ideaForge is also evaluating expansion opportunities in other regions such as Australia, EU, GCC, Africa and South East Asia.

The Company continues to innovate its offerings through substantial investments and efforts in product innovation, engineering, and design. With product innovation forming the essence of its growth strategy, ideaForge is committed to improving its products, including its technology stack, to maintain a competitive edge in the market. It constantly strives to expand its product portfolio by developing new innovative products and providing differentiated offerings to the customers. It intends to introduce newer and upgraded versions of its quadcopter and Hybrid VTOL UAV platforms with an emphasis on improving performance, reliability, and autonomy.

Operational Highlights FY 2023-24

Technology and Product Development

- 12 new patents filed and 17 granted
- Enabled platform architecture to integrate specialized payloads from third parties such as LiDAR and multispectral imaging
- Conceptualized and is building India's First Drone Innovation Platform to provide end-to-end solutions to the customers
- Initiated solutions approach through the right partnerships. Collaborated with ESRI to enable smart forest solutions using drones and initiated joint development of fog penetration radar and foliage penetration radar with GalaxEye
- Kick-started development of Tactical (MTOW - 50 Kg, Range - 50+ Kms) and Middle-mile logistics (MTOW - 500 Kg, Range - 100+ Kms) platforms
- Initiated prototyping work for the next generation of the quadcopter (NETRA, Q6) and hybrid (SWITCH) UAV platforms with cutting-edge features like GPS-denied navigation, use of AI to improve onboard intelligence capabilities, 4G/5G enabled communication, etc.
- Obtained Type Certification approval from the DGCA for two platforms Netra V3+ and Q6 UAV
- Accomplished high-altitude mapping in the Himalayas through Netra V4

Operational and Financial

- Launched 100,000+ flights in the field in FY24
- Delivered major defence contracts on/ahead of schedule
- Initiated Connect eXchange program for MHA and MOD to increase product adoption
- Started service center on wheels in the hilly and remote regions to provide services at doorstep to ensure continuous system availability for operations
- Increase in indigenous subsystem development along with reduction in dependency on land border connecting nations

Business Expansion

- Obtained SCOMET license to stock & sell systems in the US through the US subsidiary and shipped SWITCH and NETRA V4 Pro to the US
- Initiated product demonstrations and training for customers and value-added resellers (VARs) in the US
- Successfully completed pilot PoCs and started early billings for Drone as a Service (DaaS) business with anchor customers

Awards and Achievements

- Moved to 5th position in the global ranking in the dual-use category from 7th position in 2022
- Obtained "Great Place to Work" Certification

Received prestigious awards like National Technology Award 2023 (MSME category), SIDM Champion Award (Technology and Product Innovation), Dun & Bradstreet Business Excellence Award 2023, India Business Leaders Award by CNBC-18 (The Disruptors category)

FINANCIAL OVERVIEW

The financial numbers and metrics are crucial to assess any business, these indicators provide a part picture of any multi-dimensional business where other factors are at play and contribute to deciding the business' sustainability and growth potential. This is especially true for a business like ideaForge which is built around innovation and creation of intellectual property instead of depending on technology acquisition from outside and carrying out built-to-print manufacturing.

When looked at alongside the product development pipeline, technology roadmap, IP creation, business model innovations, and overall business strategy, these numbers paint a far more nuanced and comprehensive picture of the Company's past performance and future potential.

Financial Performance FY 2023-24

Consolidated

(INR Mn)		
Particulars	FY 2023-24	FY 2022-23 (CFS)
Total Revenue	3,444	1,964
EBITDA	859	575
EBITDA Margin (%)	27%	31%
Profit Before Tax (PBT)	611	408
Tax	158	88
Profit After Tax (PAT)	453	320
PAT Margin (%)	14%	17%
Total Comprehensive Income	450	320

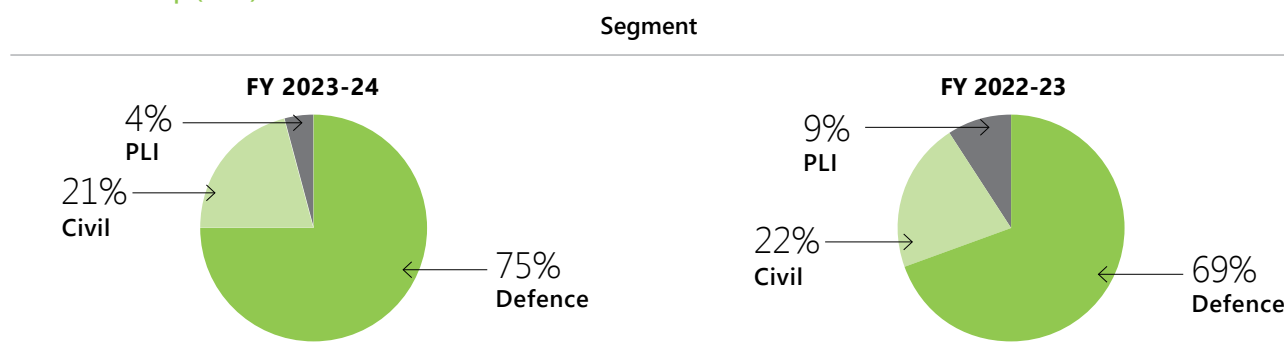
Standalone

(INR Mn)		
Particulars	FY 2023-24	FY 2022-23 (SFS)
Total Revenue	3,474	1,964
EBITDA	893	575
EBITDA Margin (%)	28%	31%
Profit Before Tax (PBT)	645	408
Tax	167	88
Profit After Tax (PAT)	478	320
PAT Margin (%)	15%	17%
Total Comprehensive Income	476	320

Key Financial Ratios

Particulars	FY 2023-24	FY 2022-23	% Change	Explanation
Operating Profit Margin (%)	50%	68%	-26%	Due to product mix, overall margin reduced
Net Profit Margin (%)	15%	17%	-12%	Due to product mix, overall margin reduced
Debtors' Turnover Ratio	6.03	4.76	27%	Improvement in the payment terms of large contract of customer & efforts in improvement of collection cycle by the company has resulted in increase in the ratio over last year
Current Ratio	8.69	2.57	238%	Company has leverage positions as compared last year
Inventory Turnover Ratio	1.57	0.77	104%	Improvement in the payment terms of large contract of customer & efforts in improvement of collection cycle by the company has resulted in increase in the ratio over last year
Interest Coverage Ratio	9.00	6.67	35%	The Company is debt free
Debt Equity Ratio	-	0.27	-	The Company is debt free

Revenue Break-up (In %)



BUSINESS STRATEGY

The Company's strategic focus stems from its innovation DNA. Innovation has been and will remain at the core of ideaForge's business strategy. The criteria for innovation would be to build the world's first or world's best, whether it is technology, products, features, or business models.

Centered around innovation, the business strategy for ideaForge is multi-pronged.

- **Strengthening the existing business base** - Continue catering to the existing market (geography - India, sector-defence and civil, applications - Intelligence, Surveillance, Reconnaissance (ISR), survey and mapping) and strengthen the position with continuous product upgrades and improvements on the existing platforms (NETRA, Q6, SWITCH).
- **Unlock new use cases through partnerships** - Joining hands with experts in the specific domains for joint product development and creation of drone-enabled solutions and

joint go-to-market leveraging each other's distribution networks to capture yet untapped use cases and expand the addressable markets (e.g., forest solutions, border management, fog penetration, foliage penetration, etc.).

- **Expand product portfolio** - Develop new platforms to create new use cases and replace traditional ways of accomplishing tasks. With the development of Tactical and Middle-Mile UAV platforms, ideaForge will have a presence across all categories of dual-use drones. These platforms will also pave the way towards urban air mobility (UAM).
- **New business models** - To diversify the revenue streams, ideaForge is continuously innovating business models. The introduction of a first-of-its-kind business model like Drone as a Service (DaaS) or improving the share of software, and AMC subscription revenue are steps in this direction. As the industry evolves and matures, multiple business models will sustain the growth of the Company.

- **Geography expansion** - While the Indian domestic market has huge growth potential, having products that can compete and win globally provides an advantage to the Company to expand the business in geographies outside India. While there have been few export orders fulfilled in the past to multiple countries, ideaForge is focusing on the US and Canada as the next frontier for business expansion. This geography already has an established and matured market for drones. In addition to that, the appetite for using relatively new technology and experimenting is huge, providing a promising opportunity for expansion.
- **Inorganic growth** - While the Company has invested significant resources in strengthening its in-house technology development engine, for a rapidly evolving sector like drones, it is imperative to constantly look out for the development happening around the globe. And to accelerate its development efforts and remain ahead of the curve, inorganic growth (investments, and M&A) becomes crucial. With the motto of building the world's first or the world's best, the Company will consider relevant avenues for inorganic growth.
- **Indigenization** - Considering the critical nature of the technology and dynamic geopolitical situations, it is important to develop a domestic supply ecosystem. ideaForge has been and is continuously working towards developing this domestic ecosystem which helps to reduce import dependency, safeguard the business from the uncertainties of the global supply chain, and help in eliminating cybersecurity risks arising out of using critical sub-systems/ components from geographies of concern.
- **Strategic exclusions** - In a nascent and high-growth industry like drones, often it is to get swayed by the options available to the business. However, ideaForge has consciously stayed away from sectors/use cases where creating disproportionate and meaningful value for the business through innovation is difficult. Two such major sectors/use cases are consumer drones (used for hobby flying, entertainment, photography, and videography) and Agri-spraying drones. While many industry players have found a niche for themselves in these domains, ideaForge will continue focusing its efforts on the domains and initiatives mentioned earlier.

OUTLOOK

While the drone industry is constantly evolving at a rapid pace, the transition of value creation will shift from hardware to software and from features to insights and solutions. With the aim to create this future of the drone industry by unlocking the full potential of drone technology, ideaForge has conceived India's first drone innovation platform which will help create a world-class collaborative drone ecosystem in the country. At the

heart of this ecosystem will be ideaForge's drone platforms and control software which ensure performance and reliability while delivering safety and autonomy in the field. On top of these two, industry players will be able to integrate innovative payloads to address a larger number of use cases. They will also be able to leverage the application marketplace being developed by ideaForge to provide their software solutions and even cross-leverage solutions from other players and ideaForge to deliver automated outcomes to end-users. This innovation platform approach coupled with the service orientation of the drone technology will ultimately result in increased availability of drone solutions and will provide flexibility of consumption to the end customer thereby accelerating the growth of the industry and all the players involved.

The drone industry is experiencing strong favorable trends in India and globally. Factors such as growing demand for UAVs and emerging technologies in the market, rising export opportunities, and the government's push for domestic Product Development and manufacturing are anticipated to propel the growth of the drone industry across various sectors. Leveraging its strong IP and product portfolio and esteemed customer base, ideaForge is poised to seize emerging opportunities in domestic and international markets. Its growth trajectory is strong and the Company is confident of driving sustainable growth in the future.

Moving ahead, the Company envisages robust growth in the coming years and aims to enhance market penetration while capitalizing on the growing opportunity in the defence sector. ideaForge's goal is to pioneer advancements in unmanned logistics and mobility for both defence and civil sectors. Collaborating with government and enterprise clients, it currently delivers ISR capabilities and envisions introducing innovative platforms and solutions in logistics and mobility in the near future. Furthermore, the Company intends to expand its business services revenue by extending its footprint into the 'drone as a service' (DaaS) market. It is actively developing a DaaS model that enables the deployment of its drones in various locations, ready to execute missions with a simple click.

The Company's established presence in the market and new product launches are expected to drive profitability and bolster its growth. It is committed to enhancing its product portfolio to meet the evolving requirements of customers in Indian and global markets. It also aims to expand its geographical presence and boost its export business. It is particularly concentrated in the North American region and intends to enter other countries as well. The Company is focused on maximizing revenue potential through all channels, across geographies, and expansion of the consumer base.

RISK MANAGEMENT

The Company has a structured risk management framework for the timely and effective identification, assessment, and mitigation of key business and operational risks. The key risks and their corresponding mitigation measures are mentioned below:



Regulatory Risk

The Company operates in a highly regulated industry and operates under a license provided by the government as per the Industries (Development and Regulation) Act, 1951. Non-compliance to applicable regulations by the government or the relevant statutory/regulatory bodies or failure to meet the terms and conditions specified in the license could result in the cancellation of the Company's license, adversely impacting its business. Additionally, the Company is required to obtain export authorizations from the Directorate General of Foreign Trade (DGFT) to sell its products in foreign jurisdictions. Such restrictions may pose challenges to the successful penetration of the Company's products and services into the market. The continuously evolving regulations and frequent policy changes in the industry create uncertainty that may impact the Company's future plans.

Mitigation

The Company closely monitors the regulatory requirements and their implications for business operations. It strictly adheres to the regulations and rigorous quality control measures.



Technology Risk

The Company's operations rely on ongoing product development involving advanced technologies. Failure to identify and adapt to emerging industry trends, technological advancements, and customer preferences as well as develop new products addressing the evolving demands of the global market, could have adverse effects on the Company, potentially resulting in loss in business. Furthermore, the persistent technological changes in the market for its products may diminish the competitiveness or render the Company's products and services obsolete.

Mitigation

The Company proactively invests in emerging technologies, innovation, and Product Development. It strives to improve manufacturing processes, quality, and upgradation of its products, aligned with evolving industry trends. Its focus on technological advancements and the development of new products and solutions to meet the changing demands and preferences of customers have been instrumental in its growth. The Company works closely with its partners and suppliers to understand the evolution in the adjacent technologies/component ecosystem.



Customer Concentration Risk

The Company's overreliance on a few customers, especially government agencies may impact its revenues and profitability. A decline in the government budget, reduction in orders, termination of existing contracts, delay of existing contracts, or any variation or unfavorable change in the government's policies and schemes to promote the drone industry may adversely impact the Company's financial condition, cash flows, and growth plans.

Mitigation

The Company maintains strong relationships with key customers, with a focus on diversification across industries. Its long-standing customer base and commitment to diversifying customers will reduce revenue concentration in the long run. In addition, we have the following measures:

- C sat programs for ensuring that the customer base is protected
- Instilling Customer Advocacy Programs within Sales and support so that all customer issues are addressed in a timely manner
- Expanding our customer bases, via entering new industries, new use cases and new geographies
- Incentivizing our sales and support teams to address customer issues
- Discussing new customer use cases with Product teams and Engineering teams
- Closely following up on new use cases and technology gaps in our portfolio and putting that info in CRM, for giving visibility on market trends to Product and Engineering teams
- Doing pilot projects and pilot deployments for use cases where we are not present and then co-creating solutions with the customer
- Entering new business models to widen customer bases e.g. Department of Fisheries, Maharashtra Government
- Widening our partner base to ensure wider reach



Operational Risk

The Company's business is dependent on its single manufacturing facility. Any slowdown or shutdown in manufacturing operations, supply disruptions, or external factors could adversely impact the operations, financial condition, and the business.

Mitigation

The Company's facility is equipped to handle unforeseen challenges. Regular maintenance and adherence to directives ensure operational stability.

- Instilling Customer Advocacy Programme within Sales and support so that all customer issues are addressed in a timely manner



Raw Material Risk

The Company is dependent on vendors & their supply chain for key components such as electronics, cameras, propellers, motors, and antennas required for manufacturing UAVs. If critical components or raw materials become scarce or unavailable, it may lead to delays in manufacturing, product delivery, and completion of development programs, potentially adversely impacting the Company's business. Moreover, the supply and cost of components may be subject to significant variation due to factors beyond the Company's control, potentially impacting profitability.

Mitigation

The Company's long-standing relationships with suppliers ensure a consistent and seamless supply of raw materials at competitive prices. It also maintains increased component inventory to ensure smooth operations and is continuously evaluating the potential of alternative vendors for the supply of components to minimize dependence on a single source.



Information Technology Risk

Technology failures, breakdown of the IT systems, cyber security breaches and threats, hacking of software and solutions, etc. could negatively impact the Company's operations. ideaForge's website, internal software systems, third-party cloud, UAVs, and integrating applications are vulnerable to cyber-attacks. Cyber-attacks or security breaches could result in data theft, malicious intrusion, and leakage of sensitive and confidential data, and may cause equipment failures or disruption of systems and operations, which may damage the Company's reputation and business.

Mitigation

Ensuring the safety of its systems and products against cybersecurity risks is paramount for the Company. Robust IT policies and processes are in place to maintain secure IT systems and databases. The Company upgraded its firewalls to incorporate Advanced Threat Management, enabling high availability and secure remote connectivity. Additionally, it implemented the ISO 27001 framework for information security management and dark web monitoring services to safeguard sensitive data and address potential breaches.



Exchange Rate Risk

The Company is exposed to foreign exchange fluctuation as it imports some of the key components and exports final products. Volatility in exchange rates may result in lower realizations and impact the margins and profitability of the Company.

Mitigation

The Company actively monitors currency exchange rate movements and adjusts its order book accordingly. It may engage in hedging arrangements to mitigate adverse currency fluctuations. Negotiated inter-bank commission rates with banks to streamline foreign currency exchanges. As most import payments are advanced, current hedging options suffice. However, future volume increases or changes in payment terms may necessitate hedging to mitigate foreign currency risks. Additionally, an EEFC account is utilized for export remittance, allowing collections in USD to offset import payments, and reducing commission fees and exchange rate risks.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a robust internal control mechanism in place commensurate with the size and nature of its business. The internal control systems comprising policies and procedures are designed to ensure that operations are efficiently managed and aligned with the strategic objectives of the Company and address various aspects of governance, compliance, audit, control, and reporting. The internal controls are responsible for complying with the regulatory requirements, preventing fraud and errors, safeguarding the Company's assets and finances, and preserving the accuracy and reliability of financial transactions and reporting.

The Company's internal audit committee periodically reviews the adequacy of the internal control systems. Key observations and recommendations are communicated to the management, who takes appropriate corrective measures as deemed fit to maintain the efficiency and effectiveness of the internal controls.

HUMAN RESOURCES

The Company considers its employees as the most important asset and integral to its growth and continued success. The Company has a well-designed HR policy that fosters a synergetic, harmonious, and transparent work environment, ensuring that employees' goals align with the organization's growth vision.

The Company regularly conducts skill development and training programs to enhance the skills and capabilities of its workforce to achieve the Company's business goals. It continues to nurture a culture that values meritocracy and motivates employees by conducting various recreational activities and reward and recognition programs. The Company places significant emphasis on maintaining high levels of employee engagement, consistent performance, and an innovative mindset to minimize attrition. As on March 31, 2024, the total number of ideaForge's employees was 413.

CAUTIONARY STATEMENT

The Management Discussion and Analysis may contain some statements describing the Company's objectives, plans, projections, estimates, and expectations which may be 'forward-looking statements' within the meaning of applicable laws and regulations and are based on informed judgments and estimates. Actual results may differ materially from those expressed or implied. These forward-looking statements are subject to certain risks and uncertainties, including but not limited to, political, technological, and economic conditions affecting demand/supply and price conditions in the domestic and overseas markets, changes in government regulations and policies, tax laws, key component availability and prices, competitive pressures, Forex risks, and other incidental factors.



THE COMPANY HAS A WELL-DESIGNED HR POLICY THAT FOSTERS A SYNERGETIC, HARMONIOUS, AND TRANSPARENT WORK ENVIRONMENT, ENSURING THAT EMPLOYEES' GOALS ALIGN WITH THE ORGANIZATION'S GROWTH VISION.

Board's Report

Your Directors have the pleasure of presenting the 17th Annual Report of **ideaForge Technology Limited (Formerly known as ideaForge Technology Private Limited) ("the Company")** along with the Audited Financial Statement (both Standalone and Consolidated) for the financial year ended March 31, 2024. This being the first report after the Initial Public Offer ("IPO") and listing of the equity shares on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE hereinafter collectively referred as "Stock Exchanges"), the Board welcomes all the stakeholders and look forward to your faith and support in times to come.

1. FINANCIAL SUMMARY

During the year under review, the Company registered a profit of INR 478.46 Million before tax on a standalone basis and a summary of the financial performance of the Company on a standalone and consolidated basis is as below:

Particulars	(Amount in INR Million)			
	Standalone		Consolidated	
	2023-24 Current Year	2022-23 Previous Year	2023-24 Current Year	2022-23 Previous Year
Income from Operations	3,170.15	1,860.07	3,139.96	1,860.07
Other Income	304.12	103.95	304.12	103.95
Total Income	3,474.27	1,964.02	3,444.08	1,964.02
Total Expenditure	2,829.14	1,556.07	2,833.40	1,556.07
Profit/(Loss) before Prior Period Items & Tax	645.13	407.95	610.68	407.95
Less: Prior period Items	0	0	0	0
Profit/(Loss) Before Tax	645.13	407.95	610.68	407.95
Less: Taxes	0	0	0	0
Current Tax	207.82	121.31	199.20	121.31
Deferred Tax charge (credit)	(41.15)	(33.24)	(41.20)	(33.24)
Profit /(Loss) After Tax	478.46	319.88	452.68	319.88
Other Comprehensive Income				
Items that will not be reclassified to profit or loss:				
Remeasurement of gains/(losses) on defined benefit plans	(3.57)	(0.16)	(3.57)	(0.16)
Income tax relating to items that will not be reclassified to profit or loss	0.90	0.04	0.90	0.04
Other Comprehensive Income	(2.67)	(0.12)	(2.67)	(0.12)
Total Comprehensive Income	475.79	319.76	450.01	319.76
Dividend proposed	-	-	-	-
Dividend Distributable Tax	-	-	-	-
Add: Balance b/f from the previous year	369.73	49.97	369.73	49.97
Add: Transferred from Debenture Redemption Reserve	-	-	-	-
Less: Transfer to Debenture Redemption Reserve (if any)	-	-	-	-
Balance Profit /(Loss) c/f to the next year	845.52	369.73	819.74	369.73

2. BUSINESS PERFORMANCE

During the year under review, the total Income from the operation was INR 3,170.15 Million as compared to INR 1,860.07 Million for the previous year and the same is increased by 70.43%. The Net Profit was INR 478.46 Million as compared to INR 319.88 Million for the FY 2022-23, the same was increased by 49.58% on a standalone basis.

Your Company is the pioneer and the preeminent market leader in the Indian unmanned aircraft systems market. It had the largest operational deployment of indigenous UAVs across India, with an ideaForge-manufactured drone taking off every five minutes for surveillance and mapping applications. Its customers have completed over 455,000 flights using ideaForge UAVs. The company is ranked 5th globally in the dual-use category (civil and defence) drone manufacturers as per the report published by Drone Industry Insights in December 2023.

Your Company has a broad range of products with feature-based differentiation such as weight class (approximately 2-7 kg), endurance class (25-120 minutes flying time), take-off altitude range (up to 6,000 meters), communication range (approximately 2-15 km), payload types, etc. Beyond the UAVs, it undertakes full integration of payloads, communication systems and packaging. It also builds its own software stack required for flight safety, autopilot sub-system, battery, power and communication in the UAVs. The integration of complex technologies while optimising for performance, reliability and autonomy not only creates entry barriers for new entrants but also helps ideaForge to differentiate itself from other players in the market.

3. DIVIDEND

Considering that your Company is in the growing stage and requires the funds to support its growth objectives, your Board does not recommend any dividend on the equity shares of the Company for the financial year ending March 31, 2024.

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**SEBI Listing Regulations**”), the Board has approved the Dividend Distribution Policy, which specifies various factors/parameters to be considered while deciding to recommend or declare a dividend. The Dividend Distribution Policy of the Company is available on the Company’s website, at <https://ideaforge.tech.com/uploads/Other/DividendDistributionPolicy.pdf>.

4. TRANSFER TO RESERVES

No amount is proposed to be transferred to any reserves for the year.

5. CHANGE IN NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business of the Company.

6. INITIAL PUBLIC OFFER (IPO) AND LISTING

During the financial year, the Company came out with the Initial Public Offer through fresh issuance of shares and Offer for Sale.

The issue opened on June 26, 2023, and closed on June 30, 2023. Your Company successfully completed its Initial Public Offering and raised INR 567.29 Crores comprising of fresh issue of INR 240 Crores and through Offer for Sale INR 327.25 Crores. The issue was led by the book running Lead Managers viz. JM Financial Limited and IIFL Securities Limited and JM Financial Services Limited.

The issue drew bids worth 33,134.66 Crores and was oversubscribed around 106.06 times (i.e., around 85.20 times in Retail Individual Investor (‘RII’), 125.81 times in the Qualified Institutional Buyer (‘QIB’), 80.58 times in the Non-Institutional Investor (‘NII’) category) and 96.65 times in the Employees.

Pursuant to the Initial Public Offer, the equity shares of the Company were listed in the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) on July 07, 2023. Your Company confirms that it has paid the Annual Listing Fees for the FY 2024-25 to BSE and NSE.

Your Board would like to thank the merchant bankers - JM Financial Limited, IIFL Securities Limited and JM Financial Services Limited and legal counsels involved with the IPO Shardul Amarchand Mangaldas & Co. for helping the Company achieving successful IPO and listing.

Your Board would also like to thank the regulatory authorities like SEBI, MCA and ROC for enabling the Company to take its equity story to the public market. Further your Board extends their heartfelt gratitude to the shareholders for investing in the IPO and reposing their continuous trust and faith in the Company & its management.

7. SHARE CAPITAL

Authorized Share Capital

During the year under review the Authorised Share Capital of the Company was INR 600,000,000/- (Rupees Sixty Crores only)

Issued, Subscribed, and Paid-up Share Capital

Details of changes in Paid-up Equity Share Capital during the year under review, are as under:

Sr. No.	Particulars	Date of Allotment	Types of Securities	No. of Securities	Face Value
1.	At the beginning of the year, i.e. as on 31/03/2023	-	Equity shares	21,337,564	10/-
2.	Employee Stock Option Scheme, 2018	13/05/2023	Equity Shares	671,446	10/-
3.	Private Placement	07/06/2023	Equity Shares	892,857	10/-
4.	Conversion of Preference Shares	14/06/2023	Equity shares	15,196,692	10/-
5.	Issuance of Equity Shares in the IPO of the Company	05/07/2023	Equity Shares	3,558,940	10/-
6.	Allotment of Equity Shares under Employee Stock Option Scheme, 2018	03/10/2023	Equity Shares	141,302	10/-
7.	Allotment of Equity Shares under Employee Stock Option Scheme, 2018	20/10/2023	Equity shares	403,410	10/-
8.	Allotment of Equity Shares under Employee Stock Option Scheme, 2018	18/12/2023	Equity Shares	660,507	10/-
9.	Allotment of Equity Shares under Employee Stock Option Scheme, 2018	02/02/2024	Equity Shares	9,492	10/-
10.	At the end of the year, i.e. as on 31/03/2024	-	Equity Shares	42,885,322	10/-

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

The Company has not granted any loans or made any investment or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act during the financial year ended March 31, 2024.

9. PUBLIC DEPOSITS

The Company did not invite or accept deposits covered under Chapter V of the Companies Act, 2013 and there are no deposits outstanding with the Company.

10. DETAILS OF SUBSIDIARY, JOINT VENTURE, OR ASSOCIATE COMPANIES

During the year under review, your Company has a Wholly Owned Subsidiary in the USA, namely, ideaForge Technology Inc. which is engaged in the business of marketing products and services of UAVs of the Company. Pursuant to Section 129(3) of the Companies Act, 2013 ("the Act") read with Rule 5(1) of the Companies (Accounts) Rules, 2014, the statement containing the salient feature of the financial statement of a Company's subsidiary is enclosed as **Annexure- G** in the Form AOC-1, forming part of this report. The Company does not have any Joint Venture or an Associate Company.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year under review:

- all contracts/arrangements/transactions entered by the Company with related parties were in its ordinary course of business and on an arm's length basis;
- contracts/arrangements/transactions were entered into with related parties in accordance with the Policy of the Company on Materiality of Related Party Transactions and on dealing with Related Party Transactions.

The Company has not entered into any contract/ arrangement/ transaction with related parties which is required to be reported in Form No. AOC-2 in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

12. MANAGEMENT DISCUSSION AND ANALYSIS

A review of the performance and future outlook of the Company and its businesses, as well as the state of the affairs of the business, along with the financial and

operational developments have been discussed in detail in the Management Discussion and Analysis Report, which forms part of the Annual Report.

13. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (BRSR)

The Securities and Exchange Board of India (SEBI), through a notification dated May 5, 2021, made certain amendments to the SEBI Listing Regulations. One of the key changes is the requirement to submit a Business Responsibility and Sustainability Report (BRSR) instead of the existing Business Responsibility Report. Furthermore, a circular also mandates the top 1,000 listed companies (by market capitalization) to comply from FY 2023-24 onwards. The Company has prepared the Business Responsibility and Sustainability Report (BRSR) for the financial year ended March 31, 2024, in accordance with the format prescribed in the SEBI Circular.

The Company believes that transparent, accurate, and comprehensive disclosure practices not only aid in strategic decision-making but also help in demonstrating incremental value created for all groups of stakeholders.

The Business Responsibility & Sustainability Report for the year under review, as stipulated under Regulation 34(2)(f) of the Listing Regulations, describing the initiatives taken by the Company from a social and governance perspective, forms an integral part of the Annual Report.

14. RISK MANAGEMENT POLICY

In line with the regulatory requirement, your Company has framed Risk Management Policy to identify, analysis and prioritize risk, develop risk mitigation plan and reporting on the risk environment of the Company. Your Company continuously evaluates and monitors the various internal and external risks surrounding its business environment and seeks to mitigate and minimize any challenges or adverse impact on its business objective. Recommendations/ Observations of the Risk Management Committee are taken to the Board. The Committee and the Board review the Risk Assessment procedures periodically to ensure that risks including Information technology and Cyber Security risks are controlled/mitigated by the management.

During the period under review, the management identified and assessed strategic/technology, operational/business, industry/regulatory, financial/legal and environment/governance risks and opportunities. Risk treatment actions were defined in order to reach acceptable risk levels at each stage. The risks were reviewed by the Risk Management Committee during the year and taken note of by the Board of Directors.

15. MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY

1. The Company has allotted 892,857 equity shares of INR 10/- each issued at the price of INR 672/- per share on a Private Placement basis;
2. The Company has allotted 15,196,692 equity shares of INR 10/- each upon conversion of 67,242 Compulsorily Convertible Cumulative Preference Shares (CCPs); and
3. The Company listed its equity shares on National Stock Exchange of India Limited and BSE Limited on July 07, 2023.

Other than as disclosed in the financial statements, the Directors of your Company are not aware of any other matters or circumstances that have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Company, the results of those operations and the state of affairs of the Company in subsequent years.

There have been no material changes or commitments, if any, affecting the financial position of the Company which occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company believes to integrate social and environmental concerns in its business operations and interactions with its stakeholders. It has always worked toward building trust with all its stakeholders based on the principles of good corporate governance, integrity, equity, transparency, fairness, disclosure, accountability, and commitment to values. The Company will work towards leveraging its expertise for various social causes and encourage its employees to volunteer for the CSR program of the Company. Your Company has well defined policy on CSR as per the requirement of Section 135 of the Companies Act, 2013 which covers the activities as prescribed under Schedule VII of the Companies Act 2013. Your Company discharges its Corporate Social Responsibility obligations through registered Implementing Agencies by supporting projects like education for the girl children, empowering women's, eradication of poverty, skill development and others as prescribed under Schedule VII of the Companies Act, 2013.

A brief outline of the CSR philosophy salient features of the CSR Policy of the Company, the CSR initiatives

undertaken during the financial year 2023-24 together with progress thereon and the report on CSR activities in the prescribed format, as required under Section 134(3) (o) read with Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, are set out in **Annexure - A** to this Report and the CSR Policy can be accessed using the link <https://ideaforgetech.com/investor-relations/corporate-social-responsibility>.

17. ETHICAL BUSINESS PRACTICE AND GOVERNANCE

The Company is committed to foster an atmosphere of openness and transparency and maintaining the highest ethical standards in everything it does. The Company sees compliant and ethical business conduct as responsible leadership and something that is relevant for all its employees and in every business transaction that the Company is involved.

ideaForge's Ethics and Compliance programme focuses on ideaForge's commitment to integrity and legal compliance across the organisation. The programme serves as a toolkit supporting ideaForge in conducting its business in compliance with laws, regulations and ethical standards and ensuring that the Company has adequate procedures in place to prevent it from taking part in any unethical business activities.

18. HUMAN RESOURCES/ INDUSTRIAL RELATIONS, INCLUDING NUMBER OF PEOPLE EMPLOYED

People are our biggest asset, and the Company is invested in the holistic development, health and well-being of our employees. The Company has been providing continuous skill upgradation and learning opportunities through structured training programmes, career discussions and individual development plans.

The Company had 413 employees as of March 31, 2024.

Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report as **Annexure – F**.

19. EMPLOYEE STOCK OPTION SCHEME AND SHARE BASED EMPLOYEE BENEFITS

Your Company grants Employee Stock Option that would enable the employees to share the value they create for the Company in the years to come. Accordingly, pursuant to the approval of the Board and the members of the Company and in terms of the provisions of applicable laws,

your Company has duly implemented Employee Stock Option Scheme –2018 (ESOPs, 2018). The Nomination and Remuneration Committee is entrusted with the responsibility of administering the ESOPs, 2018.

During the year under review, subsequent to the Initial Public Offering ('IPO') of its equity shares, your Company amended the ESOPs, 2018 Scheme by passing special resolutions via Postal Ballot on November 01, 2023, to meet regulatory requirements mandated by the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations").

The applicable disclosures as stipulated under Regulation 14 of SEBI SBEB Regulations with regard to Employees Stock Option Plan of the Company are available on the website of the Company and weblink for the same is <https://ideaforgetech.com/investor-relations/shareholding-information>

A certificate from M/s. S. N, Ananthasubramanian & Co., Company Secretaries, the Secretarial Auditors of the Company, confirming that the aforesaid schemes have been implemented in accordance with the SEBI SBEB Regulations, will be open for inspection at the ensuing 17th Annual General Meeting.

20. CORPORATE GOVERNANCE

The Corporate Governance practice of your Company is a true reflection of the values and morale of the Company. ideaForge is committed to implementing the best practices of Corporate Governance and to managing the affairs of the company with integrity, transparency and accountability as the driving force.

Your Company has complied with the Corporate Governance requirements under the Act, and as stipulated under the SEBI Listing Regulations. A separate section on Corporate Governance under the SEBI Listing Regulations, along with the certificate from the Practicing Company Secretary confirming the compliance, is enclosed as **Annexure – D** of this report.

21. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Companies Act, 2013 (hereinafter referred as "the Act") and Articles of Association of the Company, Mr. Ashish Bhat (**DIN: 02480920**), Whole-time Director retires by rotation at the ensuing AGM and being eligible, offer himself for re-appointment. The brief resumes and other disclosures relating to the Director who is proposed to be re-appointed, as required

to be disclosed pursuant to Regulation 36 of the Listing Regulations and Clause 1.2.5 of the Secretarial Standard 2 are given in the **Annexure – A** to the Notice of the 17th Annual General Meeting.

The details of Board and Committees composition, tenure of directors, areas of expertise, terms of reference and other details are available in the Corporate Governance Report that forms a part of this Annual Report.

The Board, on the recommendation of Nomination & Remuneration Committee and subject to approval of the Members at the ensuing 17th AGM of the Company, appointed/re-appointed following Directors:

- a) Mr. Ankit Mehta (DIN: 02108289), Whole-time Director of the Company is proposed to be re-appointed as Whole-time Director of the Company w.e.f. November 15, 2024, for a period of 5 years. His office shall be liable to retire by rotation and his re-appointment is subject to the approval of the Members in ensuing Annual General Meeting ("AGM").
- b) Mr. Rahul Singh (DIN: 02106568), Whole-time Director of the Company, is proposed to be re-appointed as Whole-time Director of the Company w.e.f. November 15, 2024, for a period of 5 years. His office shall be liable to retire by rotation and his re-appointment is subject to the approval of the Members in ensuing Annual General Meeting ("AGM").
- c) Mr. Ashish Bhat (DIN: 02480920), Whole-time Director of the Company, is proposed to be re-appointed as Whole-time Director of the Company w.e.f. November 15, 2024, for a period of 5 years. His office shall be liable to retire by rotation and his re-appointment is subject to the approval of the Members in the ensuing AGM.
- d) Continuation of term of appointment of Mr. Ganapathy Subramaniam (DIN: 00019891) as Non-Executive and Non-Independent Director.
- (e) Mr. Nilesh Jaywant, Senior Manager - Legal and Compliances was appointed as Key Managerial Personnel via Board Resolution dated May 14, 2024, based on the recommendation of the Nomination & Remuneration Committee.

Declaration of independence

The Company has received necessary declaration from each Independent Director of the Company stating that:

- (i) they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations; and
- (ii) as required vide Rule 6 (1) & (2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 they have registered their names in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs. Based on the declarations received from the Directors, the Board confirms, that the Independent Directors fulfil the conditions as specified under Schedule V of the Listing Regulations and are independent of the management.

The Board of Directors are of the opinion that Mr. Srikanth Velamakanni, Ms. Sutapa Banerjee and Mr. Vikas Balia, Independent Directors of the Company meet the necessary criteria for continuing as Independent Directors of the Company. Further, Mr. Srikanth Velamakanni and Mr. Vikas Balia has successfully qualified the Online Proficiency Self-Assessment Test for Independent Director's Databank on February 20, 2023, and April 28, 2020, respectively. Ms. Sutapa Banerjee is not required to pass the Online Proficiency Self-Assessment Test. The above test is conducted by the Institute notified under sub-section (1) of Section 150 of the Act.

22. ANNUAL EVALUATION

The Company follows a structured assessment process for evaluation of performance of the Board, Committees of the Board and individual performance of each Director including the Chairman based on the criteria approved by the Nomination and Remuneration Committee.

The evaluation is based on parameters like level of participation of the Directors, understanding of the roles and responsibilities of Directors, understanding of the business and competitive environment in which the Company operates, understanding of the strategic issues and challenges for the Company, etc. The performance of the Independent Directors is also evaluated taking into account the time devoted, strategic guidance to the Company, advice given for determining important policies, external expertise provided and independent judgment that contributes objectively to the Board's deliberation.

The performance evaluation of the Board is carried out taking into account the various parameters like composition of Board, process of appointment to the Board, common understanding amongst Directors of their role and responsibilities, timelines and content of Board papers, strategic directions, advice and decision

making, etc. The Board also notes the actions undertaken pursuant to the outcome of previous evaluation exercises. Each Committee's self-assessment is carried out based on the degree of fulfillment of the key responsibilities as outlined by its terms of reference.

For the year ended March 31, 2024, evaluations of the Board, Committees, and Individual Directors were conducted through the Automated tool, and questionnaires containing various performance evaluation criteria were uploaded on it. All the Directors have completed their annual evaluation using the tool, and a summary report of feedback generated from the tool was sent to the Chairman of the Board and NRC Committee.

The feedback indicated overall satisfactory performance by the Board, Committees, and Individual Directors.

23. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal control is an essential part of the Corporate Governance and management of the Company. The Company has defined the operating principles for internal control. The Audit Committee monitors the effectiveness and efficiency of the internal control systems and the correctness of the financial reporting. The aim of internal control is to ensure reliability of financial reporting, effectiveness and efficiency of operations as well as compliance with laws and regulations. Control of financial reporting assures that financial statements are prepared in a reliable manner. The aim is also to ensure that all financial reports published, and other financial information disclosed by the Company provide a fair view on the Company's financial situation. Control of operations is aimed at ensuring effectiveness and efficiency of operations and achievement of the Company's strategic and financial objectives. Control of compliance ensures that the Company follows applicable laws and regulations.

Details in respect of adequacy of internal financial controls with reference to the financial statement are given in the Management's Discussion and Analysis, which forms part of the Annual Report.

Internal Audit: The objective of the internal audit is to improve the effectiveness of supervising obligation of the Board. Internal audit aims at ensuring that the Company's operations are efficient, information is adequate and reliable and that set policies and procedures are properly followed by the organisation. The internal audit function reports to the Audit Committee. The Audit Committee approves the Annual Internal Audit Plan. The implementation of

the action plan is followed up periodically by the line management and reviewed by Internal Audit function.

24. ANNUAL RETURN

As required under Section 92(3) of the Act, the Company has placed a copy of the Annual Return on its website and the same is available in the Investors Section on the Company's website at the link given below. The Annual Return for the year would be updated once the same is filed with the Registrar of Companies in due course.

<https://ideaforgetech.com/investor-relations/annual-report>.

25. NOMINATION AND REMUNERATION POLICY

The Board has framed and adopted a Nomination and Remuneration Policy ("NRC Policy") in terms of Section 178 of the Act and SEBI Listing Regulations. The NRC Policy, inter-alia, lays down the principles relating to appointment, cessation, remuneration and evaluation of Directors, Key Managerial Personnel and Senior Management employees and other matters as provided under Section 178 of the Act and SEBI Listing Regulations. The remuneration paid to the Directors is as per the terms laid out in the NRC Policy of the Company.

The Company has formulated the Nomination and Remuneration Policy to provide guidance on

- (a) selection and nomination of Directors to the board of the Company;
- (b) appointment of the Senior Managerial Personnel of the Company and
- (c) remuneration of Directors, Key Managerial Personnel ("KMP") and other employees of the Company.

The NRC Policy is available on the website of the Company at: <https://ideaforgetech.com/uploads/Other/NominationRemunerationPolicy.pdf>.

26. RELATED PARTY TRANSACTIONS

During the year under review, all contracts / arrangements / transactions entered into by the Company with related parties were in ordinary course of business and on an arm's length basis. There were no Material Related Party Transaction by the Company during the year. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Act in Form AOC-2 is not applicable.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are planned/repetitive in nature and omnibus approvals are taken as per the policy laid down for unforeseen transactions. Related Party Transactions entered into pursuant to omnibus approval so granted are placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

During the year under review, your Company had not entered into any Material Related Party Transactions, i.e. transactions exceeding ten percent of the Annual Consolidated Turnover as per the last Audited Financial Statement.

Related Party disclosures as per Ind AS 24 have been provided in Notes to accounts annexed to the financial statements.

The Policy on Materiality of and Dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at <https://ideaforgetech.com/uploads/Other/Materialityofanddealingwithrelatedparttransaction.pdf>

27. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors of the Company confirms to the best of their knowledge and ability, that:

- a. in the preparation of the Annual Accounts for the Financial Year during the year under review, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b. your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company for the Financial Year during the year under review, and of its Profit and Loss for the Financial Year ended on that date;
- c. your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. your Directors have prepared the annual accounts for the financial year during the year under review on a 'going concern' basis;
- e. your Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and operating effectively; and
- f. your Directors have devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems are adequate and operating effectively.

28. AUDITORS AND THEIR REPORT

Statutory Auditor

The members at the 11th Annual General Meeting had appointed B S R & Co. LLP, Chartered Accountant, Mumbai (Firm Registration No: 101248W/W-100022) as the Statutory Auditors of the Company for a period of five years, from the conclusion of the 11th Annual General Meeting until the conclusion of the 16th Annual General Meeting of the Company.

The Board of Directors based on the recommendation of the Audit Committee, proposed the re-appointment of M/s. B S R & Co. LLP, Chartered Accountants, Mumbai (Firm Registration No: 101248W/W-100022) as the Statutory Auditors of the Company for a further period of five years, from the conclusion of the 16th Annual General Meeting until the conclusion of the 21st Annual General Meeting of the Company to be held in the calendar year 2028*. M/s B S R & Co. LLP have confirmed that they satisfy the Independence criteria required under the Act and Code of Ethics issued by the Institute of Chartered Accountants of India and also confirm that they are eligible to be re-appointed and that they have not been disqualified in any manner from continuing as Statutory Auditor.

*The Audit Committee and Board of Directors have approved the additional agenda item on July 06, 2024 and hence the draft Notice of AGM was revised and the same was approved by the Board of Directors.

**Please refer to the resolution no. 3 and explanatory statement no. 3 of the Notice of AGM.*

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

The Statutory Auditors' Report for FY 2023-24 does not contain any qualification, reservation, or adverse remark. The Report is enclosed with the Financial Statements in this Annual Report.

Secretarial Auditor

In terms of the provisions of Section 204 of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014 and Regulation 24A of the SEBI LODR Regulations, your Company has appointed M/s. S. N. Ananthasubramanian & Co., Company Secretaries, as Secretarial Auditor to conduct Secretarial Audit of the Company for FY 2023-24. Secretarial Audit Reports of the Company in the prescribed Form No. MR-3 is attached as **Annexure – B** forming part of this Report.

The Secretarial Compliance Report for the financial year ended March 31, 2024, in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued thereunder, pursuant to requirement of Regulation 24A of SEBI Listing Regulations has been filled with the Stock Exchange within stipulated time period and is enclosed here as **Annexure – C**.

The Certificate issued by M/s. S. N. Ananthasubramanian & Co., Company Secretaries confirming compliance with conditions of Corporate Governance as stipulated under Part E of Schedule V of the SEBI Listing Regulations, for FY 2023-2024 is enclosed to the Corporate Governance Report, which forms part of this Annual Report.

The Secretarial Audit Report of your Company does not contain any qualification, reservation, adverse remark or disclaimer.

Further, the Board of Directors on the recommendation of the Audit Committee, has appointed M/s. Ananthasubramanian & Co., Company Secretaries as the Secretarial Auditor of the Company for the FY 2024-25.

Internal Auditors

M/s. GMJ & Co., Chartered Accountants, was appointed as Internal Auditors of the Company for FY 2023-24. The reports submitted by the Internal Auditors have been reviewed by the Audit Committee from time to time.

Further, the Board of Directors on the recommendation of the Audit Committee, has appointed M/s. GMJ & Co, Chartered Accountants as the Internal Auditor of the Company for the FY 2024-25.

29. SECRETARIAL STANDARDS

Your Company is in regular compliance of the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to the provisions of Section 134 of the Companies Act, 2013 and the rules framed thereunder, relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, forms part of this Report and is given at **Annexure – E**.

31. VIGIL MECHANISM

Your Company believes in conduct of the affairs of its business in a fair and transparent manner by adopting highest standards of honesty, integrity, professionalism, and ethical behavior. Your Company has established a Vigil Mechanism/Whistle-Blower Policy ("Policy") in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations with a view to provide a platform and mechanism for Employees, Directors and other stakeholders of the Company to report actual or suspected unethical behaviour, fraud or violation of the Company's Code of Conduct, ethics, principles and matters specified in the policy without any fear of retaliation, and also provide for direct access to the Chairperson of the Audit Committee as the case may be, in exceptional cases.

The Company affirms that in compliance with the Whistle-Blower Policy/Vigil Mechanism no personnel had been denied access to the Audit Committee. The policy is available on the Company's website and can be accessed at: [https://ideaforge.tech/uploads/Other/VigilMechanismPolicy\(2\).pdf](https://ideaforge.tech/uploads/Other/VigilMechanismPolicy(2).pdf)

32. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (POSH ACT)

Your Company believes in providing a safe and free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the POSH Act, and the rules framed thereunder, including the constitution of the Internal Committee. The Company has framed "Prevention of Sexual Harassment at Workplace Policy" which is available on the Company website <https://ideaforge.tech/uploads/Other/POSHPolicy.pdf>

During the year under review, there has been no complaint received for sexual harassment of woman at workplace.

33. OTHER DISCLOSURES

During the year under review, the Company has:

- a. not made any application and no proceeding is pending under the Insolvency and Bankruptcy Code, 2016.
- b. not made any application for One Time Settlement (OTS) with any Banks or Financial Institution.
- c. not issued Shares with Differential Voting Rights and Sweat Equity Shares.
- d. neither the Executive Director nor the Whole-time Directors of the Company receive remuneration or commission from any of its subsidiaries.
- e. no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

34. APPRECIATION AND ACKNOWLEDGEMENT

The Board wishes to place on record its gratitude for the confidence reposed in the Company by our bankers, government authorities, customers, vendors and all shareholders. The Board further wishes to record its sincere appreciation for the significant contributions made by employees at all levels for their commitment, dedication and contribution towards the operations of the Company.

FOR AND ON BEHALF OF THE BOARD

Place: Mumbai
Dated: May 14, 2024

ANKIT MEHTA
CEO & Whole-time Director
DIN: 02108289

RAHUL SINGH
Whole-time Director & VP-Engineering
DIN: 02106568

Annexure A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES OF THE COMPANY FOR THE FY 2023-24

1. Brief outline on CSR Policy of the Company:

The Company believes in integrating social and environmental concerns into its business operations and interactions with its stakeholders. It has always worked towards building trust with all its stakeholders based on the principles of good corporate governance, integrity, equity, transparency, fairness, disclosure, accountability, and commitment to values. The Company will work towards leveraging its expertise for various social causes and encouraging its employees to volunteer for the CSR program of the Company. The Company has a well-defined policy on CSR as per the requirement of Section 135 of the Companies Act, 2013, which covers the activities prescribed under Schedule VII of the Companies Act 2013. The Company fulfills its Corporate Social Responsibility obligations through registered Implementing Agencies by supporting projects like education for girl children, empowerment of women, eradication of poverty, skill development, and others as prescribed under Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee: As on March 31, 2024, the CSR Committee comprises the following members:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Rahul Singh	Chairman, Whole-time Director	1	1
2	Mr. Vikas Balia	Member, Non-Executive Independent Director	1	1
3	Mr. Ganpathy Subramaniam	Member, Non-Executive Nominee Director	1	1

3. Web link where the Composition of the CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

The web link for the composition of the CSR committee: <https://ideaforgetech.com/investor-relations/corporate-governance>

The web link for CSR Policy: <https://ideaforgetech.com/uploads/Other/CorporateSocialResponsibility.pdf>

The web link for CSR projects: <https://ideaforgetech.com/investor-relations/corporate-social-responsibility>

4. Executive summary along with web link of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable: Not Applicable to the Company

5. (a) Average net profit of the Company as per section 135(5): INR 246.55 Million

(b) Two percent of the average net profit of the Company as per section 135(5): INR 4.93 Million

(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): INR 4.93 Million

6. (a) Amount spent on CSR projects:

– Ongoing projects: NIL

– Other than ongoing projects: INR 5.00 Million

(b) Amount spent on Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year (a+b+c): INR 5.00 Million

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Million)	Amount Unspent (in Million)			
	The total amount transferred to Unspent CSR Account as per section 135(6)		The amount transferred to any fund specified under Schedule VII as per the second proviso to section 135(5).	
	Amount	Date of transfer	Name of the Fund	Amount
5.00			Not Applicable	

(f) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (in Million)
1.	Two percent of the average net profit of the Company as per section 135(5)	4.93
2.	Total amount spent for the financial year	5.00
3.	Excess amount spent for the financial year [(ii)-(i)]	0.07
4.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	0
5.	The amount available for set off in succeeding financial years [(iii)-(iv)]	0

7. Details of Unspent CSR amount for the preceding three Financial Years: NIL

Sl. No	Preceding Financial Year	Amount transferred to an Unspent CSR Account under Section 135 (6) (in Million)	The balance amount in an unspent CSR Account under Section 135 (6) (in Million)	Amount spent in the financial year	The amount transferred to any fund specified under Schedule VII as the per second proviso to section 135(6), if any.		The amount remaining to be spent in Succeeding financial years.	Deficiency (if any)
					Amount (in Million)	Date of Transfer		
1.	2022-23	-	-	-	0.01	28/08/2023	-	-
	TOTAL	-	-	-	0.01	-	-	-

8. Whether any capital asset has been created or acquired through CSR amount spent in the FY: No

If yes, enter the number of capital assets created or acquired: Nil

Furnish the detail relating to such asset so created or acquired through CSR amount spent in the FY: Not Applicable

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5):
Not Applicable

FOR AND ON BEHALF OF THE BOARD

ANKIT MEHTA
CEO & Whole-time Director
DIN: 02108289

RAHUL SINGH
Chairman of CSR Committee and
Whole-time Director
DIN: 02106568

Place: Mumbai
Dated: May 14, 2024

Annexure B

FORM NO. MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2024

[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,

ideaForge Technology Limited

CIN: U31401MH2007PLC167669

El-146, TTC Industrial Area,

Electronic Zone MIDC, Mahape, Navi Mumbai, Thane,

Navi Mumbai, Maharashtra, India, 400710.

We have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by **ideaForge Technology Limited** (hereinafter called 'the Company') for the **Financial Year ended 31st March, 2024**. 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.

Based on our verification of the Company's books and papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended 31st March, 2024** complied with statutory provisions listed hereunder and also, that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books and papers, minute books, forms and returns filed and other records maintained by the Company for the **Financial Year ended 31st March, 2024** according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign

Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not applicable to the extent of External Commercial Borrowings as there were no reportable events during the financial year under review.**

- (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review;**
- f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable as the Company has not delisted / proposed to delist its equity shares during the year under review;**
- g) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 – **Not applicable as the Company has not bought back / proposed to buy-back any of its securities during the year under review; and**
- h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations,

2021– Not Applicable as the Company has not issued and listed non-convertible securities during the financial year under review.

- (vi) The management has identified and confirmed the following laws as being specifically applicable to the Company:

Aircraft Act, 1934 (Drone Rules 2021)

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India - The Company has complied with Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) 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 the Listing Agreement entered into with the BSE Limited and NSE Limited.

During the period under review, the Company has complied with provisions of the Act, Rules, applicable Regulations, Guidelines, Standards etc. mentioned above.

We report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Women Director. There was no change in the composition of Board of Directors that took place during the year under review;
- Adequate notice is given to all the Directors to schedule Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance except where consent of directors was received for circulation of the notice, agenda and notes on agenda at a 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 the decisions of the Board and Committees thereof were carried through with requisite majority.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at

their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that during the review period, following major actions having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. above have taken place –

- 1) Approval of shareholders by way of Special Resolution passed at the Annual General Meeting held 6th June 2023 -
 - i. amending the Employee Stock Option Scheme 2018.
 - ii. to issue, offer and allot 892,857 equity shares of the Company at a price of INR 672 per Equity Shares of INR 10/- each on private placement basis in one or more tranches.
- 2) Listing of the Equity Shares of the Company on BSE limited and National Stock Exchange of India Limited with effect from 7th July, 2023 through Initial Public Offering of Equity Shares by fresh issue of Equity Shares and an Offer for sale under Prospectus dated 3rd July, 2023.
- 3) Approval of shareholders by way of Special Resolution dated 1st November 2023 passed through postal ballot for Ratification of "Employees Stock Option Scheme 2018 (ESOP 2018)" for grant of Employee Stock options to Eligible Employees of the Company and to the employees of Subsidiary Companies and Associate Companies including joint venture companies under ideaForge Technology Limited – Employee Stock Option Plan, 2018 ("ESOP 2018").

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

For **S. N. ANANTHASUBRAMANIAN & Co.**

Company Secretaries

ICSI Unique Code: P1991MH040400

Peer Review Cert. No.: 5218/2023

S. N. Viswanathan

Partner

ACS: 61955| COP No.:24335

ICSI UDIN: A061955F000362266

Date: 14th May, 2024

Thane

'Annexure A'

To,
The Members,
ideaForge Technology Limited

CIN: U31401MH2007PLC167669
EI-146, TTC Industrial Area,
Electronic Zone MIDC, Mahape, Navi Mumbai, Thane,
Navi Mumbai, Maharashtra, India, 400710.

Our Secretarial Audit Report for the financial year ended **31st March, 2024** of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

7. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For **S. N. ANANTHASUBRAMANIAN & Co.**

Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023

S.N. Viswanathan

Partner
ACS: 61955| COP No.:24335
ICSI UDIN: A061955F000362266

Date; 14th May, 2024
Thane

Annexure C

To,
The Board of Directors,
ideaForge Technology Limited
CIN: U31401MH2007PLC167669
EI-146, TTC Industrial Area,
Electronic Zone MIDC,
Mahape, Navi Mumbai, Thane – 400710

Sir/ Madam,

ANNUAL SECRETARIAL COMPLIANCE REPORT FOR THE FINANCIAL YEAR 2023-24

We have been engaged by **ideaForge Technology Limited** (hereinafter referred to as 'the Company') bearing CIN: U31401MH2007PLC167669 whose equity shares are listed on National Stock Exchange of India Limited (Symbol: IDEAFORGE) and BSE Limited (Security Code: 543932) to conduct an audit in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, read with SEBI's Master Circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and to issue the Annual Secretarial Compliance Report thereon.

It is the responsibility of the management of the Company to maintain records, devise proper systems to ensure compliance with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and to ensure that the systems are adequate and are operating effectively.

Our responsibility is to verify compliances by the Company with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and issue a report thereon.

Our audit was conducted in accordance with Guidance Note on Annual Secretarial Compliance Report issued by the Institute of Company Secretaries of India and in a manner which involved such examinations and verifications as considered necessary and adequate for the said purpose.

Annual Secretarial Compliance Report is enclosed.

S.N Viswanathan

Partner
ACS: 61955| COP No.:24335
ICSI UDIN: A061955F000362387

14th May 2024
Thane

ANNUAL SECRETARIAL COMPLIANCE REPORT OF IDEAForge TECHNOLOGY LIMITED FROM 7TH JULY 2023 (DATE OF LISTING WITH THE STOCK EXCHANGES) TO 31ST MARCH, 2024

We have examined:

- (a) all the documents and records made available to us and explanations provided by **ideaForge Technology Limited** ('the listed entity');
- (b) filings/ submissions made by the listed entity to the stock exchanges;
- (c) website of the listed entity;
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification;

for the financial year ended 31st March, 2024 ('review period'), in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations, circulars, guidelines issued there under; and
- (b) the Securities Contracts (Regulation) Act, 1956 ('SCRA'), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ('SEBI').

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined, include:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not Applicable as there was no reportable event during the review period;**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – **Not Applicable as there was no reportable event during the review period;**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and circulars/ guidelines issued there under;

and based on the above examination, we hereby report that, during the review period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.
- (b) The listed entity has taken the following actions to comply with the observations made in previous reports - **Not Applicable.**

- (c) We hereby report that, during the review period the compliance status of the listed entity with the requirements is as mentioned in **Annexure – A** to the report.

For S. N. ANANTHASUBRAMANIAN & Co.

Company Secretaries

ICSI Unique Code: P1991MH040400

Peer Review Cert. No.: 5218/2023

S. N Viswanathan

Partner

ACS: 61955| COP No.:24335

ICSI UDIN : A061955F000362387

Date: 14th May, 2024

Thane

Annexure – A

We hereby report that, during the review period, the compliance status of the listed entity is as given hereunder:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations / Remarks by PCS
1)	Secretarial Standard The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	None
2)	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/ circulars/guidelines issued by the SEBI. 	Yes	None
3)	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The Listed entity is maintaining a functional website. Timely dissemination of the documents / information under a separate section on the website. Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website. 	Yes	None
4)	Disqualification of Director: None of the Directors of the Company is/are disqualified under Section 164 of Companies Act, 2013, as confirmed by the listed entity.	Yes	None
5)	Details related to Subsidiaries of listed entities have been examined w.r.t.: <ul style="list-style-type: none"> a) Identification of material subsidiary companies. b) Requirements with respect to disclosure of material as well as other subsidiaries. 	Yes	The Company does not have a material subsidiary.
6)	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	None
7)	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/ during the financial year as prescribed in SEBI Regulations.	Yes	None
8)	Related Party Transactions: <ul style="list-style-type: none"> a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions, or. b) The Listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee, in case no prior approval has been obtained. 	Yes	None

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations / Remarks by PCS
9)	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	None
10)	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	None
11)	Actions taken by SEBI or Stock Exchange(s), if any: No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	None
12)	Resignation of statutory auditors from the listed entity or its material subsidiaries In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	Not Applicable, as no reportable event during the review period.	None
13)	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/ circular/ guidance note etc.	Yes	None

For S. N. ANANTHASUBRAMANIAN & Co.

Company Secretaries

ICSI Unique Code: P1991MH040400

Peer Review Cert. No.: 5218/2023

S.N. Viswanathan

Partner

ACS: 61955| COP No.:24335

ICSI UDIN: A061955F000362387

Date: 14th May, 2024

Thane

Annexure D

CORPORATE GOVERNANCE CERTIFICATE

[Pursuant to Regulation 34(3) and Schedule V Para E of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Background

We have been approached by **ideaForge Technology Limited** ("the Company") to examine the compliance with the conditions of Corporate Governance by the Company, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as amended from time to time, for the financial year from 7th July 2023 (date of Listing with the Stock Exchanges) to 31st March, 2024.

2. Management's Responsibility

The Compliance of conditions of Corporate Governance stipulated in the Listing Regulations is the responsibility of the management of the Company. The management shall devise adequate systems, internal controls and processes to monitor and ensure compliance of the same.

3. Our Responsibility

Our responsibility is limited to conduct an examination of the systems, internal controls and processes adopted by the Company and implementation thereof to monitor and ensure with the conditions of Corporate Governance and report thereon.

4. Methodology

- 4.1. In order to conduct our examination, we were provided with the relevant documents and information including explanations, wherever required.
- 4.2. Our examination was conducted in a manner which provided us with a reasonable basis for evaluating the systems, internal controls and processes adopted by the Company to monitor and ensure compliance with the conditions of Corporate Governance and to certify thereon.

5. Opinion

Based on our examination as aforesaid, the information, explanations and representations provided by the management and subject to the observation reported as under, we certify that, the Company has complied with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations, for the Financial Year ended 31st March 2024.

6. Disclaimer

- 6.1. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 6.2. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S. N. ANANTHASUBRAMANIAN & Co.

Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023

S. N. Viswanathan

Partner
ACS: 61955 | COP No.: 24335
ICSI UDIN: A061955F000362530

14th May 2024
Thane

Annexure E

Particulars required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

[A] CONSERVATION OF ENERGY

The Company firmly believes in the importance of energy conservation as a fundamental aspect of our organization culture. Understanding and reducing energy consumption not only supports our environmental sustainability goals but also improves our operational efficiency and financial performance, we prioritize conservation efforts across all areas of our operations. This involves investing in energy-efficient technologies, optimizing building systems, reduction in water consumption & waste reduction. Additionally, we actively involve our employees in energy-saving initiatives through training, to cultivate a culture of energy consciousness, empowering our workforce to contribute to our conservation efforts. By seamlessly integrating energy-saving practices into our organizational structure, we not only diminish our carbon footprint but also bolster our competitive advantage in the marketplace.

(a) The Steps taken or impact on the conservation of energy

The Company has continued its efforts to improve energy efficiency with more vigor and depth. and some of the key initiatives for conserving energy during FY 2023-24 were:

- Switched from normal fluorescent tube lights to Energy-efficient LED Light which has resulted in reduction in electricity consumption.
- Installed motion sensor-based LED tube lights in common passages, washrooms, and stairs cases and installed motion sensor-based water taps in all the washrooms and gents' urinals pots to conserve water.
- Using air compressor to supply pneumatic power for the operations of riveting gun, grinding machine and spray gun resulting in reduction in power consumption.
- Reduce non-essential electricity usage and manually turn off all the electronic equipment after working hours.
- Ensured to follow the scheduled equipment checks as per maintenance plan to ensure voltage imbalance, motor failure, over exposure of equipment etc.

- Ensured to shut off machinery and equipment during working hours when not in use.
- During silent hours, Company's security person walks through plant after-hours and ensures any equipment failure / powered down when not in use.
- Training provided to employees to enhance awareness about energy conservation.
- AM's system, installed for the DG, to enable automatic initiation and cessation of the DG, thereby optimizing fuel usage and minimizing carbon emissions.

(b) Steps taken by the Company for utilising alternate sources of energy

Using air compressors to supply pneumatic power for the operations of tools and fixtures in reduction in electrical power consumption. Shifting to Electricity Board connection to avoid dependency on DG sets.

(c) Capital investment in energy conservation equipment:

- Investments in improving plant efficiencies for generation as well as usage by using Energy-efficient LED Light.
- Investment in air compressors to supply pneumatic power for the operations of tools and fixtures in reduction in electrical power consumption.
- Investment in installation of motion sensor-based water taps in all the washrooms and gents' urinals pots to conserve water.

[B] TECHNOLOGY ABSORPTION:

(a) The efforts made towards technology absorption:

Our Company's commitment to technology and innovation is critical to our goal of achieving product leadership and maintaining our technology readiness. We have consistently focused on investing in Product Development to ensure long-term success, and we are proud to share our progress on several key initiatives. To this end, we have a focus on structured technology absorption.

- i. Consistent focus on Product Development investment to research new technologies and IP
- ii. Technology pilots with global technology leaders where necessary.
- iii. Use case-based application development based on new technologies to help drive new features that are innovative and drive product excellence for the long term.
- iv. A multi-segment new product/solution roadmap focused on enhancing performance, reliability and autonomy for customers across defence and civil.
- v. Design for Manufacturing (DFM) process to scale production while maintaining high quality. Sourcing & Productivity initiatives to help improve COGs for cost competitiveness.
- vi. Shift to a platform approach to enable 3rd party payload vendors, software developers and system integrators to develop on top of ideaForge platform.
- vii. Supporting sustainability initiatives.

(b) The benefits derived like product improvement, cost reduction, product development, or import substitution:

Invention: Creating new, unique and differentiated aerial technology and intellectual property through long term Product Development.

Application Development: Discovering new customer needs and solving new use cases at scale by developing applications using new technology.

System Integration: Bring together several traditional and generative technologies in material science, propulsion, battery power, radio communication, structures, avionics, software and AI.

Indigenization: There is significant focus on indigenization to source components locally which helps in meeting some of the tender requirements both for Indian MoD and US DoD requirements. This also helps to de-risk the supply chain and manage input costs through import substitution.

(c) In the case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

- i. the details of technology imported: Camera sensor technology
- ii. the year of import: Ongoing
- iii. whether the technology has been fully absorbed: Imported and integrated with our system
- iv. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

(d) The expenditure incurred on Product Development: INR 514.02 Million

[C] FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of earnings in foreign exchange: (Amount in INR Million)

Particulars	Current Year April 01, 2023, to March 31, 2024	Previous Year April 01, 2022 to March 31, 2023
Export of Goods calculated on FOB Basis	33.18	16.36
Interest and dividend	-	-
Royalty	-	-
Know-how	-	-
Professional and Consultancy fees	-	-
Other Income	-	-
Total earnings in foreign exchange	33.18	16.36

Details of expenditure in foreign exchange: (Amount in INR Million)

Particulars	Current Year April 01, 2023 to March 31, 2024	Previous Year April 01, 2022 to March 31, 2023
Import of Capital Goods calculated on CIF Basis:		
(i) Raw Material	661.66	473.66
(ii) Component and Spare Parts	-	-
(iii) Capital Goods – Software Purchase	1.01	-
Expenditure on account of:		
Royalty	-	-
Know-how	-	-
Professional and Consultancy fees	11.45	10.59
Interest	-	-
Other matters	3.55	3.36
Dividend paid	-	-
Total expenditure in foreign exchange	677.68	487.61

FOR AND ON BEHALF OF THE BOARD

ANKIT MEHTA

CEO & Whole-time Director

DIN: 02108289

RAHUL SINGH

Whole-time Director

DIN: 02106568

Place: Mumbai

Dated: May 14, 2024

Annexure F

DISCLOSURE PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY 2023-24 of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2023-24 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name	Designation	Remuneration for the financial year 2023-2024 (in Million)	Percentage increase/ (decrease) in Remuneration in the financial year 2023-2024	Ratio to Median Remuneration (in times)
Mr. Ankit Mehta	CEO & Whole-time Director	35.31	183	37.17
Mr. Ashish Bhat	Whole-time Director & VP Research and Development	35.28	183	37.17
Mr. Rahul Singh	Whole-time Director & VP-Engineering	35.28	183	37.17
Mr. Ganapathy Subramaniam	Non-Executive Nominee Director	-	-	0.0
Mr. Mathew Cyriac	Non-Executive Nominee Director	-	-	0.0
Mr. Vikas Balia	Non-Executive Independent Director	1.50	650%	1.58
Mr. Srikanth Velamakanni	Non-Executive Independent Director	0.80	300%	0.84
Ms. Sutapa Banerjee	Non-Executive Independent Director	1.50	275%	1.58
Mr. Vipul Joshi	Chief Financial Officer	41.90	236	44.10
Mr. Vishal Saxena	VP- Sales and BD	36.79	112	38.72
Ms. Sonam Gupta	Company Secretary and Compliance Officer	1.34	306	1.41

2. The percentage increase in median remuneration of employees of the Company during the financial year was 18.7%
3. The number of permanent employees on the rolls of Company as on March 31, 2024, were 413.
4. Average percentage increase made in the salaries of employees other than managerial personnel in the financial year is 11%.
5. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

FOR AND ON BEHALF OF THE BOARD

ANKIT MEHTA

CEO & Whole-time Director
DIN: 02108289

RAHUL SINGH

Whole-time Director
DIN: 02106568

Place: Mumbai

Dated: May 14, 2024

Annexure G

FORM NO. AOC-1

Statement containing salient features of the financial statements of Subsidiaries / Associates / Joint Ventures
(Pursuant to the first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

PART A – SUBSIDIARIES

(INR In Million)

1. Name of the subsidiary	ideaForge Technology Inc.
2. The date since when subsidiary was acquired	The subsidiary was formed on September 06, 2022
3. Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period	April to March
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of Foreign Subsidiaries	Not Applicable
5. Share capital	66.83
6. Reserves & Surplus	(0.13)
7. Total Assets	87.80
8. Total Liabilities	35.85
9. Investments	0
10. Turnover	0
11. Profit before taxation	(14.74)
12. Provision for taxation (Deferred Tax)	0
13. Profit after taxation	0
14. Proposed Dividend	Nil
15. Extent of shareholding	100%

Names of associates or joint ventures which are yet to commence operations: **None**

Names of associates or joint ventures which have been liquidated or sold during the year: **None**

PART B - ASSOCIATES / JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures – **Not Applicable**

FOR AND ON BEHALF OF THE BOARD

ANKIT MEHTA

CEO & Whole-time Director
DIN: 02108289

RAHUL SINGH

Whole-time Director
DIN: 02106568

Place: Mumbai

Dated: May 14, 2024

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Corporate Governance philosophy and ideology at ideaForge Technology Limited ('ideaForge' or 'the Company') are deeply rooted in our values and principles, permeating every level of the Company to ensure the trust of our stakeholders is both gained and retained. The Company upholds robust governance practices as a standard recognizing the diverse range of stakeholders such as shareholders, investors, customers, and business partners, and acknowledging their significant contribution to company's overall corporate value.

Our Company's commitment lies in fostering long-term value creation and safeguarding stakeholders' interests by exercising proper care, skill, and diligence in our business decisions. This commitment is realized through fair and transparent decision-making processes and a proactive approach to management, ensuring swift and decisive actions that maximize the effective use of corporate resources.

Our Company's organizational culture reflects a legacy of dedication and care for our stakeholders, guided by a vision to inspire and bring joy to people everywhere, every day. Value creation is ingrained in Company's ethos, exemplified by the core values such as 'being the customer's champion' and 'sustainability in every action.' Upholding the highest standards of Corporate Governance, we have established robust structures and reporting systems to support our endeavors.

The Board is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

The Company's business objective and that of its Management and Employees is to manufacture and market the Company's products in such a way as to create value that can be sustained over the long term for Consumers, Shareholders, Employees, Business partners and the National Economy. The Company is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its Management and Employees.

The Company believes that ethical practices make good business sense, and our business practices are in keeping with this spirit of maintaining the highest level of ethical standards. The implementation of ideaForge's Code of Conduct, Whistle-Blowing Policy, Code for Prohibition of Insider Trading and such other policies exemplify this spirit of good ethics.

The report is prepared in accordance with provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations'). The Report contains disclosures as required under Regulation 34 read along with Schedule V of the Listing Regulations.

1. BOARD OF DIRECTORS

The Board of Directors of your Company comprises highly experienced persons of repute, eminence and has a good and diverse mix of Executive and Non-Executive Directors comprising Independent Directors including Independent Women Director. The Board's functions are effectively supported by the Chief Executive Officer, Executive Directors, Chief Financial Officer, Key Managerial Personnel ('KMP'), and the Senior Management team. Together, they discharge their fiduciary duties and ensure the efficient functioning of our company.

1.1 Composition and Size of the Board

The Board composition is in conformity with the applicable provisions of Companies Act, 2013 ("the Act") and Listing Regulations. As on March 31, 2024, the Board consisted of 8 (Eight) Directors including 3 (Three) Independent Directors, 1 (One) Women Director, 2 (Two) Non Executive Nominee Directors and 3 (Three) Executive Directors. The Chairman of the Board is a Non-Executive Independent Director, and more than one-third of the Board members were Independent Directors. The Independent Directors do not have any material pecuniary relationship or transactions with the Company, Promoters or Management, which may affect their judgement in any manner.

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The policy formulation, evaluation of performance and the control function vest with the Board, while the Board Committees oversee operational issues.

Name of Director	Category of Directors	Directorship held in other Listed Entities	Other Directorships as on March 31, 2024 ¹	Membership of Other Board Committees as on March 31, 2024 ²		Number of shares held by Directors
				as Member	as Chairman	
Mr. Ankit Mehta	Chief Executive Officer and Whole Time Director	-	-	-	-	3,686,964
Mr. Rahul Singh	Vice President Engineering and Whole Time Director	-	-	-	-	3,583,230
Mr. Ashish Bhat	Vice President-Research & Development and Whole Time Director	-	-	-	-	3,388,870
Mr. Srikanth Velamakanni (Chairman)	Non-Executive, Independent Director	2	2	-	-	-
Ms. Sutapa Banerjee	Non-Executive, Independent Director	5	7	8	2	-
Mr. Vikas Balia	Non-Executive, Independent Director	1	3	2	1	-
Mr. Ganapathy Subramaniam	Non-Executive Nominee Director	-	1	0	0	914,516
Mr. Mathew Cyriac	Non-Executive Nominee Director	2	4	3	2	403,410

Notes:

1. Directorship in companies registered under the Companies Act, 2013 ("the Act") or any other earlier enactments, excluding companies under Section 8 of the Act, Pvt. Ltd. Cos., Foreign Cos. and alternate directorships.
2. Committees include only Audit Committee and Stakeholders Relationship Committee of Public Limited Companies (excluding foreign companies and Section 8 companies) in terms of Regulation 26 of the Listing Regulations.

The number of Directorship(s), Committee Membership(s), Chairmanship(s) of all Directors is within respective limit as prescribed under the Act and Listing Regulations as amended from time to time.

1.2 Inter-se relationships among Directors

None of the Directors of the Company are inter se related to each other.

1.3 No of shares and convertible instruments held by NEDs

The below mentioned Non-Executive Directors (NEDs) holding shares in the company as on March 31, 2024.

Name of Director	No. of Shares
Mr. Mathew Cyriac	4,03,410
Mr. Ganapathy Subramaniam	9,14,516

1.4 Directorship in other Listed Companies

Name of the Director	Name of the Company (as on March 31, 2024)
Mr. Srikanth Velamakanni	a) Metro Brands Limited
	b) NIIT Limited
Ms. Sutapa Banerjee	a) Polycab India Limited
	b) JSW Holding Limited
	c) Camlin Fine Science Limited
	d) Godrej Properties Limited
	e) Zomato Limited
Mr. Vikas Balia	a) Hindalco Industries Limited
Mr. Mathew Cyriac	a) Gokaldas Exports Limited
	b) Data Patterns (India) Limited

1.5 Skills, Expertise and Competencies of the Board

The Board of Directors in their meeting held on December 14, 2022, and based on the recommendations of the Nomination and Remuneration Committee, identifies the core skills/ expertise/competencies of Directors as required in the context of business of the Company for its effective functioning.

The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of relevance to the Company;
- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;

- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

Within our Board, we have a team of highly qualified members who collectively bring a diverse range of skills, expertise, and competencies. These attributes enable them to effectively contribute to the Board and its Committees within the specific context of our business sector, ensuring the highest standards of Corporate Governance. The Directors have meticulously identified the core skills, expertise, and competencies necessary for effective functioning. The Board is confident that each Director possesses these essential attributes, which in turn greatly benefit the Company's operations.

The matrix setting out the skills/ expertise/ competence as identified by the Board of Directors and as required in the context of the company's business(es) and sector(s) for it to function effectively and those available with the Board of Directors are given below:

Name of Director	Areas of Skills/ Expertise				
	Knowledge on Company's Business and Major Risk	Knowledge on Business Strategy, Sales & Marketing	Knowledge on Financial Control & Risk Management	Understanding of Socio-Political Economic & Regulatory Environment	Knowledge of Industry in which the Company Operates
Mr. Ankit Mehta	✓	✓	✓	✓	✓
Mr. Rahul Singh	✓	✓	✓	✓	✓
Mr. Ashish Bhat	✓	✓	✓	✓	✓
Mr. Srikanth Velamakanni	✓	✓	✓	✓	✓
Ms. Sutapa Banerjee	✓	✓	✓	✓	✓
Mr. Vikas Balia	✓	✓	✓	✓	✓
Mr. Ganapathy Subramaniam	✓	✓	✓	✓	✓
Mr. Mathew Cyriac	✓	✓	✓	✓	✓

Board Meeting processes

- A detailed agenda, setting out the business to be transacted at the meeting(s), supported by detailed notes and presentations, if any, is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee meeting(s) except where meetings have been convened at a shorter notice to transact urgent business.
- The Directors are provided with the video conferencing (VC) facility to participate in Board and Committee meetings. The Directors participated in these meetings either through the VC facility or in person.
- All material information is circulated to the Directors before the meeting, including minimum information

required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. The Board also, inter-alia, periodically reviews strategy and business plans, annual operating and capital expenditure budget(s), investment(s), compliance reports of applicable laws, minutes of the Committees of the Board, approval of quarterly/half-yearly/annual results, etc.

- d) The Company has well-established framework for the meetings of the Board and its Committees to enable decision making process at the meetings in an informed and efficient manner. The Directors have unrestricted access to all the information pertaining to the Company.
- e) The Board has constituted Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, and the Risk Management Committee. Each of the Committees deal with matters as mandated by the statutory regulations and play a very crucial role in the overall governance structure. All the Committees have specific terms of reference approved by the Board which outlines the composition, scope, powers & duties and responsibilities. At each Board meeting, the Chairperson of respective Committees briefs the Board on matters discussed by the Committee at their respective meetings. The minutes of the meeting of all Committees are placed before the Board for review. During the year, all recommendations of the

Committees of the Board have been accepted by the Board.

- f) The Company Secretary attends the meetings of the Board and its Committees and is, inter-alia, responsible for recording the minutes of such meetings. The draft minutes of the Board and its Committees are sent to the Chairpersons and Members for their comments in accordance with the Secretarial Standards.
- g) The Company adheres to the provisions of the Act, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors, its Committees and the General Meetings of the members of the Company.

Number of Board Meetings

During the financial year, 08 (Eight) Board Meetings were held as against the minimum statutory requirement of four meetings. The interval between any two board meetings was well within maximum allowed gap of 120 days. During the year, the Board also transacted some of business by passing resolution by circulation.

During the financial year ended on March 31, 2024, 8 meetings of Board of Directors were held on May 29, 2023, June 02, 2023, June 19, 2023, July 03, 2023, July 27, 2023, August 08, 2023, November 07, 2023, and February 05, 2024.

The necessary quorum was present for all the meetings.

1.6 Details of Directors attendance at Board Meetings held during the year is given in the following table:

Name of Director	Board Meetings attendance		Attended Last AGM held on June 06, 2023
	Held during the financial year	Attended during the financial year	
Mr. Ankit Mehta	8	8	Yes
Mr. Rahul Singh	8	8	Yes
Mr. Ashish Bhat	8	7	Yes
Mr. Srikanth Velamakanni	8	6	No
Ms. Sutapa Banerjee	8	8	Yes
Mr. Vikas Balia	8	7	No
Mr. Ganapathy Subramaniam	8	6	No
Mr. Mathew Cyriac	8	7	No

1.7 Board Evaluation

The Company follows a structured assessment process for evaluation of performance of the Board, Committees of the Board and individual performance of each Director including the Chairman based on the criteria approved by the Nomination and Remuneration Committee.

The evaluation is based on parameters like level of participation of the Directors, understanding of the roles and responsibilities of Directors, understanding of the business and competitive environment in which the Company operates, understanding of the strategic issues and challenges for the Company, etc. The performance of the Independent Directors is also evaluated taking into account the time devoted, strategic guidance to the Company, advice given for determining important policies, external expertise provided and independent judgment that contributes objectively to the Board's deliberation.

The performance evaluation of the Board is carried out taking into account the various parameters like composition of Board, process of appointment to the Board, common understanding amongst Directors of their role and responsibilities, timelines and content of Board papers, strategic directions, advice and decision making, etc. The Board also notes the actions undertaken, pursuant to the outcome of previous evaluation exercises. Each Committee's self-assessment is carried out based on the degree of fulfilment of the key responsibilities as outlined by its terms of reference.

For the year ended March 31, 2024, evaluations of the Board, Committees, and Individual Directors were conducted through the Automated tool, and questionnaires containing various performance evaluation criteria were uploaded on it. All the Directors have completed their annual evaluation using the tool, and a summary report of feedback generated from the tool was sent to the Chairman of the Board and NRC Committee.

The feedback indicated overall satisfactory performance by the Board, Committees, and Individual Directors.

The Policy on Board of Directors' Evaluation Framework can be accessed at: https://ideaforge.tech/uploads/Other/Ideaforge_BoardEvaluationPolicy_Final.pdf

Code of Conduct

Your Company stands firm in the belief that along with success comes the increased responsibility and accountability of being a trustworthy corporate citizen, committed to upholding the highest standards of compliance and governance. As required under Regulation

17 of the Listing Regulations, the Company has laid down Code of Conduct for Directors and Senior Management Personnel of the Company. The same has been posted on the Company's website and can be accessed at <https://ideaforge.tech/uploads/Other/Code-of-ConductofBoardandSrMangt.pdf>.

The Company has received affirmation of compliance with the Code of Conduct from Directors and Senior Managerial Personnel of the Company for the financial year ended March 31, 2024.

1.8 Independent Directors

The Company has received declarations from the Independent Directors that they meet the criteria of independence laid down under the Act and the Listing Regulations. The Independent Directors have also confirmed that they have registered themselves in the databank of the Indian Institute of Corporate Affairs to be appointed as Independent Directors and that their registrations are continuing as on date. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfil the conditions of independence specified in the Listing Regulations and the Act and are independent of the Management of the Company. All Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations. None of the Independent Director(s) of the Company has resigned before the expiry of their tenure. The terms and conditions of their appointment are disclosed on the Company's website <https://ideaforge.tech/uploads/Other/TermsandconditionofappointmentofIndependentDirector.pdf>

1.9 Meeting of Independent Directors

The Independent Directors of the Company met without the presence of the Executive Directors and other Non-Executive Directors or any other Management Personnel. These Meetings are conducted to enable the Independent Directors to discuss matters pertaining to review of performance of Executive and Non-Independent Directors and the Board of Directors as a whole, assess the quality, quantity, and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to perform their duties effectively. During the year ended March 31, 2024, the Independent Directors met twice on June 19, 2023, and March 26, 2024.

1.10 Familiarization Programme for Independent Directors

Familiarization Programmes are conducted for Independent Directors to enable them to understand their roles, rights and

responsibilities. Regular presentations are incorporated into the agenda of Board and Committee Meetings, covering various aspects such as the Company's businesses, industry updates, regulatory frameworks, financial strategies, and risk management protocols. These sessions also delve into the specific roles and responsibilities of Independent Directors under different statutes, providing them with a holistic understanding of their obligations.

A policy of Familiarisation of Independent Directors is formed and is available under Investor Relation - Familiarization tab on the website of the Company. The Company has taken proactive steps to ensure that Independent Directors are well-versed with the organization through a comprehensive Familiarization Programme. Upon their appointment, Directors receive a detailed letter outlining their roles, functions, and responsibilities, along with explanations of compliance requirements under relevant Acts and statutes, followed by an affirmation of understanding.

Further details about the Familiarization Programme for Independent Directors has been uploaded under the Company's website <https://ideaforgetech.com/uploads/Other/Familiarizationprogrammeofindependentdirector.pdf>

Directors and Officers Insurance

In adherence to Regulation 25(10) of the Listing Regulations, our Company has taken the necessary steps of securing Directors and Officers insurance (referred to as 'D and O insurance') for all Directors and Officers. The coverage amounts and risk parameters for this insurance are determined by the Board of Directors of the Company, ensuring comprehensive protection for our leadership team.

1.11 Statutory Board Committees

The Board Committees play a crucial role in the governance structure of the Company, and they deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board and Chairpersons of the respective Committees report to the Board about the deliberations and decisions taken by the Committees.

The Board, as on March 31, 2024, had 6 (Six) Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Executive Committee.

The recommendations of the Committees are submitted to the Board for approval. The Minutes of the Meetings of all Committees of the Board are placed before the Board for noting.

2. AUDIT COMMITTEE

2.1 Constitution of the Committee

The Audit Committee comprises of 3 (Three) Directors, of which 2 (Two) are Independent Directors and 1 (One) is Non-Executive Director. The details of which are:

Name of Director	Category
Mr. Vikas Balia	Chairman, Independent Director
Ms. Sutapa Banerjee	Member, Independent Director
Mr. Mathew Cyriac	Member, Non-Executive Director

All the members of the Committee have sound knowledge of finance, accounts and business management. The Chairman of the Committee, Mr. Vikas Balia, has extensive accounting and related financial management expertise.

The Executive Directors, CFO, the Statutory Auditors and the Internal Auditor are invited by the Committee to attend the Audit Committee meetings. Business Heads are also invited to attend the meetings, as and when required. The minutes of the Audit Committee meetings are placed before the Board. The Company Secretary of the Company acts as Secretary to the Audit Committee.

2.2 Terms of Reference

The terms of reference of the Audit Committee are in accordance with Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013

The terms of reference of the Audit Committee include:

- (1) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (2) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (3) examination of the financial statement and the auditors' report thereon;
- (4) approval or any subsequent modification of transactions of the Company with related party;
- (5) scrutiny of inter-corporate loans and investments;
- (6) valuation of undertakings or assets of the Company, wherever it is necessary;
- (7) evaluation of internal financial controls and risk management systems;

- (8) monitoring the end use of funds raised through public offers and related matters.

A. Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference;
- (2) to seek information from any employee;
- (3) to obtain outside legal or other professional advice;
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (5) such other powers as may be prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

B. Role of Audit Committee

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to ideaForge Technology Limited (the "Company") to ensure that the financial statements are correct, sufficient and credible;
- (2) recommendation to the board of directors of the Company (the "Board" or "Board of Directors") for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;

- c. major accounting entries involving estimates based on the exercise of judgment by management;

- d. significant adjustments made in the financial statements arising out of audit findings;

- e. compliance with listing and other legal requirements relating to financial statements;

- f. disclosure of any related party transactions; and

- g. modified opinion(s) in the draft audit report.

- (5) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

- (6) 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 issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;

- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

- (8) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

- (9) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

- (10) reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

- (11) 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;

- (12) discussion with internal auditors of any significant findings and follow-up thereon;
- (13) 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 the Board;
- (14) discussion 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;
- (15) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (16) reviewing the functioning of the whistle-blower mechanism;
- (17) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (18) approval of appointment of Chief Financial Officer (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (19) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding INR 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and
- (20) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- (21) formulating, reviewing and making recommendations to the Board to amend the terms of reference of Audit Committee from time to time;

- (22) reviewing compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively;
- (23) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws, as and when amended from time to time, or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties."

The Audit Committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (3) internal audit reports relating to internal control weaknesses;
- (4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (5) Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

2.3 Meetings Held

During the financial year ended March 31, 2024, 5 (Five) meetings of the Audit Committee were held on May 29, 2023, August 08, 2023, November 07, 2023, February 05, 2024, and March 15, 2024.

The details of Meetings attended by the Directors during the year are given below:

Name of Director	Audit Committee Meetings attendance		
	No. of Meetings Held	No. of Meetings Attended	Attendance %
Mr. Vikas Balia, Chairman	5	5	100
Ms. Sutapa Banerjee, Member	5	5	100
Mr. Mathew Cyriac, Member	5	4	80

As required under the Secretarial Standards, the Chairman/ Chairperson of the Committee or, in his/her absence, any other Member of the Committee authorized by him on his/her behalf, shall attend the General Meeting of the Company. Due to some prior commitments, the Chairman was unable to attend the 16th Annual General Meeting for the financial year 2022-23. However, the Chairman authorized Ms. Sutapa Banerjee, a member of the Committee, to attend the AGM on his behalf. Ms. Sutapa Banerjee attended the 16th AGM of the Company held through video conferencing facility on June 06, 2023, to address the shareholders' queries pertaining to the Annual Accounts and Financial Results of the Company.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

3. NOMINATION & REMUNERATION COMMITTEE

3.1 Constitution of the Committee

The Nomination & Remuneration Committee comprises of 3 (Three) Directors, of which 2 (Two) are Independent Directors and 1 (One) is Non-Executive Director. The details of which are:

Name of Director	Category
Ms. Sutapa Banerjee	Chairperson, Independent Director
Mr. Srikanth Velamakanni	Member, Independent Director
Mr. Mathew Cyriac	Member, Nominee Director

The composition of this Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

3.2 Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are in accordance with Regulation 19 read with Para A of Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013.

3.3 Role of Nomination and Remuneration Committee

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "Board" or "Board of Directors") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy");
- For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the 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 the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director), its committees and individual

directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;

6. 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. Recommend to the Board, all remuneration, in whatever form, payable to senior management;
8. The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
 - 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.
9. perform such functions as are required to be performed by the Nomination and Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:
 - (a) administering the Employee Stock Option Plans of the Company, as may be required;

- (b) determining the eligibility of employees to participate under the Employee Stock Option Plans of the Company;
- (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 plans of the Company; and
- (f) construing and interpreting the Employee Stock Option Plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the Employee Stock Option Plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Employee Stock Option Plans of the Company.

10. frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
11. carrying out any other activities as may be delegated by the Board of Directors of the Company functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

3.4 Meetings Held

The Committee met 2 (Two) times during the financial year 2023-24, i.e. on May 29, 2023, and July 27, 2023.

The details of Meetings attended by the Members during the year are given below:

Name of Director	Nomination & Remuneration Committee Meetings attendance		
	No. of Meetings Held	No. of Meetings Attended	Attendance %
Ms. Sutapa Banerjee, Chairperson	2	2	100
Mr. Srikanth Velamakanni, Member	2	2	100
Mr. Mathew Cyriac, Member	2	2	100

As per Section 178(7) of the Act and Secretarial Standards, the Chairman/Chairperson of the Nomination and Remuneration Committee or, in his/her absence, other Member of the Committee authorised by him/her in this behalf shall attend the General Meetings of the Company. Ms. Sutapa Banerjee, Chairperson of the Nomination & Remuneration Committee was present at the 16th Annual General Meeting of the Company for the Financial Year 2022-23 held through video conferencing facility on June 06, 2023.

During the year under review, all the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

The terms of reference of the Stakeholders and Relationship Committee are in accordance with Regulation 20 read with Para B of Part D of Schedule II of the Listing Regulations. The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required under applicable laws, the following:

1. considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;
2. resolving the grievances of the security holders of the listed entity 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.;
3. formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
4. giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
5. issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
6. review of measures taken for effective exercise of voting rights by shareholders;
7. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
8. approve requests for transposition, deletion, consolidation, sub-division, change of name etc. of shares, debentures and other securities;
9. to dematerialize or rematerialize the issued shares;

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

4.1 Constitution of the Committee

The Stakeholders Relationship Committee comprises of 3 (Three) Directors, of which 1 (One) is an Independent Director, 1 (One) is Whole-Time Director and 1 (One) is Non-Executive Director. The detail of which are:

Name of Director	Category
Mr. Mathew Cyriac	Chairman, Non-Executive Director
Mr. Vikas Balia	Member, Independent Director
Mr. Ankit Mehta	Member, Whole-Time Director

The composition of this Committee is in compliance with the requirements of Regulation 20 of the Listing Regulations. The Company Secretary acts as the Secretary to the Committee.

4.2 Terms of Reference

The Stakeholders Relationship Committee reviews and ensures the existence of a proper system for timely resolution of grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet and declared dividends.

10. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

11. carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

4.3 Meetings Held

The Committee met 1 (One) time during the financial year 2023-24, i.e. on November 07, 2023.

The details of Meetings attended by the Members during the year are given below:

Name of Director	Stakeholders Relationship Committee Meetings attendance		
	No. of Meetings Held	No. of Meetings Attended	Attendance %
Mr. Mathew Cyriac, Chairman	1	1	100
Mr. Vikas Balia, Member	1	1	100
Mr. Ankit Mehta, Member	1	1	100

As per Section 178(7) of the Act and Secretarial Standards, the Chairman/Chairperson of the Committee or, in his/her absence, other Member of the Committee authorised by him/her in this behalf shall attend the General Meetings of the Company. Due to some prior commitments, the Chairman was unable to attend the 16th Annual General Meeting of Company for the Financial Year 2022-23. However, the Chairman authorized Mr. Ankit Mehta, a member of the Committee, to attend the AGM on his behalf. Mr. Ankit Mehta attended the 16th AGM of the Company, held through video conferencing facility on June 06, 2023, to address the shareholders' queries pertaining to the Annual Accounts and Financial Results of the Company.

4.4 Details of Shareholders' Complaints Received, Solved and Pending during Financial Year 2023-24:

Number of complaints received in the financial year 2023-24	1,297
Number of complaints solved in the financial year 2023-24	1,297
Number of pending complaints as on March 31, 2024	Nil

The above table includes complaints received from SEBI SCORES by the Company.

4.5 Name, Designation and Address of Compliance Officer

Ms. Sonam Gupta
 Company Secretary and Compliance Officer
 ideaForge Technology Limited
 (Formerly known as ideaForge Technology Private Limited)
 EL-146, TTC Industrial Area, Electronic Zone MIDC,
 Mahape, Navi Mumbai, Thane,
 Maharashtra, India, 400710
 Tel. No.: (O): +91 (22) 6787 1000
 Email Id: compliance@ideaforgetechnology.com

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

5.1 Constitution of the Committee

The Corporate Social Responsibility Committee comprises of 3 (Three) Directors, of which 1 (One) is a Whole time Director, 1 (One) is Non-Executive Director and 1 (One) is Independent Director. The detail of which are:

Name of Director	Category
Mr. Rahul Singh	Chairman, Whole-time Director
Mr. Ganapathy Subramaniam	Member, Non-Executive Director
Mr. Vikas Balia	Member, Independent Director

The composition of the Committee is in compliance with Section 135 of the Companies Act, 2013.

5.2 Terms of Reference

The terms of reference of the Corporate Social Responsibility Committee are in accordance with the terms of reference provided under Section 135 of the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee shall include the following:

1. Formulate and recommend to the Board, a 'Corporate Social Responsibility Policy' which shall indicate amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, as amended and the rules made thereunder and make any revisions therein as and when decided by the Board;

2. Review and recommend the amount of expenditure to be incurred on the activities referred in clause (a) and amount to be incurred for such expenditure shall be as per the applicable law;
3. Monitor the Corporate Social Responsibility Policy of the Company and its implementation from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programme; and

Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

5.3 Meetings Held

The Committee met 1 (One) time during the financial year 2023-24, i.e. on August 08, 2023.

The details of Meetings attended by the Directors during the year are given below:

Name of Director	Corporate Social Responsibility Committee Meetings attendance		
	No. of Meetings Held	No. of Meetings Attended	Attendance %
Mr. Rahul Singh, Chairman	1	1	100
Mr. Ganapathy Subramaniam, Member	1	1	100
Mr. Vikas Balia, Member	1	1	100

6. RISK MANAGEMENT COMMITTEE

6.1 Constitution of the Committee

The Risk Management Committee comprises of 4 (Four) Members, of which 1 (One) is Non-Executive Director, 1 (One) is Independent Director, 1 (One) is Whole-Time Director and 1 (One) is Chief Financial Officer. The detail of which are:

Name of Director	Category
Mr. Ganapathy Subramaniam	Chairman, Non-Executive Director
Mr. Vikas Balia	Member, Independent Director
Mr. Ankit Mehta	Member, Whole-Time Director
Mr. Vipul Joshi	Member, Chief Financial Officer

The composition of the Committee is in compliance with Regulation 21 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

6.2 Terms of Reference

The terms of reference of the Risk Management Committee are in accordance with Regulation 21 read with Para C of Part D of Schedule II of the Listing Regulations. The role of the committee shall, inter alia, include the following:

1. To formulate a detailed Risk Management Policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

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 Committee.

- b. Measures for risk mitigation including systems and processes for internal control of identified risks.
- c. Business continuity plan

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with the activities of such committees, as per the framework laid down by the board of directors.

6.3 Meetings Held

The Committee met 1 (One) time during the financial year 2023-24, i.e. on November 07, 2023.

The details of Meetings attended by the Directors during the year are given below:

Name of Director	Risk Management Committee Meetings attendance		
	No. of Meetings Held	No. of Meetings Attended	Attendance %
Mr. Ganapathy Subramaniam, Chairperson	1	0	0
Mr. Vikas Balia, Member	1	1	100
Mr. Ankit Mehta, Member	1	1	100
Mr. Vipul Joshi, Member	1	1	100

7. EXECUTIVE COMMITTEE OF THE BOARD

7.1 Composition of Committee:

The Executive Committee comprises of 3 (Three) Executive Directors, as per the details in following table:

Name of Director	Category
Mr. Ankit Mehta	Member, Whole-time Director
Mr. Rahul Singh	Member, Whole-time Director
Mr. Ashish Bhat	Member, Whole-time Director

7.2 Terms of Reference

The Board of Directors have constituted the Executive Committee at its Meeting held on August 08, 2023. The Term of Reference include:

- To authorise any one or more person/s (whether employee of the Company or not), firm or Company, to represent the Company and to do all such acts, deeds, matters and things, for or in connection with the business of the Company, whether in India or abroad as the Committee may deem fit, and in this regard to authorise the issue of necessary Power/s of Attorney, Letter/s of Authority and/or other documents;
- To consider the proposals and pass requisite resolutions for opening of bank accounts for the Company, all of its divisions, units, branches with one or more banks, to authorize the Directors, officers and other person or persons to operate such accounts and to decide the manner and monetary limits for operations of such accounts and also to revise the manner and mode of operations of the bank accounts as well as to decide to close any bank accounts of the Company as the Committee may deem fit and to instruct the banks accordingly;
- To avail from time to time financial assistance from Banks / Financial Institutions / Non - Banking Finance Companies / Bodies Corporate, Funds or other entities ("Lender/Investors"), whether in the form of loans, subscription to debentures / bonds or other debt instruments (whether short term or long term and whether secured or unsecured) or by subscription of preference shares (whether cumulative or non-cumulative and redeemable or convertible) or by issue of any other security or any combination thereof, upon such terms and conditions as the Lenders/Investors may stipulate including creation of security and acceptable to the Company;
- To negotiate with the Lenders/Investors and to consider, finalise and approve the acceptable form(s) of such financial assistance and the terms and conditions for the same including but not limited to the rate of interest/dividend, security, repayment period/schedule, terms of redemption (i.e. period, manner and mode of redemption whether at fixed period(s) or at the option of the Company and/or Lender/Investor, or premature/early redemption whether at premium or not), payment of upfront fees and other fees/charges etc. payable by the Company and to make and agree to any alterations, modifications, variations to the same;
- To offer as security any property/assets of the Company whether movable or immovable, tangible or intangible, trademarks, copy rights or such other rights and intellectual properties, present or future in such form and manner as the Committee may deem fit;
- To approve, settle and authorise execution on behalf of the Company, of the agreements, documents, deeds, trust deeds, mortgage deeds, undertakings,

- indemnities, declarations, promissory notes, powers of attorney, allotment letters, certificates, writings etc., as may be required to be executed by the Company for availing of such financial assistance and for creating securities and to make, agree to and accept modifications to any such documents including the security documents so executed;
7. To appoint legal counsels, attorneys, arrangers, issuers, trustees, bankers, issuing & paying agents, escrow agents and other agents and intermediaries as may be necessary;
 8. To approve all agreements, indentures, indemnities, declaration and other documents and writing and authorize their execution;
 9. To approve such modifications in the terms of any of the transactions for raising of funds as may be required and authorize execution of necessary documents for this purpose;
 10. To grant financial assistance to any entity (whether by way of equity, preferred or preference shares, loans, guarantees and/or security, including guarantees and/or security to be provided to banks or third party lenders for any borrowings to be incurred by the Company / its subsidiary or otherwise or in any combination thereof), on such terms and conditions and in such form or manner as maybe decided by this Committee;
 11. To consider and approve the transfer / transmission of the physical shares, issue of duplicate share certificates, name deletion of deceased joint shareholders, replacement and consolidation of share certificates, dematerialisation of shares, rematerialisation of shares, etc. of the Company and to authorize persons to sign the share certificates, share allotment letters, address investor grievances, etc. on behalf of the Company;
 12. To delegate any one or more of its powers to any director(s) or officer(s) of the Company or to any other person(s) as the Committee may deem fit and proper;
 13. Where required, to authorise affixation of the Common Seal of the Company to any document which may be affixed thereto in accordance with the provisions of the Articles of Association of the Company;
 14. To do and perform and cause to do and perform all such acts, deeds, things and matters as the Committee may deem fit to give effect to this resolution for matters incidental or consequential thereto;
 15. The total amounts that may be borrowed or raised by the Committee and outstanding at any point of time, shall be within the borrowing limit approved by the shareholders u/s 180(1)(c) of the Companies Act, 2013, is INR 2000 Crores (Rupees Two Thousand Crores only) for the Company and its subsidiary companies taken together, notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves."
 16. To do pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or create a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in public section banks, private sector banks, mutual funds, any other bodies corporate and any other lenders (hereinafter collectively referred to as 'the lending agencies') and/or Trustees for the holders of debentures/bonds/other instruments which may be issued on a pari passu basis, to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed a INR 1000 Crores (Rupees One Thousand Crores only) for the Company and INR 2000 Crores (Rupees Two Thousand Crores only) for the Company and its subsidiary companies taken together at any time."
 17. To invest the funds of the Company and grant loans or give guarantee (including corporate guarantee/ performance guarantee) or provide security in respect of loans does not exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free

reserves and securities premium account, whichever is more.

18. To create, grant and allot securities, subject to such approvals as may be required by way of public issue, right issue, bonus issue, preferential issue by way of further issue of shares, ESOS, ESPS, qualified institutional placement, ADR, GDR, Warrants, bonds, debentures or other securities, issue and allotment of securities on conversion of warrants, bonds, debentures, preference shares;
19. To appoint Lead Managers, Merchant Bankers, Legal Advisors, Counsels, Registrars and Transfer Agents, Underwriters and all such agencies and intermediaries as may be involved or concerned in such issue of the securities and to remunerate all such agencies as may be involved in cash or otherwise including by way of payment of commission, brokerage, fees, expenses incurred in relation to the issue of the securities;
20. To decide the terms and conditions of the offer in consultation with the Lead Managers other intermediaries involved with the issue
21. To enhance the share capital by way of allotment of securities of the Company pursuant to Scheme of amalgamation, merger, demerger, arrangement, compromise as per the applicable provisions of Companies Act, 2013 and rules made thereunder, as may be amended from time to time.
22. To sign the Placement Memorandum / issue documents on behalf of the Board of Directors finalized in consultation with the Lead Managers / Legal Counsel;
23. To fix the record date, opening and closing date for the issue and any other dates proposed in the time table including to extend the issue period;
24. To open such Bank Accounts and other accounts, as may be required in connection with the issue;
25. To execute various deeds, drafts, documents, forms, applications, undertakings, agreements, Power of Attorney, as may be required to be filed with Stock Exchanges, Securities and Exchange Board of India (SEBI), National Security Depository Limited (NSDL), Central Depository Services (India) Ltd (CDSL), Ministry of Corporate Affairs (MCA) and other authorities in relation to allotment of securities as aforesaid and to do all such acts, deeds, matters and things as may be necessary;
26. To delegate any of the powers or authority hereby conferred on the Committee to any officer (s) of the Company or group Company.

7.3 Meetings Held

The Committee met 6 (Six) times during the financial year 2023-24, i.e. on August 25, 2023, November 10, 2023, December 18, 2023, January 16, 2024 (Morning), January 16, 2024 (Evening) and February 02, 2024.

The details of Meetings attended by the Directors during the year are given below:

Name of Director	Executive Committee Meeting attendance		
	No. of Meetings Held	No. of Meeting Attended	Attendance %
Mr. Ankit Mehta, Member	6	6	100
Mr. Rahul Singh, Member	6	6	100
Mr. Ashish Bhat, Member	6	0	0

8. DETAILS OF THE SENIOR MANAGEMENT

Particulars of Senior Management including the changes therein since the close of the previous financial year is as under:

The Senior Management of the Company comprises of the following employees and during the financial year 2023 – 24 there are no changes:

Mr. Vipul Joshi, Chief Finance Officer

Mr. Vishal Saxena, Vice President – Sales and Business Development

Ms. Sonam Gupta, Company Secretary and Compliance Officer

*Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 14, 2024, appointed Mr. Nilesh Jaywant, Senior Manager – Legal & Compliances

as a Key Management Personnel (KMP), who is a part of Senior Management with immediate effect i.e. May 14, 2024.

9. REMUNERATION OF EXECUTIVE DIRECTORS

(Amount in INR Million)

Name of the Director	Salary (including HRA and Perquisites)
Mr. Ankit Mehta	35.31
Mr. Rahul Singh	35.28
Mr. Ashish Bhat	35.28

Name of Director	Mr. Ankit Mehta	Mr. Rahul Singh	Mr. Ashish Bhat
Date of contract	February 08, 2007	February 08, 2007	February 08, 2007
Term of contract	Up to November 14, 2024*	Up to November 14, 2024*	Up to November 14, 2024*
Notice period	90 days	90 days	90 days
Severance fees	Salary and other emoluments for a period of 90 days in lieu of notice.	Salary and other emoluments for a period of 90 days in lieu of notice.	Salary and other emoluments for a period of 90 days in lieu of notice.

* Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 14, 2024, has approved the reappointment of Mr. Ankit Mehta, Mr. Rahul Singh and Mr. Ashish Bhat as Whole-time Director of the Company for a period of 5 (five) years w.e.f. November 15, 2024, to November 14, 2029. This is subject to approval by the members of the Company at the Annual General Meeting to be held on August 08, 2024.

10. REMUNERATION OF INDEPENDENT DIRECTORS

Independent Directors are paid sitting fees for attending Board/Committee Meetings as approved by the Board within the limits prescribed under the Companies Act, 2013. Details of Sitting Fees paid to the Non-Executive Independent Directors during the Financial Year 2023-24 are as follows:

(Amount in INR Million)

Name of the Director	Board Meetings	Committee Meetings	Total
Mr. Srikanth Velamakanni	0.60	0.20	0.80
Ms. Sutapa Banerjee	0.80	0.70	1.50
Mr. Vikas Balia	0.70	0.80	1.50
Total	2.10	1.70	3.80

Commission to Non-Executive Independent Directors of the Company for the Financial Year 2023-24 is as under:

Name of the Director	Amount (INR ₹ Million)
Mr. Srikanth Velamakanni	2.12
Ms. Sutapa Banerjee	2.12
Mr. Vikas Balia	2.12
Total	6.36

The Criteria for making payment to non-executive directors is available on the Company's website <https://ideaforgetech.com/uploads/Other/NominationRemunerationPolicy.pdf>

Notes:

- Perquisites/Others include Company's contribution to provident fund, leave travel allowance, Gratuity & Leave Encashments Benefits as per Actuarial Valuation and monetary value of perquisites as per Income Tax Rules.
- The Shareholders at the Extra-Ordinary General Meeting held on February 04, 2023, approved the ceiling of total remuneration of INR 5,00,00,000/- (Rupees Five Crores Only) be paid to Whole-time Directors.

The Shareholders at the Extra-Ordinary General Meeting held on February 04, 2023 approved payment of commission to the Independent Directors not exceeding 1% of the profits of Company and/or its Subsidiaries and sitting fees, as applicable, for the year or such limits as may be prescribed under the Act, provided that such sitting fees and commission is recommended by the Nomination and Remuneration Committee of the Board and approved by Board and shareholders of the Company or of the subsidiaries, as applicable.

- There were no pecuniary relationship / transactions between non-executive directors and the Company;
- Details of fixed component and performance linked incentives, along with the performance criteria;
- Service contracts, notice period, severance fees;
- Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable;
- No amount by way of loan or advance has been given by the Company to any of its Directors;
- The Company does not have any stock option plans;
- There are no variable components and performance linked incentives.

11. GENERAL BODY MEETINGS

11.1 Details of the Annual General Meetings held during the preceding 3 years and Special Resolutions passed there at are given below:

Annual General Meeting (AGM)	Date	Time	Venue	Details of Special Resolutions passed
14 th AGM	Thursday, September 30, 2021	04.00 p.m.	Video Conferencing/Other Audio Visual means	Approval for rectification of the terms of the zero % Compulsorily Convertible Debentures ("CCDs")
15 th AGM	Wednesday, September 28, 2022	05.00 p.m.	Video Conferencing/Other Audio Visual means	N.A.
16 th AGM	Tuesday, June 06, 2023	01.00 p.m.	Video Conferencing/Other Audio Visual means	1. To approve amendment in Employee Stock Option Scheme 2018. 2. To approve proposal to issue 892,857 fresh equity shares of the company on a Private Placement Basis ("Pre-IPO Placement").

**In compliance with the provisions of the Ministry of Corporate Affairs ("MCA") General Circular No. 2/2021 dated January 13, 2021 and MCA General Circular No. 20/2020 dated May 5, 2020 read together with MCA General Circular Nos. 14 & 17/2020 dated April 08, 2020 and April 13, 2020 respectively, and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the Company conducted the AGM through Video Conferencing/Other Audio Visual Means ("VC"/"OAVM").*

Further, in accordance with the Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards – 1 and 2 dated April 15, 2020, issued by the ICSI, the proceedings of the AGM are deemed to be conducted at the Registered Office of the Company being the deemed venue of the AGM.

11.2 Postal Ballot

Pursuant to Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, during the year under review, your Company sought the approval of shareholders vide Postal Ballot Notice dated September 23, 2023, for the below-mentioned resolutions:

Date of Approval	Type of Resolution	Resolution Passed
November 01, 2023	Special Resolution	1. Ratification of "Employees Stock Option Scheme 2018"
	Special Resolution	2. Grant of stock options to the employees of Subsidiary Companies and Associate Companies, including Joint venture companies under ideaForge Technology Limited – Employees Stock Option Plan, 2018 ("ESOP 2018").

Procedure adopted for Postal Ballot:

The Notice of the Postal Ballot containing the Resolution and Explanatory Statement, were e-mailed to those Members whose names appeared on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") as on cut-off date and were sent only in electronic mode to those Members whose e-mail addresses were registered with the Company or RTA or the Depository Participant(s). The details of E-Voting Event Number ("EVEN"), User ID and Password were e-mailed by RTA to those Members whose e-mail IDs were registered with the Company/Depository Participant(s). The Notice also specified the procedure for registering the e-mail addresses and obtaining the Notice of Postal Ballot and remote e-voting instructions by the Members whose e-mail addresses were not registered with the depositories.

The advertisement was published in the Newspapers (including e-Newspapers) viz. 'Business Standard' (all India Edition) in English Language and 'Pratahkal' (Mumbai Edition) in Marathi Language declaring the details of completion of dispatch, e-voting details and other requisite details in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the remote e-voting period, voting rights were reckoned on the paid-up value of equity shares registered in the names of the Members as on the cut-off

date Tuesday, September 26, 2023. The Company has appointed Ms. Shirin Bhatt, (FCS: 8273, COP No.: 9150), Practicing Company Secretary, (M/s Shirin Bhatt & Associates, Company Secretaries having Firm Registration Number S2011DE162600) as Scrutinizer for conducting this Postal Ballot process through electronic means/remote e-voting in accordance with the law in fair and transparent manner. The Company appointed the National Securities Depository Limited (NSDL), a as a service provider for extending the facility of providing remote electronic voting to the Shareholders of the Company from Tuesday, October 03, 2023, 09.00 a.m. till Wednesday, November 01, 2023, 05.00 p.m.

11.3 Details of Special Resolutions proposed to be conducted through Postal Ballot:

No special resolution is proposed to be conducted through Postal Ballot as on the date of this report.

12. MEANS OF COMMUNICATION

The Company has promptly reported to all the Stock Exchanges where the securities of the Company are listed. The quarterly/ annual results of the Company were widely published in leading newspapers such as Financial Express and Pratahkal and also displayed on the website of the Company at <https://ideaforge.tech.com/investor-relations/news-and-announcements>. The quarterly/ annual results were also sent to the members of the Company whose email address are registered with the Company/ Depository Participant(s). All official press releases, presentations made to analysts and institutional investors and other general information about the Company are also available on the Investor Relation Section of the website of the Company.

The presentations made to the analysts and institutional investors, if any, were not communicated individually to the members of the Company. However, such presentations were uploaded in advance on the website of the Company at <https://ideaforge.tech.com/investor-relations/news-and-announcements> and were also submitted to Stock Exchanges for further dissemination.

The Company recognizes the importance of two-way communication with shareholders and of giving a balanced reporting of results and progress. They respond to questions and issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions at the Annual General Meeting.

12.1 Financial Results

Your Company's quarterly financial results are submitted to the stock exchanges within forty- five days from the end of the quarter and the Audited Annual Results are announced within sixty days from the end of the financial year as required under the Listing Regulations which are also available on the website of your Company at <https://ideaforge.tech.com/investor-relations/news-and-announcements>. The results are usually published in (Financial Express/ Free Press Journal) English newspaper (all India Edition) and in 'Pratahkal' (Mumbai Edition) Marathi newspaper where the registered office of the Company is situated.

12.2 Website

Comprehensive information about the Company, its business and operations and press releases can be viewed on the Company's website www.ideaforge.tech.com. The "Investor Relations" section on the website gives information relating to financial results, annual reports, shareholding pattern and policies and other information.

12.3 Investors/Analysts Meets:

Your Company's officials interact on a regular basis with stakeholders through investor meetings, investor calls, media interactions, interviews, etc. Intimation, presentations and outcome of such meets are uploaded on the website of stock exchanges and displayed on your Company's website at <https://ideaforge.tech.com/investor-relations/news-and-announcements>

12.4 Press/Media releases:

Official news and press/media releases are uploaded on the website of stock exchanges and displayed on your Company's website at <https://ideaforge.tech.com/investor-relations/news-and-announcements>

12.5 Annual Report

The Annual Report containing inter-alia the Audited Standalone & Consolidated Financial Statements, Board's Report, Auditors' Report, Corporate Governance Report and other important information is circulated to Members and others entitled thereto. Management Discussion and Analysis Report forms part of the Annual Report. The Annual Report is also posted on the website of the Company.

Compliance Reports, Corporate Announcements, Material Information and Updates

Your Company disseminates the requisite compliance reports and corporate announcements/updates to the stock exchanges through their designated portal.

12.6 Designated Exclusive Email ID

The Company has designated the Email ID compliance@ideaforgetech.com exclusively for investor servicing. This Email ID has been displayed on the Company's website www.ideaforgetech.com

12.7 SEBI Complaints Redress System (SCORES)

SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web-based complaints redressal system. The salient features of this system are centralised database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

The Company have not received any complaint from investors on Scores.

12.8 Awareness on Online Dispute Resolution ('ODR') Mechanism:

In order to streamline the dispute resolution mechanism in the Indian securities market, SEBI introduced a common ODR mechanism which harnesses online conciliation and online arbitration for resolution of all kinds of disputes arising in the Indian securities market. A communication has been put on the website of the Company at link <https://ideaforgetech.com/uploads/Other/Communicationonwebsite-1.pdf> in order to create awareness about the ODR Portal.

13. GENERAL INFORMATION FOR SHAREHOLDERS

13.1 Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U31401MH2007PLC167669.

13.2 Annual General Meeting

Day & Date	Time	Venue
Thursday, August 08, 2024	11.00 a.m.	By Video Conference and Audio-Visual Means

13.3 Financial Calendar

The Company follows financial year of 12 months starting from April 1 and ending on March 31 of next year.

Schedule of the Board Meetings for declaration of Financial Results (tentative and subject to change):

Quarter ending June 30, 2024	Last week of July 2024
Half year ending September 30, 2024	Last week of October 2024
Quarter ending December 31, 2024	Last week of January 2025
Year ending March 31, 2025	First/Second week of May 2025

13.4 Record Date

The Record Date has been fixed as August 01, 2024, for the purpose of determining the shareholders entitled to vote in the Annual General Meeting.

13.5 Listing on Stock Exchanges

Equity Shares
BSE Limited ('BSE'),
[Scrip Code: 543932]
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

Scrip Code: 543932

National Stock Exchange of India Limited ('NSE')
"Exchange Plaza", Bandra – Kurla Complex,
Bandra (EAST), Mumbai – 400 051

SYMBOL: IDEAFORGE

The ISIN of Company's equity shares is INE349Y01013.

Annual Listing fees for 12 months ended March 31, 2025, have been paid to BSE and NSE.

13.6 Stock Market Data

The table herein below gives the monthly high and low prices and volume of the Company's shares traded at the BSE and NSE during the period July 2023 to March 2024:

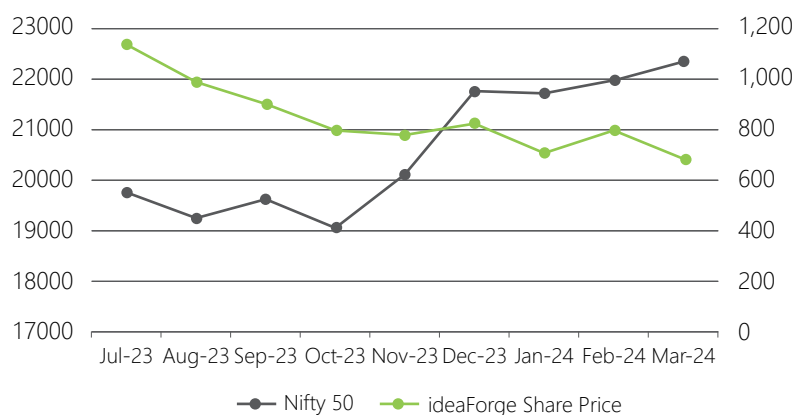
Month & Year	BSE			NSE		
	High(₹/share)	Low(₹/share)	Volume (No. of Shares)	High(₹/share)	Low(₹/share)	Volume (No. of Shares)
Jul-23	1344.00	1115.15	1,622,050	1343.95	1114.45	20,348,710
Aug-23	1169.00	960.00	569,376	1169.40	959.40	4,553,687
Sep-23	1052.00	887.65	408,207	1052.00	885.80	3,227,154
Oct-23	906.95	772.40	658,529	900.95	772.10	6,799,455
Nov-23	876.65	758.45	394,275	888.80	758.80	4,098,111
Dec-23	876.00	780.95	339,370	876.00	781.10	3,407,169
Jan-24	863.00	696.50	486,548	863.40	696.95	3,687,679
Feb- 24	885.65	689.00	1,502,030	886.00	686.00	17,027,991
Mar- 24	828.80	683.90	698,303	828.20	686.00	5,504,981

Note: *The Company became listed on July 07, 2023, and hence there are no high and low prices for the month April 2023 to June 2023.

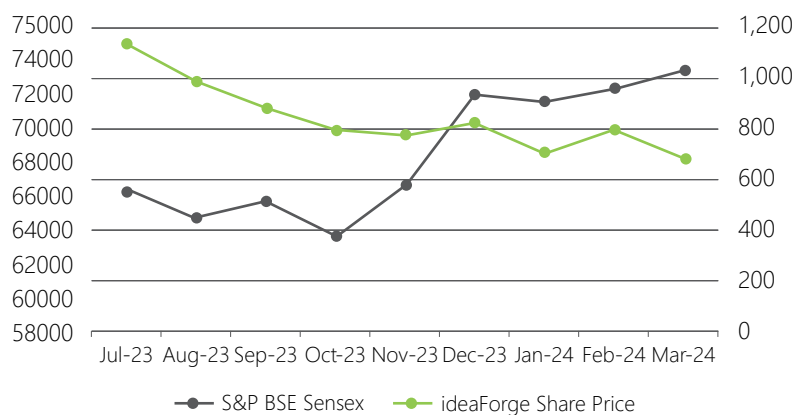
* Volume is the total monthly volume of trade (in numbers) in shares of the Company on respective exchanges.

Share Price Performance in comparison to broad-based indices – NSE Nifty and BSE Sensex

Nifty vs ideaForge Share price



S&P BSE Sensex vs ideaForge Share price



13.7 Share Transfer System (in physical segment)

Transmission, dematerialisation of shares and all other investor related matters are attended to and processed by the Company's RTA. Pursuant to Regulation 40 of the Listing Regulations, the requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with respective Depositories i.e., National Securities Depository Limited and Central Depository Services (India) Limited.

To enhance the ease of dealing in securities market by investors, SEBI vide its circular dated January 25, 2022, has mandated the listed companies to issue securities in demat form only while processing service requests viz. to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Shareholders holding shares in physical form are accordingly advised to avail the facility of dematerialisation by getting in touch with any Depository Participant having registration with SEBI for safeguarding their holdings and managing the same hassle free.

Your Company obtained, a certificate from a Company Secretary in Practice, as required under Regulation 40(9) of the Listing Regulations and were duly filed with the Stock Exchanges.

13.8 Dematerialisation of shares:

As mandated by the Securities and Exchange Board of India ("SEBI"), securities of the Company can be transferred/traded only in dematerialised form. As on March 31, 2024, 100% of shareholding was held in Dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited.

13.9 Secretarial Compliance Report

In accordance with the SEBI Circular dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from M/s. S. N. ANANTHASUBRAMANIAN & Co., Practicing Company Secretary confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended March 31, 2024.

13.10 Distribution of Shareholding by size as on March 31, 2024

No. of Shares held	No. of shareholders	% to total no. of shareholders	No. of shares	% to total no. of shares
1 to 500	144,984	98.42	6,266,490	14.61
501 to 1000	1,395	0.95	1,050,317	2.45
1001 to 2000	546	0.37	790,238	1.84
2001 to 3000	127	0.09	320,434	0.75
3001 to 4000	49	0.03	176,614	0.41
4001 to 5000	45	0.03	213,038	0.50
5001 to 10000	66	0.04	476,227	1.11
10001 to above	104	0.07	33,591,964	78.33
TOTAL	147,316	100.00	42,885,322	100.00

13.11 Statement showing shareholding pattern as on March 31, 2024

Sr. No.	Category of Shareholder	Total no. of shares	% to total no. of shares
A	Shareholder of Promoter and Promoter Group		
A1	Indian	10,659,129	24.85
A2	Foreign	1,919,870	4.48
	Total Promoter and Promoter Group Shareholder A=(A1+A2)	12,578,999	29.33
B	Public shareholder		
B1	Institutions	2,798,257	6.53
B2	Non-Institution	27,508,066	64.14
	Total Public Shareholding B=(B1+B2)	30,306,323	70.67
	Total (A+B)		100.00

13.12 Outstanding GDRs / ADRs / Warrants or any convertible warrants

The Company does not have any outstanding GDRs/ADRs/Warrants or any other convertible instruments as on March 31, 2024, having any impact on equity.

13.13 Commodity Price Risk or Foreign Exchange Risk and hedging activities

Foreign currency exposures are not hedged by derivative instruments as on March 31, 2024, is USD \$ 9,03,133. The unhedged exposure is naturally hedged by foreign currency earnings and earnings linked to foreign currency.

13.14 Plant Locations of ideaForge & its Subsidiary:

The Company has one plant located at EL-146, TTC Industrial Area, Electronic Zone MIDC, Mahape, Navi Mumbai Thane, 400710. The Company has one subsidiary viz; ideaForge Technology Inc., located at 5900, Balcones Drive, Suite 100, Austin, TX – 78731-4298.

13.15 Address for correspondence with the company:

All correspondence may please be addressed to the Registrar & Transfer Agent, Link Intime India Private Limited at the address given below.

In case any shareholder is not satisfied with the response or does not get a response within reasonable period from the Registrar & Transfer Agent, they may approach the Compliance Officer at the Registered Office of the Company or email their queries/grievances to compliance@ideaforgetech.com

**Plant and Registered Office:
ideaForge Technology Limited**

(Formerly known as ideaForge Technology Private Limited)
EL-146, TTC Industrial Area, Electronic Zone MIDC,
Mahape, Navi Mumbai Navi Mumbai Thane, 400710
Tel: + 91 226787 5000
Email: compliance@ideaforgetech.com

13.16 Registrar and Transfer Agent (RTA)

Link Intime India Private Limited
C-101, 1st Floor, 247 Park,
L.B.S. Marg, Vikhroli (West)
Mumbai – 400 083, Maharashtra, India
Email: rnt.helpdesk@linkintime.co.in
Tel: 1800 1020 878
Fax: 022 - 4918 6060
Website: www.linkintime.co.in

13.17 Credit Ratings

Rating Agency	Rating/Outlook
CRISIL	BBB/Stable

13.18 Compliance Officer

Ms. Sonam Gupta is appointed as the Company Secretary and Compliance Officer of the Company.

14. DISCLOSURES**14.1 Related Party Transactions**

- All transactions entered into with Related Parties in terms of provisions under the Act and Regulation 23 of the Listing Regulations during the financial year 2023-24 were undertaken in compliance with the aforesaid regulatory provisions;
- There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company;
- All related party transactions entered into during the year were on arms' length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and Listing Regulations.
- SEBI vide amendments to the Listing Regulations had introduced substantial changes in the related party transaction framework, inter alia, by enhancing the purview of the definition of related party, and overall scope of transactions with related parties effective April 1, 2022 or unless otherwise specified. The Board on the recommendations of the Audit Committee approved the revised 'Policy for Related Party Transactions' to align it with the said amendments and the same is available on the website of the Company at <https://ideaforgetech.com/uploads/Other/Materialityofanddealingwithrelatedparttransaction.pdf>.
- The Register of Contracts / statement of related party transactions, is placed before the Board / Audit Committee regularly;
- Transactions with related parties are disclosed in Note in Financial Statement which forms part of this Annual Report.

14.2 Policy on Material Subsidiaries:

The Company has adopted a Policy on Material Subsidiaries and the same is displayed on the Company's website at the web link:

www.ideaforgetech.com/uploads/Other/DeterminingMaterialSubsidiaries.pdf

14.3 Details of non-compliance, penalties, strictures imposed by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last 3 years

Equity shares of the Company are listed and traded on National Stock Exchange of India Limited and BSE Limited w.e.f. July 07, 2023. The Company has complied with the Rules, Regulations and Guidelines prescribed by Securities and Exchange Board of India ('SEBI') and Stock Exchange as applicable to the Company, from time to time. There were no instances of non-compliance nor have any penalties, strictures been imposed by Stock Exchanges or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.

14.4 Management Discussion and Analysis Report

Management Discussion and Analysis Report forms part of this Annual Report.

14.5 Vigil Mechanism / Whistle Blower Policy for Directors and employees

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism/ Whistle Blower Policy are posted on the website of the Company and the weblink to the same is www.ideaforgetech.com/uploads/Other/VigilMechanismPolicy.pdf. No person has been denied access to the Chairman of the Audit Committee of Directors.

14.6 Compliance with mandatory and non-mandatory requirements of Listing Regulations:

The Company has complied with all mandatory and non-mandatory requirements of the Listing Regulations relating to Corporate Governance 17 to 27 and has also complied with Clauses (b) to (i) of Regulation 46 (2) relating to dissemination of information on the website of the Company. The status of compliance with the

non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations is as under:

- The quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website.
- The financial statements of the Company are with unmodified audit opinion.
- The Chairman of the Board is an Independent Director, and his position is separate from that of the Managing Director & CEO.
- The Internal Auditor reports to the Audit Committee.

14.7 Certificate from M/s. S. N. ANANTHASUBRAMANIAN & Co., Practicing Company Secretary, is attached (which forms integral part of this report) confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

14.8 There was no such instance during FY 2023-24 when the board had not accepted any recommendation of any committee of the board.

14.9 Disclosure with respect to demat suspense account/ unclaimed suspense account: Not Applicable.

14.10 Disclosure of certain types of agreements binding listed entities is required as per sub-para (g) of para c of schedule V of SEBI LODR Reg, 2015: Not Applicable.

14.11 Code for Prevention of Insider Trading

As required by the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct to Regulate, Monitor and Report Trading by designated persons in securities of the Company.

The Code of Conduct is applicable to all Directors and designated persons of the Company who are expected to have access to unpublished price sensitive information relating to the Company. The Code of Conduct lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations.

14.12 Fees paid to Statutory Auditors

The total fees incurred by the Company and its subsidiary on a consolidated basis, for services rendered by statutory auditors and its affiliate's entities, is given below:

Particulars	FY 2023-24 (INR in Million)	FY 2022-23 (INR in Million)
Statutory Audit Fees	2.90	2.20
Limited Review	2.10	-
Certification Audit Services*	1.30	-
Reimbursement of Expenses	0.09	-
	6.39	2.20

*Excluding INR 13.87 Million which are considered as a part of offer expenses under Initial Public Offer.

14.13 Prevention, prohibition and redressal of sexual harassment at workplace:

Your Company is committed to create and provide an environment free from discrimination and harassment including sexual harassment for all its employees. Your Company has in place Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 which mandates no tolerance against any conduct amounting to workplace sexual harassment. Internal Complaints

Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

The Company prohibits and has zero tolerance towards any actions relating to workplace sexual harassment and it is dealt expeditiously and fairly through prompt and thorough investigation whenever any instance in this regard is reported, the details of which are as under:

Number of complaints filed during the financial year :	0
Number of complaints disposed of during the financial year:	0
Number of complaints pending as on end of the financial year:	0

14.14 Compliance with Accounting Standard:

In the preparation of the financial statements, the, Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder. The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.

The Company has complied with the requirements of Corporate Governance report of sub- paras (2) to (10) of Schedule V of the Listing Regulations.

14.15 The Company has duly complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

Sr. No.	Particulars	Regulation	Compliances Status as on March 31, 2024 Yes/No/N.A.
1	Board of Directors	17	YES
2	Maximum Number of Directorships	17A	YES
3	Audit Committee	18	YES
4	Nomination and Remuneration Committee	19	YES
5	Stakeholder Relationship Committee	20	YES
6	Risk Management Committee	21	YES
7	Vigil Mechanism	22	YES
8	Related Party Transactions	23	YES
9	Subsidiaries of the Company	24	YES
10	Secretarial Audit report	24A	YES
11	Obligations with respect to Independent Directors	25	YES
12	Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	26	YES
13	Other Corporate Governance requirements	27	YES
14	Website	46(2)(b) to (i)	YES

To,

The Members of ideaForge Technology Limited

Declaration by the CEO & Whole Time Director

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Codes of Conduct and Ethics for Directors and Senior Management of the Company for the year ended March 31, 2024."

For ideaForge Technology Limited

Date: May 14, 2024
Place: Mumbai

Ankit Mehta
CEO & Whole-time Director
DIN: 02108289

Business Responsibility & Sustainability Reporting (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	U31401MH2007PLC167669
2. Name of the Entity	ideaForge Technology Limited
3. Year of Incorporation	2007
4. Registered office address	EL-146, T.T.C. Industrial Area, M.I.D.C. Mahape, Navi Mumbai - 400 710. Maharashtra (India).
5. Corporate address	Unit 702, Q2 Bldg, Aurum Q Parc, Ghansoli, Navi Mumbai - 400 710
6. E-mail	compliance@ideaforgetech.com
7. Telephone	022-67871000
8. Website	www.ideaforgetech.com
9. Financial year for which reporting is being done	2023-24
10. Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11. Paid-up Capital	INR 42,88,53,220
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Sonam Gupta - Company Secretary & Compliance Officer compliance@ideaforgetech.com Tel. No: +91 (22) 6787 1000
13. Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a standalone basis and pertain to ideaForge Technology Limited and its offices across India and manufacturing facility in Maharashtra, India
14. Name of assurance provider	Assurance is not mandatory and has not been take up for the financial year 2023-2024.
15. Type of assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

SL. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the Entity (FY 2023-24)
1.	Manufacturing Unmanned Aerial Vehicle (UAV),	Hardware manufactures and assembly of Unmanned Aerial Vehicles (UAVs) and its components such as payloads, batteries, chargers, and communication systems.	88%
2.	Unmanned Aerial Systems (UAS)	Software and embedded sub-systems, which includes the Ground control station (GCS) software and autopilot sub-systems	12%
3.	Solution Applications	Applications for surveillance, mapping, and surveying	

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

SL. No.	Product/Service	NIC Code	% Of Total Turnover Contributed
1.	Unmanned Aerial Vehicle and Unmanned Aerial Systems	26515	88%
2.	Solution Applications	62013	12%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of operational locations	Number of offices	Total
National	1	6	7
International	0	1	1

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 states & 8 Union Territories
International (No. of Countries)	3 Countries (Bhutan, Nigeria, US)

b. What is the contribution of exports as a percentage of the total turnover of the entity?

In the financial year 2023-24, less than 1% of turnover was from exports outside India.

c. A brief on types of customers

ideaForge is licensed manufacturer of UAVs. Our UAVs are used for surveillance, surveying and mapping, inspections. Our main customers are enterprises, both private and public, including government entities both central and state government agencies, state police departments, disaster management forces and forest departments. The Company is a market leader in the Indian Unmanned Aircraft Systems. ideaForge had the largest operational deployment of indigenous UAVs across India and ranked as 5th global dual category (civil & defence) drone manufacturer by Drone Industry Insights (DII). ideaForge is expanding internationally, supplying drones to customers in Southeast Asia, Africa, and other regions.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	413	354	85.71%	59	14.29%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	413	354	85.71%	59	14.29%
Workers						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	254	162	63.78%	92	36.22%
6.	Total employees (F + G)	254	162	63.78%	92	36.22%

b. Differently abled Employees:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	1	1	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	1	1	100%	-	-

c. Differently abled Workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Workers						
1.	Permanent (D)					
2.	Other than Permanent (E)		There are no differently abled workers.			
3.	Total employees (D + E)					

There are no differently abled workers.

21. Participation/Inclusion/Representation of women

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	1	13%
Key Management Personnel (KMP)	6	1	17%

22. Turnover rate for permanent employees and workers

Category	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11.3%	3.5%	14.8%	14.3%	2.2%	16.5%	22.5%	3.3%	25.8%
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	ideaForge Technology Inc	Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) – Yes

Sr No.	Particulars	Details (In Million)
(i)	Turnover (FY 2023-24)	3170.15
(ii)	Net worth (FY 2023-24)	6631.83

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	1297	-	All the complaints were resolved before the end of the financial year 2023-2024.	15	-	All the complaints were resolved before the end of the financial year 2022-2023.
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	730	63	All the complaints will be resolved as per the standard agreed timeline.	676	132	All the complaints will be resolved as per the standard agreed timeline.
Value Chain Partners	Yes	-	-	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-

ideaForge has well established policies Grievance Redressal processes and policies in place. Policies such as Whistle blower Policy, Grievance Redressal Policy and Customer care Policy detail out processes for any grievances from different Stakeholder groups. The policies can be found at this link.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issues identified	Indicate Risk/ Opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive/ negative implications)
1	Product Safety & Quality	Risk & Opportunity	Product Safety is one of the most important aspects of our business. Issues such as accidents, malfunctions, and liability concerns can arise from product flaws can affect the growth and safety of our products. Any regulation violations could also affect the product design and use.	<p>ideaForge has taken steps to ensure product safety through continuous research, development, and testing. Every UAV manufactured is tested and certified by the Production Team.</p> <p>ideaForge Quality Control plans have defined all Product Safety related checkpoints to ensure the right quality product is manufactured, tested, and shipped to the customer.</p> <p>There are multiple Quality inspection stages that are defined to ensure the product safety including Product Quality line, Incoming Goods inspection, In-process Quality Inspection, Final Quality Inspection, Out Box Audit. ISO and AS9110 Audits are also conducted externally.</p>	<p>Negative- Product Safety issues can have a negative impact affecting the brand reputation</p> <p>Positive - Better process for Product manufacturing and testing will have a positive impact on the business</p>
2	Labor Practices & Supply Chain	Risk & Opportunity	Labour standards and potential disruptions in the supply chain pose risks and opportunities. Worker safety, training, fair wages, focus on sustainable and ethical sourcing.	<p>ideaForge has taken steps to ensure all Labour standards are met. The Company has detailed internal policies and processes.</p> <p>These include HR policy, Diversity Inclusion and Equal Opportunity Policy. This strengthens the Labour practices and employee well-being.</p> <p>For the supply chain aspects - ideaForge has taken up a Sustainable Supply Chain & Responsible Sourcing Policy.</p> <p>This ensures ethical standards are followed across the supply chain and procurement practices.</p> <p>Health & Safety is also prioritized by ideaForge and steps are taken to ensure any incidents are reported and addressed.</p> <p>The Company follows a systematic approach towards Hazard Identification and Risk Assessment (HIRA) to identify work-related hazards.</p>	<p>Negative - Production delays can have a direct impact on revenue.</p> <p>Positive - Improved worker morale, brand reputation, supply chain resiliency can have a positive impact on the business.</p>

Sr. No.	Material issues identified	Indicate Risk/ Opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive/ negative implications)
3	Environmental Impacts from Production	Risk & Opportunity	<p>High Waste generation, energy consumption and resource use in the manufacturing process could lead to environmental damage.</p> <p>This is a huge risk to the business. However, this also offers an opportunity to showcase a commitment to reducing environmental impacts arising from manufacturing processes.</p>	<p>ideaForge has taken steps for sustainable sourcing and conducts review of suppliers across environmental aspects.</p> <p>This helps in understanding and addressing any environmental risk from the suppliers.</p> <p>ideaForge has implemented specific measures for sustainable sourcing and regulatory compliance during supplier onboarding, audits, conducting regular reviews based on environmental standards.</p> <p>This approach helps identify and address any environmental risks linked to suppliers and resources.</p> <p>The Company has actively taken steps towards waste management in line with CPCB regulations and State Pollution Control Boards. All the waste is disposed through authorized vendors.</p> <p>The Company looks to reduce waste generation from its operations in the coming years.</p> <p>The Company has taken steps for energy efficiency initiatives across its manufacturing units. LEDs were installed to increase the energy efficiency. ideaForge has also installed motion sensors lights in common passage and stairs case, this has resulted in reduction of electricity consumption.</p> <p>The Company has also started monitoring the Scope 1,2 and 3 emissions for the financial year 2023-2024, to understand the baseline emissions.</p>	<p>Negative- Increased operating costs can have a negative impact on the business.</p> <p>Positive- Reducing the impacts on the environment can create a better brand image and improve environmental management.</p>

Sr. No.	Material issues identified	Indicate Risk/ Opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive/ negative implications)
4	Data Privacy and Security	Risk	Data Security is most important for the business as any unauthorized data access and misuse, can affect the company and its operations. This can also affect the data collected by the UAV which could be potentially sensitive in nature.	ideaForge has established a strong policy towards Information security risk management, data protection and privacy. These policies cover risk identification, assessment, and mitigation measures/ safeguards in place. The Data protection policy covers data access, sharing, protection and procedures in place.	Negative – Any data privacy or security issues can have regulatory fines and reputational damage. Positive – Better data security measures can help improve customer trust
5	Customer Satisfaction and Retention	Risk & Opportunity	Customer satisfaction and loyalty is an important factor for the business to be successful and uphold brand position in the market. This can help grow the business as well as affect the reputation of the Company. This is also an opportunity for the Company to showcase customer satisfaction from effective customer management processes.	The Company has robust mechanisms to receive and respond to customer complaints including, Customer Support Center (CSS) phone numbers and emails. All grievances are tracked and addressed. Apart from this the Company also has field teams to provide support for any technical repairs and to gather customer feedback. This ensures the best services to all customers.	Negative – Decreased customer satisfaction can have a reputational damage Positive – Improved customer satisfaction measures can increase trust and brand loyalty
6	Community Relations	Risk & Opportunity	Impact from operations on the community. Opportunity for job creation and economic development	The Company has a CSR team and proactively complies to the requirements of CSR. For this financial year the Company has taken up a variety of activities partnering with NGOs for Quality Education, Health and Well-being across Maharashtra. This helps in development of surrounding communities and improving their quality of life.	Negative – No community development can have a bad reputational damage for the Company. Positive – Improved Community Relations will create a positive brand image for the Company.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping business demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

S. No.	Principle Description	Reference of Policies /Procedure/Standard
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	<ul style="list-style-type: none"> • Code of Conduct of Board and Senior Management • Code of Conduct to Regulate Monitor and Report Trading by Insiders • Dividend Distribution Policy • Nomination Remuneration • Vigil Mechanism • Risk Management • Prevention of Sexual Harassment at Workplace • Policy and procedure for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information • Plan for orderly succession for appointment of directors and senior management • Familiarization programme for independent directors • The diversity of board of directors • Preservation of documents and archival of website disclosures • Determination of material events and information • Terms of Appointment of Independent director • Anti-bribery policy and Anti-corruption policy
P2	Businesses should provide goods and services in a manner that is sustainable and safe	<ul style="list-style-type: none"> • Product Stewardship Policy • Policy on Sustainable Supply Chain and Responsible Sourcing • Business Continuity & Disaster Management
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains	<ul style="list-style-type: none"> • Vigil Mechanism • Prevention of Sexual Harassment at Workplace • Equal Opportunity Policy • Diversity and Inclusion Policy • Health and Safety Policy • HR Policy
P4	Businesses should respect the interests of and be responsive to all its stakeholders	<ul style="list-style-type: none"> • Corporate Social Responsibility • Stakeholder Engagement Policy
P5	Businesses should respect and promote human rights	<ul style="list-style-type: none"> • Vigil Mechanism • Prevention of Sexual Harassment at Workplace • Human Rights Policy
P6	Businesses should respect and make efforts to protect and restore the environment	<ul style="list-style-type: none"> • Policy on Sustainable Supply Chain and Responsible Sourcing • Business Continuity & Disaster Management • ESG Policy
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	<ul style="list-style-type: none"> • Customer Care Policy • Grievance Redressal Policy • Stakeholder Engagement Policy

S. No.	Principle Description	Reference of Policies /Procedure/Standard
P8	Businesses should promote inclusive growth and equitable development	<ul style="list-style-type: none"> ESG Policy Corporate Social Responsibility
P9	Businesses should engage with and provide value to their consumers in a responsible manner	<ul style="list-style-type: none"> Customer Care Policy Grievance Redressal Policy

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Web Link to Policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.	<ul style="list-style-type: none"> The Company has in place: ISO 45001:2018; ISO 27001:2022 Great Place to Work Certification DGCA certification 								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>As this is the first year of ESG implementation, the Company has initiated the process to understand the baseline ESG KPIs values across operations and take up goals for the upcoming years.</p> <p>For this financial year the Company has started tracking ESG KPIs such as greenhouse gas emissions, energy consumption, waste generation, water consumption, wastewater generation etc.</p> <p>The Company looks to align ESG initiatives with business objectives and develop an effective ESG strategy.</p>								
6. Performance of the entity against specific commitments, goals, and targets along with reasons in case the same are not met.	<p>The Company has initiated the is process to understand the baseline ESG KPIs values across operations and take up goals for the upcoming years. In this regard the Company will take up performance against the specific commitments, goals, and targets in the coming year.</p>								

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

We are happy to highlight our commitment to the BRSR principles and showcase our progress on ESG.

ideaForge is dedicated to integrating sustainability into our core business operations, prioritizing ethical business practices, monitoring ESG KPIs and ensuring community engagement.

During the reporting period, we achieved milestones including monitoring various ESG KPIs, including Scope 1, 2, and 3 emissions, waste generation and water consumption.

Apart from this we have also identified material risks and opportunities across ESG that specific to our business. We have also placed emphasis on engaging with the communities through our CSR initiatives.

Looking ahead, we aim to address challenges like supply chain resilience, resource efficiency and various steps towards our ESG maturity through innovation, collaboration, and stakeholder engagement.

In summary, our approach underscores transparency, accountability, and value creation for all stakeholders as we continue our sustainability journey.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies.	The CEO is the ultimate authority for implementing and overseeing Business Responsibility & Sustainability Policies, with the guidance of the Board of Directors.
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No, at present there is no separate committee for decision making on sustainability related issues of the Company.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other—please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against above policies and follow up action	As this is the first year of implementation for many policies, no performance review or follow up action has been carried out yet.									Performance review and follow up actions will be carried out as required and detailed in the policies.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The company is in Compliance with all statutory requirements.									Throughout the year								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9									
	At present no independent assessment/ evaluation of the working of policies was carried out by any external agency. The Company will look to take this up in the coming years.																	

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. The entity does not consider the principles material to its business (Yes/No)									
2. The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
3. The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
4. It is planned to be done in the next financial year (Yes/No)									
5. Any other reason (please specify)									

All policies are in line with all BRSR principles. The company has taken active steps to ensure all policies are created in line with BRSR and responsible business conduct. More details can be found in this link.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities who aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

I. Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	1	Familiarization Programme for Board Members, Code of Conduct and other policies, ideaForge's focus on sustainability	100%
Key Managerial Personnel (KMP)	1	Code of Conduct and other policies, ideaForge's focus on sustainability	100%
Employees other than BoD and KMPs	30	Effective Communication, Presentation Skills, Product Safety, Performance Management Programme, Process Certification, POSH, Experience Design, Managerial Effectiveness, Insider Trading Familiarization, Drone Regulations, GPS Fundamentals	100%
Workers	36	Product safety, FOD, MTS, PCB, Soldering, Welding, Code of conduct, 5S, Kaizen	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

There are no fines or penalties paid with regulators/legal entities in this financial year.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/ enforcement agencies/ judicial institution
DGCA vide Demand Notice dated September 20, 2023 has imposed a penalty of INR 1,00,000/- in exercise of the powers conferred under Rule 50 of the Drone Rules 2021. The said penalty was imposed as in their view, the Company failed to comply with Rule 17 of the Drone Rules 2021.	<p>On October 18, 2023, the Company had filed an appeal to the Ministry of Civil Aviation (MoCA) against the order passed by DGCA imposing penalty of INR 1,00,000/-</p> <p>The Company was given an opportunity to appear in person before the MoCA on March 21, 2024. The MoCA has passed the order on March 26, 2024, and reduced the penalty from INR 1,00,000/- to INR 10,000/- Based on this, the Company had deposited the penalty of INR 10,000/- against the Demand Notice dated September 20, 2023, from DGCA. The Order from DGCA stands withdrawn.</p> <p>In this regard at present there are no cases where there is any monetary or non-monetary action that has been appealed.</p>

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company has a Policy on anti-corruption and anti-bribery (ABAC). This Policy applies to All Directors, Employees and stakeholders.

The ABAC Policy defines corruption and bribery and details a strong commitment with zero-tolerance to any Bribery, Facilitation Payments, Improper Use of Company Funds or Assets, Conflict of Interest, Gifts, Entertainment, and Hospitality and Political Contributions and consequence of the same.

For any Whistle Blower, all Protected Disclosures should be addressed to the Vigilance Committee or to the Chairman of the Audit Committee. The committee members will carry out an investigation if needed. The Audit Committee members, if deems fit, may call for further information or particulars from the complainant or give requisite directions to the Vigilance Committee. More details can be found in this link: [https://ideaforgetech.com/uploads/Other/VigilMechanismPolicy\(2\).pdf](https://ideaforgetech.com/uploads/Other/VigilMechanismPolicy(2).pdf)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

There are no directors/KMP/employees against whom disciplinary actions was taken by any agency in view of bribery/corruption.

6. Details of complaints with regard to conflict of interest:

There are complaints received in relation to issues of Conflict of Interest with respect to directors/KMP.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

As there were no complaints received with respect to conflict of interest in the past 2 financial years, there has been no need for corrective action on matters pertaining to fines/penalty/activity taken by regulators/law enforcement agencies/judicial institutions.

8. Number of days of accounts payables ((Accounts payable*365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	51 days	53 days

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	72%	55%
	b. Number of trading houses where purchases are made from	60	58
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	74%	73%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	16%	23%
	b. Number of dealers / distributors to whom sales are made	24	48
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	16%	21%
Share of Related Party Transactions in	a. Purchases (Purchases with related parties / Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties / Total Sales)	0.34%	Nil
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	Nil	Nil

II. Principle 2: Businesses should provide goods and services in a manner that is Sustainable and Safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	20%	-	<ul style="list-style-type: none"> Development of Surveillance Payloads for Forestry and Natural Habitat's Monitoring to protect Environment. Development of Multispectral Payloads for Agriculture Plant Health Monitoring and Precision Agriculture Mapping of Agricultural Land for Up-to-Date Land Records, Railway Track Mapping, Urban Planning & Property Tax Collection, Urban Traffic Management etc. Development of drones for Public Safety (during elections & riots in the city, locate missing people/ suspects, bridge inspection etc.) Development of advanced features such as 20% longer endurance (flight times), improved stability during night and adverse weather conditions (e.g fog and rain).
Capex	10%	-	Necessary infrastructure related investments to the above R&D initiatives.

Note: The Company has started tracking the R&D investments in specific technologies to improve the environmental and social impacts of product from the financial year 2023-2024

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No) b. If yes, what percentage of inputs were sourced sustainably?

Yes, ideaForge has a Policy on Sustainable Supply Chain and Responsible Sourcing. This Policy and procedures aims to integrate ESG across Suppliers. This would help strengthen the ESG practices across the supply chain.

ideaForge also conducts an internal annual audit of suppliers across ESG aspects during the supplier on-boarding process. At present we are not tracking the percentage of inputs were sourced sustainably and will look to track this in the coming years.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
- E-Waste - ideaForge has partnered with a Producer Responsibility Organization who will support in the channelization of e-waste from end customer for any used products to the recycling/dismantling premises, through the establishment of collection centers. This is done with the support of registered recyclers for collection and disposal of waste.
 - Plastic Waste, Hazardous and other waste – The Company does not have any process to safely reclaim and recycle these wastes at the end of life.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, Extended Producer Responsibility (EPR) is applicable in the three categories i.e. plastic waste, battery waste and E-waste. ideaForge has registered as an EPR for Battery and E-wastes and the waste collection plan is in line with the EPR plan submitted to CPCB. ideaForge is also in process of registration of Plastic waste as an importer and brand owner category. The Company continuously monitors the disposal of plastic, battery and electronics waste. The facility continues to monitor the generation of plastic, battery and electronics waste and dispose of the same according to the Pollution Control Board (PCB) rules.

III. Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	354	354	100%	354	100%	-	-	354	100%	354	100%
Female	59	59	100%	59	100%	59	100%	-	-	59	100%
Total	413	413	100%	413	100%	59	100%	354	100%	413	100%
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

- b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
		(B)	(B/A)	(C)	(C/A)	(D)	(D/A)	(E)	(E/A)	(F)	(F/A)
Permanent Workers											
Male	The Company does not have permanent workers										
Female											
Total											
Other than Permanent Workers											
Male	162	162	100%	162	100%	-	-	-	-	162	100%
Female	92	92	100%	92	100%	92	100%	-	-	92	100%
Total	254	254	100%	254	100%	254	100%	-	-	254	100%

The Company does not have permanent workers

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as a % of total revenue of the company	0.83%	0.81%

- d. Details of retirement benefits.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	-	Y	100%	-	Y
Gratuity	100%	-	Y	100%	-	Y
ESI	100%	-	Y	100%	-	Y
Others	-	-	-	-	-	-

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The number of differently abled employees and workers across ideaForge are very less. ideaForge has provisions of wheels and rims for disabled employees at its offices and manufacturing facilities and offices.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. ideaForge is committed to upholding the principles of equal opportunity and inclusivity in our workplace. Our equal opportunity policy outlines our commitment to creating a supportive and accessible work environment for all employees. ideaForge is committed to providing equal opportunities without any discrimination on the grounds of age, color, disability, origin, nationality, religion, race, gender or sexual orientation. Our zero-tolerance stance extends to any form of verbal or physical harassment related to these aspects. Additionally, ideaForge is dedicated to creating a safe and diverse work environment for all employees. We ensure absolute impartiality in all employment-related decisions, including recruitment, development, and retention. The equal opportunity policy can be found at this link.

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Permanent workers	Not Applicable
Other than permanent workers	Yes. ideaForge has established a Grievance Redressal Policy that provides a framework to ensure all Employees and Workers are treated equally. All complaints are dealt within appropriate time frame. The Policy provides the process for any employee/worker to raise a grievance and details of procedure for resolution. More details can be found at this link.
Permanent employee	
Other than permanent employee	Not Applicable

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

At present ideaForge does not track the membership of employees and worker in association(s) or Unions.

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent Employees										
Male	354	354	100%	354	100%	354	354	100%	354	100%
Female	59	59	100%	59	100%	59	59	100%	59	100%
Total	413	413	100%	413	100%	413	413	100%	413	100%
Permanent Workers										
Male										
Female										
Total										

The Company does not have any permanent workers.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	354	292	82%	234	194	83%
Female	59	49	83%	44	35	80%
Total	413	341	83%	278	229	82%
Permanent Workers						
Male						
Female						
Total						

N.A

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, the Company has implemented a robust Occupational Health and Safety Management System. We consider workplace Health & Safety as a priority in our operations. The system covers the manufacturing unit.

Periodic EHS communication and alerts are sent out to employees and awareness sessions are conducted on safety related aspects periodic training on basic fire safety, including evacuation drills. The facility has a designated first-aider, with minimum basic training so as to provide first aid in case of any medical emergencies.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company follows a systematic approach towards Hazard Identification and Risk Assessment (HIRA) to identify work-related hazards that includes the following steps:

Hazard Identification: To identify any hazards that exist in the manufacturing unit of the Company follows workplace inspections, and review of incident reports.

Risk Assessment: The risks associated with each hazard is then assessed. This is done by evaluating the severity of potential harm or injury.

Controls: Next, we look to develop and implement controls to minimize the risk. The Company identified engineering controls, administrative controls, or use Personal Protective Equipment (PPE) to mitigate the risks.

Monitor: The Company looks to ensure continuous monitoring and improvement of occupational health and safety within its operations

The Company has several safety tools to ensure a safe working environment for its employees. These tools include:

- Safety Gemba, which involve regular inspections of the workplace to identify potential hazards and unsafe practices.
- Elimination of accepted unsafe practices, which targets practices that are commonly accepted but pose a risk to employees' safety
- Reviewing each stage of a workstation to identify potential hazards
- Take corrective measures accordingly

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes.

The Company has created awareness for employees and workers to report work related hazards.

Employees/Workers can also report to their respective department. Further, these teams will coordinate with the designated person to address the hazards to control the risk.

Job specific trainings to employees & technician. The process of incident reporting and investigation has also been implemented.

Workmen were identified and deployed at workplaces to identify hazards and report them for immediate corrective action. Workmen representatives from each department were also part of the Safety Committee. Monthly Safety Committee meetings are conducted where workman's representatives were participated to report the work and health related hazards/ concerns at the workplace and discuss the mitigation measures.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Employees/Workers of our manufacturing facility have access to non-occupational medical and healthcare services. This is done through on-site medical services or through existing tie-ups with reputed hospitals located close to the facility. We provide routine checkups of our employees and treatment for illnesses or injuries. In addition, personnel are also trained to respond to any medical emergencies on-site. Employees are covered in medical insurance policy.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employee	0	0
	Worker	0	1.3
Total recordable work-related injuries	Employee	0	0
	Worker	0	1
No. of fatalities	Employee	0	0
	Worker	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employee	0	0
	Worker	0	0

12. Describe the measures taken by the company to ensure a safe and healthy workplace.

Details of measures taken by the Company at their manufacturing facility include:

A system with hierarchy of controls (method for identifying and ranking safeguards to protect workers from hazards) is followed for the application of risk control measures. This is followed before the execution of any task. None of the tasks are executed until the risks (if any) are brought to acceptable range. Safety training is provided to educate employees so that they can identify potential hazards, use equipment correctly, and implement preventive measures.

These trainings help improve the safety culture within the facility and can significantly reduce the risk of accidents and injuries at workplace. A PPE Matrix is displayed at workstations to ensure which PPE can be used during respective operation/work/ or any task.

Periodic mock drills are conducted to ensure readiness, emergency preparedness, evaluate post-drill issues, identify emergency gaps, validate response plans, and find improvements. Improvement of the Health & Safety system is assured through periodic safety inspections across the facility. Monthly Safety Committees meeting were conducted to monitor the workplace for hazards on a regular basis and mitigate the same ensuring a safe workplace.

13. Number of complaints on the following made by employees and workers:

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions Health & Safety	The facility has not received any complaints on Health & Safety and Working Conditions for the past two financial years.					

14. Assessments for the year:

Aspect	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	At present the Company is conducting internal assessment for Health & Safety practices.
Working Conditions	The Company will conduct an external assessment in the coming year.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

ideaForge ensures all safety related incidents are being investigated and reviewed. All safety related reports are shared across the facility for any corrective actions to prevent any recurrence of such incidents.

IV. Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholders play an important role in our success. Stakeholder engagement helps the Company identify and understand stakeholder concerns and incorporate them in into decision making. The Company identifies key stakeholders through the following steps:

1. Understand Needs and Expectations
2. Identify Stakeholder Groups
3. Prioritize Stakeholder Groups
4. Engagement Plan for Stakeholder

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and regulatory authorities	No	<ul style="list-style-type: none"> Industry Associations Corporate Presentations Written Communications Email Website One-to-one meetings 	Ongoing-throughout the year	Purpose and scope of engagement Compliance Key topics raised during the engagement Compliance monitoring and reporting. Policies Business updates
NGOs	Yes	<ul style="list-style-type: none"> Email Letters Website 	Ongoing-throughout the year	Purpose and scope of engagement CSR initiatives Key topics raised during the engagement Identification of Target population Budget and spend CSR Activities

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> Team Meetings Email Communication Employee Survey Trainings Town Halls Annual Performance Reviews 	Ongoing- throughout the year	Purpose and scope of engagement Employee Well being Key topics raised during the engagement Strategy, Policies, and Procedures Compensation and Benefits Career Development Opportunities Training Programs
Customers	No	<ul style="list-style-type: none"> Corporate Website Toll-free number Digital Platforms Customer Relationship Managers Customer Satisfaction Surveys Media Campaigns and Advertising Knowledge Seminars and Events 	Ongoing- throughout the year	Purpose and scope of engagement Review customer needs and expectations Customer Feedback Key topics raised during the engagement Product Specifications & Pricing Product Delivery Product Feedback
Suppliers, Vendors, Business Partners	No	<ul style="list-style-type: none"> In-person Visits Telephonic Supplier Onboarding Trainings Email Communication Online one-to-one meeting with the top management Channel Partner Meets Conferences and Forums Written Communications 	Ongoing- throughout the year	Purpose and scope of engagement Quality of products provided by suppliers. Supplier's Delivery Capabilities Key topics raised during the engagement Supplier's QC process. Delivery Timeframe
Investors & Shareholders	No	<ul style="list-style-type: none"> Annual General Meetings Conferences Investor Meets Annual Reports Investor Presentations Company Announcements Website Media Releases 	Quarterly	Purpose and scope of engagement Any concerns and inquiries Company's Financial Performance Corporate Strategy and Governance Key topics raised during the engagement Financial Results Corporate Strategy Updates

V. Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	413	413	100%	278	278	100%
Other than permanent	-	-	-	-	-	-
Total Employees	413	413	100%	278	278	100%
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	254	254	100%	248	248	100%
Total Workers	254	254	100%	248	248	100%

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than minimum Wage		Total (D)	Equal to Minimum Wage		More than minimum wage	
		No. (B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
Employees										
Permanent	413	-	-	413	100%	278	-	-	278	100%
Other than Permanent	354	-	-	354	100%	234	-	-	234	100%
Total employees	59	-	-	59	100%	44	-	-	44	100%
Workers										
Permanent	-	-	-	-	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-	-	-	-	-
Total workers	-	-	-	-	-	-	-	-	-	-

3. a. Details of remuneration/salary/wages, in the following format :

Median remuneration / wages

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	10,90,500	1	15,00,000
Key Managerial Personnel (KMP)	5	12,45,078	1	79,177
Employees other than BoD and KMP	349	68,140	58	61,211
Workers	-	-	-	-

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	10.52%	10.45%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. Any complaints related to human rights can be raised to the concerned Head of Department or the HR Head. The Company has also developed a Policy on "Prevention of Sexual Harassment at Workplace"(POSH). Any grievance related to POSH can be reported to writing to HR, Executive Officer or Executive Director or the Internal Complaints Committee. Apart from this the company has a developed a Vigil Mechanism/ Whistle Blower Policy. This been formulated to provide a mechanism to employees and directors to report any grievances on suspected wrongful conducts or unethical behavior. Any grievances can be shared to the Vigilance Committee or Chairman of the Audit Committee..

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has procedures in place to address grievances related to human rights issues. Grievances can be reported to the concerned Head of Department or the HR Head for resolution. With respect to any issues related to POSH, for any issue should be addressed in writing to HR, Executive Officer or Executive Director. They shall investigate and resolve the alleged incident. In the event that resolution does not result in a satisfactory conclusion, a complaint should be shared in written and signed statement on the appropriate complaint form to the HR department, CFO . The Internal Complaints Committee shall investigate every formal written complaint of and take appropriate remedial measures.

6. Number of Complaints on the following made by employees and workers:

Aspect	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment						
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other human rights related issues						

There are no complaints filed by employees and workers related to human rights issues for the past 2 financial years.

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)		
Complaints on POSH as a % of female employees / workers		
Complaints on POSH upheld		

There are no complaints filed under POSH in the current and previous financial year.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has detailed policies and procedures on POSH and an employee code of conduct. All employees and workers are trained on these aspects. In any issues related to discrimination and harassment the company will maintain confidentiality of the persons involved.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No.

10. Assessments of the year

Aspects	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	The Company has not carried out any assessments for these aspects in the financial year 2023-2024.
Forced labor	
Sexual harassment	
Discrimination at workplace	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

VI. Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	Unit	FY 2023-24	FY 2022-23
From renewable sources (in gigajoules)			
Total electricity consumption (A)	GJ	-	-
Total fuel consumption (B)	GJ	-	-
Energy consumption through other sources (C)	GJ	-	-
Total energy consumption from renewable sources (A+B+C) (GJ)	GJ	-	-
From non - renewable sources (in gigajoules)			
Total electricity consumption (D)	GJ	1,759	1,121
Total fuel consumption – DG Sets (E)	GJ	2,781	1,799
Energy consumption through other sources – Diesel from Company owned vehicles (F)	GJ	8,927	5,303
Total energy consumption from non - renewable sources (D+E+F) (GJ)	GJ	13,467	8,223
Total energy consumption (A+B+C+D+E+F) (GJ)	GJ	13,467	8,223
Energy intensity per rupee of turnover (Total energy consumption in GJ/ Revenue from operations)	GJ/Mn (INR)	4.25	4.42
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/Mn adjusted for PPP PPP for India is taken as 22.4 for FY 24 & 22.17 for FY23 Source: IMF	0.19	0.20
Energy intensity in terms of physical output	-	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

ideaForge does not have any facilities that are designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water

Parameter	Unit	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)			
(i) Surface water	KL	-	-
(ii) Groundwater	KL	-	-
(iii) Third party water	KL	-	-
(iv) Seawater / desalinated water	KL	-	-
(v) Others	KL	3,508	1,863
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	KL	3,508	1,863
Total volume of water consumption (in kilolitres)			
	KL	3,508	1,863
Water intensity per rupee of turnover (Water consumed / turnover)	KL/Mn (INR)	1.11	1.00
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	KL/Mn adjusted for PPP PPP for India is taken as 22.4 for FY 24 & 22.17 for FY23 Source: IMF	0.05	0.05
Water intensity in terms of physical output	-	-	-
Water intensity (optional)– the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done.

4. Provide the following details related to water discharged:

Parameter	Unit	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)			
(i) Surface water	KL		
No treatment	KL		
With treatment – please specify the level of treatment	KL		
(ii) Ground water	KL		
No treatment	KL		
With treatment – please specify the level of treatment	KL		
(iii) Sea water	KL		
No treatment	KL		
With treatment – please specify the level of treatment	KL		
(iv) Sent to third parties	KL		
No treatment	KL		
With treatment – please specify the level of treatment	KL		
(v) Others	KL		
No treatment	KL	2,806	1490
With treatment – please specify the level of treatment	KL		
Total water discharged (in kilolitres)	KL	2,806	1490

Domestic Sewage from the manufacturing facility is discharged to the Common Industrial area treatment plant.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

The Company has not implemented any system of Zero Liquid Discharge.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
NOx	tones/annum	0.0002	0.0001
Sox	tones/annum	0.0001	0.0001
Particulate matter (PM 10)	tones/annum	-	-
Persistent organic pollutants (POP)	tones/annum	-	-
Volatile organic compounds (VOC)	tones/annum	-	-
Hazardous air pollutants (HAP)	tones/annum	-	-
Others –	tones/annum	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Scope 1	Metric tons of CO ₂ equivalent	77.43	47.8
Scope 2	Metric tons of CO ₂ equivalent	346.9	221.06
Total	Metric tons of CO ₂ equivalent	424.33	268.86
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tons of CO ₂ equivalent /Mn (INR)	0.13	0.14
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tons of CO ₂ equivalent /Mn adjusted for PPP PPP for India is taken as 22.4 for FY 24 & 22.17 for FY23 Source: IMF	0.01	0.01
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

The Scope 1 and Scope 2 calculations are from the electricity and fuel usage i.e -Diesel for Company owned vehicles and for Diesel Generators at facility in India. Further, Scope 1 and 2 calculations are undertaken using guidelines and emissions factors prescribed by globally accepted frameworks and standards such as USEPA guideline, applicable guidelines of GHG Protocol.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done.

8. Does the entity have any project related to reducing Greenhouse Gas emission? If yes, then provide details.

ideaForge is committed to reduce Green House Gas emissions in its manufacturing processes. The Company has undertaken a few projects to address greenhouse gas (GHG) emissions:

LED Lighting Implementation: The Company has switched from normal fluorescent tube lights to Energy-efficient LED Light which has resulted in reduction in electricity consumption.

The Company has installed motion sensor-based LED tube lights in common passages, washrooms, and stairs cases

Motion Sensors: ideaForge has installed motion sensors lights in common passage and stairs case, this has resulted in reduction of electricity consumption.

Tree Plantation: The Company has proposed 50 tree plantation which will enhance in absorption of Carbon dioxide from the surrounding. Furthermore, the company recycles used cooking oil from its restaurants, converting it into biofuel/clean fuel.

We also use air compressor to supply pneumatic power for the operations of riveting gun, grinding machine and spray gun resulting in reduction in power consumption.

To reduce non-essential electricity usage, we manually turn off all the electronic equipment after working hours.

The Company ensures to follow the scheduled equipment checks as per maintenance plan to ensure voltage imbalance, motor failure, over exposure of equipment etc.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tons)		
Plastic waste (A)	0.026	0.023
E-waste (B)	0.2027	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	0.4335	0.006
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	0.00673	-
Other Non-hazardous waste generated (H).	1.185	0.086
Total (A+B + C + D + E + F + G + H)	1.854	0.115
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00	0.00
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.00	0.00
Waste intensity in terms of physical output		
Waste intensity (optional) – the relevant metric may be selected by the entity		

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)

Category	FY 2023-24	FY 2022-23
(i) Recycled	1.8427	0.115
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	1.8427	0.115

For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)

Category of waste	FY 2023-24	FY 2022-23
(i) Incineration:	0.00417	-
(ii) Landfilling	0.00256	-
(iii) Other disposal operations	-	-
Total	0.00673	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

ideaForge adheres to waste management by integrating the principles of the 3R. ideaForge adheres to waste management by ensuring regulated waste is stored and handled in a strict accordance with all the applicable regulatory requirements. All waste is segregated at its source before storage. There are different types of waste generated at the facility, i.e., hazardous waste, non-hazardous waste, and other waste. Measures are taken to ensure that they are identified, segregated, stored, and handled before disposal. The facility has a standard procedure for waste management and disposal. The different types of waste are being stored in different bins with proper identification and nomenclature. The waste bins are color-coded and labelled in red, yellow, blue, and green for their storage. Regulated wastes were stored and handled in strict accordance with all applicable regulatory requirements. The facility non-hazardous waste generated is send/sold to MPCB authorised vendor/recycler to ensure proper disposal of waste and for generated hazardous waste, it is sent to the Common Hazardous Waste Treatment, Storage, and Disposal Facility, i.e., CHWTSDF, for their disposal.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

Not Applicable. The Company does not have any offices or manufacturing facility in the vicinity of any ecologically sensitive area.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

NA. There are no projects in the financial year 2023-2024 that attract the provisions of the environmental impact assessment.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

The Company is compliant with all applicable environmental laws/ regulations/ guidelines and there were no non-compliances.

Leadership Indicators

14. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	5,139.34	-
Total Scope 3 emissions per rupee of turnover	Metric tons of CO ₂ equivalent/Mn	1.62	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tons of CO ₂ equivalent	-	-

Category 1 (Purchased Goods & Services)	4141.3 tCO ₂ e
Category 2 (Capital Goods)	35.9 tCO ₂ e
Category 3 (Fuel and Energy)	160.1 tCO ₂ e
Category 5 (Waste generated from operations)	0.16 tCO ₂ e
Category 6 (Business Travel)	243.9 tCO ₂ e
Category 11 (Use of Sold Products)	557.8 tCO ₂ e

Scope 3 Categories: For the financial year 2023-2024 the Company has carried out Scope 3 assessment for the following categories – Category 1- Purchased Goods & Services, Category 2- Capital Goods, Category 3-Fuel and Energy-Related Activities, Category 5-Waste generated from operations, Category 6-Business Travel, Category 11-Use of Sold Products.

Category 1 (Purchased Goods & Services) and Category 11 (Use of Sold Products) make major contributions to our estimated Scope 3 emissions. Categories such as Category 10 (Processing of Sold Products), Category 13 (Downstream Leased Assets), Category 14 (Franchises), and Category 15 (Investments) do not apply to our operations.

Data Sources: Data for this assessment was sourced from internal records, supplier information and other relevant sources.

Emission Factors: Emission factors used in this assessment are based on internationally recognized standards and methodologies, such as the IPCC Guidelines for National Greenhouse Gas Inventories.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done.

VII. Principle 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

ideaForge is affiliated with 4 National, 1 International, Trade and Industry Chambers.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	Society of Indian Defence Manufacturers (SIDM)	National
3	National Association of Software and Service Companies (NASSCOM)	National
4	Association for Uncrewed Vehicle Systems International (AUVSI)	International
5	Drone Federation of India (DFI)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

There are no corrective action taken or underway on any issues based on adverse orders from regulatory authorities with respect to anti-competitive conduct in the financial year 2023-2024.

VIII. Principle 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

There are no Projects in the financial year 2023-24 that attracts the requirements of Social Impact Assessment.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

There are no projects in the financial year 2023-24 that attracts the requirements of Rehabilitation and Resettlement.

3. **Describe the mechanisms to receive and redress grievances of the community.**

At ideaForge we have a Grievance Redressal Policy which details grievance redressal mechanism for all stakeholders. Various Stakeholders including members of communities can raise grievances through email csr@ideaforgetech.com.

We have also formed an internal CSR Team that actively engages with the NGOs in various communities. We have a dedicated individual managing CSR grievance and ensuring compliance. The Company maintains open communication and engagement with the local communities to address any grievances. Some of the NGOs we work with include: Nanhi Kali, YODA centre, Paraplegic Rehab Center etc.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	36.89%	29.58%
Sourced directly from within the district and neighboring districts	64.02%	57.44%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24	FY 2022-23
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100%	100%

IX. Principle 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

ideaForge is primarily a Business to business Company in the sector of UAV manufacturing.

The mechanisms to receive and respond to customer complaints include:

Customers can log calls on the Support Center(CSS) at phone number 7778884719 or email css@ideaforgetech.com. The CSS team registers all complaints on Orchestly (Software platform) to systematically track and address the reported issues. Key Account Managers are strategically assigned to specific verticals and projects to handle customer complaints and inquiries with precision. For any immediate product repair services, there are four service centers located in Leh, Dibrugarh, Karanpur, and Mumbai. Additionally, service engineers are stationed in key locations, including Mumbai, Bangalore, Jaipur, Lucknow, Dibrugarh, Chandigarh, Shimla, Bhopal, Kolkata, Delhi, Leh, and Thiruvananthapuram.

Apart from these 2 vehicles are exclusively allocated for service and repairs under the 'Service on Wheels' program, ensuring a convenient door-to-door service experience for customers.

2. Turnover of products and/ services as a percentage of turnover from all products / service that carry information about:

As a percentage to total turnover	
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or Safe Disposal	NA

Note: ideaForge is primarily in the business of UAV manufacturing. For products, the battery components carry information on safe disposal of used batteries.

3. Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Others	0	0	NA	0	0	NA

There have been no consumer complaints received in the above categories for the financial year 2022-2023 and 2023-2024.

4. Details of instances of product recalls on account of safety issues:

Aspect	Number	Reason for Recall
Voluntary recall /Mock recall	0	NA
Forced recall	0	NA

Note: There have been no product recalls in the Financial Year 2023-2024.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, ideaForge has internal policies and processes for Cyber Security, Data Protection and Privacy. More details are provided below:

Information Security Risk Management Policy

Through this Policy, the Company covers risks and threats that may arise from IT systems. The Policy has a well-defined Risk management framework and process to identify, assess, respond and monitor these risks. The processes ensure necessary controls are in place and are monitored periodically.

Data Protection & Privacy Policy

In line with the ISO/IEC 27001:2022, the policy covers detailed information for Privacy and protection of personal Information. The Policy covers principles of good data governance for all employees, business partners and consultants. All employees are provided with necessary training for Information systems management. This policy covers data protection of sensitive information, compliance with regulations, and protecting customer data.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

In the financial year 2023-24, there are no issues with respect to advertising, cyber security and data privacy of customers, hence there are no corrective actions. ideaForge continuously looks to improve its systems and monitors for any risks and threats.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches
- b. Percentage of data breaches involving personally identifiable information of customers
- c. Impact, if any, of the data breaches

There have been no incidents of data breaches have taken place in the financial year 2023-2024.

Financial Statements

Independent Auditor's Report

**To the Members of ideaForge Technology Limited
(Formerly known as ideaForge Technology Private Limited)**

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of ideaForge Technology Limited (Formerly known as ideaForge Technology Private Limited) (the "Company") which comprise the standalone balance sheet as at March 31, 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, 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 March 31, 2024,

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

Revenue recognition

Refer Note 2.2(j) of Material Accounting Policies and Note 24 to the standalone financial statements

Revenue recognition on sale of product

Revenue from the sale of products is recognized when control over goods is transferred to the customer based on specific terms and conditions of sale contracts with respective customers.

The Company and its external stakeholders focus on revenue as a key performance metric. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated or recognized before the control has been transferred.

How the matter was addressed in our audit

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:

- i. Evaluated the Company's revenue recognition policies by comparing it with applicable accounting standards.
- ii. Performed testing of design and implementation and the operating effectiveness of the relevant key internal controls over recognition of revenue.
- ii. On a statistical sample basis, tested the revenue transactions recorded during the year by verifying the underlying documents such as sales invoices/contracts, dispatch/shipping documents and proof of delivery.

Revenue recognition

Refer Note 2.2(j) of Material Accounting Policies and Note 24 to the standalone financial statements

Revenue recognition on sale of product

How the matter was addressed in our audit

- iv. On the basis of lead time analysis, tested specific revenue transactions recorded before and after the financial year-end date to determine that revenue is recognised in the financial period in which control is transferred, based on the terms and conditions set out in sales invoices/ contracts, dispatch/shipping documents and proof of delivery.
- v. Performed analytical procedures such as year on year analysis to identify any unusual fluctuations
- vi. Scrutinised journal entries posted to revenue account based upon specific risk based criteria, to identify unusual or irregular items.

Capitalisation of product under development

Refer Note 2.2 (b) and (c) of Material Accounting Policies and Note 6A to the standalone financial statements

Significant estimates and judgement relating to capitalisation of product under development

Costs for new product development are recognised as intangible assets when technical feasibility is established, the Company has committed technical and commercial resources, future economic benefits are assessed as 'probable' and expenditure attributable to the intangible asset during its development can be measured reliably.

This involves management judgement and estimate and there are inherent challenges in estimating future economic benefits which must be assessed as 'probable' for capitalisation to commence. There is a risk of development cost getting capitalised where the relevant criteria have not been met. Accordingly, we identified capitalisation of product development cost as a key audit matter.

How the matter was addressed in our audit

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:

- i. Evaluated the accounting policy for capitalisation and impairment of intangible assets under development by comparing it with applicable accounting standards.
- ii. Evaluated and tested the design, implementation and operating effectiveness of key internal controls with respect to the capitalisation of product under development.
- iii. For specific sample selected based on high value criteria, evaluated the Company's assessment of meeting the capitalisation criteria including the assessment relating to future economic benefits being 'probable' by obtaining revenue forecast and market feasibility assessment from Management, making corroborative inquiries with the product development team and performing retrospective review of the products capitalised.
- iv. Tested by selecting a sample of transactions with high value criteria, for costs incurred towards projects by testing underlying back ups including sighting the approvals for timesheets by the Project Managers. Analysed and determined the costs which are capitalised are 'directly attributable' towards product development activities.

OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon. The Company's 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 matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on April 01, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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 March 31, 2024 on its financial position in its standalone financial statements - Refer Note 40 B to the standalone financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 43 (iii) 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 43 (iv) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software:
- i. The feature of audit trail (edit log) facility was not enabled at the database level to log any direct data changes; and
- ii. Audit trail (edit log) was not preserved for more than 99 changes, if any, for every master data or transaction
- Further, where audit trail (edit log) facility was enabled, we did not come across any instance of audit trail feature being tampered with.
- 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 Chief Executive Officer and two whole time directors during the current year, is in accordance with the provisions of Section 197 read with Schedule V to the Act. The remuneration paid to the Chief Executive Officer and two whole time directors is as per the limits laid down under Section 197 read with Schedule V to the Act and as approved by the shareholder's through special resolution in the Extra Ordinary General Meeting held on 4 February 4, 2023. 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

Mansi Pardiwalla

Partner

Place: Mumbai

Date: May 14, 2024

Membership No.: 108511

ICAI UDIN:24108511BKEMWW7957

Annexure A

to the Independent Auditor's Report on the Standalone Financial Statements of ideaForge Technology Limited (Formerly known as ideaForge Technology Private Limited) for the year ended March 31, 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (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.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records, the Company has made investments in companies and other parties (mutual funds) during the year and the Company has granted unsecured loans to other parties, in respect of which the requisite information is as below. The Company has not made any investments in firms or limited liability partnerships. The Company has not granted any loans, secured or unsecured, to companies, firms or limited liability partnerships and has not granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties during the year. The Company has not provided any guarantee or security to companies, firms, limited liability partnerships or any other parties during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to employees during the year, in respect of which the requisite information is as below:

Particulars	Loans (INR in million)
Aggregate amount during the year	
Subsidiaries*	-
Joint ventures*	-
Associates*	-
Others**	0.48
Balance outstanding as at balance sheet date	
Subsidiaries*	-
Joint ventures*	-
Associates*	-
Others**	0.47

**As per the Companies Act, 2013*

*** represents loans given to employees based on the Company's policies*

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of unsecured loans, during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of interest free loans given to other parties (employees), in our opinion the repayment of principal has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party 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 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 based on the audit procedures conducted by us, 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 to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- (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 products manufactured by it (and 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 July 1, 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Employees State Insurance, Duty of Customs or Gess or other statutory dues have been regularly deposited with the appropriate authorities. Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues of Provident Fund and Income-Tax have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases.

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, Duty of Customs or Cess or other statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Duty of Customs or cess or other statutory dues which have not been deposited with the appropriate authorities on account of any dispute. For statutory dues relating to Income-Tax and Value Added Tax (VAT) which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (INR in million)	Period to which the amount relates	Forum where dispute is pending	Amount paid under protest (INR in million)
Income Tax Act, 1961	Income Tax	35.22	AY 2017-18	Commissioner of Income tax (Appeals)	2.20
VAT Act, 2005	VAT	34.33	AY 2016-17 and AY 2017-18	Deputy Commissioner (Appeals)	9.40

- (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 has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that
- the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary 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 subsidiary (as defined under the Act).
- (x) (a) In our opinion and according to the information and explanations given to us, 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. The total monies aggregating INR 2,251.60 million (net of issue expenses) raised during the year, a sum of INR 1,471.60 million was utilised by the Company for the purpose for which it was raised during the current year and the balance of INR 780.00 million, pending utilization, is temporarily invested in fixed deposits during current year. The Company has not raised moneys by way of Initial Public Offer/ further public offer through debt instruments.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment during the year. Further, the Company has made private placement of equity shares during the current year and fully convertible preference shares during previous year in compliance with the requirements of Section 42 of the Act. Of the total monies aggregating INR 600.00 million raised

during the year, a sum of INR 350.00 million was utilised by the Company for the purpose for which it was raised during the current year and the balance of INR 250.00 million, pending utilization, is temporarily invested in fixed deposits during current year. Of the total monies aggregating INR 985.71 million raised in the year ended March 31, 2023, a sum of INR 435.00 million was utilised by the Company for the purpose for which it was raised during the previous year and the balance funds aggregating INR 550.71 million have been utilised by the Company for the purpose for which it was raised in the current year.

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 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.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

- (xx) (a) 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.
- (b) 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 ongoing project.

Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Mansi Pardiwalla

Partner

Place: Mumbai
Date: May 14, 2024

Membership No.: 108511
ICAI UDIN:24108511BKEMWW7957

Annexure B

to the Independent Auditor's Report on the standalone financial statements of ideaForge Technology Limited (Formerly known as ideaForge Technology Private Limited) for the year ended March 31, 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

We have audited the internal financial controls with reference to financial statements of ideaForge Technology Limited (Formerly known as ideaForge Technology Private Limited) ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2024, 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

Mansi Pardiwalla

Partner

Place: Mumbai

Date: May 14, 2024

Membership No.: 108511

ICAI UDIN:24108511BKEMWW7957

Standalone Balance Sheet

as at March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Note No.	March 31, 2024	March 31, 2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4	120.09	81.78
Right-of-use Assets	5	161.53	155.63
Capital Work-in-Progress	4	64.84	34.09
Other Intangible Assets	6	389.49	249.62
Intangible Assets Under Development	6A	473.15	215.10
Financial Assets			
(i) Investments	7A	92.95	10.00
(ii) Other Financial Assets	7C	54.88	231.73
Non-Current Tax Assets (Net)	13	11.27	11.27
Deferred Tax Assets (Net)	14	94.20	52.16
Other Non-Current Assets	12	2.51	0.99
Total Non-Current Assets		1,464.91	1,042.37
Current Assets			
Inventories	8	972.15	1,046.82
Financial Assets			
(i) Investments	7A	852.55	1,240.76
(ii) Trade Receivables	9	473.94	578.16
(iii) Cash and cash equivalents	10	1,629.51	45.04
(iv) Bank Balances other than cash and cash equivalents	11	1,054.29	19.93
(v) Loans	7B	0.47	0.85
(vi) Other Financial Assets	7C	322.88	393.46
Other Current Assets	12	684.83	511.91
Total Current Assets		5,990.62	3,836.93
TOTAL ASSETS		7,455.53	4,879.30
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	15	428.85	213.37
Instruments entirely equity in nature	15	-	0.67
Other Equity	16	6,202.98	3,033.17
Total Equity		6,631.83	3,247.21
Liabilities			
(1) Non Current Liabilities			
Financial Liabilities			
(i) Lease Liabilities	21	105.14	112.73
Provisions	22	29.37	25.07
Total Non-Current Liabilities		134.51	137.80
(2) Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	-	865.04
(ii) Lease Liabilities	21	39.77	27.82
(iii) Trade Payables	19		
(A) total outstanding dues of micro enterprises and small enterprises; and		45.69	46.09
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		108.66	93.80
(iv) Other Financial Liabilities	18	175.61	51.01
Other Current Liabilities	20	169.17	280.92
Provisions	22	80.32	63.36
Current Tax Liabilities (Net)	23	69.97	66.25
Total Current Liabilities		689.19	1,494.29
TOTAL EQUITY AND LIABILITIES		7,455.53	4,879.30

The above Statement should be read together with basis of preparation and material accounting policies forming part of the Standalone Financial Statements and notes to the Standalone Financial Statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla

Partner

Membership No: 108511

Place: Navi Mumbai

Date: May 14, 2024

For and on behalf of the Board of Directors of

ideaForge Technology Limited

(Formerly known as ideaForge Technology Private Limited)

CIN : U31401MH2007PLC167669

Ankit Mehta

Chief Executive Officer and Whole Time Director

DIN: 02108289

Vipul Joshi

Chief Financial Officer

Place: Navi Mumbai

Date: May 14, 2024

Rahul Singh

Whole Time Director

DIN: 02106568

Sonam Gupta

Company Secretary

Membership No: A53881

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
INCOME			
Revenue from operations	24	3,170.15	1,860.07
Other income	25	304.12	103.95
Total Income		3,474.27	1,964.02
EXPENSES			
Cost of materials consumed	26	1,465.96	957.38
Changes in inventories of finished goods and work-in-progress	27	116.83	(368.80)
Employee benefits expense	28	525.23	509.13
Finance costs	29	36.54	48.35
Depreciation and amortisation expense	30	211.72	118.58
Other expenses	31	472.86	291.43
Total Expenses		2,829.14	1,556.07
Profit before tax		645.13	407.95
Tax expense/(credit) :			
Current tax		207.82	121.31
Deferred tax (credit)		(41.15)	(33.24)
Total tax expense		166.67	88.07
Profit after tax for the year (A)		478.46	319.88
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss :			
Remeasurement of gains/(losses) on defined benefit plans		(3.57)	(0.16)
Income tax relating to items that will not be reclassified to profit or loss		0.90	0.04
Other Comprehensive (Loss) for the year, net of tax (B)		(2.67)	(0.12)
Total Comprehensive Income for the year		475.79	319.76
Earnings per equity share ('EPS') (Face value of INR 10 each)	32		
Basic EPS (INR)		11.58	8.55
Diluted EPS (INR)		11.39	8.12

The above Statement should be read together with basis of preparation and material accounting policies forming part of the Standalone Financial Statements and notes to the Standalone Financial Statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla

Partner

Membership No: 108511

Place: Navi Mumbai

Date: May 14, 2024

For and on behalf of the Board of Directors of

ideaForge Technology Limited

(Formerly known as ideaForge Technology Private Limited)

CIN : U31401MH2007PLC167669

Ankit Mehta

Chief Executive Officer and Whole Time Director

DIN: 02108289

Vipul Joshi

Chief Financial Officer

Place: Navi Mumbai

Date: May 14, 2024

Rahul Singh

Whole Time Director

DIN: 02106568

Sonam Gupta

Company Secretary

Membership No: A53881

Standalone Statement of Changes in Equity

as at March 31, 2024

(All amounts in INR Millions unless otherwise stated)

A EQUITY SHARE CAPITAL

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Equity shares

Particulars	Equity shares of INR 10 each, fully paid up		Equity shares of INR 10 each, INR 1 partly paid up		Total	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
At April 1, 2022	89,400	0.89	1,100	0.00	90,500	0.89
Shares Issued during the year	21,246,736	212.47	-	-	21,246,736	212.47
Converted to equity share capital	1,428	0.01	(1,100)	(0.00)	328	0.01
At March 31, 2023	21,337,564	213.37	-	-	21,337,564	213.37
At April 1, 2023	21,337,564	213.37	-	-	21,337,564	213.37
Shares Issued during the year	6,351,066	63.51	-	-	6,351,066	63.51
Converted to equity share capital	15,196,692	151.97	-	-	15,196,692	151.97
At March 31, 2024	42,885,322	428.85	-	-	42,885,322	428.85

B INSTRUMENTS ENTIRELY EQUITY IN NATURE

(i) Series A1 0.01% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, 1 partly paid-up.

Particulars	Balance at the beginning of the year	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2023					
Number of shares	328	-	328	(328.00)	-
Amount	0.00	-	0.00	(0.00)	-
March 31, 2024					
Number of shares	-	-	-	-	-
Amount	-	-	-	-	-

Standalone Statement of Changes in Equity

as at March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(ii) Series A 0.001% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, fully paid-up.

Particulars	Balance at the beginning of the year	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2023					
Number of shares	38,145	-	38,145	-	38,145
Amount	0.38	-	0.38	-	0.38
March 31, 2024					
Number of shares	38,145	-	38,145	(38,145)	-
Amount	0.38	-	0.38	(0.38)	-

(iii) Series B Compulsorily Convertible Cumulative Preference Shares of INR 10/- each, fully paid up.

Particulars	Balance at the beginning of the year	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2023					
Number of shares	-	-	-	10,079	10,079
Amount	-	-	-	0.10	0.10
March 31, 2024					
Number of shares	10,079	-	10,079	(10,079)	-
Amount	0.10	-	0.10	(0.10)	-

(iv) Series B1 Compulsorily Convertible Cumulative Preference Shares of INR 10/- each, fully paid up.

Particulars	Balance at the beginning of the year	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2023					
Number of shares	-	-	-	19,018	19,018
Amount	-	-	-	0.19	0.19
March 31, 2024					
Number of shares	19,018	-	19,018	(19,018)	-
Amount	0.19	-	0.19	(0.19)	-

Standalone Statement of Changes in Equity

as at March 31, 2024

(All amounts in INR Millions unless otherwise stated)

B. OTHER EQUITY

Particulars	Reserves and Surplus				Other Comprehensive Income	Equity component of compound financial instruments	Money received against share warrant	Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	Share Based Payment Reserve				
Balances as at April 1, 2022	902.70	5.00	49.72	145.39	0.25	528.67	0.03	1,631.76
Profit for the year	-	-	319.88	-	-	-	-	319.88
Other comprehensive income for the Year	-	-	-	-	(0.12)	-	-	(0.12)
Sub Total	902.70	5.00	369.60	145.39	0.13	528.67	0.03	1,951.52
Issue of equity shares on exercise of employee stock options	118.48	-	-	(118.48)	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-	(0.03)	(0.03)
Securities premium on preference shares issued	985.52	-	-	-	-	-	-	985.52
Securities premium on conversion of compulsorily convertible debenture to compulsorily convertible preference shares	528.57	-	-	-	-	(528.57)	-	-
Securities premium on conversion of Partly paid equity shares to fully paid equity shares	20.32	-	-	-	-	-	-	20.32
Securities premium on conversion of Partly paid compulsorily convertible preference shares to fully paid equity shares	5.98	-	-	-	-	(0.10)	-	5.88
Securities premium on conversion of warrants to fully paid equity shares	13.47	-	-	-	-	-	-	13.47
Issue of bonus equity shares 1:225	(212.41)	-	-	-	-	-	-	(212.41)
Expenses incurred directly in connection with issue of CCPS	(8.09)	-	-	-	-	-	-	(8.09)
Employee compensation expense for the year	-	-	-	276.99	-	-	-	276.99
As at March 31, 2023	2,354.54	5.00	369.60	303.90	0.13	0.00	-	3,033.17

Standalone Statement of Changes in Equity

as at March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Reserves and Surplus				Other Comprehensive Income	Equity component of compound financial instruments	Money received against share warrant	Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	Share Based Payment Reserve				
Balances as at April 1, 2023	2,354.54	5.00	369.60	303.90	0.13	0.00	-	3,033.17
Profit for the year	-	-	478.46	-	-	-	-	478.46
Other comprehensive income for the Year	-	-	-	-	(2.67)	-	-	(2.67)
Sub Total	2,354.54	5.00	848.06	303.90	(2.54)	0.00	-	3,508.96
Securities premium on issue of share- Pre IPO	591.07	-	-	-	-	-	-	591.07
Securities premium on issue of share- IPO	2,364.28	-	-	-	-	-	-	2,364.28
Issue of equity shares on exercise of employee stock options	284.71	-	-	-	-	-	-	284.71
Transferred to share capital on exercise of stock option	(6.68)	-	-	-	-	-	-	(6.68)
Conversion of CCPS into Equity shares	(151.29)	-	-	-	-	-	-	(151.29)
Expenses incurred directly in connection with issue of Shares	(179.68)	-	-	-	-	-	-	(179.68)
Employee compensation expense for the year	-	-	-	76.32	-	-	-	76.32
Transferred to securities premium account on exercise of stock option	-	-	-	(284.71)	-	-	-	(284.71)
As at March 31, 2024	5,256.95	5.00	848.06	95.51	(2.54)	0.00	-	6,202.98

Note - INR 0.00 denotes amount less than INR 5,000

Refer Note No. 16 for nature and purpose of reserves

The above Statement should be read together with basis of preparation and material accounting policies forming part of the Standalone Financial Statements and notes to the Standalone Financial Statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla

Partner

Membership No: 108511

Place: Navi Mumbai

Date: May 14, 2024

For and on behalf of the Board of Directors of

ideaForge Technology Limited

(Formerly known as ideaForge Technology Private Limited)

CIN : U31401MH2007PLC167669

Ankit Mehta

Chief Executive Officer and Whole Time Director

DIN: 02108289

Vipul Joshi

Chief Financial Officer

Place: Navi Mumbai

Date: May 14, 2024

Rahul Singh

Whole Time Director

DIN: 02106568

Sonam Gupta

Company Secretary

Membership No: A53881

Standalone Statement of Cash Flows

for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	645.13	407.95
Adjustments for:		
Depreciation and Amortisation Expense	211.72	118.58
Interest on Micro Enterprise and Small Enterprise (MSME)	0.07	0.72
Fair valuation gain from investments designated at FVTPL	(46.24)	(21.33)
Profit on sale of Investments	(25.47)	-
Allowance for Bad and Doubtful Debts	2.84	4.24
Finance Costs	36.47	48.35
Foreign Exchange Fluctuation Gain	(4.63)	(3.65)
Interest on Fixed Deposit	(122.33)	(31.15)
Interest on Bonds	(4.33)	(20.11)
Fair value income on Security Deposit (lease)	(1.40)	(0.78)
Employee share-based payment expense	60.65	276.99
Change in Operating Assets and Liabilities:		
Adjustments for (increase) / decrease in Operating Assets		
Decrease / (Increase) in Inventories	74.66	(557.68)
Decrease / (Increase) in Trade Receivables	101.38	(379.33)
Decrease / (Increase) in other Financial Assets	134.43	(185.47)
(Increase) in other Non-Current/Current Assets	(139.03)	(270.93)
Adjustments for increase / (decrease) in Operating Liabilities		
Increase in Trade Payables	19.02	67.88
Increase in Provisions	17.69	8.83
Increase / (Decrease) in Other Financial Liabilities	124.59	(3.74)
(Decrease) in Other Current/Non-Current Liabilities	(111.75)	72.42
Cash Generated from Operations	973.47	(468.21)
Less: Direct taxes paid	(204.10)	(64.09)
Net cash generated from/(used in) from Operating Activities	769.37	(532.30)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment, Intangible assets including expenditure on capital work in progress and intangible assets under development and capital advances	(666.31)	(330.96)
Investment in mutual funds (net)	464.26	(1,092.81)
Investment in Equity instruments	(16.12)	(10.00)
Investment in Subsidiary	(66.83)	-
Investments in Fixed Deposits (net)	(916.68)	(85.67)
Interest Received	122.07	30.36
Net cash used in Investing Activities	(1,079.61)	(1,489.08)

Standalone Statement of Cash Flows

for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of Preference Shares including security premium	-	1,025.29
Expenses incurred directly in connection with issue of Compulsorily Convertible Preference Shares	-	(8.09)
Expenses incurred directly in connection with issue of Equity Shares	(179.68)	-
Proceeds from Issue of Equity Shares (including premium)	3,012.18	-
Share Application Money Pending Allotment	0.00	-
Repayment of Unsecured loans	-	(56.52)
Repayment of Short term Secured Bank loan	(343.54)	(0.24)
Proceeds from Short term Secured Bank loan	-	343.54
Proceeds from Overdraft facility from Bank	-	521.50
Repayment of Overdraft facility of Bank	(521.50)	-
Interest paid	(28.56)	(38.64)
Payment of Lease Liability	(44.19)	(24.58)
Net cash generated from Financing Activities	1,894.71	1,762.26
Net increase/(decrease) in Cash and Cash Equivalents	1,584.47	(259.12)
Cash and Cash Equivalent - Opening balance	45.04	304.16
Cash and Cash Equivalent - Closing balance	1,629.51	45.04

Notes to the Statement of Cash Flows:

1 Components of Cash and Cash Equivalents :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash on hand	0.28	0.35
Balance with banks :		
In Current accounts	43.48	6.35
In deposits with original maturity of less than three months	1,522.13	19.90
Deposits with banks to the extent held as margin money	63.62	18.44
Total cash and cash equivalents	1,629.51	45.04
Cash and cash equivalents for Statement of Cash Flows	1,629.51	45.04

- 2 The above Standalone statement of cash flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on 'Statement of Cash Flows'.

Standalone Statement of Cash Flows

for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

3 Reconciliation between opening and closing Balance Sheet for Liabilities arising from Financing Activities :

Particulars	March 31, 2022	Cash flows	Non cash changes	March 31, 2023
Long term borrowing (including current maturities)	0.24	(0.24)	-	-
Loan repayable on demand	-	-	-	-
Lease Liabilities	106.98	(24.58)	58.16	140.56
Other borrowing (specify)	56.52	808.52	-	865.05
	163.74	783.71	58.16	1,005.60

Reconciliation between opening and closing Balance Sheet for Liabilities arising from Financing Activities :

Particulars	March 31, 2023	Cash flows	Non cash changes	March 31, 2024
Long term borrowing (including current maturities)	-	-	-	-
Loan repayable on demand	-	-	-	-
Lease Liabilities	140.56	(44.19)	48.55	144.92
Other borrowing (specify)	865.05	(865.05)	-	-
	1,005.61	(909.24)	48.55	144.92

Non-cash movement represents:

- With respect to long-term borrowings, accrual of interest on liability component of compulsory convertible debenture instrument and reclassification of such compulsory convertible debentures to Instrument entirely equity in nature.
- With respect to leases, accrual of interest on lease liabilities.

The above Statement should be read together with basis of preparation and material accounting policies forming part of the Standalone Financial Statements and notes to the Standalone Financial Statements.

Note - INR 0.00 denotes amount less than INR 5,000

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla

Partner

Membership No: 108511

Place: Navi Mumbai

Date: May 14, 2024

For and on behalf of the Board of Directors of

ideaForge Technology Limited

(Formerly known as ideaForge Technology Private Limited)

CIN : U31401MH2007PLC167669

Ankit Mehta

Chief Executive Officer and Whole Time Director

DIN: 02108289

Vipul Joshi

Chief Financial Officer

Place: Navi Mumbai

Date: May 14, 2024

Rahul Singh

Whole Time Director

DIN: 02106568

Sonam Gupta

Company Secretary

Membership No: A53881

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

1 CORPORATE INFORMATION

ideaForge Technology Limited (formerly known as ideaForge Technology Private Limited) ('the Company') was incorporated on February 8, 2007 having its registered office at Navi Mumbai, Mumbai, Maharashtra, India. The Company is primarily engaged in the business of manufacture and marketing of Unmanned aerial vehicle ("UAV") systems which are used for security and surveillance. The ancillary business of providing training and maintenance service evolve around the main business of manufacture and marketing of UAV systems.

2 BASIS OF PREPARATION, MEASUREMENT AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation and measurement

A Statement of Compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The Standalone Financial Statement are approved for issue by the Company's Board of Directors on May 14, 2024.

Details of the Company's accounting policies, including changes there to are included in note 2."

B Basis of preparation

The accounting policies set out below have been applied consistently to the periods presented in the Standalone financial statements.

These Standalone financial statements have been prepared on a going concern basis.

C Basis of measurement

The Standalone financial statements has been prepared on a historical cost convention, except for the following:

- (i) Employee's defined benefit plan at fair value of plan assets less present value of defined benefit obligation determined as per actuarial valuation; and

- (ii) Certain financial assets and liabilities that are qualified to be measured at fair value.

D Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting year, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is classified as current when it is:

- Expected to be settled in normal operating cycle,
- Held primarily for the purpose of trading,
- Due to be settled within twelve months after the reporting year, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

E Functional and Presentation Currency

The Standalone Financial Statements has been presented in Indian Rupees (₹ or INR), which is also the Company's functional currency. All amounts

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

have been rounded-off to the nearest millions and decimals thereof, unless otherwise mentioned.

F Use of estimates, assumptions and judgements

The preparation of Standalone Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent liabilities on the date of Standalone Financial Statements and the reported amount of income and expenses for the year reported. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognised in the year in which the estimates are revised and future periods are affected.

Assumption and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the amounts recognised in the Standalone Financial Statements is included in the following notes:

- (i) Impairment test of non-financial assets and financial assets
- (ii) Measurement of defined benefit obligations: key actuarial assumptions
- (iii) Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
- (iv) Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

G Fair value measurement

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) 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).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.2 Material accounting policies

(A) PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

Property, Plant and Equipment (PPE) are measured at cost (which includes capitalised borrowing costs) less accumulated depreciation and accumulated impairment losses, if any.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

The cost of an item of Property, Plant and Equipment comprises:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted for as separate items (major components) of Property, Plant and Equipment and depreciated accordingly.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Capital work in progress and Capital advances

Assets under construction includes the cost of Property, Plant and Equipment that are not ready to use at the Balance Sheet date. Advances paid to acquire Property, Plant and Equipment before the Balance Sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

Depreciation, Estimated useful life and Estimated residual value

Depreciation is calculated using the Written Down Value method, pro rata to the period of use, taking into account useful lives and residual value of the assets. The useful life of assets and the estimated residual value taken from those prescribed under Part C of Schedule II to the Companies Act, 2013

except in case of leasehold improvements which are depreciated over primary lease period, which in management's opinion is reflective of economic useful lives of these assets. Useful life and residual values are reviewed by management at every balance sheet date and adjusted, if appropriate.

Tangible Asset	Useful Life
Plant and Machinery	15 years
Vehicle	8 Years
Furniture and fixtures	10 years
Office equipments	5 years
Electrical equipment	10 years
Computers	3 years
Leasehold Improvement	Lower of useful life of the leasehold improvement or the lease term

Depreciation is computed with reference to cost. Depreciation on additions during the year is provided on pro rata basis with reference to month of addition/installation.

Derecognition

An item of Property, Plant and Equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Standalone Statement of Profit and Loss when the asset is derecognised.

(b) INTANGIBLE ASSETS

Recognition and measurement

Intangible assets comprise primarily of patent, computer software and product under development. Intangible assets are initially recorded at cost and subsequent to recognition, intangible assets are stated at cost less accumulated amortisation.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure are recognised in the Standalone Statement of Profit and Loss as incurred.

Amortisation

Intangible assets are amortised over their estimated useful life on Straight Line Method as follows. The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at the end of each financial period/year. If any of these expectations differ from previous estimates, such changes is accounted for as a change in an accounting estimate.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

- (i) Product development : 3 Years
- (ii) Software : 3 Years
- (iii) Patent : 20-25 years, and in few patents 100 years

Derecognition

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

Intangible assets under development

Intangible assets under development includes the cost of patent, trademark and product development costs that are not ready to use at the balance sheet date. Product development costs includes employee benefits expenses including employee stock option expense incurred towards Product Development team, raw material consumed, testing charges, other expenses like lease, electricity and other

administration and office expenses. Intangible assets under development are not depreciated as these assets are not yet available for use.

(c) IMPAIRMENT

(i) Non-financial assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit (CGU). If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Standalone Statement of Profit and Loss.

Recoverable amount is higher of an asset's or cash generating unit's value in use and its fair value less cost of disposal. Value in use is estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

An impairment loss is reversed in the Standalone Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

(ii) Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company recognises loss allowances using the expected credit loss (ECL) model as per Ind AS 109 for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12 month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

The Company considers a financial asset to be in default when:

- the counter party is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 180 days or more past due.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company expects no significant recovery from the amount written off during the year.

(d) FINANCIAL INSTRUMENTS

FINANCIAL ASSETS

Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent Measurement

Financial Assets measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

flows that represents solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

In case of investments In mutual fund and bonds-Measured at Fair value through Profit and Loss (FVTPL).

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

FINANCIAL LIABILITIES

Classification

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at Fair Value Through Profit and Loss-[FVTPL]; and
- those measured at Amortised Cost [AC]

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at Fair Value Through Profit and Loss or at amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, lease liabilities, loans and borrowings including bank overdrafts and liability component of convertible instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at Fair Value Through Profit and Loss

Financial liabilities at Fair Value Through Profit and Loss [FVTPL] include financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in Standalone statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Standalone statement of profit and loss.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Standalone statement of profit and loss. This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified such exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Standalone Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts to hedge its foreign currency risks, interest rate risks and commodity price risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

Compound Financial Instruments

Compound Financial Instruments are separated into liability and equity components based on the terms of the contract. On issuance of the compound financial instruments, the fair value of the liability component is determined using a market rate for an equivalent non- convertible instrument. This amount is classified as an financial liability measured at FVTPL (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is remeasured at each reporting date. Transaction Costs are apportioned between the liability and equity components of the compound financial instruments based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

Compulsorily Convertible Preference Shares (CCPS) :

Compulsory Convertible Preference Shares (CCPS) are those shares which are issued with the terms that it can be converted into certain number of equity shares after a period of time. CCPS offer fixed income to the investors and compulsorily convert into Equity Shares of the issuing company after a predetermined period. The terms of conversion are also pre-decided at the time of issue.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

CCPS are particularly offered to fill the gap between the valuation expectations of the founder and the investors that are generally linked to the performance of the Company. These offer investors the opportunity to participate in the growth of companies while mitigating the risk of lower valuation of companies that underachieve the targets. Issuing CCPS further benefits the Company's promoters to raise funds without diluting the ownership at the initial period."

(e) LOANS AND BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowings using the effective interest method. Processing/Upfront fee are treated as prepaid expenses and same is amortised over the period of the facility to which it relates.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Gains and losses are recognised in Standalone statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Standalone statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any non cash assets transferred or liability assumed, is recognised in Standalone statement of profit and loss as other gains or (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of liabilities for at least twelve months after the reporting year.

Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the same is classified as current unless the lender agreed, after the reporting year and before the approval of Standalone Ind AS Financial Statement for issue, not to demand payment as a consequence of the breach.

(f) CASH AND CASH EQUIVALENT

Cash and Cash Equivalent includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Statement of Cash Flows

Cash Flows are reported using the indirect method, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(g) INVENTORIES

Inventories comprises of raw material, work in progress and finished goods. Inventories are valued at lower of cost and net realisable value. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Inventories are valued at lower of cost and net realisable value; cost is determined on FIFO basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

of completion and estimated costs necessary to make the sale.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

(h) EARNINGS PER SHARE

Basic earnings per share

Basic earnings per shares is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/after Exceptional Items (net of tax) by Weighted average number of Equity shares, (excluding treasury shares).

Diluted earnings per share

Diluted earnings per share is computed using the net profit or loss for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

(i) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the Balance Sheet date. Foreign exchange

gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Standalone Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognised in Standalone Statement of Profit and Loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- Equity investments at fair value through OCI (FVOCI)
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- Qualifying cash flow hedges to the extent that the hedges are effective.

(j) REVENUE RECOGNITION

Revenue is recognised to depict the transfer of control of promised goods or services to customers upon the satisfaction of performance obligation under the contract in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Consideration includes goods or services contributed by the customer, as non-cash consideration, over which the company has control.

Where performance obligation is satisfied over time, Company recognizes revenue over the contract year. Where performance obligation is satisfied at a point in time, Company recognizes revenue when customer obtains control of promised goods and services in the contract.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

Revenue is recognised net of any taxes collected from customers, which are remitted to governmental authorities.”

(i) Sale of goods

Revenue from sale of goods is recognised when control or substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and receivable is recognized when it becomes unconditional.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and claims, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The specific recognition criteria described below must also be met before revenue is recognized. The Company has a Two stream of revenue i.e. Sale of products & Sale of services.

The Company recognises revenue at a point in time when the performance obligation is satisfied, i.e. when ‘control’ of the goods underlying the particular performance obligation are transferred to the customer. Customers obtain control of the good when the goods are delivered at the agreed point of delivery which generally is the premises of the customer.

Further, revenue from sale of goods is recognised based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation”

(ii) Sale of service

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgment.

Sale of service includes maintenance services, training services and other services. The Company recognises revenue at a point in time when the performance obligation is satisfied.”

(iii) Warranty

The Company provides warranties for general repairs of defects as per terms of the contract with ultimate customers. These warranties are considered as assurance type warranties and are accounted for under Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets.

(iv) Variable consideration (Liquidated damages)

The Company estimate the amount of consideration to which the Company will be entitled in exchange for transferring the promised goods or services to a customer, if the consideration promised in a contract includes a variable amount.

An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if company's

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

The Company recognises liquidated damages net of sale of products for respective year.

(v) Contract Balances

Trade Receivables : A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

Contract Assets

A contract asset is a right to receive consideration in exchange for services already transferred to the customer (which consists of unbilled revenue). By transferring services to the customer before the customer pays consideration or before the payment is due, a contract asset is recognised for the earned consideration that is unconditional.

(vi) Other operating income

Duty drawback income is recognised in the Standalone statement of profit and loss of the company under other operating revenue of the Company.

(k) RECOGNITION OF DIVIDEND INCOME, INTEREST INCOME OR EXPENSE

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts

through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset.

If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Dividend income is recognised in the Standalone Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

(l) EMPLOYEE BENEFITS

(i) During Employment benefits

Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post Employment benefits

(a) Defined contribution plans

A defined contribution plan is a post employment benefit plan under which a Company pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(b) Defined benefit plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time when employee leaves the Company.

The gratuity liability amount is unfunded and formed exclusively for gratuity payment to the employees.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the periods during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post employment are charged to Other Comprehensive Income.

Compensated Absences : Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulated compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. In case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

(iv) Equity settled Share based payments

Employees of the Company receive remuneration in the form of Share based payment transactions, whereby employees render services as consideration for equity instruments (equity settled transactions). In accordance with the Ind AS 102 Share based payment, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting year has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the Standalone Statement of Profit and Loss for the year represents the movement in cumulative expense recognised as at the beginning and end of that year is recognised in employee benefits expense.

(m) INCOME TAXES

Income tax expense comprises current and deferred tax. Tax is recognised in Standalone Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in the other comprehensive income or in equity.

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or subsequently enacted at the Balance Sheet date.

Current tax assets and liabilities are offset only if, the Company:

- a) Has a legally enforceable right to set off the recognised amounts; and
- b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone Ind AS Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have enacted or substantively enacted by the end of the reporting year. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting year. Deferred tax is recognised to the extent that it is probable that future taxable profit will be available against which they can be used.

The measurement of Deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The Deferred Tax Assets and the Deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable Company.

Minimum Alternate Tax (MAT) paid in a year is charged to the Standalone Statement of

Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.

In the year in which the Company recognizes MAT credit as an asset in accordance with the GN on accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Standalone Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period."

(n) BORROWING COSTS

Borrowing costs include:

- (i) Interest expense calculated using the effective interest rate method;
- (ii) Finance charges in respect of leases; and
- (iii) Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

All other borrowing costs are recognised in the Standalone statement of profit and loss in the period in which they are incurred.

(o) LEASES

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2021 using the full retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The Company assesses whether a contract is or contains a lease, at inception of a 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.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Relied on its assessment of whether leases are onerous immediately before the date of initial application;
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application;
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease liability

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date when the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company has applied the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low-value assets recognition exemption.

(p) PROVISIONS AND CONTINGENT LIABILITIES & ASSETS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Standalone Statement of Profit and Loss as a finance cost. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.

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 or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Standalone Ind AS Financial Statement.

Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

(q) OPERATING SEGMENTS

The Company is exclusively engaged in the business of manufacture and marketing of UAV systems which are used for security and surveillance. The ancillary business of providing training and maintenance service revolve around the main business of manufacture and marketing of UAV systems. Based on Management Approach, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of overall country level performance indicators.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Financial Statement of the Company as a whole."

3 RECENT PRONOUNCEMENT

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and Machinery	Vehicles	Computer	Office Equipments	Electrical Equipments	Furniture and Fixtures	Total
GROSS CARRYING VALUE							
As at April 1, 2022	13.07	2.22	8.50	0.77	0.63	2.99	28.18
Additions	13.58	5.73	13.59	19.61	4.03	20.84	77.38
Disposals	-	-	-	-	-	-	-
As at March 31, 2023	26.65	7.95	22.09	20.38	4.66	23.83	105.56
As at March 31, 2023	26.65	7.95	22.09	20.38	4.66	23.83	105.56
Additions	33.72	1.06	31.79	3.32	2.71	6.40	79.00
Disposals	-	-	-	-	-	-	-
As at March 31, 2024	60.37	9.01	53.88	23.70	7.37	30.23	184.56
ACCUMULATED DEPRECIATION							
As at April 1, 2022	1.69	0.44	2.73	0.26	0.15	0.69	5.96
Depreciation for the year	2.82	1.22	7.95	2.39	0.60	2.84	17.82
Disposals	-	-	-	-	-	-	-
As at March 31, 2023	4.51	1.66	10.68	2.65	0.75	3.53	23.78
As at March 31, 2023	4.51	1.66	10.68	2.65	0.75	3.53	23.78
Depreciation for the year	5.77	2.10	16.80	8.82	1.25	5.95	40.69
Disposals	-	-	-	-	-	-	-
As at March 31, 2024	10.28	3.76	27.48	11.47	2.00	9.48	64.47
Net carrying value as at March 31, 2023	22.14	6.29	11.41	17.73	3.91	20.30	81.78
Net carrying value as at March 31, 2024	50.09	5.25	26.40	12.23	5.37	20.75	120.09

4A. CAPITAL WORK-IN-PROGRESS

Particulars	Total
As at April 1, 2022	-
Additions	34.09
Other Adjustments	-
As at March 31, 2023	34.09
As at March 31, 2023	34.09
Additions	30.75
Disposals	-
As at March 31, 2024	64.84

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(i) Ageing Schedule

Capital Work-in-Progress ageing schedule as at March 31, 2024

Capital Work-in-Progress	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Leasehold Improvement, Civil and Interior works	30.75	34.09	-	-	64.84
Project temporarily suspended	-	-	-	-	-

Capital Work-in-Progress Completion schedule - Time and cost over run as at March 31, 2024

Capital Work-in-Progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Leasehold Improvement, Civil and Interior works	29.62	-	-	-	29.62
Project temporarily suspended	-	-	-	-	-

Capital Work-in-Progress ageing schedule - as at March 31, 2023

Capital Work-in-Progress	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Leasehold Improvement, Civil and Interior works	34.09	-	-	-	34.09
Project temporarily suspended	-	-	-	-	-

5. RIGHT-OF-USE ASSETS

Particulars	Buildings & Improvement	Total
GROSS CARRYING VALUE		
As at April 1, 2022	140.00	140.00
Additions	76.69	76.69
Disposals	-	-
As at March 31, 2023	216.69	216.69
As at March 31, 2023	216.69	216.69
Additions	55.62	55.62
Disposals	(4.35)	(4.35)
As at March 31, 2024	267.96	267.96
ACCUMULATED AMORTISATION		
As at April 1, 2022	32.00	32.00
Amortisation for the year	29.06	29.06
Disposals	-	-
As at March 31, 2023	61.06	61.06

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Buildings & Improvement	Total
As at March 31, 2023	61.06	61.06
Amortisation for the year	46.32	46.32
Disposals	(0.95)	(0.95)
As at March 31, 2024	106.43	106.43
Net carrying value as at March 31, 2023	155.63	155.63
Net carrying value as at March 31, 2024	161.53	161.53

Notes :

- (i) The Company has not revalued right-to-use assets for the reporting year.
- (ii) The Company has entered into lease arrangements for its office purpose. These leasing arrangements are of 3 to 5 years on an average and are usually renewable by mutual consent on mutually agreeable terms.
- (iii) The following amount are recognised in the Standalone Profit and Loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amortisation expenses of right-to-use assets	46.32	29.06
Interest expenses on lease liabilities (refer note 21 and 29)	13.61	10.60
Expenses relating to short term leases (refer note 21 and 31)	10.70	3.07

- (iv) Refer note 21 for disclosures pertaining to lease liabilities
- (v) The lease agreements for immovable properties where the Company is the lessee are duly executed in favour of the Company.

6. INTANGIBLE ASSETS

Particulars	Software	Patent	Product Development	Total
Cost or Deemed Cost				
GROSS CARRYING VALUE				
As at April 1, 2022	5.94	1.54	181.31	188.79
Additions	6.14	2.79	185.69	194.62
Disposals	-	-	-	-
As at March 31, 2023	12.08	4.33	367.00	383.41
As at March 31, 2023	12.08	4.33	367.00	383.41
Additions	16.78	9.93	252.29	279.00
Disposals/Adjustments	-	(0.92)	-	(0.92)
As at March 31, 2024	28.86	13.34	619.29	661.49

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Software	Patent	Product Development	Total
ACCUMULATED AMORTISATION				
As at April 1, 2022	2.62	0.07	54.25	56.94
Amortisation for the year	2.47	0.20	74.18	76.85
Disposals/Adjustments	-	-	-	-
As at March 31, 2023	5.09	0.27	128.43	133.79
As at March 31, 2023	5.09	0.27	128.43	133.79
Amortisation for the year	4.92	1.23	132.12	138.27
Disposals/Adjustments	-	(0.06)	-	(0.06)
As at March 31, 2024	10.01	1.44	260.55	272.00
Net carrying value as at March 31, 2023	6.99	4.06	238.58	249.62
Net carrying value as at March 31, 2024	18.85	11.90	358.74	389.49

6A. INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Software under Development	Patents under Development	Product under Development	Total
As at April 1, 2022	0.69	13.00	177.19	190.88
Additions	0.55	6.65	206.74	213.94
Capitalised during the year	(1.24)	(2.79)	(185.69)	(189.72)
As at March 31, 2023	0.00	16.86	198.24	215.10
As at March 31, 2023	0.00	16.86	198.24	215.10
Additions	2.39	7.75	514.02	524.16
Disposals/charged to P&L	-	(13.82)	(252.29)	(266.11)
As at March 31, 2024	2.39	10.79	459.97	473.15

(i) Ageing Schedule

Intangible Assets under Development ageing schedule as at March 31, 2024

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project In Progress :					
Software	2.39	-	-	-	2.39
Patent under Development	4.80	3.62	0.59	1.78	10.79
Product under Development	356.63	79.76	22.92	0.66	459.97
Project temporarily suspended					

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Intangible Assets under Development ageing schedule as at March 31, 2024

Intangible Assets under Development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project In Progress :					
Software	-	-	-	-	-
Patent under Development	-	-	-	-	-
Product under Development	350.74	-	-	-	350.74

Intangible Assets under Development ageing schedule as at March 31, 2023

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project In Progress :					
Software	-	-	-	-	-
Patent under Development	4.06	5.76	3.86	3.18	16.86
Product under Development	161.26	31.25	5.73	-	198.24
Project temporarily suspended	-	-	-	-	

(iii) Product development cost

The Company during the period has incurred cost on product development activities which are eligible for capitalisation in terms of Ind AS 38 and therefore they are not recognised in other expenses under Standalone Statement of Profit and Loss. Amount charged to Standalone Statement of Profit and Loss during the year ended March 31, 2024 : INR Nil, March 31, 2023 : INR Nil.

Particulars	March 31, 2024	March 31, 2023
On Revenue Account	-	-
On Capital Account	514.02	206.74
Total product development expenditure	514.02	206.74

(iv) Capitalisation of Expenditure

During the respective year ended, the Company has capitalised the following expenses of revenue nature to the cost of Property, Plant and Equipment/Capital Work-in-Progress (CWIP) or Intangible asset/ Intangible Asset under Development (IAUD). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company.

Particulars	March 31, 2024	March 31, 2023
Salaries, Wages and Bonus (Refer Note No.28)	292.24	127.93
Bonus (Refer Note No.28)	72.81	19.53
Share based payments to Employees (Refer Note No.28)	15.67	12.69
Consumption of Stores and Spares (Refer Note No.26)	45.13	9.35
Finance Cost (Refer Note No.29)	5.70	2.04
Depreciation and Amortisation expense (Refer Note No.30)	13.56	5.15
Other Expense (Refer Note No.31)	68.91	30.05
Total	514.02	206.74

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

7. FINANCIAL ASSETS

(A) INVESTMENTS

Particulars	March 31, 2024	March 31, 2023
Non-current		
Investments carried at fair value through Profit and Loss		
Unquoted		
(a) Investments in Equity Instruments		
NW Engineering Private Limited	10.00	10.00
March 31, 2024: 4,111 (March 31, 2023: 4,111) 0.01% Compulsorily Convertible Debentures (CCD) of face value of INR 2,432/- each fully paid up		
Techeagle Innovations Private Limited	16.12	-
March 31, 2024: 57 (March 31, 2023: Nil) 0.001% Compulsorily Convertible Cumulative Preference Shares (CCPS) of face value of INR 282,845/- each fully paid up		
Investments carried at cost		
(b) Investments in Equity Instruments of Subsidiary		
ideaForge Technology Limited INC.	66.83	-
March 31, 2024: 800,000 (March 31, 2023: Nil) Equity Shares of INR 10/- each fully paid up		
Total	92.95	10.00
Aggregate amount of quoted Investments	-	-
Market value of quoted Investments	-	-
Market value of unquoted Investments at FVTPL	26.12	10.00
Aggregate amount of unquoted Investments	92.95	10.00
Aggregate amount of impairment in the value of Investments	-	-
Current		
Investments in Mutual Funds (Valued at Fair Value Through Profit or Loss)		
829,798 units March 31, 2024 (March 31, 2023 : 829,798) IDFC Low Duration Reg-Growth	29.21	27.28
1,506,985 units March 31, 2024 (March 31, 2023: 3,479,869) Edelweiss Arbitrage Reg-Growth	26.79	57.47
10,019 units March 31, 2024 (March 31, 2023: 10,019) Axis Corporate Debt Fund	0.15	0.14
4,681,396 units March 31, 2024 (March 31, 2023: 3,242,276.650) IDFC Corporate Bond Fund	81.34	52.64
Nil units (March 31, 2023: 17,565) Axis Money Market Fund	-	21.27
Nil units (March 31, 2023 : 7,891) SBI Overnight Fund Growth	-	28.48
430 units March 31, 2024 (March 31, 2023 : 1,239) HDFC Overnight Fund Growth	1.52	4.07
Nil Units (March 31, 2023 : 32,447) ICICI Pru Money Market-Growth	-	10.42
Nil Units (March 31, 2023: 5,513,011) Aditya Birla SL CRISIL AAA Jun 2023 Index Fund Reg-Growth	-	57.93
112,006 units March 31, 2024 (March 31, 2023 : 321,361) Aditya Birla Sun Life Savings Fund Growth	55.85	149.16

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
Nil Units (March 31, 2023: 1,158,610 DSP Savings Fund Growth	-	51.98
7,518,723units March 31, 2024 (March 31, 2023 : 7,518,722) Aditya Birla Sl Crisil Sdl Plus Aaa Psu Apr 2027 60:40 Index Fund Reg- Growth	82.91	77.49
7,415,460 units March 31, 2024 (March 31, 2023 : 7,415,459) ICICI Pru Psu Bond Plus Sdl 40:60 Index Fund - Sep 2027-Growth	82.83	77.42
831,043 units March 31, 2024 (March 31, 2023 : 1,924,165) UTI Arbitrage Reg- Growth	26.66	57.38
9,292,919 units March 31, 2024 (March 31, 2023: 9,292,919) of IDFC Gilt 2027 Index Fund Reg-Growth	108.24	100.97
12,621,732 units March 31, 2024 (March 31, 2023: 7,604,529) of DSP Corporate Bond Fund- Regular Plan- Growth	182.68	102.68
19,767 units March 31, 2024 (March 31, 2023: 7,604,529) of SBI MAGNUM ULTRA SHORT DURATION FUND	107.95	100.71
14,422 units March 31, 2024 (March 31, 2023: Nil) of NIPPON INDIA ULTRA SHORT DURATION FUND	53.22	-
262,989 units March 31, 2024 (March 31, 2023: Nil) of ICICI Pru Ultra Short Term- Growth	6.66	-
166,545 units March 31, 2024 (March 31, 2023: Nil) of Kotak Savings Reg-Growth	6.54	-
Investments in Bonds (Valued at Fair Value Through Profit or Loss)		
Nil Units (March 31,2023: 100) National Bank For Agriculture and Rural Development	-	103.85
Nil Units (March 31, 2023: 50) Housing Development Finance Corporation Limited	-	51.31
Nil Units (March 31, 2023: 50) 9.15 ICICI Bank Limited	-	53.83
Nil Units (March 31, 2023 :50,000) Muthoot Finance Limited	-	54.28
Total	852.55	1,240.76
Aggregate amount of quoted investments	852.55	1,240.76
Market value of quoted investments	852.55	1,240.76

(B) LOANS

Particulars	March 31, 2024	March 31, 2023
Current		
Unsecured, considered good unless otherwise stated		
To other than Related Parties		
Loans to Employees	0.47	0.85
Loan to Employees		
Loans Receivables considered good – Secured	-	-
Loans Receivables considered good – Unsecured	0.47	0.85
Loans Receivables which have significant increase in Credit risk	-	-
Loans Receivables – Credit impaired	-	-
Total	0.47	0.85

(i) Loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(C) OTHER FINANCIAL ASSETS

Particulars	March 31, 2024	March 31, 2023
Non-current		
Unsecured, considered good unless otherwise stated		
(i) Financial assets carried at amortised cost		
To other than Related Parties		
Balance with banks deposit account with maturity more than 12 months	0.09	209.45
Earnest Money Deposit with Customers	0.83	0.83
Security Deposits	24.77	16.45
Deposits with banks to the extent held as margin money (Refer note below)	29.19	5.00
Total	54.88	231.73
Current		
Unsecured, considered good unless otherwise stated		
(i) Financial assets carried at amortised cost		
To other than Related Parties		
Security Deposits	38.74	2.88
Interest accrued on Fixed Deposit with banks	1.15	0.89
Bank deposits with less than 12 months maturity	39.90	122.99
Deposits with banks to the extent held as margin money (Refer note below)	243.09	92.50
Performance Linked Incentives Accrued	-	174.20
Total	322.88	393.46
Note:		
Details of lien against fixed deposits (non current)	29.19	174.55
Details of lien against fixed deposits (current)	243.09	153.69

Note - INR 0.00 denotes amount less than INR 5,000

8. INVENTORIES

Particulars	March 31, 2024	March 31, 2023
(Valued at lower of cost and net realisable value)		
Raw Materials	524.75	482.59
Work-in-Progress	28.25	39.13
Finished goods	419.15	525.10
Total	972.15	1,046.82

- For mode of valuation of inventories, refer - note 2.2 (g) of material accounting policies
- The above includes Goods in transit for March 31, 2024 : INR Nil, March 31, 2023 : INR Nil.
- The value of inventories above is stated after provision/expenses recognised for inventories carried at net realisable value for the year ended March 31, 2024 :INR Nil and for the year ended March 31, 2023 :INR Nil.
- During the year ended March 31, 2023, on April 6, 2022 an unfortunate incident of fire occurred in a partial area of the first floor of manufacturing premises at Mahape. The damage was of a portion of inventories of about INR 80.04 Million which has been written off during the year ended March 31, 2023. There was no impact on the continuity of the Company's operations, and committed contracts were delivered in full. The insurance claim of INR 91.94 Million, towards inventory and GST recoverable thereon has been received during the year.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

9. TRADE RECEIVABLES

Particulars	March 31, 2024	March 31, 2023
Current		
Trade Receivables from Customers	443.16	573.62
Receivables from other Related Parties (Refer Note 35)	30.20	-
Unbilled Revenue	0.58	4.54
	473.94	578.16
Trade Receivables considered good - Unsecured	488.63	590.01
	488.63	590.01
Less : Allowance for expected credit loss	14.69	11.85
	473.94	578.16
Category wise details of allowance for expected credit loss		
Allowance for expected credit loss for Trade Receivables considered good – Unsecured	14.69	11.85
	14.69	11.85
Particulars	March 31, 2024	March 31, 2023
Balance as at beginning of the year	11.85	7.61
Change in allowance during the year	2.84	4.24
Written back during the year	-	-
Balance as at the end of the year	14.69	11.85

NOTE 9A

Trade Receivables Ageing Schedule :

March 31, 2024 Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	-	139.52	296.86	20.55	18.54	9.86	2.72	488.05
(ii) Undisputed Trade Receivables – significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Trade Receivables - Unbilled Revenue	0.58	-	-	-	-	-	-	0.58
Sub Total	0.58	139.52	296.86	20.55	18.54	9.86	2.72	488.63
Less: Allowance for expected credit loss								14.69
Total								473.94

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

March 31, 2023	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	-	193.75	23.15	351.52	12.42	4.00	0.63	585.47
(ii) Undisputed Trade Receivables – significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Trade Receivables - Unbilled Revenue	4.54	-	-	-	-	-	-	4.54
Sub Total	4.54	193.75	23.15	351.52	12.42	4.00	0.63	590.01
Less: Allowance for expected credit loss								11.85
Total								578.16

10. CASH AND CASH EQUIVALENTS

Particulars	March 31, 2024	March 31, 2023
Balances with banks:		
- In current accounts	43.48	6.35
- Deposits with original maturity of less than three months	1,522.13	19.90
- Deposits with banks to the extent held as margin money less than three months	63.62	18.44
Cash on hand	0.28	0.35
	1,629.51	45.04
Details of lien against fixed deposits	63.62	18.44

11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	March 31, 2024	March 31, 2023
- Deposits with banks to the extent held as margin money	21.17	19.83
- Deposits with original maturity of more than 3 months but less than 12 months	1,012.20	0.10
Other Balances with banks	20.92	-
	1,054.29	19.93
Details of lien against fixed deposits	21.17	19.83

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

12. OTHER ASSETS

Particulars	March 31, 2024	March 31, 2023
Non-current		
Unsecured, considered good unless otherwise stated		
Others		
- Prepaid expenses	2.51	0.99
Total	2.51	0.99
Current		
Unsecured, considered good unless otherwise stated		
Advances to suppliers for capital goods	41.29	5.89
Prepaid expenses - Initial public offering (Refer note 45)	-	70.08
Advances other than Capital advances		
- Advances to vendors	115.76	100.28
- Advances to employees	1.66	0.37
Others		
- Prepaid expenses	21.20	8.11
- Balances with Government Authorities	504.92	327.18
Total	684.83	511.91

Note :

- (i) There are no loans due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.
- (ii) There are no loans or advances in the nature of loans are granted to promoters, directors, Key Managerial Personnel (KMP) and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
 - (a) repayable on demand; or
 - (b) without specifying any terms or period of repayment.

13. NON CURRENT TAX ASSETS (NET)

Particulars	March 31, 2024	March 31, 2023
Advance tax and tax deducted at source (net of provision for tax March 31, 2024 INR 68.89 Million, March 31,2023 INR 66.25 Million)	11.27	11.27
Total	11.27	11.27

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

14. INCOME TAX

Particulars	March 31, 2024	March 31, 2023
Deferred Tax relates to the following:		
Property, Plant and Equipment	23.41	12.23
Provision for Employee Benefits - Gratuity	3.68	5.25
Provision for Employee Benefits - Leave encashment	4.92	3.00
Provision for Warranty	18.26	6.59
Provision for Bonus	42.54	12.46
Provision for Liquidated Damages	0.75	7.42
Provision for other Expenses	2.64	3.64
Expected credit loss on Trade Receivables	3.68	2.97
Leases - ROU and Lease Liability	4.25	2.65
Security Deposits	1.71	1.32
Deferred Tax Asset : (A)	105.84	57.53
Investments in measured at FVTPL	11.64	5.37
Deferred Tax Liabilities : (B)	11.64	5.37
Net Deferred Tax Assets (A - B)	94.20	52.16

Movement in Deferred Tax Assets/Liabilities: March 31, 2024

Movements during the year ended March 31, 2024	Opening balance	Recognised in profit and Loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance
Property, Plant and Equipment	12.23	11.18	-	-	23.41
Provision for Employee Benefits - Gratuity	5.25	(2.47)	0.90	-	3.68
Provision for Employee Benefits - Leave encashment	3.00	1.92	-	-	4.92
Provision for Warranty	6.59	11.67	-	-	18.26
Provision for Bonus	12.46	30.08	-	-	42.54
Provision for Liquidated Damages	7.42	(6.67)	-	-	0.75
Provision for other Expenses	3.64	(1.00)	-	-	2.64
Expected credit loss on Trade Receivables	2.97	0.72	-	-	3.68
Leases - ROU and Lease Liability	2.65	1.60	-	-	4.25
Security Deposits	1.32	0.39	-	-	1.71
Investments in measured at FVTPL	(5.37)	(6.27)	-	-	(11.64)
Total	52.16	41.15	0.90	-	94.20
Total (net)	52.16	41.15	0.90	-	94.20

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Movement in deferred tax assets/(liabilities): March 31, 2023

Movements during the year ended March 31, 2023	Opening balance	Recognised in profit and Loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance
Property, Plant and Equipment	(4.12)	16.35	-	-	12.23
Provision for Employee Benefits - Gratuity	4.38	0.83	0.04	-	5.25
Provision for Employee Benefits - Leave encashment	2.53	0.47	-	-	3.00
Provision for Warranty	6.08	0.51	-	-	6.59
Provision for Bonus	-	12.46	-	-	12.46
Provision for Liquidated Damages	7.02	0.40	-	-	7.42
Provision for other Expenses	0.07	3.57	-	-	3.64
Expected credit loss on Trade Receivables	1.90	1.07	-	-	2.97
Leases - ROU and Lease Liability	0.06	2.59	-	-	2.65
Security Deposits	0.96	0.36	-	-	1.32
Investments in measured at FVTPL	-	(5.37)	-	-	(5.37)
Total	18.88	33.24	0.04	-	52.16
Total (net)	18.88	33.24	0.04	-	52.16

Major Components of income tax expense for year ended March 31 2024 and March 31 2023 are as follows:

i. Income tax recognised in profit or loss

Particulars	March 31, 2024	March 31, 2023
Current Tax Expense		
Current tax on Profits for the year	207.82	121.31
Total Current Tax Expense	207.82	121.31
Deferred Tax (Credit) / Expense		
Origination and reversal of temporary differences	(41.15)	(33.24)
Total Deferred Tax (Credit) / Expense	(41.15)	(33.24)
Income tax expenses recognised in Profit or Loss	166.67	88.07

ii. Income Tax recognised in OCI

Particulars	March 31, 2024	March 31, 2023
Net loss/(gain) on remeasurements of defined Benefit Plans	0.90	0.04
Income tax expense recognised in OCI	0.90	0.04

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2023 and March 31, 2024

Particulars	March 31, 2024	March 31, 2023
Profit before tax	645.13	407.95
Accounting profit before Income Tax	645.13	407.95
Enacted tax rate in India	25.17%	25.17%
Income Tax on accounting profit	162.38	102.68
Effect of		
Expenses not allowable under Income Tax	1.28	0.48
Tax effect of prior years	-	(13.32)
Others	2.11	(1.77)
Tax at effective Income Tax Rate	165.77	88.07

Note - INR 0.00 denotes amount less than INR 5,000

15. EQUITY SHARE CAPITAL AND INSTRUMENTS ENTIRELY EQUITY IN NATURE

i. Authorised Share Capital

Particulars	Equity shares		Preference shares	
	Number of shares	Amount	Number of shares	Amount
Equity shares and Preference shares of INR10 each with voting rights				
At March 31, 2022	225,000	2.25	75,000	0.75
Change during the year	59,700,000	597.00	-	-
At March 31, 2023	59,925,000	599.25	75,000	0.75
Change during the year	-	-	-	-
At March 31, 2024	59,925,000	599.25	75,000	0.75

ii. Issued, Subscribed and Paid up Capital

(a) Reconciliation of the number of Equity shares

Particulars	Equity shares of INR 10 each, fully paid up		Equity shares of INR 10 each, INR 1 partly paid up		Total
	Number of shares	Amount	Number of shares	Amount	Amount
At March 31, 2022	89,400	0.89	1,100	0.00	0.89
Shares Issued during the year	21,246,736	212.47	-	-	212.47
Converted to equity share capital	1,428	0.01	(1,100)	(0.00)	0.01
At March 31, 2023	21,337,564	213.37	-	-	213.37
Shares Issued during the year	6,351,066	63.51	-	-	63.51
Converted to equity share capital	15,196,692	151.97	-	-	151.97
At March 31, 2024	42,885,322	428.85	-	-	428.85

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(b) Rights, preferences and restrictions attached to Equity shares:

The Company has a single class of Equity shares. Accordingly, all Equity shares rank equally with regard to dividends and share in the Company's residual assets. The Equity shares are entitled to receive dividend as declared from time to time. The voting rights of an Equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up Equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of Equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of Equity shares held and after payment to the secured and unsecured loan.

(c) Reconciliation of the number of Instruments Entirely Equity In Nature shares

Particulars	Series A1 0.01% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, 1 partly paid-up.		Series A 0.001% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, fully paid-up.		Series B Compulsorily Convertible Cumulative Preference Shares of INR 10/- each, fully paid up.		Series B1 Compulsorily Convertible Cumulative Preference Shares of INR 10/- each, fully paid up.		Total
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	
At March 31, 2022	328	0.00	38,145	0.38	-	-	-	-	0.38
Issued during the year	-	-	-	-	10,079	0.10	19,018	0.19	0.29
Capitalised to Equity share capital	(328)	(0.00)	-	-	-	-	-	-	(0.00)
At March 31, 2023	-	-	38,145	0.38	10,079	0.10	19,018	0.19	0.67
At April 1, 2023	-	-	38,145	0.38	10,079	0.10	19,018	0.19	0.67
Issued during the year	-	-	-	-	-	-	-	-	-
Capitalised to Equity share capital	-	-	(38,145)	(0.38)	(10,079)	(0.10)	(19,018)	(0.19)	(0.67)
At March 31, 2024	-	-	-	-	-	-	-	-	-

(d) Rights, preferences and restrictions attached to Preference shares: (Series A1)

Compulsorily Convertible Cumulative Preference Shares were issued at par in December, 2016. All Preference shares carry voting rights as per the provision of the Companies Act, 2013. These Preference shares are convertible in to Equity shares upon the earlier of (i) 6th (sixth) anniversary of the date of allotment of each such Series A1 CCPS, or (ii) in connection with an IPO/QIPO, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority. The Preference shares are entitled to cumulative dividend @ 0.01% in preference to Equity shares, as and when declared. Where dividend on Cumulative Preference shares is not declared for a Financial Year, the entitlement thereto is carried forward. Each Preference share is convertible in to 1 Equity share of INR 10 each in accordance with the Securities Subscription Agreement. The Series A1 CCPS shall have the voting rights, prescribed under applicable Law.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(e) Rights, preferences and restrictions attached to Preference shares: (Series A)

Compulsorily Convertible Cumulative Preference Shares were issued at par in December, 2017. All Preference shares carry voting rights as per the provision of the Companies Act, 2013. These Preference shares are convertible in to Equity shares upon the earlier of (i) 1 (one) day prior to the expiry of 20 (twenty) years from the date of allotment or (ii) in connection with an IPO/QIPO, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under applicable Law, or (iii) a decision by vote or written consent of the holders of a majority of the Series A CCPS that all the Series A CCPS must be converted. The Preference shares are entitled to cumulative dividend @ 0.001% in preference to Equity shares, as and when declared. Where dividend on Cumulative Preference shares is not declared for a Financial Year, the entitlement thereto is carried forward. Each Preference share is convertible in to 1 Equity share of INR 10 each in accordance with the Securities Subscription Agreement. Holders of the Series A CCPS are entitled to vote on all matters that are submitted to the vote of the Shareholders.

(f) Rights, preferences and restrictions attached to Preference shares: (Series B)

Compulsorily Convertible Cumulative Preference Shares were issued at par in April, 2022. All Preference shares carry voting rights as per the provision of the Companies Act, 2013. These Preference shares are convertible in to Equity shares upon the earlier of (i) 1 (one) day prior to the expiry of 20 (twenty) years from the date of allotment or (ii) in connection with an IPO/QIPO, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under applicable Law, or (iii) a decision by vote or written consent of the holders of a majority of the Series B CCPS that all the Series B CCPS must be converted. The Preference shares are entitled to cumulative dividend @ 0.001% in preference to Equity shares, as and when declared. Where dividend on Cumulative Preference shares is not declared for a Financial Year, the entitlement thereto is carried forward. Each Preference share is convertible in to 1 Equity share of INR 10 each in accordance with the Securities Subscription Agreement. Holders of the Series B CCPS are entitled to vote on all matters that are submitted to the vote of the Shareholders.

(g) Rights, preferences and restrictions attached to Preference shares: (Series B1)

Compulsorily Convertible Cumulative Preference Shares were issued at par in April, 2022. All Preference shares carry voting rights as per the provision of the Companies Act, 2013. These Preference shares are convertible in to Equity shares upon the earlier of (i) 1 (one) day prior to the expiry of 20 (twenty) years from the date of allotment or (ii) in connection with an IPO/QIPO, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under applicable Law, or (iii) a decision by vote or written consent of the holders of a majority of the Series B1 CCPS that all the Series B1 CCPS must be converted. The Preference shares are entitled to cumulative dividend @ 0.001% in preference to Equity shares, as and when declared. Where dividend on Cumulative Preference shares is not declared for a Financial Year, the entitlement thereto is carried forward. Each Preference share is convertible in to 1 Equity share of INR 10 each in accordance with the Securities Subscription Agreement. Holders of the Series B1 CCPS are entitled to vote on all matters that are submitted to the vote of the Shareholders.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(h) Details of shareholders holding more than 5% shares of a class of shares in the Company:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% Holding	Number of shares	% Holding
Equity Shares with Voting Rights				
Mr. Ankit Mehta	3,686,964	8.60%	3,686,964	17.28%
Mr. Ashish Bhat	3,388,870	7.90%	3,547,070	16.62%
Mr. Rahul Singh	3,583,230	8.36%	3,583,230	16.79%
Mr. Vipul Joshi	1,859,090	4.34%	1,437,360	6.74%
Preference Shares				
Series A1, partly paid up				
Trifecta Venture Debt Fund I	-	0.00%	-	0.00%
Series A, fully paid up				
Celesta Capital II Mauritius (Formerly known as WRV II Mauritius)	-	0.00%	16,323	42.79%
Indusage Technology Venture Fund I	-	0.00%	9,075	23.79%
Infosys Limited	-	0.00%	5,402	14.16%
Qualcomm Asia Pacific PTE Limited	-	0.00%	5,402	14.16%
Celesta Capital II-B Mauritius (Formerly known as WRV II-B Mauritius)	-	0.00%	1,943	5.09%
Series B, fully paid up				
IndusAge Technology Venture Fund I	-	0.00%	1,013	10.05%
Infosys Limited	-	0.00%	1,787	17.73%
Qualcomm Asia Pacific Pte. Limited.	-	0.00%	726	7.20%
Celesta Capital II Mauritius (Formerly known as WRV II Mauritius)	-	0.00%	3,194	31.69%
Celesta Capital II-B Mauritius (Formerly known as WRV II Mauritius)	-	0.00%	381	3.78%
Infina Finance Private Limited	-	0.00%	1,191	11.82%
Export Import Bank Of India	-	0.00%	1,787	17.73%
Series B1, fully paid up				
Florintree Enterprise LLP	-	0.00%	17,884	94.04%
Mr. Ganapathy Subramaniam	-	0.00%	1,134	5.96%

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(i) Details of shareholdings by the Promoter's of the Company:

Promoter's name	As at March 31, 2024		As at March 31, 2023		% Change during the year
	Number of shares	% Holding	Number of shares	% Holding	
Equity Shares of INR 10 each fully paid up					
Mr. Ashish Bhat	3,686,964	8.60%	3,686,964	17.28%	(8.68%)
Mr. Ashish Bhat	3,388,870	7.90%	3,547,070	16.62%	(8.72%)
Mr. Rahul Singh	3,583,230	8.36%	3,583,230	16.79%	(8.44%)

(j) Shares reserved for issue under options and contracts:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares*	Amount
Under Employee Stock Option plan :				
Equity shares of INR 10 each, at exercise price of INR 10 per share	1,073,344	10.73	12,500	0.13
For series A1 0.01% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, INR 1 each partly paid-up.				
Equity shares of INR 10 each	-	-	-	-
For Series A 0.001% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, fully paid-up.				
Equity shares of INR 10 each	-	-	38,145	0.38
For Series B Compulsorily Convertible Cumulative Preference Shares of INR 10 each, fully paid up.				
Equity shares of INR 10 each	-	-	10,079	0.10
For Series B1 Compulsorily Convertible Cumulative Preference Shares of INR 10 each, fully paid up.				
Equity shares of INR 10 each	-	-	19,018	0.19

*The number of shares pertains to pre adjustment with respect to the corporate announcement.

Aggregate number and class of shares allotted as fully paid up by way of Bonus shares : Nil

Aggregate number and class of shares bought back during the period of five years immediately preceding the reporting date:
Nil

Note - INR 0.00 denotes amount less than INR 5,000

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

16. OTHER EQUITY

A. Summary of Other Equity balance:

Particulars	March 31, 2024	March 31, 2023
Reserves & surplus		
Securities Premium	5,256.95	2,354.54
General Reserve	5.00	5.00
Share Based Payment Reserve	95.51	303.90
Retained Earnings	845.51	369.73
Share Application Money Pending Allotment	0.00	-
Total Other Equity	6,202.98	3,033.17

(a) Securities Premium

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	2,354.54	902.70
Add : Securities premium on Preference shares issued	-	985.52
Add : Securities premium on conversion of Compulsorily Convertible Debenture to Compulsorily Convertible Preference Shares	-	528.57
Add : Securities premium on issue of Share- Pre IPO	591.07	-
Add : Securities premium on issue of Share- IPO	2,364.28	-
Add : Securities premium on conversion of Partly paid Equity Shares to fully paid Equity Shares	-	20.32
Add : Securities premium on conversion of Partly paid cCompulsorily Convertible Preference Shares to fully paid Equity Shares	-	5.98
Add : Securities premium on conversion of warrants to fully paid Equity Shares	-	13.47
Add : Issue of Equity Shares on exercise of employee stock options	284.71	118.48
Less : Transferred to share capital on exercise of stock option	(6.68)	-
Less : Conversion of CCPS into Equity Shares	(151.29)	-
Less : Issue of Bonus Equity Shares 1:225	-	(212.41)
Less : Expenses incurred directly in connection with issue of CCPS	-	(8.09)
Less : Expenses incurred directly in connection with issue of Shares	(179.68)	-
Balance at the end of the year	5,256.95	2,354.54

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(b) General Reserve

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	5.00	5.00
Add: Transferred from Debenture Redemption Reserve	-	-
Balance at the end of the year	5.00	5.00

(c) Share Based Payment Reserve

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	303.90	145.39
Add : Employee compensation expense for the year	76.32	276.99
Less : Transferred to securities premium account on exercise of stock option	(284.71)	(118.48)
Balance at the end of the year	95.51	303.90

(d) Retained Earnings

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	369.73	49.97
Add: Profit/(Loss) for the year	478.46	319.88
Less: Remeasurement of post employment benefit obligation, net of tax	(2.67)	(0.12)
Balance at the end of the year	845.51	369.73

(e) Money received against share warrant

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	-	0.03
Add : Money received during the year against Warrants	-	-
Less : Miscellaneous Income	-	(0.03)
Balance at the end of the year	-	-

(f) Equity component of compound financial instruments

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	-	528.67
Add : Premium on reclassification of CCD to CCPS	-	-
Less : Reclassified to securities Premium and equity on actual conversion of CCD to CCPS	-	(528.67)
Balance at the end of the year	-	-

B. Nature and purpose of reserves:

Securities Premium - Securities premium is used to record the premium on issue of shares. Securities premium is utilised in accordance with the provisions of the Act.

General Reserve - On redemption of the debentures for which the Debenture Redemption Reserve was created, the Company has transferred the balance in the Debenture Redemption Reserve to the General Reserve.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Share Based Payment Reserve - The fair value of the equity-settled share based payment transactions is recognised in Standalone Statement of Profit and Loss with corresponding credit to Share Based Payment Reserve and utilised on issue of shares.

Retained Earnings - Retained earnings are the profits that the company has earned till date or losses incurred till date, less any transfers to General Reserve, dividends or other distributions paid to shareholders.

Security Premium related to conversion from CCD to CCPS - The amount received in excess of face value of the equity shares is recognised in security premium. In case of equity component of compound financial instruments, the difference between fair value on the day of conversion and nominal value of shares is accounted as security premium.

17. BORROWINGS

Particulars	March 31, 2024	March 31, 2023
Current Borrowings		
Secured		
(a) Loans repayable on demand		
From Bank (refer note a (i) and (ii))	-	521.50
(b) Other loan from bank* (refer note a (iii))	-	343.54
Total	-	865.04

*From Exim bank

Secured :

Note (a (i)): Cash credit (fund and Non fund based) facility taken from HDFC Bank Limited and carries interest based prevalent base rate plus margin (March 31, 2024: 9.50% p.a and March 31, 2023: 9.51% p.a.) on actual amount utilised and the same is repayable on demand. The overdraft facility is secured by personal guarantee of promoters and pari passu charge over over book debts, inventories (excluding inventory of infantry project), movable assets and others assets acquired by the Company.

Note (a (ii)): Cash credit (fund and Non fund based) facility taken from Axis Bank Limited and carries interest based prevalent base rate plus margin (March 31, 2024 : 9.55% p.a and March 31, 2023 : 9.75% p.a.) on actual amount utilised and the same is repayable on demand. The overdraft facility is secured by personal guarantee of promoters and pari passu charge over book debts, inventories (excluding inventory of infantry project), movable assets and others assets acquired by the Company.

Note (a (iii)): Cash credit (cashflow deficit and Non fund based) facility taken from Exim Bank and carries interest based prevalent base rate plus margin (March 31, 2024 :9.50%. The Company has obtained cash credit facility with sanctioned amount of INR 750.00 Million carries interest based prevalent base rate plus margin (March 31, 2023 : 9.25%) for Infantry project and this overdraft facility is secured by personal guarantee of promoters and pari passu charge over book debts (only for Infantry project), inventories (only for Infantry project), movable assets and others assets acquired by the Company.

Note : The Company has filed monthly returns/statements of current assets with banks and the amounts reported are in agreement with the books of account.

Note - INR 0.00 denotes amount less than INR 5,000

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

18. OTHER FINANCIAL LIABILITIES

Particulars	March 31, 2024	March 31, 2023
Current		
Payable to employees	175.61	51.01
Total	175.61	51.01

19. TRADE PAYABLES

Particulars	March 31, 2024	March 31, 2023
Current		
Total outstanding dues of micro enterprise and small enterprises	45.69	46.09
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 19B for Ageing)	108.66	93.80
Total	154.35	139.89

19A. DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006) UNDER THE CHAPTER ON DELAYED PAYMENTS TO MICRO, SMALL AND MEDIUM ENTERPRISES WHICH ARE ALSO REQUIRED AS PER IND AS SCHEDULE III:

Information has been determined to the extent such parties have been identified on the basis of information available with the Company :

Particulars	March 31, 2024	March 31, 2023
i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal	45.69	46.09
- Interest	0.07	0.72
ii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.07	0.72
v. 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	-	-

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Trade Payables due for payments :

19B Trade Payables Ageing Schedule as at March 31, 2024

Particulars	Accruals	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	30.01	11.83	3.85	-	-	45.69
(ii) Others	-	84.36	22.40	0.21	1.33	0.36	108.66
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

Trade Payables Ageing Schedule as at March 31,2023

Particulars	Accruals	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.86	17.78	26.43	-	0.02	-	46.09
(ii) Others	49.10	26.03	16.60	1.78	0.33	(0.04)	93.80
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

20. OTHER LIABILITIES

Particulars	March 31, 2024	March 31, 2023
Current		
Statutory dues	18.81	15.06
Contract Liabilities (Advance from customers) (Refer Note No. 24 (ii))	149.88	265.42
Other payables (includes reimbursement payable to employee)	0.48	0.44
Total	169.17	280.92

21. LEASE LIABILITIES

Particulars	March 31, 2024	March 31, 2023
Non Current		
Lease liabilities payable beyond 12 months	105.14	112.73
Total	105.14	112.73
Current		
Lease liabilities payable within 12 months	39.77	27.82
Total	39.77	27.82

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

i. Movement in lease liabilities

Reconciliation of Fair Value:

Particulars	Amount
At March 31, 2022	106.98
Additions	47.55
Finance cost accrued during the year (Refer Note No. 29)	10.60
Payment of lease liabilities	(24.58)
At March 31, 2023	140.55
At April 1, 2023	140.55
Additions	38.34
Deletion	(3.40)
Finance cost accrued during the year (Refer Note No. 29)	13.61
Payment of lease liabilities	(44.19)
At March 31, 2024	144.91

ii. The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	March 31, 2024	March 31, 2023
Within one year	50.65	38.55
One to five years	114.99	127.61
More than five years	-	-
Total	165.64	166.16

(iii) The effective interest rate for lease liabilities is 10.00% as on March 31, 2024 (March 31, 2023 : 10.00%)

(iv) The Company had total cash outflow for leases (including the short-term leases) for March 31, 2024: INR 1.69 Million (March 31, 2023: INR 0.71 Million).

22. PROVISIONS

Particulars	March 31, 2024	March 31, 2023
Non Current		
Provision for employee benefits		
Provision for gratuity (Refer Note No. 33)	14.64	16.26
Provision for compensated absence (Refer Note No. 33)	14.73	8.81
Total	29.37	25.07
Current		
Provision for employee benefits		
Provision for gratuity (Refer Note No. 33)	-	4.62
Provision for compensated absence (Refer Note No. 33)	4.81	3.10
Provision for Warranty*	72.55	26.17
Provision for Liquidated damages**	2.96	29.47
Total	80.32	63.36

*The Company records provision towards warranty for products wherein it has obligation for two years. Accordingly, provision had been recognised on the basis of management's expectation of warranty claims on such products.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Movements in Provision for Warranty

	March 31, 2024	March 31, 2023
At the commencement of the year	26.17	24.11
Provision made during the year	85.88	26.17
Provision utilised during the year	(39.50)	(24.11)
Provision reversed	-	-
At the end of the year	72.55	26.17

***Liquidated damages are contractual obligations affecting the revenue in case of the UAV systems delivery arising as a result of penalties arising from delays caused in the completion of a delivery. For delivery delayed beyond the stipulated delivery completion periods, management has estimated the liability that could arise on these contracts.*

Additional disclosure relating to provision for liquidated damages	March 31, 2024	March 31, 2023
At the commencement of the year	29.47	27.90
Provision made during the year	1.39	1.57
Provision utilised during the year	(27.90)	-
Provision reversed	-	-
At the end of the year	2.96	29.47

23. CURRENT TAX LIABILITY (NET)

Particulars	March 31, 2024	March 31, 2023
Provision for tax ((net of advance tax and tax deducted at source of March 31, 2024: INR 10.19 Million, March 31, 2023 INR 11.27 Million)	69.97	66.25
Total	69.97	66.25

24. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contract with customers :		
Sale of products (I)		
UAVs	2,962.67	1,612.57
Spare items	39.19	23.44
Less: Liquidated damages (Refer Note No.22)	(1.39)	(2.88)
Sale of service (II)		
Maintenance services	29.88	49.41
Others	12.18	0.34
Total (I + II)	3,043.92	1,685.76
Other Operating Revenues		
Performance Linked Incentive	125.80	174.20
Other Operating Revenues	0.43	
Duty Drawback	-	0.11
Total	3,170.15	1,860.07

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Critical estimates in calculating amounts

The Company has recognised revenue amounting to INR 3001.86 Million for March 31, 2024, INR 1636.01 Million for March 31, 2023, for sale of product UAVs and spare items to customers. The buyers have the right to warranty for the product sold as per the respective contracts. The company believes that, based on past experience with similar sales of products, the warranty rate will not exceed 1%. The company has, therefore, recognised revenue on these transactions with a corresponding provision against revenue for estimated warranty.

(i) Disaggregated revenue information :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of products (transferred at a point of time)	3,001.86	1,636.01
India	2,968.68	1,619.65
Outside India	33.18	16.36
Sale of service (transferred over period of time)	42.06	49.75
India	42.06	49.75
Outside India	-	-

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Government of India (GoI):		
Sale of products	2,338.78	1,254.01
Sale of service	18.91	45.28
Total	2,357.69	1,299.29
Non Government:		
Sale of products	663.08	382.00
Sale of service	23.15	4.47
Total	686.23	386.47

(ii) Contract balances :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract assets (Unbilled revenue)	0.58	4.54
Contract liabilities (Advance from customers)	149.88	265.42

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Movement in contract liabilities during the period/year:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract Liabilities (Advance from customers):		
Opening Balance	265.42	197.85
Revenue recognised that was included in the contract liability balance at the beginning of the year	(262.53)	(197.78)
Advance received during the year	146.99	265.35
Closing Balance	149.88	265.42

(iii) Reconciling the amount of revenue recognised in the Standalone Statement of Profit and Loss with the contracted price

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contracted price	3,045.31	1,688.64
Less : Liquidated damages	(1.39)	(2.88)
Total Revenue as per Standalone Statement of Profit and Loss	3,043.92	1,685.76

(iv) Performance obligations

The performance obligation is satisfied upon delivery of the product and payment is generally due as per the contract with the customers. The performance obligation for sale of services is satisfied over the period of time as per contract with customer

The transaction price allocated to the remaining performance obligations is as follows :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
To be recognised within one year	12.93	28.74
To be recognised in more than one year	0.77	13.65
Closing Balance	13.70	42.39

The remaining performance obligations expected to be recognised in more than one year relate to the Annual Maintenance Contract ("AMC") revenue that is to be satisfied within few years. All the other remaining performance obligations are expected to be recognised within one year.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

25. OTHER INCOME

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income under the effective interest rate method on :		
Fixed Deposits	122.33	31.25
Financial assets at amortised cost (Security deposit)	1.40	0.78
Bonds	4.33	20.11
Fair valuation gain from investments designated at FVTPL	46.24	21.33
Profit on sale of investments	25.47	20.62
Foreign exchange fluctuation gain (Net)	4.63	3.65
Miscellaneous income	3.32	6.21
Insurance Claim (refer note 8 (iv))	96.40	-
	304.12	103.95

26. COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventory of raw material as at beginning of the year	482.59	293.71
Add : Purchases for the year	1,553.25	1,155.61
Less: Capitalised in intangible assets under development (Refer Note No.6A)	(45.13)	(9.35)
Less : Inventory of raw material as at end of the year	(524.75)	(482.59)
	1,465.96	957.38

27. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories as at the beginning of the year		
Work-in-progress	39.13	20.48
Finished goods	525.10	174.95
Total	564.23	195.43
Less : Inventories as at the end of the year		
Work-in-progress	(28.25)	(39.13)
Finished goods	(419.15)	(525.10)
Total	(447.40)	(564.23)
Net decrease / (increase) in inventories	116.83	(368.80)

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

28. EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus*	786.21	371.46
Contribution to provident and other funds (Refer Note No.33)	11.77	5.58
Share based payments to employees** (Refer Note No.34)**	76.32	276.99
Staff welfare expenses	15.03	8.10
Compensated absences (Refer Note No. 33)	11.88	3.23
Defined benefit plan expenses (Refer Note No. 33)	4.75	3.91
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(380.73)	(160.14)
	525.23	509.13

* Salaries, wages and bonus amount is after netting off of amount capitalised in intangible assets under development (refer note no. 6A) for March 31, 2024 : INR 72.81 Million (March 31, 2023 : INR 19.53 Million)

** Share based payments to employees amount is after netting off of amount capitalised in intangible assets under development (refer note no. 6A) for March 31, 2024 : INR 15.67 Million (March 31, 2023 : INR 12.69 Million)

29. FINANCE COSTS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest cost on financial liabilities measured at amortized cost		
- On borrowings	26.62	37.24
- Interest on lease liability (Refer Note No.21)	13.61	10.60
- Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(5.70)	(2.04)
Interest cost on Net defined benefit liability (refer note 33)	1.36	1.15
Other borrowing costs (includes processing charges)	0.65	1.40
	36.54	48.35

30. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment (Refer Note No.4)	40.68	17.82
Amortisation on intangible assets (Refer Note No. 6)	138.28	76.85
Depreciation on right-of-use assets (Refer Note No. 5)	46.32	29.06
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(13.56)	(5.15)
	211.72	118.58

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

31. OTHER EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Lease expense	10.70	3.07
Less : Capitalised in intangible assets under development	0.00	(0.15)
Electricity charges	11.78	5.88
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(3.79)	(1.97)
Administration and office expenses	35.44	23.20
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(3.42)	(1.19)
Bank charges and commission	10.49	9.73
Marketing and advertising expenses	23.91	15.35
Repairs and maintenance expenses	6.53	3.87
Software expenses	17.21	9.72
Rates and taxes	2.79	17.28
Manpower recruitment cost	73.42	54.77
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(12.19)	(3.80)
Legal and professional expenses	131.28	64.61
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(49.51)	(22.95)
Travelling and conveyance expenses	76.92	51.46
Warranty expenses	85.88	26.17
Insurance expenses	9.69	4.85
Transport charges	14.03	13.34
Payment to auditor (Refer Note (a) below)	6.39	2.20
Expected Credit Loss on trade receivables	2.84	4.24
Corporate social responsibility Expenses (Refer Note No. 46)	5.02	1.20
Miscellaneous expenses	17.45	10.55
Total	472.86	291.43

(a) Details of Payments to auditor:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
As auditors:		
Statutory audit	2.90	2.20
Limited review	2.10	-
Certification audit services*	1.30	-
Reimbursement of expenses	0.09	-
	6.39	2.20

*Excluding INR 13.87 Million which are considered as a part of offer expenses under initial public offer.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

32. EARNINGS PER SHARE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Basic earnings per share		
Basic earnings per share attributable to the Equity holders of the company	11.58	8.55
Total basic earnings per share attributable to the Equity holders of the Company	11.58	8.55
(b) Diluted earnings per share		
Diluted earnings per share attributable to the Equity holders of the Company	11.39	8.12
Total diluted earnings per share attributable to the Equity holders of the Company	11.39	8.12
(c) Par value per share	10.00	10.00
(d) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to the Equity holders of the Company used in calculating basic earnings per share	478.46	319.88
	478.46	319.88
Diluted earnings per share		
Profit attributable to the Equity holders of the Company used in calculating diluted earnings per share	478.46	319.88
Adjusted Profit attributable to the Equity holders of the company used in calculating diluted earnings per share	478.46	319.88
(e) Weighted average number of shares used as the denominator		
Weighted average number of Equity shares used as the denominator in calculating basic earnings per share	41,317,332	37,404,495
Adjustments for calculation of diluted earnings per share:	42,013,437	39,399,849
Weighted average number of Equity shares used as the denominator in calculating diluted earnings per share	83,330,769	76,804,344

33. EMPLOYEE BENEFIT OBLIGATIONS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Expense towards compensated absences included in Employee Benefits expense	11.88	3.23
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Provision for compensated absences (under Non-Current provisions) (Refer note 22)	14.73	8.81
Provision for compensated absences (under Current provisions) (Refer note 22)	4.81	3.10
Total	19.54	11.91

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

B. Defined Benefit Plan

(i) Description of Plan

Retirement Benefit Plan of the Company include Gratuity. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service with maximum ceiling as per Company policies. Gratuity plan is unfunded.

(ii) Balance Sheet

The liabilities and (surplus)/deficit position of the defined benefit plans at the Balance Sheet date were:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligations	14.64	20.88
(Liability) recognised in Balance Sheet	(14.64)	(20.88)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for gratuity (under Non-Current provisions) (Refer note 22)	14.64	16.26
Provision for gratuity (under Current provisions) (Refer note 22)	-	4.62
Total	14.64	20.88

Movements in Present Value of Obligation:

Particulars	As at March 31, 2023
As at March 31, 2022	17.40
Current service cost	3.91
Past service cost	-
Interest cost	1.15
Actuarial losses / (gains)	0.16
Benefits Paid	(1.75)
As at March 31, 2023	20.87
Current service cost	4.75
Past service cost	-
Interest cost	1.36
Actuarial losses / (gains)	3.57
Benefits Paid	(0.91)
As at March 31, 2024	29.64

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(iii) Statement of Profit and Loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employee Benefits Expense:		
Current service cost	4.75	3.91
Past service cost	-	-
	4.75	3.91
Finance costs:		
Interest cost	1.36	1.15
Interest income	-	-
	1.36	1.15
Net impact on profit (before tax)	6.11	5.06
Remeasurement of the net defined benefit plans:		
Actuarial (gains)/losses arising from changes in financial assumptions	0.26	(1.38)
Actuarial (gains)/losses arising from changes in demographic assumptions	-	(0.61)
Actuarial (gains)/losses arising from experience adjustments	3.31	2.15
Net impact on other comprehensive income (before tax)	3.57	0.16

(iv) Assumptions

With the objective of presenting the plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The obligations are measured at the present value of estimated future cash flows by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds, which is consistent with the estimated terms of the obligation.

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Ult
Discount rate	7.15%	7.30%
Salary growth rate	7.00%	7.00%
Retirement age	60 years	60 years
Employee attrition rate	Refer table A below	Refer table A below

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Table A	As at	As at
Employee Attrition Rate	March 31, 2024	March 31, 2023
Age (Years)	Rate (P.a.)	Rate (P.a.)
21-30	25%	25%
31-40	23%	23%
41-50	11%	11%
51-59	4%	4%

(v) Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Discount rate (per annum)		
Increase 0.50%	(28.79)	(20.32)
Decrease 0.50%	30.54	21.47
Salary escalation rate (per annum)		
Increase 0.50%	30.32	21.30
Decrease 0.50%	(28.97)	(20.46)

(vi) Expected future cash flows in respect of gratuity:

Particulars	Expected Payout First	Expected Payout Second	Expected Payout Third	Expected payout Fourth	Expected payout Fifth	Expected payout Six to Ten years
March 31, 2020	1.26	1.04	1.30	1.24	1.23	18.27
April 1, 2021	1.17	1.59	1.50	1.53	1.48	21.70
March 31, 2022	1.58	1.86	1.91	1.87	1.84	25.27
March 31, 2023	4.62	3.42	2.96	2.55	2.12	19.18
March 31, 2024	5.25	4.56	4.12	3.81	3.23	29.30

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Less than a year	5.25	4.62
Between 2-5 years	15.72	11.05
More than 5 years	29.30	19.18

(vii) Weighted average duration of the defined benefit plan:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Gratuity plan (in years)	5.90	5.51

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

C Defined contribution plan

Amount incurred and paid towards contribution to Provident Fund, Labour Welfare Fund and Employees State Insurance Corporation is recognised as an expense and included in employee benefits expense:

Particulars	As at March 31, 2024	As at March 31, 2023
Contribution to provident fund and other funds	11.77	5.58

34. SHARE BASED PAYMENT

EMPLOYEE STOCK OPTION SCHEME, 2018 (EMPLOYEE STOCK OPTION PLAN) (ESOS/ESOP)

By way of a resolution passed by the Board on April 10, 2018 and a resolution passed by Shareholders on May 2, 2018, ESOP or ESOP 2018 was instituted pursuant to a resolution. The ESOP 2018 was amended by our Company pursuant to a resolution of our Board on December 9, 2020 and resolution dated December 31, 2020 of our Shareholders.

The ESOP 2018 was subsequently amended by our Company pursuant to a resolution of our Board on March 25, 2022 and resolution dated April 28, 2022 of our Shareholders. The maximum number of options which can be granted under ESOP 2018 is 21,935 options (prior to any bonus issue or Split of equity shares).

The primary objective of the plan is to reward the key employee for his association, dedication and contributions to the goals of the company. The plan is established with effect from May 2, 2018 on which the Shareholders of the Company have approved the plan by the way of special resolution and it shall continue to be in force until its termination by the Company as per provisions of Applicable laws, or the date on which all of the Options available for issuance under the plan have been issued and exercised, whichever is earlier.

Grant date	Number of instruments	Grant Date	Vesting Conditions	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
Tranche 1 : May 02, 2018	4,779	May 02, 2018	For the Options to vest, the Grantee has to be in employment of the company on the date of the vesting.	The exercise period for Options vested will be ten years from date of vesting subject to the terms and conditions with regards to exercising of options laid down in the Option Grant Letter	10	10
Tranche 2 : July 13, 2018	384	July 13, 2018			10	10
Tranche 3 : November 26, 2019	164	November 26, 2019			10	10
Tranche 4 : February 03, 2020	2,980	February 03, 2020			10	10
Tranche 5 : February 27, 2020	4,470	February 27, 2020			10	10
Tranche 6 : May 2, 2020	585	May 02, 2020			10	10
Tranche 7 : October 29, 2020	115	October 29, 2020			10	10
Tranche 8 : January 21, 2021	130	January 21, 2021			10	10
Tranche 9 : June 02, 2021	61	June 02, 2021			10	10
Tranche 10 : June 14, 2021	128	June 14, 2021			10	10
Tranche 11 : August 13, 2021	47	August 13, 2021			10	10
Tranche 12 : December 13, 2021	37	December 13, 2021			10	10
Tranche 13 : January 3, 2022	18	January 03, 2022			10	10
Tranche 14 : January 10, 2022	14	January 10, 2022			10	10
Tranche 15 : January 23, 2022	1,840	January 23, 2022			10	10

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Grant date	Number of instruments	Grant Date	Vesting Conditions	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
Tranche 16 : April 28, 2022	2,105	April 28, 2022			10	10
Tranche 17 : July 1, 2022	2,546	July 01, 2022			10	10
Tranche 18 : July 4, 2022	18	July 04, 2022			10	10
Tranche 19 : December 1, 2022	106	December 01, 2022			10	10
Tranche 20 : December 19, 2023	661	December 19, 2023			10	10
Tranche 21 : February 2, 2024	10	February 02, 2024			10	10
Tranche 22 : February 26, 2024	8	February 26, 2024			10	10

The following table provides the number and Weighted Average Exercise Price (WAEP) of, and movements in, share options during the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	WAEP (INR)	Number*	WAEP (INR)
2018 Scheme				
Outstanding at the beginning of the year	2,825,000	10	11,034	10
Granted during the year	153,359	10	4,775	10
Exercised during the year	1,886,157	-	3,265	-
Lapsed/ forfeited /surrendered/expired during the year	18,858	-	44	-
Outstanding at the end of the year	1,073,344	10	12,500	10
Exercisable at the end of the year	-	-	-	-

*The number of shares pertains to pre adjustment with respect to the corporate announcement.

The value of the underlying shares has been determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Dividend yield (%)	0.00%	0.00%
Expected volatility (%)	130% - 155%	49.00% - 72.08%
Risk-free interest rate(%)	6.97% - 7.08%	6.07% - 7.75%
Expected life of share option	5 - 10 years	6 - 15years
Model Used	Black Scholes valuation model	Black Scholes valuation model

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Effect of share based payment transactions on the Standalone Statement of Profit and Loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Equity settled share based payments	60.65	264.31
Total expense recognized under "Employee benefits expense"	60.65	264.31

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Weighted Avg. Share Price of options exercised on the date of exercise*	613.00	48,703.00
Average remaining contractual life of options (years) as at the end of the year	11 years	11 years

*Weighted Avg. Share Price of options exercised on the date of exercise is pre bonus issue in case of FY 2022-23

35. RELATED PARTY TRANSACTIONS

A. Names of the related parties of the Company

Subsidiary company	ideaForge Technology Inc. (w.e.f. September 6, 2022), Place of incorporation : USA
Firm where non-executive director is Partner	KGV And Co.

Key management personnel (KMP)

Name of Related Party	Nature of Relationship
Mr. Ankit Mehta	Chief Executive Officer and Whole-time Director
Mr. Rahul Singh	Whole-time Director
Mr. Ashish Bhat	Whole-time Director
Ms. Sutapa Banerjee	Non-Executive Independent Director
Mr. Vikas Bhalia	Non-Executive Independent Director
Mr. Srikanth Velamakanni	Non-Executive Independent Director
Mr. Mathew Cyriac	Non-Executive Nominee Director (With effect from June 24, 2022)
Mr. Ganapathy Subramaniam	Non-Executive Nominee Director
Mr. Vipul Joshi	Chief Financial Officer (With effect from October 15, 2022) Vice President - Operations (Till October 15, 2022)
Ms. Sonam Gupta	Company Secretary & Compliance Officer (With effect from December 15, 2022)
Mr. Vishal Saxena	Vice President - Sales & Business Development

B. Disclosure of transactions between the Company and related parties

Name	Nature of Transaction	Year ended March 31, 2024	Year ended March 31, 2023
Mr. Ankit Mehta	Salary, wages and bonus	35.31	12.46
Mr. Ashish Bhat	Salary, wages and bonus	35.28	12.46
Mr. Rahul Singh	Salary, wages and bonus	35.28	12.46
Mr. Vipul Joshi	Salary, wages and bonus	41.90	12.46
Ms. Sutapa Banerjee	Director's sitting fees	1.50	0.40

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Name	Nature of Transaction	Year ended March 31, 2024	Year ended March 31, 2023
Mr. Vikas Bhalia	Director's sitting fees	1.50	0.20
Mr. Srikanth Velamakani	Director's sitting fees	0.80	0.20
Mr. Vishal Saxena	Salary, wages and bonus	36.79	17.34
Ms. Sonam Gupta	Salary, wages and bonus	1.34	0.33
Mr. Ankit Mehta	Reimbursement of expenses	1.45	1.71
Mr. Ashish Bhat	Reimbursement of expenses	2.32	0.55
Mr. Rahul Singh	Reimbursement of expenses	0.03	0.24
Mr. Vipul Joshi	Reimbursement of expenses	1.03	0.81
Mr. Vishal Saxena	Reimbursement of expenses	0.39	0.34
Mr. Ganapathy Subramaniam	Interest expense on short-term borrowings	-	0.07
Mr. Ganapathy Subramaniam	Loan Repaid (Borrowing)	-	53.50
Mr. Ganapathy Subramaniam	Issue of preference share capital	-	55.73
Mr. Ganapathy Subramaniam	Share based payments charged to P&L	-	74.03
KGV And Co.	Professional fees charged	-	11.64
Mr. Vipul Joshi	Share based payments charged to P&L	7.96	95.77
Mr. Mathew Cyriac	Share based payments charged to P&L	22.17	65.79
Ms. Sutapa Banerjee	Commision expense	2.12	-
Mr. Vikas Bhalia	Commision expense	2.12	-
Mr. Srikanth Velamakani	Commision expense	2.12	-
ideaForge Techology Inc.	Reimbursement of expenses	0.29	-
ideaForge Techology Inc.	Revenue from sale of product	30.20	-

C. Status of outstanding balances :

Name	Nature of Transaction	Year ended March 31, 2024	Year ended March 31, 2023
Mr. Ankit Mehta	Post employment benefits	2.03	-
Mr. Ashish Bhat	Post employment benefits	2.03	-
Mr. Rahul Singh	Post employment benefits	2.12	-
Mr. Vipul Joshi	Post employment benefits	2.03	-
Mr. Vishal Saxena	Post employment benefits	1.59	-
Ms. Sonam Gupta	Post employment benefits	0.04	-
Ms. Sutapa Banerjee	Commision payable	2.12	-
Mr. Vikas Bhalia	Commision payable	2.12	-
Mr. Srikanth Velamakani	Commision payable	2.12	-
ideaForge Techology Inc.	Reimbursement of expenses	0.29	-
ideaForge Techology Inc.	Revenue from sale of product	30.20	-

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

D. Details of guarantees of key management personnel and shares pledged:

Shares pledged details

- i) Personal guarantee of Mr. Ankit Mehta, Mr. Rahul Singh, Mr. Ashish Bhat and Mr. Vipul Joshi given to Axis bank, HDFC bank and Export Import Bank of India in FY 2023-24.
- ii) No shares are pledged as on reporting date.

E. Terms and conditions of transactions with Related Parties

There have been no guarantees provided or received for any related party receivables or payables other than those mentioned in note 35D

36. OPERATING SEGMENT

The Company is exclusively engaged in the business of manufacture and marketing of UAV systems which are used for security and surveillance. The ancillary business of providing training and maintenance service evolve around the main business of manufacture and marketing of UAV systems. Based on Management Approach, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of overall country level performance indicators. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Financial Statement of the Company as a whole.

The Chief Executive Officer of the Company, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Operating Decision Maker (CODM).

There is only one reporting segment and has no reportable segment as per IND AS 108 - Operating Segment

Information about Geographical Areas :

Revenue from External Customers

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
India	3,010.74	1,669.40
Outside India	33.18	16.36
Total	3,043.92	1,685.76

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current assets*		
India	1,266.48	968.95
Outside India	-	-
	1,266.48	968.95

* Non-current assets excludes financial instruments, non-current tax assets (net) and deferred tax assets.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Revenue from Major Customers

The Company earns revenue from few of its major customers which individually amounts to 10 per cent or more of the Company's revenues. Details of such customers (i.e. the total amount of revenues from each such customer) are disclosed below. Revenue from such customers are reported under all the segments of the Company.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Customer 1	1,748.74	1,245.98
Customer 2	-	187.65
	1,748.74	1,433.63

37. CAPITAL MANAGEMENT

The Company defines capital as total Equity including issued Equity capital, share premium and all other Equity reserves attributable to Equity holders of the Company (which is the Company's net asset value). The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to adjusted equity ratio was as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings (refer note 17)	-	865.04
Lease Liabilities (refer note 21)	144.92	140.55
Total debt liabilities	144.92	1,005.59
Less: Cash and Cash Equivalents (refer note 10)	(1,629.51)	(45.04)
Adjusted Net Debt	(1,484.61)	960.55
Total/ Adjusted Equity	6,631.83	3,247.21
Adjusted net debt to adjusted equity ratio	(0.22)	0.30
Debt equity considering only borrowings as debt	0.02	0.31

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

38. FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value

Particulars	Note	Carrying Amount/ Fair Value	
		As at March 31, 2024	As at March 31, 2023
FINANCIAL ASSETS			
Financial assets measured at fair value			
Investments measured at - Fair value through profit or loss	7A	878.67	1,250.76
Financial assets measured at amortised cost			
Investment	7A	66.83	-
Trade Receivables	9	473.94	578.16
Cash and Cash Equivalents	10	1,629.51	45.04
Bank Balances other Cash and Cash Equivalents	11	1,054.29	19.93
Loans	7B	0.47	0.85
Other Financial Assets	7C	377.76	625.19
Total		4,481.47	2,519.93
FINANCIAL LIABILITIES			
Financial liabilities measured at fair value			
Borrowings	17	-	-
Financial liabilities measured at amortised cost			
Borrowings	17	-	865.04
Trade Payables	19	154.35	139.89
Lease Liabilities	21	144.92	140.55
Other Financial Liabilities	18	175.61	51.01
Total		474.88	1,196.49

B. Fair Value Hierarchy

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarised below:

Particulars	Note	As at March 31, 2024	Fair value measurement at end of the reporting period		
			Level 1	Level 2	Level 3
Financial assets and liabilities measured at the fair value					
Investment in mutual funds and Bonds	7A	852.55	852.55	-	-
Investment in equity instruments at FVTPL	7A	26.12	-	-	26.12

Particulars	Note	As at March 31, 2023	Fair value measurement at end of the reporting period		
			Level 1	Level 2	Level 3
Financial assets and liabilities measured at the fair value					
Investment in mutual funds and Bonds	7A	1,240.76	1,240.76	-	-
Investment in equity instruments at FVTPL	7A	10.00	-	-	10.00
Financial assets and liabilities not measured at the fair value					
Borrowings	17	865.04	-	865.04	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2024 and March 31, 2023

Financial assets and liabilities measured at fair value as at Balance Sheet date:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Other financial assets and liabilities

Fair value of financial assets and liabilities measured at amortised cost (cash and cash equivalents, other bank balance, trade receivables, other financial assets, trade payables, borrowings, lease liabilities and other financial liabilities) is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately as it approximates the carrying value.

39. FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risk and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

(A) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the Company. The potential activities where credit risks may arise include from cash and cash equivalents and security deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the company along with relevant mitigation procedures adopted have been enumerated below:

Trade Receivables

The Company's exposure to credit risk is the exposure that Company has major business dealings with few parties to whom sales are made on credit basis and the contracted consideration is yet to be received.

The Company provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a simplified provision matrix.

The Company has considered an assessment of past history and has taken into account various factors including future forecast conditions for determination of allowance for expected credit loss.

Refer to note 9 for ageing for trade receivables from the due date of payment.

The provision for impairment of trade receivables, movement of which has been provided in note 9

Other financial assets

The Company maintains exposure in cash and cash equivalents and term deposits with banks. The Company has set counter-party limits based on multiple factors including financial position, credit rating, etc. The Company's maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 is the carrying value of each class of financial assets.

(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 proposed to be settled by delivering cash or other financial asset. The Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting year:

Particulars	As at March 31, 2024	As at March 31, 2023
Cash credit facilities (includes bank overdraft and working capital facilities)	1,029.64	436.45
	1,029.64	436.45

Exposure to liquidity risk

The following are the remaining contractual maturities of financial assets and financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest receipts / payments and exclude the impact of netting agreements.

Particulars	Note	Undiscounted Amount			Total
		Carrying Value	Within 1 year	More than 1 year	
March 31, 2024					
Non-derivatives					
Borrowings	17	-	-	-	-
Lease Liabilities	21	144.92	39.77	105.15	144.92
Trade payables	19	154.35	154.35	-	154.35
Other financial liabilities	18	175.61	175.61	-	175.61
Total non-derivative liabilities		474.88	369.73	105.15	474.88
March 31, 2023					
Non-derivatives					
Borrowings	17	865.04	865.04	-	865.04
Lease Liabilities	21	140.55	27.82	112.73	140.55
Trade payables	19	139.89	139.89	-	139.89
Other financial liabilities	18	51.01	51.01	-	51.01
Total non-derivative liabilities		1,196.49	1,083.76	112.73	1,196.49

(C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments.

The Company size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Currency risk
- Price risk
- Interest rate risk

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(i) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The functional currency of the Company is Indian Rupees. The Company does not enter into any derivative instruments for trading or speculative purposes. The Company's borrowings are all in Indian Rupees.

The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

Particulars	Amount in USD	Equivalent amount in INR for USD Amount	Amount in GBP	Equivalent amount in INR for GBP Amount	Amount in EUR	Equivalent amount in INR for EUR Amount	Amount in SGD	Equivalent amount in INR for SGD Amount	Total Amount in INR
March 31, 2024									
Trade Receivables	0.48	-	-	-	-	-	-	-	-
Cash in foreign currency	0.00	-	-	-	-	-	-	-	-
Trade Payables	0.42	35.05	0.00	0.02	0.00	0.02	0.00	0.01	35.10
Net exposure to foreign currency risk	0.90	35.05	0.00	0.02	0.00	0.02	0.00	0.01	35.10
March 31, 2023									
Trade Receivables	0.11	9.35	-	-	-	-	-	-	9.35
Cash in foreign currency	0.00	0.08	-	-	-	-	-	-	0.08
Trade Payables	(0.04)	(3.69)	-	-	(0.00)	(0.03)	-	-	(3.72)
Net exposure to foreign currency risk	0.07	5.74	-	-	(0.00)	(0.03)	-	-	5.71

The below table demonstrates the sensitivity to a 1% increase or decrease in the foreign currency against INR with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

Particulars	As at March 31, 2024	As at March 31, 2023
1% strengthening of INR compared to USD	(0.35)	(0.06)
1% strengthening of USD compared to INR	0.35	0.06
1% strengthening of INR compared to GBP	(0.00)	-
1% strengthening of GBP compared to INR	0.00	-
1% strengthening of INR compared to EUR	(0.00)	0.00
1% strengthening of EUR compared to INR	0.00	(0.00)
1% strengthening of INR compared to SGD	(0.00)	-
1% strengthening of SGD compared to INR	0.00	-

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(ii) Price risk

The Company is mainly exposed to the price risk due to its investment in mutual funds and bonds. The price risk arises due to uncertainties about the future market values of these investments. The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in mutual funds and bonds

The carrying amounts of the Company's investment in mutual funds and bonds are as follows:

Particulars		As at March 31, 2024	As at March 31, 2023
Investments in mutual funds		852.55	977.49
Sensitivity analysis:			
1% increase in prices	Profit or (Loss)	8.53	9.77
1% decrease in prices	Profit or (Loss)	(8.53)	(9.77)
Investments in bonds		-	263.27
Sensitivity analysis:			
1% increase in prices	Profit or (Loss)	-	2.63
1% decrease in prices	Profit or (Loss)	-	(2.63)

(iii) 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. 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.

The company's fixed rate borrowings are carried at amortised 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.

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed-rate instruments		
Financial assets	945.50	1,250.76
Financial liabilities	-	-
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	-	865.04

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased profit or loss by amounts shown below. This analyses assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the Balance Sheet date and

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	26.62	37.24
Impact - Profit or (Loss)		
Interest rates - increase by 100 basis points	(0.27)	(0.37)
Interest rates - decrease by 100 basis points	0.27	0.37

40. COMMITMENTS AND CONTINGENCIES

A. Commitments

i. Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	24.92	4.92

ii. Lease Commitments

Lease commitments are the future cash out flows from the lease contracts which are not recorded in the measurement of lease liabilities. These include potential future payments related to leases of low value assets, leases with term less than twelve months and variable leases.

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one year	1.67	0.71
Later than one year and not later than five years	0.02	-
Later than five years	-	-
	1.69	0.71

iii. Other commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Preference share dividend on Convertible Cumulative Preference Shares*	-	0.00

*Since 67,242 numbers of CCPS shares, held by 9 shareholders, will be converted to equity shares, preference dividend of INR 0.00 has not been provided for.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

B. Contingent Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debts		
Demands raised by income tax authorities	35.22	35.22
Demands raised by indirect tax authorities (VAT)	34.33	34.33

Note: In respect of Supreme Court Judgement on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. In view of the management, the liability for the period from the date of the Supreme Court order to March 31, 2019 is not significant and has not been given effect to in the books of account.

There are no other Contingent Liabilities as on March 31, 2024: INR Nil (March 31, 2023: INR Nil)

C. Contingent Assets

There are no other Contingent Assets as on March 31, 2024 : INR Nil (March 31, 2023: INR Nil)

Note - INR 0.00 denotes amount less than INR 5,000

41. CHANGES TO MATERIAL ACCOUNTING POLICIES

The Company adopted Disclosure of Accounting policies (Amendment to Ind AS 1) with effect from April 1, 2023. Although the amendments did not result in any changes in the accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provides guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity specific accounting policy information that the users need to understand other information in the Financial Statements.

42. RATIO AND ITS COMPONENTS

Ratio

Sr No.	Particulars	March 31, 2024	March 31, 2023
1	Current ratio	8.69	2.57
2	Debt- Equity Ratio	-	0.27
3	Debt Service Coverage Ratio	9.00	6.67
4	Return on Equity Ratio	9.69%	13.11%
5	Inventory Turnover Ratio	1.57	0.77
6	Trade Receivable Turnover Ratio	6.03	4.76
7	Trade Payable Turnover Ratio	10.56	10.76
8	Net Capital Turnover Ratio	0.60	0.79
9	Net Profit Ratio	0.15	0.17
10	Return on Capital Employed	11.82%	12.51%
11	Return on Investment	0.09	0.02

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Components of Ratio

Sr No.	Ratios	Numerator	Denominator	March 31, 2024		March 31, 2023	
				Numerator	Denominator	Numerator	Denominator
1	Current ratio	Current Assets	Current Liabilities	5,990.62	689.19	3,836.93	1,494.29
2	Debt- Equity Ratio	Total Debts	Total Equity (Equity Share capital + Other Equity)	-	6,631.83	865.04	3,247.21
3	Debt Service Coverage Ratio	Net Profit after taxes + Non-cash operating expenses (i.e. depreciation and other amortisations + Interest)	Finance Cost+ Lease Repayment + Principle Repayment of Long term Borrowings during the Years	726.72	80.73	486.81	72.93
4	Return on Equity Ratio	Net profit after tax - Exceptional items	Average Total Equity [Opening (Equity Share capital + Other Equity)+Closing (Equity Share Capital+Other Equity))/2]	478.46	4,939.52	319.88	2440.12
5	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory (Opening balance+ Closing balance/2)	1,582.79	1,009.48	588.58	767.98
6	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable (Opening balance + Closing balance /2)	3,170.15	526.05	1,860.07	390.61
7	Trade Payable Turnover Ratio	Purchase of stock in trade and material consumed	Average trade payable (Opening balance + Closing balance /2)	1,553.25	147.12	1,155.61	107.42
8	Net Capital Turnover Ratio	Revenue from operations	Working capital (Current asset - Current liabilities)	3,170.15	5,301.42	1,860.07	2,342.64
9	Net Profit Ratio	Net profit after tax	Revenue from operations	478.46	3,170.15	319.88	1860.07
10	Return on Capital Employed	Profit before interest and tax	Total Equity - Intangible Assets + Borrowings + Deferred Tax Liability	681.67	5,769.19	456.30	3,647.54
11	Return on Investment	Return/Profit/ Earnings	Investment	76.05	852.55	21.33	1,240.76

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Reasons for variance of more than 25% in above ratios

Sr No.	Particulars	March 31, 2024	March 31, 2023
1	Current ratio	Company has leverage positions as compared last year.	Company has leverage positions as compared last year.
2	Debt - Equity Ratio	The Company has debt free.	The Company has improved on the leverage position over last year.
3	Debt Service Coverage Ratio	The Company has debt free.	The reduction is mainly on account of repayment of borrowings.
4	Return on Equity Ratio	Current year decrease is attributed to profit because of sales mix.	Current year increase is attributed to higher profit because of higher sales compared to Previous year
5	Inventory Turnover Ratio	Improvement in the payment terms of large contract of customer & efforts in improvement of collection cycle by the company has resulted in increase in the ratio over last year.	Improvement in the payment terms of large contract of customer & efforts in improvement of collection cycle by the company has resulted in increase in the ratio over last year.
6	Trade Receivable Turnover Ratio		
7	Trade Payable Turnover Ratio		
8	Net Capital Turnover Ratio	Reduced manily due to increase in working capital as compared to the last year.	The increment is on account of increase in Turnover over last year.
9	Net Profit Ratio	Due to product mix, reduced in over all margin.	Sales of higher performance product during the year compared to last year has resulted in the higher margin for the year.
10	Return on Capital Employed	Due to product mix, reduced in over all margin.	Sales of higher performance product during the year compared to last year has resulted in the higher margin for the year.
11	Return on Investment	To meet the working capital requirement, used internal fund, hence reduced income during the current year.	Surplus cash generated during the year deployed for investment purpose resulted in additional Income during the year.

43. OTHER STATUTORY DISCLOSURES

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company have not traded or invested in Crypto currency or Virtual Currency during reporting periods.
- (iii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

- (iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed 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)
- (vi) The Company does not have any borrowings from banks and financial institutions that are used for any other purpose other than the specific purpose for which it was taken at the reporting Balance Sheet date.
- (vii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (viii) The Company is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.
- (ix) The Company shall disclose as to whether the fair value of investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Since, the Company does not have any investment property during any reporting period, the said disclosure is not applicable.
- (x) Section 8 of the Companies Act, 2013 companies are required to disclose grants or donations received during the year. Since, the Company is not covered under Section 8 of the Companies Act, 2013, the said disclosure is not applicable.
- (xi) There are no scheme of arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the reporting periods.
- (xii) The Company has not identified any transactions or balances in any reporting periods with companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (xiii) The company has no unrecorded transactions in books of accounts that has been surrendered or disclosed 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)
- (xiv) There are no charge or satisfaction yet to be registered with ROC beyond the statutory period by the company as at the reporting periods.
- (xv) The Company has neither declared nor paid any dividend during the reporting period.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

44. MANAGERIAL REMUNERATION

The remuneration paid by the Company to its Chief Executive Officer and two whole time directors during the current year, is in accordance with the provisions of Section 197 read with Schedule V to the Act. The remuneration paid to the Chief Executive Officer and two whole time directors is as per the limits laid down under Section 197 read with Schedule V to the Act and as approved by the shareholder's through special resolution in the Extra Ordinary General Meeting held on February 4, 2023.

45. UTILISATION OF IPO PROCEEDS

During the quarter ended September 30, 2023, the Company has completed its Initial Public Offer ("IPO") of 8,441,764 Equity shares of face value of INR 10 each at an issue price of INR 672 per share (including share premium of INR 662 per share) consisting of a fresh issue of 3,572,052 Equity shares aggregating to INR 2,400 Millions and an offer for sale of 4,869,712 Equity shares aggregating to INR 3,272.45 Millions. The Equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f. July 07, 2023. Expenses incurred by the Company in connection with the IPO have been recovered from the selling shareholders.

The total offer expenses in relation to the fresh issue are INR 148.40 Million.

Particulars	As at March 31, 2023
Gross Proceeds from the Issue	2,400.00
(Less) Issue related expenses	148.40
Net Proceeds available for utilisation	2,251.60

The aforesaid offer related expenses in relation to the fresh issue have been adjusted against securities premium as per Section 52 of the Companies Act, 2013.

The utilisation of IPO proceeds from fresh issue from fresh issue (net of IPO related expense of INR 148.40 Million) is summarised below:

Particulars	Amount to be utilised as per prospectus	Utilisation up to March 31, 2024	Unutilised as on March 31, 2024
Repayment/prepayment of certain Loans	500.00	500.00	-
Funding Working Capital gap	1,350.00	752.60	597.40
Investment in Product Development	400.00	217.40	182.60
General Corporate Purposes	1.60	1.60	-
Total utilisation of funds	2,251.60	1,471.60	780.00

46. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The aggregate amount of expenditure incurred during the year by the Company on Corporate Social Responsibility (CSR) is INR 5.02 Million (previous year INR 1.20 Million) and is shown separately under note 31 based on Guidance Note on Accounting for Expenditure on CSR Activities issued by the ICAI.

As per section 135 of the Companies Act, 2013, the Following year wise amount was utilized as financial contribution towards CSR Activities:

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Gross amount required to be spent by the Company during the year	4.77	1.20
(b) Amount approved by Board and incurred during the year on:	-	-
Ongoing Projects		
Other than Ongoing Projects		
(i) Child Education	1.08	0.73
(ii) Environment, Health, Women Empowerment	-	0.20
(iii) Zero Hunger, and quality education	1.92	0.25
(iv) Women Empowerment	-	0.01
(v) Health & Well Being	1.73	-
(vi) Life on land	0.30	-
Total	5.03	1.19
(c) Shortfall/ (Excess) at the end of year	(0.26)	0.01
(d) Total of previous years shortfall	0.01	Nil
(e) Reason of Shortfall	-	-

ii) There were no CSR spends which were incurred by the Company through its Related Party

47. SUBSEQUENT EVENTS

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of Financial Statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the Financial Statements. As of May 14, 2024, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

Material Accounting Policies and Notes on Accounts 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 No: 101248W/W-100022

Mansi Pardiwalla

Partner

Membership No: 108511

Place: Navi Mumbai

Date: May 14, 2024

For and on behalf of the Board of Directors of

ideaForge Technology Limited

(Formerly known as ideaForge Technology Private Limited)

CIN : U31401MH2007PLC167669

Ankit Mehta

Chief Executive Officer and Whole Time Director

DIN: 02108289

Vipul Joshi

Chief Financial Officer

Place: Navi Mumbai

Date: May 14, 2024

Rahul Singh

Whole Time Director

DIN: 02106568

Sonam Gupta

Company Secretary

Membership No: A53881

Independent Auditor's Report

**To the Members of ideaForge Technology Limited
(Formerly known as ideaForge Technology Private Limited)**

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of ideaForge Technology Limited (Formerly known as ideaForge Technology Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 as at March 31, 2024, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 we have obtained 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, 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

Refer Note 2.2 (j) of Material Accounting Policies and Note 24 to consolidated financial statements

The key audit matter

Revenue from the sale of products is recognized when control over goods is transferred to the customer based on specific terms and conditions of sale contracts with respective customers.

The Group and its external stakeholders focus on revenue as a key performance metric. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated or recognized before the control has been transferred.

How the matter was addressed in our audit

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:

- i. Evaluated the Company's revenue recognition policies by comparing it with applicable accounting standards.
- ii. Performed testing of design and implementation and the operating effectiveness of the relevant key internal controls over recognition of revenue.
- iii. On a statistical sample basis, tested the revenue transactions recorded during the year by verifying the underlying documents such as sales invoices/contracts, dispatch/shipping documents and proof of delivery.

Revenue Recognition

Refer Note 2.2 (j) of Material Accounting Policies and Note 24 to consolidated financial statements

The key audit matter

How the matter was addressed in our audit

- iv. On the basis of lead time analysis, tested specific revenue transactions recorded before and after the financial year-end date to determine that revenue is recognised in the financial period in which control is transferred, based on the terms and conditions set out in sales invoices/ contracts, dispatch/shipping documents and proof of delivery.
- v. Performed analytical procedures such as year on year analysis to identify any unusual fluctuations.
- vi. Scrutinised journal entries posted to revenue account based upon specific risk based criteria, to identify unusual or irregular items.

Capitalisation of product under development

Refer Note 2.2 (b) and (c) of Material Accounting Policies and Note 6A to the consolidated financial statements

Significant estimates and judgement relating to capitalisation of product under development

Costs for new product development are recognised as intangible assets when technical feasibility is established, the Company has committed technical and commercial resources, future economic benefits are assessed as 'probable' and expenditure attributable to the intangible asset during its development can be measured reliably.

This involves management judgement and estimate and there are inherent challenges in estimating future economic benefits which must be assessed as 'probable' for capitalisation to commence. There is a risk of development cost getting capitalised where the relevant criteria have not been met. Accordingly, we identified capitalisation of product development cost as a key audit matter.

How the matter was addressed in our audit

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:

- i. Evaluated the accounting policy for capitalisation and impairment of intangible assets under development by comparing it with applicable accounting standards.
- ii. Evaluated and tested the design, implementation and operating effectiveness of key internal controls with respect to the capitalisation of product under development.
- iii. For specific sample selected based on high value criteria, evaluated the Group's assessment of meeting the capitalisation criteria including the assessment relating to future economic benefits being 'probable' by obtaining cash flow forecast and market feasibility assessment from Management, making corroborative inquiries with the product development team and performing retrospective review of the products capitalised.
- iv. Tested by selecting a sample of transactions with high value criteria, for costs incurred towards projects by testing underlying back ups including sighting the approvals for timesheets by the Project Managers. Analysed and determined the costs which are capitalised are 'directly attributable' towards product development activities.

OTHER INFORMATION

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon. The Holding Company's 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 and other comprehensive loss, consolidated statement of changes in equity and consolidated cash flows of the Group 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 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 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 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 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.

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 MATTER

- a. The financial statements of the subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of INR 88 million as at March 31, 2024, total revenues (before consolidation adjustments) of INR Nil and net cash inflows amounting to INR 54 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 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 the subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements 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 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.
- 2A. 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 relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - 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 April 01, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and 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 consolidated financial statements disclose the impact of pending litigations as at March 31, 2024 on the consolidated financial position of the Group. Refer Note 40 B to the consolidated financial statements.
 - b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2024.
 - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2024.

- d
 - (i) The management of the Holding Company whose financial statements has been audited under the Act has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 43 (iii) 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 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management of the Holding Company whose financial statements has been audited under the Act has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 43 (iv) to the consolidated financial statements, no funds have been received by the Holding 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 shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Holding Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and

the same has operated throughout the year for all relevant transactions recorded in the software:

- i. The feature of audit trail (edit log) facility was not enabled at the database level to log any direct data changes,
- ii. Audit trail (edit log) was not preserved for more than 99 changes, if any, for every master data or transaction

Further, where audit trail (edit log) facility was enabled, we did not come across any instance of audit trail feature being tampered with.

- 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

Holding Company to its Chief Executive Officer and two whole time directors during the current year, is in accordance with the provisions of Section 197 read with Schedule V to the Act. The remuneration paid to the Chief Executive Officer and two whole time directors is as per the limits laid down under Section 197 read with Schedule V to the Act and as approved by the shareholder's through special resolution in the Extra Ordinary General Meeting held on 4 February 2023. 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

Mansi Pardiwalla

Partner

Place: Mumbai

Date: 14 May 2024

Membership No.: 108511

ICAI UDIN:24108511BKEMWX7664

Annexure A

to the Independent Auditor's Report on the Consolidated Financial Statements of ideaForge Technology Limited (Formerly known as ideaForge Technology Private Limited) for the year ended March 31, 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) According to the information and explanations given to us and based on our examination, there are no companies included in the consolidated financial statements of the Holding Company which are companies incorporated in India except the Holding Company. The Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any unfavourable answers or qualifications or adverse remarks.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Mansi Pardiwalla

Partner

Membership No.: 108511

ICAI UDIN:24108511BKEMWX7664

Place: Mumbai

Date: 14 May 2024

Annexure B

to the Independent Auditor's Report on the consolidated financial statements of ideaForge Technology Limited (Formerly known as ideaForge Technology Private Limited) for the year ended March 31, 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In conjunction with our audit of the consolidated financial statements of ideaForge Technology Limited (Formerly known as ideaForge Technology Private Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by such Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

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

Mansi Pardiwalla

Partner

Place: Mumbai

Date: 14 May 2024

Membership No.: 108511

ICAI UDIN:24108511BKEMWX7664

Consolidated Balance Sheet

as at March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Note No.	March 31, 2024	March 31, 2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4	120.14	81.78
Right-of-use Assets	5	161.53	155.63
Capital Work-in-Progress	4	68.65	34.09
Other Intangible Assets	6	389.49	249.62
Intangible Assets Under Development	6A	473.15	215.10
Financial Assets			
(i) Investments	7A	26.12	10.00
(ii) Other Financial Assets	7C	55.09	231.73
Non-Current Tax Assets (Net)	13	9.92	11.27
Deferred Tax Assets (Net)	14	94.26	52.16
Other Non-Current Assets	12	2.51	0.99
Total Non-current Assets		1,400.86	1,042.37
Current Assets			
Inventories	8	982.84	1,046.82
Financial Assets			
(i) Investments	7A	852.55	1,240.76
(ii) Trade Receivables	9	443.54	578.16
(iii) Cash and Cash Equivalent	10	1,683.23	45.04
(iv) Bank Balances other than cash and cash equivalents	11	1,054.29	19.93
(v) Loans	7B	0.47	0.85
(vi) Other Financial Assets	7C	322.88	393.46
Other Current Assets	12	684.37	511.91
Total Current Assets		6,024.17	3,836.93
TOTAL ASSETS		7,425.03	4,879.30
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	428.85	213.37
Instruments entirely equity in nature	15	-	0.67
Other equity	16	6,177.07	3,033.17
Total Equity		6,605.92	3,247.21
Liabilities			
Non Current Liabilities			
(1) Financial Liabilities			
(i) Borrowings	17	-	-
(ii) Lease Liabilities	21	105.14	112.73
Provisions	22	29.37	25.07
Total Non-Current Liabilities		134.51	137.80
(2) Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	-	865.04
(ii) Lease Liabilities	21	39.77	27.82
(iii) Trade Payables	19		
(A) total outstanding dues of micro enterprises and small enterprises; and		45.69	46.09
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		114.01	93.80
(iv) Other Financial Liabilities	18	175.61	51.01
Other Current Liabilities	20	169.20	280.92
Provisions	22	80.32	63.36
Current Tax Liabilities (Net)	23	60.00	66.25
Total Current Liabilities		684.60	1,494.29
TOTAL EQUITY AND LIABILITIES		7,425.03	4,879.30

The above Statement should be read together with basis of preparation and material accounting policies forming part of the Consolidated Financial Statements and notes to the Consolidated Financial Statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla

Partner

Membership No: 108511

Place: Navi Mumbai

Date: May 14, 2024

For and on behalf of the Board of Directors of

ideaForge Technology Limited

(Formerly known as ideaForge Technology Private Limited)

CIN : U31401MH2007PLC167669

Ankit Mehta

Chief Executive Officer and Whole Time Director

DIN: 02108289

Vipul Joshi

Chief Financial Officer

Place: Navi Mumbai

Date: May 14, 2024

Rahul Singh

Whole Time Director

DIN: 02106568

Sonam Gupta

Company Secretary

Membership No: A53881

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
INCOME			
Revenue from operations	24	3,139.96	1,860.07
Other income	25	304.12	103.95
Total Income		3,444.08	1,964.02
EXPENSES			
Cost of materials consumed	26	1,466.43	957.38
Changes in inventories of finished goods and work-in-progress	27	106.14	(368.80)
Employee benefits expense	28	525.23	509.13
Finance costs	29	36.54	48.35
Depreciation and amortisation expense	30	211.72	118.58
Other expenses	31	487.34	291.43
Total Expenses		2,833.40	1,556.07
Profit before tax		610.68	407.95
Tax expense/(credit) :			
Current tax		199.20	121.31
Deferred tax (credit) / expense		(41.20)	(33.24)
Total tax expense		158.00	88.07
Profit after tax for the year (A)		452.68	319.88
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss :			
Remeasurement of gains/(losses) on defined benefit plans		(3.57)	(0.16)
Income tax relating to items that will not be reclassified to profit or loss		0.90	0.04
Other Comprehensive (loss) for the period, net of tax (B)		(2.67)	(0.12)
Total Comprehensive Income for the period (A+B)		450.01	319.76
Owners of the Parent		450.01	319.76
Non-controlling interests		-	-
Earnings per equity share ('EPS') (Face value of INR 10 each)	32		
Basic EPS (INR)		10.96	8.55
Diluted EPS (INR)		10.77	8.12

The above Statement should be read together with basis of preparation and material accounting policies forming part of the Consolidated Financial Statements and notes to the Consolidated Financial Statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla

Partner

Membership No: 108511

Place: Navi Mumbai

Date: May 14, 2024

For and on behalf of the Board of Directors of

ideaForge Technology Limited

(Formerly known as ideaForge Technology Private Limited)

CIN : U31401MH2007PLC167669

Ankit Mehta

Chief Executive Officer and Whole Time Director

DIN: 02108289

Vipul Joshi

Chief Financial Officer

Place: Navi Mumbai

Date: May 14, 2024

Rahul Singh

Whole Time Director

DIN: 02106568

Sonam Gupta

Company Secretary

Membership No: A53881

Consolidated Statement of Changes in Equity

as at March 31, 2024

(All amounts in INR Millions unless otherwise stated)

A EQUITY SHARE CAPITAL

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Equity shares

Particulars	Equity shares of INR 10 each, fully paid up		Equity shares of INR 10 each, INR 1 partly paid up		Total	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
At April 1, 2022	89,400	0.89	1,100	0.00	90,500	0.89
Shares Issued during the year	21,246,736	212.47	-	-	21,246,736	212.47
Converted to equity share capital	1,428	0.01	(1,100)	(0.00)	328	0.01
At March 31, 2023	21,337,564	213.37	-	-	21,337,564	213.37
At April 1, 2023	21,337,564	213.37	-	-	21,337,564	213.37
Shares Issued during the period	6,351,066	63.51	-	-	6,351,066	63.51
Converted to equity share capital	15,196,692	151.97	-	-	15,196,692	151.97
At March 31, 2024	42,885,322	428.85	-	-	42,885,322	428.85

B INSTRUMENTS ENTIRELY EQUITY IN NATURE

(i) Series A1 0.01% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, 1 partly paid-up.

Particulars	Balance at the beginning of the year	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2023					
Number of shares	328.00	-	328	(328.00)	-
Amount	0.00	-	0.00	(0.00)	-
March 31, 2024					
Number of shares	-	-	-	-	-
Amount	-	-	-	-	-

Consolidated Statement of Changes in Equity

as at March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(ii) Series A 0.001% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, fully paid-up.

Particulars	Balance at the beginning of the year	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2023					
Number of shares	38,145	-	38,145	-	38,145
Amount	0.38	-	0.38	-	0.38
March 31, 2024					
Number of shares	38,145	-	38,145	(38,145)	-
Amount	0.38	-	0.38	(0.38)	-

(iii) Series B Compulsorily Convertible Cumulative Preference Shares of INR 10/- each, fully paid up.

Particulars	Balance at the beginning of the year	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2023					
Number of shares	-	-	-	10,079	10,079
Amount	-	-	-	0.10	0.10
March 31, 2024					
Number of shares	10,079	-	10,079	(10,079)	-
Amount	0.10	-	0.10	(0.10)	-

(iv) Series B1 Compulsorily Convertible Cumulative Preference Shares of INR 10/- each, fully paid up.

Particulars	Balance at the beginning of the year	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2023					
Number of shares	-	-	-	19,018	19,018
Amount	-	-	-	0.19	0.19
March 31, 2024					
Number of shares	19,018	-	19,018	(19,018)	-
Amount	0.19	-	0.19	(0.19)	-

Consolidated Statement of Changes in Equity

as at March 31, 2024

(All amounts in INR Millions unless otherwise stated)

B. OTHER EQUITY

Particulars	Reserves and Surplus				Comprehensive Income	Equity component of compound financial instruments	Money received against share warrant	Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	Share Based Payment Reserve				
Balances as at April 1, 2022	902.70	5.00	49.72	145.39	0.25	528.67	0.03	1,631.77
Profit for the year	-	-	319.88	-	-	-	-	319.88
Other comprehensive income for the Year	-	-	-	-	(0.12)	-	-	(0.12)
Sub Total	902.70	5.00	369.60	145.39	0.13	528.67	0.03	1,951.52
Issue of equity shares on exercise of employee stock options	118.48	-	-	(118.48)	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-	(0.03)	(0.03)
Securities premium on preference shares issued	985.52	-	-	-	-	-	-	985.52
Securities premium on conversion of compulsorily convertible debenture to compulsorily convertible preference shares	528.57	-	-	-	-	(528.57)	-	-
Securities premium on conversion of Partly paid equity shares to fully paid equity shares	20.32	-	-	-	-	-	-	20.32
Add : Securities premium on conversion of Partly paid compulsorily convertible preference shares to fully paid equity shares	5.98	-	-	-	-	(0.10)	-	5.88
Securities premium on conversion of warrants to fully paid equity shares	13.47	-	-	-	-	-	-	13.47
Issue of bonus equity shares 1:225	(212.41)	-	-	-	-	-	-	(212.41)
Expenses incurred directly in connection with issue of CCPS	(8.09)	-	-	-	-	-	-	(8.09)
Employee compensation expense for the year	-	-	-	276.99	-	-	-	276.99
As at March 31, 2023	2,354.54	5.00	369.60	303.90	0.13	0.00	-	3,033.17

Consolidated Statement of Changes in Equity

as at March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Reserves and Surplus				Other Comprehensive Income	Equity component of compound financial instruments	Money received against share warrant	Foreign currency translation reserve	Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	Share Based Payment Reserve					
Balances as at April 1, 2023	2,354.54	5.00	369.60	303.90	0.13	0.00	-	-	3,033.17
Profit for the year	-	-	452.68	-	-	-	-	-	452.68
Other comprehensive income for the Year	-	-	-	-	(2.67)	-	-	-	(2.67)
Sub Total	2,354.54	5.00	822.28	303.90	(2.54)	0.00	-	-	3,483.18
Securities premium on issue of share- Pre IPO	591.07	-	-	-	-	-	-	-	591.07
Securities premium on issue of share- IPO	2,364.28	-	-	-	-	-	-	-	2,364.28
Issue of equity shares on exercise of employee stock options	284.71	-	-	-	-	-	-	-	284.71
Transferred to share capital on exercise of stock option	(6.68)	-	-	-	-	-	-	-	(6.68)
Conversion of CCPS into Equity shares	(151.29)	-	-	-	-	-	-	-	(151.29)
Expenses incurred directly in connection with issue of Shares	(179.68)	-	-	-	-	-	-	-	(179.68)
Employee compensation expense for the year	-	-	-	76.32	-	-	-	-	76.32
Transferred to securities premium account on exercise of stock option	-	-	-	(284.71)	-	-	-	-	(284.71)
Exchange differences on translating the financial statement of a foreign operation	-	-	-	-	-	-	-	(0.13)	(0.13)
As at March 31, 2024	5,256.95	5.00	822.28	95.51	(2.54)	0.00	-	(0.13)	6,177.07

Note - INR 0.00 denotes amount less than INR 5,000

Refer Note No. 16 for nature and purpose of reserves

The above Statement should be read together with basis of preparation and material accounting policies forming part of the Consolidated Financial Statements and notes to the Consolidated Financial Statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla

Partner

Membership No: 108511

Place: Navi Mumbai

Date: May 14, 2024

For and on behalf of the Board of Directors of

ideaForge Technology Limited

(Formerly known as ideaForge Technology Private Limited)

CIN : U31401MH2007PLC167669

Ankit Mehta

Chief Executive Officer and Whole Time Director

DIN: 02108289

Vipul Joshi

Chief Financial Officer

Place: Navi Mumbai

Date: May 14, 2024

Rahul Singh

Whole Time Director

DIN: 02106568

Sonam Gupta

Company Secretary

Membership No: A53881

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	610.68	407.95
Adjustments for:		
Depreciation and Amortisation Expense	211.72	118.58
Interest on Micro Enterprise and Small Enterprise (MSME)	0.07	0.72
Fair valuation gain from investments designated at FVTPL	(46.24)	(21.33)
Profit on sale of Investments	(25.47)	-
Allowance for Bad and Doubtful debts	3.05	4.24
Finance Costs	36.54	48.35
Foreign Exchange Fluctuation Gain	(4.63)	(3.65)
Interest on Fixed Deposit	(122.33)	(31.15)
Interest on Bonds	(4.33)	(20.11)
Fair value income on Security Deposit (lease)	(1.40)	(0.78)
Employee share-based payment expense	60.65	276.99
Change in Operating Assets and Liabilities:		
Adjustments for (increase) / decrease in Operating Assets:		
(Increase) / Decrease in Inventories	63.98	(557.68)
(Increase) / Decrease in Trade Receivables	131.57	(379.33)
(Increase)/Decrease in other Financial Assets	134.22	(185.47)
(Increase)/Decrease in other Non-Current/Current Assets	(138.57)	(270.93)
Adjustments for increase / (decrease) in Operating Liabilities:		
Increase/(Decrease) in Trade Payables	24.38	67.88
Increase/(Decrease) in Provisions	17.69	8.83
(Decrease)/Increase in Other Financial Liabilities	124.59	(3.74)
(Decrease)/Increase in Other Current/Non-Current Liabilities	(111.72)	72.42
Cash Generated from Operations	964.45	(468.21)
Less: Direct taxes paid	(204.10)	(64.09)
Net cash generated from/(used in) from Operating Activities	760.35	(532.30)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment and Intangible asset including Capital work in progress, Intangible assets under development and Capital advance	(670.33)	(330.96)
Investment in mutual funds (net)	464.26	(1,092.81)
Investment in Equity instrument	(16.12)	(10.00)
Investments in Fixed Deposits (net)	(916.68)	(85.67)
Interest received	122.07	30.36
Net cash used in Investing Activities	(1,016.80)	(1,489.08)

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of Preference Shares including securities premium	-	1,025.29
Expenses incurred directly in connection with issue of Compulsorily Convertible Preference Shares	-	(8.09)
Expenses incurred directly in connection with issue of Equity Shares	(179.68)	-
Proceeds from Issue of Equity Shares (including premium)	3,012.18	-
Share Application Money Pending Allotment	0.00	-
Repayment of Unsecured loan	-	(56.52)
Repayment of Short term Secured Bank loan	(343.54)	(0.24)
Proceeds from Short term Secured Bank loan	-	343.54
Proceeds from Overdraft facility from Bank	-	521.50
Repayment of Overdraft facility of Bank	(521.50)	-
Interest paid	(28.63)	(38.64)
Principal Payments of Lease Liability	(44.19)	(24.58)
Net cash generated from Financing Activities	1,894.64	1,762.26
Net (decrease)/increase in Cash and Cash Equivalent	1,638.19	(259.12)
Cash and Cash Equivalent - Opening balance	45.04	304.16
Cash and Cash Equivalent - Closing balance	1,683.23	45.04

Components of Cash and Cash Equivalent :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash on hand	0.28	0.35
Balance with banks :		
In Current accounts	97.20	6.35
In deposits with original maturity of less than three months	1,522.13	19.90
Deposits with banks to the extent held as margin money	63.62	18.44
Total Cash and Cash Equivalent (Refer Note No.10)	1,683.23	45.04
Cash and Cash Equivalent for Statement of Cash Flows	1,683.23	45.04

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on 'Statement of Cash Flows'.

Reconciliation between opening and closing Balance Sheet for Liabilities arising from Financing Activities :

Particulars	March 31, 2022	Cash flows	Non cash changes	March 31, 2023
Long term borrowing (including current maturities)	0.24	(0.24)	-	-
Loan repayable on demand	-	-	-	-
Lease Liabilities	106.98	(24.58)	58.16	140.56
Other borrowing (specify)	56.52	808.52	-	865.05
	163.74	783.71	58.16	1,005.60

Reconciliation between opening and closing Balance Sheet for Liabilities arising from Financing Activities :

Particulars	March 31, 2023	Cash flows	Non cash changes	March 31, 2024
Long term borrowing (including current maturities)	-	-	-	-
Loan repayable on demand	-	-	-	-
Lease Liabilities	140.56	(44.19)	48.55	144.92
Other borrowing (specify)	865.05	(865.05)	-	-
	1,005.61	(909.24)	48.55	144.92

Non-cash movement represents:

- With respect to long-term borrowings, accrual of interest on liability component of compulsory convertible debenture instrument and reclassification of such compulsory convertible debentures to Instrument entirely equity in nature.
- With respect to leases, accrual of interest on lease liabilities.

The above Statement should be read together with basis of preparation and material accounting policies forming part of the Consolidated Financial Statements and notes to the Consolidated Financial Statements.

Note - INR 0.00 denotes amount less than INR 5,000

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla

Partner

Membership No: 108511

Place: Navi Mumbai

Date: May 14, 2024

For and on behalf of the Board of Directors of

ideaForge Technology Limited

(Formerly known as ideaForge Technology Private Limited)

CIN : U31401MH2007PLC167669

Ankit Mehta

Chief Executive Officer and Whole Time Director

DIN: 02108289

Vipul Joshi

Chief Financial Officer

Place: Navi Mumbai

Date: May 14, 2024

Rahul Singh

Whole Time Director

DIN: 02106568

Sonam Gupta

Company Secretary

Membership No: A53881

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

1 CORPORATE INFORMATION

ideaForge Technology Limited (formerly known as ideaForge Technology Private Limited) (the Holding Company) was incorporated on February 8, 2007 having its registered office at Navi Mumbai, Mumbai, Maharashtra, India. The Holding Company is primarily engaged in the business of manufacture and marketing of Unmanned aerial vehicle ("UAV") systems which are used for security and surveillance. The ancillary business of providing training and maintenance service evolve around the main business of manufacture and marketing of UAV systems.

Subsequent to year ended March 31, 2022, the Company has changed its name from ideaForge Technology Private Limited to ideaForge Technology Limited based on the approval from Registrar of Companies, Maharashtra and accordingly it has become a public limited company.

The Consolidated Financial Statement comprise the Consolidated Financial Statement of the Holding Company and its subsidiary (referred to collectively as the "Group")

Subsidiary

Name of Company	Country of incorporation	Principle activity	Proportion (%) of equity interest As at March 31, 2023
ideaForge Technology Inc. (incorporated on September 6, 2022)	USA	Selling, Marketing and distribution of Unmanned Aerial Vehicles	100%

2 BASIS OF PREPARATION, MEASUREMENT AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation and measurement

A Statement of compliance

These Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The Consolidated Financial Statements are approved for issue by the Holding Company's Board of Directors on May 14, 2024.

Details of the Group's accounting policies, including changes there to are included in note 2.

B Basis of preparation

The accounting policies set out below have been applied consistently to the periods presented in the Consolidated Financial Statement.

These Consolidated Financial Statement have been prepared on a going concern basis.

C Basis of measurement

The Consolidated Financial Statement has been prepared on a historical cost convention, except for the following:

- (i) Employee's defined benefit plan at fair value of plan assets less present value of defined benefit obligation determined as per actuarial valuation; and
- (ii) Certain financial assets and liabilities that are qualified to be measured at fair value.

D Current and Non-Current Classification

The Group presents Assets and Liabilities in the Balance Sheet based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting year; or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

A liability is classified as current when it is:

- Expected to be settled in normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting year; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

E Functional and Presentation Currency

The Consolidated Financial Statement has been presented in Indian Rupees (₹ or INR), which is also the Holding Company's functional currency. All amounts have been rounded-off to the nearest millions and decimals thereof, unless otherwise mentioned.

F Use of estimates, assumptions and judgements

The preparation of Consolidated Financial Statement in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent liabilities on the date of Consolidated Financial Statement and the reported amount of income and expenses for the year reported. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognised in the year in

which the estimates are revised and future periods are affected.

Assumption and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the amounts recognised in the consolidated financial statement is included in the following notes:

- (i) Impairment test of non-financial assets and financials assets;
- (ii) Measurement of defined benefit obligations: key actuarial assumption;
- (iii) Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- (iv) Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

G Fair Value Measurement

Certain accounting policies and disclosures of the Group require the measurement of fair values, for both financial and non financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) 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).

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.2 Principles of consolidation

A Subsidiaries

The Consolidated Financial Statement comprise the Financial Statement of the Holding Company and its subsidiary. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. The Consolidated Financial Statement are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statement for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statement to ensure conformity with the Group's accounting policies.

The Financial Statement used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company. When the end of the reporting year of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial statements as of the same date as the Consolidated Financial Statement of the Holding Company to enable the Holding Company to consolidate the financial statements of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statement at the acquisition date.
- Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

B Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non Controlling Interest (NCI) and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in Consolidated Statement of Profit and Loss.

2.2 Material accounting policies

(A) PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

Property, Plant and Equipment are measured at cost (which includes capitalised borrowing costs) less accumulated depreciation and accumulated impairment losses, if any.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

The cost of an item of property, plant and equipment comprises:

- a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and depreciated accordingly.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Capital work in progress and Capital advances

Assets under construction includes the cost of Property, Plant and Equipment that are not ready to use at the Balance Sheet date. Advances paid to acquire Property, Plant and Equipment before the Balance Sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

Depreciation, Estimated useful life and Estimated residual value

Depreciation is calculated using the Written Down Value method, pro rata to the period of use, taking into account useful lives and residual value of the assets. The useful life of assets and the estimated residual value taken from those prescribed under Part C of Schedule II to the Companies Act, 2013 except in case of leasehold improvements which are depreciated over primary lease period, which in

management's opinion is reflective of economic useful lives of these assets. Useful life and residual values are reviewed by management at every balance sheet date and adjusted, if appropriate.

Tangible Asset	Useful Life
Plant and Machinery	15 years
Vehicle	8 Years
Furniture and fixtures	10 years
Office equipments	5 years
Electrical equipment	10 years
Computers	3 years
Leasehold Improvement	Lower of useful life of the leasehold improvement or the lease term

Depreciation is computed with reference to cost. Depreciation on additions during the year is provided on pro rata basis with reference to month of addition/installation.

Derecognition

An item of Property, Plant and Equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Holding Company has elected to continue with the carrying value of all the items of Property, Plant and Equipment recognized as at April 1, 2021, measured as per the previous GAAP, and use that carrying value as the deemed cost of such Property, Plant and Equipment. The Holding Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2021 while preparing annual consolidated account for March 31, 2023.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(b) INTANGIBLE ASSETS

Recognition and measurement

Intangible assets comprise primarily of patent, computer software and product under development. Intangible assets are initially recorded at cost and subsequent to recognition, intangible assets are stated at cost less accumulated amortisation.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure are recognised in the Consolidated Statement of Profit and Loss as incurred.

Amortisation

Intangible assets are amortised over their estimated useful life on Straight Line Method as follows. The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such changes is accounted for as a change in an accounting estimate.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

- (i) Product development : 3 Years
- (ii) Software : 3 Years
- (iii) Patent : 20-25 years, and in few patents 100 years

Derecognition

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

Transition to Ind AS

On transition to Ind AS, the Holding Company has elected to continue with the carrying value of all the items of Intangible assets recognized as at April 1, 2021, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets. The Holding Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2021 while preparing annual consolidated account for March 31, 2023.

Intangible Assets under Development

Intangible Assets under Development includes the cost of patent, trademark and product development costs that are not ready to use at the balance sheet date. Product development costs includes employee benefits expenses including employee stock option expense incurred towards research and development team, raw material consumed, testing charges, other expenses like lease, electricity and other administration and office expenses. Intangible Assets under Development are not depreciated as these assets are not yet available for use.

(c) IMPAIRMENT

(i) Non-financial assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit (CGU). If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Consolidated Statement of Profit and Loss.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

Recoverable amount is higher of an asset's or cash generating unit's value in use and its fair value less cost of disposal. Value in use is estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

An impairment loss is reversed in the Consolidated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

(ii) Financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group recognises loss allowances using the expected credit loss (ECL) model as per Ind AS 109 for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the

reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12 month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

The Group considers a financial asset to be in default when:

- The counter party is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is 180 days or more past due.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group expects no significant recovery from the amount written off during the year.

(d) FINANCIAL INSTRUMENTS

FINANCIAL ASSETS

Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent Measurement

Financial Assets measured at Amortised Cost (AC)

A financial asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding. .

Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A financial assets which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Group changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

In case of investments In mutual fund and bonds- Measured at Fair value through Profit and Loss (FVTPL).

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to cash flows from the asset expire,

or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

FINANCIAL LIABILITIES

Classification

The Group classifies its financial liabilities in the following measurement categories:

- Those to be measured subsequently at fair value through profit and loss-[FVTPL]; and
- Those measured at amortised cost. [AC]

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, lease liabilities, loans and borrowings including bank overdrafts and liability component of convertible instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss [FVTPL]

Financial liabilities at fair value through profit or loss [FVTPL] include financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

Gains or losses on liabilities held for trading are recognised in Consolidated Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Consolidated Statement of Profit and Loss.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss. This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified such exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts to hedge its foreign currency risks, interest rate risks and commodity price risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

Compound Financial Instruments

"Compound Financial Instruments are separated into liability and equity components based on the terms of the contract. On issuance of the compound financial instruments, the fair value of the liability component is determined using a market rate for an equivalent non- convertible instrument. This amount is classified

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

as an financial liability measured at FVTPL (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is remeasured at each reporting date. Transaction Costs are apportioned between the liability and equity components of the compound financial instruments based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

Compulsorily Convertible Preference Shares (CCPS) :

Compulsory Convertible Preference Shares (CCPS) are those shares which are issued with the terms that it can be converted into certain number of equity shares after a period of time. CCPS offer fixed income to the investors and compulsorily convert into Equity Shares of the issuing Holding Company after a predetermined period. The terms of conversion are also pre-decided at the time of issue. CCPS are particularly offered to fill the gap between the valuation expectations of the founder and the investors that are generally linked to the performance of the Holding Company. These offer investors the opportunity to participate in the growth of companies while mitigating the risk of lower valuation of companies that underachieve the targets. Issuing CCPS further benefits the Holding Company's promoters to raise funds without diluting the ownership at the initial period.

(e) LOANS AND BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowings using the effective interest method. Processing/Upfront fee are treated as prepaid expenses and same is amortised over the period of the facility to which it relates.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Gains and losses are recognised in Consolidated Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

Borrowings are derecognised from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any non cash assets transferred or liability assumed, is recognised in Consolidated Statement of Profit and Loss as other gains or (losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the settlement of liabilities for at least twelve months after the reporting year.

Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the same is classified as current unless the lender agreed, after the reporting year and before the approval of Consolidated Ind AS Financial Statement for issue, not to demand payment as a consequence of the breach.

(f) CASH AND CASH EQUIVALENT

Cash and Cash Equivalent includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

which are subject to an insignificant risk of changes in value, and bank overdrafts.

Consolidated Statement of Cash Flows

Cash Flows are reported using the indirect method, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(g) INVENTORIES

Inventories comprises of raw material, work in progress and finished goods. Inventories are valued at lower of cost and net realisable value. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Inventories are valued at lower of cost and net realisable value; cost is determined on FIFO basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

(h) EARNINGS PER SHARE

Basic earnings per share

Basic earnings per shares is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/after Exceptional Items (net of tax) by Weighted

average number of Equity shares, (excluding treasury shares).

Diluted earnings per share

Diluted earnings per share is computed using the net profit or loss for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

(i) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the Balance Sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Consolidated Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognised in Consolidated Statement of Profit and Loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- Equity investments at fair value through OCI (FVOCI);

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- Qualifying cash flow hedges to the extent that the hedges are effective.

(j) REVENUE RECOGNITION

Revenue is recognised to depict the transfer of control of promised goods or services to customers upon the satisfaction of performance obligation under the contract in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Consideration includes goods or services contributed by the customer, as non-cash consideration, over which the Group has control.

Where performance obligation is satisfied over time, Group recognizes revenue over the contract year. Where performance obligation is satisfied at a point in time, Group recognizes revenue when customer obtains control of promised goods and services in the contract. Revenue is recognised net of any taxes collected from customers, which are remitted to governmental authorities.

(i) Sale of goods

Revenue from sale of goods is recognised when control or substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract

Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and receivable is recognized when it becomes unconditional.

Revenue is measured based on the transaction price, which is the consideration, adjusted for

discounts and claims, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The specific recognition criteria described below must also be met before revenue is recognized. The Group has a Two stream of revenue i.e. Sale of products & Sale of services

The Group recognises revenue at a point in time when the performance obligation is satisfied, i.e. when 'control' of the goods underlying the particular performance obligation are transferred to the customer. Customers obtain control of the good when the goods are delivered at the agreed point of delivery which generally is the premises of the customer. Further, revenue from sale of goods is recognised based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer.

Step 2: Identify the performance obligation in contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

(ii) Sale of service

The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgment. Sale of service includes Maintenance services, training services and other services. The Group recognises revenue at a point in time when the performance obligation is satisfied."

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(iii) Warranty

The Group provides warranties for general repairs of defects as per terms of the contract with ultimate customers. These warranties are considered as assurance type warranties and are accounted for under Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets.

(iv) Variable consideration (Liquidated damages)

The Group estimate the amount of consideration to which the Group will be entitled in exchange for transferring the promised goods or services to a customer, if the consideration promised in a contract includes a variable amount.

An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if Group's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

The Group recognises liquidated damages net of sale of products for respective year.

(v) Contract Balances

Trade Receivables : A receivable represents the Group's right to an amount of consideration that is unconditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

Contract assets

A contract asset is a right to receive consideration in exchange for services already transferred to the customer (which consists of unbilled revenue). By transferring services to the customer before the customer pays consideration or before the payment is due, a contract asset is recognised for the earned consideration that is unconditional.

(vi) Other operating income

Duty drawback income is recognised in the Consolidated statement of profit and loss of the Group under other operating revenue of the Group.

(k) RECOGNITION OF DIVIDEND INCOME, INTEREST INCOME OR EXPENSE

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset.

If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Dividend income is recognised in the Consolidated Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(I) EMPLOYEE BENEFITS

(i) During Employment benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post Employment benefits

(a) Defined contribution plans

A defined contribution plan is a post employment benefit plan under which a Group pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts.

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(b) Defined benefit plans

The Group pays gratuity to the employees who have completed five years of service with the Group at the time when employee leaves the Group.

The gratuity liability amount is unfunded and formed exclusively for gratuity payment to the employees.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the periods during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post employment are charged to Other Comprehensive Income.

Compensated Absences : Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulated compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. In case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

(iv) Equity settled share based payments

Employees of the Group receive remuneration in the form of Share based payment transactions, whereby employees render services as consideration for equity instruments (equity settled transactions). In accordance with the Ind AS 102 Share based payment, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting year has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the Consolidated Statement of Profit and Loss for the year represents the movement in cumulative expense recognised as at the beginning and end of that year is recognised in employee benefits expense.

(m) INCOME TAXES

Income tax expense comprises current and deferred tax. Tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

items recognised in the Other Comprehensive Income or in Equity. In which case, the tax is also recognised in the Other Comprehensive Income or in Equity.

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or subsequently enacted at the Balance Sheet date.

Current tax assets and liabilities are offset only if the Group:

- a) Has a legally enforceable right to set off the recognised amounts; and
- b) Intend either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Ind AS Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have enacted or substantively enacted by the end of the reporting year. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting year. Deferred tax is recognised to the extent that it is probable that future taxable profit will be available against which they can be used.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable Group.

Minimum Alternate Tax (MAT) paid in a year is charged to the Consolidated Statement of Profit and Loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the GN on accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Consolidated Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

(n) BORROWING COSTS

Borrowing costs include:

- (i) Interest expense calculated using the effective interest rate method;
- (ii) Finance charges in respect of leases; and

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

- (iii) Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Consolidated statement of profit and loss in the period in which they are incurred.

(o) LEASES

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2021 using the full retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Holding Company's incremental borrowing rate at the date of initial application.

The Group assesses whether a contract is or contains a lease, at inception of a 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.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar Characteristics;
- Relied on its assessment of whether leases are onerous immediately before the date of initial application;
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application;
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

Lease liability

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date when the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group has applied the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low-value assets recognition exemption.

(p) PROVISIONS AND CONTINGENT LIABILITIES & ASSETS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be

made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Consolidated Statement of Profit and Loss as a finance cost. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.

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 or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Consolidated Ind AS Financial Statement.

Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

(q) OPERATING SEGMENTS

"The Group is exclusively engaged in the business of manufacture and marketing of UAV systems which are used for security and surveillance. The ancillary business of providing training and maintenance service revolve around the main business of manufacture and marketing of UAV systems. Based on Management Approach, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of overall country level performance indicators.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Financial Statement of the Group as a whole."

3 RECENT PRONOUNCEMENT

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and Machinery	Vehicles	Computer	Office Equipments	Electrical Equipments	Furniture and Fixtures	Total
GROSS CARRYING VALUE							
As at April 1, 2022	13.07	2.22	8.50	0.77	0.63	2.99	28.18
Additions	13.58	5.73	13.59	19.61	4.03	20.84	77.38
Disposal	-	-	-	-	-	-	-
As at March 31, 2023	26.65	7.95	22.09	20.38	4.66	23.83	105.56
As at March 31, 2023	26.65	7.95	22.09	20.38	4.66	23.83	105.56
Additions	33.72	1.06	31.79	3.37	2.71	6.40	79.05
Disposals	-	-	-	-	-	-	-
As at March 31, 2024	60.37	9.01	53.88	23.75	7.37	30.23	184.61
ACCUMULATED DEPRECIATION							
As at April 1, 2022	1.69	0.44	2.73	0.26	0.15	0.69	5.96
Depreciation for the year	2.82	1.22	7.95	2.39	0.60	2.84	17.82
Disposals	-	-	-	-	-	-	-
As at March 31, 2023	4.51	1.66	10.68	2.65	0.75	3.53	23.78
As at March 31, 2023	4.51	1.66	10.68	2.65	0.75	3.53	23.78
Depreciation for the year	5.77	2.10	16.80	8.82	1.25	5.95	40.69
Disposals	-	-	-	-	-	-	-
As at March 31, 2024	10.28	3.76	27.48	11.47	2.00	9.48	64.47
Net carrying value as at March 31, 2023	22.14	6.29	11.41	17.73	3.91	20.30	81.78
Net carrying value as at March 31, 2024	50.09	5.25	26.40	12.28	5.37	20.75	120.14

4A. CAPITAL WORK-IN-PROGRESS

Particulars	Total
As at April 1, 2022	-
Additions	34.09
Other Adjustments	-
As at March 31, 2023	34.09
As at March 31, 2023	34.09
Additions	34.56
Disposals	-
As at March 31, 2024	68.65

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(i) Ageing Schedule

Capital Work-in-Progress ageing schedule as at March 31, 2024

Capital Work-in-Progress	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Leasehold Improvement, Civil and Interior works	34.56	34.09	-	-	68.65
Project temporarily suspended	-	-	-	-	-

Capital Work-in-Progress completion schedule - Time and cost over run as at March 31, 2024

Capital Work-in-Progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Leasehold Improvement, Civil and Interior works	29.62	-	-	-	29.62
Project temporarily suspended	-	-	-	-	-

Capital Work-in-Progress ageing schedule as at March 31, 2023

Capital Work-in-Progress	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Leasehold Improvement, Civil and Interior works	34.09	-	-	-	34.09
Project temporarily suspended	-	-	-	-	-

5. RIGHT-OF-USE ASSETS

Particulars	Buildings & Improvements	Total
GROSS CARRYING VALUE		
As at April 1, 2022	140.00	140.00
Additions	76.69	76.69
Disposals	-	-
As at March 31, 2023	216.69	216.69
As at March 31, 2023	216.69	216.69
Additions	55.62	55.62
Disposals	(4.35)	(4.35)
As at March 31, 2024	267.96	267.96
ACCUMULATED AMORTISATION		
As at April 1, 2022	32.00	32.00
Amortisation for the year	29.06	29.06
Disposals	-	-
As at March 31, 2023	61.06	61.06

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Buildings & Improvements	Total
As at March 31, 2023	61.06	61.06
Amortisation for the year	46.32	46.32
Disposals	(0.95)	(0.95)
As at March 31, 2024	106.43	106.43
Net carrying value as at March 31, 2023	155.63	155.63
Net carrying value as at March 31, 2024	161.53	161.53

Notes :

- (i) The Group has not revalued right-to-use assets for the reporting year.
- (ii) The Group has entered into lease arrangements for its office purpose. These leasing arrangements are of 3 to 5 years on an average and are usually renewable by mutual consent on mutually agreeable terms.
- (iii) The following amount are recognised in the Consolidated Profit and Loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amortisation expenses of right-to-use assets (refer note 30)	46.32	29.06
Interest expenses on lease liabilities (refer note 21 and 29)	13.61	10.60
Expenses relating to short term leases (refer note 21 and 31)	13.16	3.07

- (iv) Refer note 21 for disclosures pertaining to lease liabilities
- (v) The lease agreements for immovable properties where the Group is the lessee are duly executed in favour of the Group.

6. INTANGIBLE ASSETS

Particulars	Software	Patent	Product Development	Total
Cost or Deemed Cost				
GROSS CARRYING VALUE				
As at April 1, 2022	5.94	1.54	181.31	188.79
Additions	6.14	2.79	185.69	194.62
Disposals/Adjustments	-	-	-	-
As at March 31, 2023	12.08	4.33	367.00	383.41
As at March 31, 2023	12.08	4.33	367.00	383.41
Additions	16.78	9.93	252.29	279.00
Disposals/Adjustments	-	(0.92)	-	(0.92)
As at March 31, 2024	28.86	13.34	619.29	661.49

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Software	Patent	Product Development	Total
ACCUMULATED AMORTISATION				
As at April 1, 2022	2.62	0.07	54.25	56.94
Amortisation for the year	2.47	0.20	74.18	76.85
Disposals/Adjustments	-	-	-	-
As at March 31, 2023	5.09	0.27	128.43	133.79
As at March 31, 2023	5.09	0.27	128.43	133.79
Amortisation for the year	4.92	1.23	132.12	138.27
Disposals/Adjustments		(0.06)		(0.06)
As at March 31, 2024	10.01	1.44	260.55	272.00
Net carrying value as at March 31, 2023	6.99	4.06	238.57	249.62
Net carrying value as at March 31, 2024	18.85	11.90	358.74	389.49

6A. INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Software under Development	Patents under Development	Product under Development	Total
As at April 1, 2022	0.69	13.00	177.19	190.88
Additions	0.55	6.65	206.74	213.94
Capitalised during the year	(1.24)	(2.79)	(185.69)	(189.72)
As at March 31, 2023	0.00	16.86	198.24	215.10
As at March 31, 2023	0.00	16.86	198.24	215.10
Additions	2.39	7.75	514.02	524.16
Capitalised during the year	-	(13.82)	(252.29)	(266.11)
As at March 31, 2024	2.39	10.79	459.97	473.15

(i) Ageing Schedule

Intangible Assets under Development ageing schedule as at March 31, 2024

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project In Progress :					
Software	2.39	-	-	-	2.39
Patent under Development	4.80	3.62	0.59	1.78	10.79
Product under Development	356.63	79.76	22.92	0.66	459.97
Project temporarily suspended	-	-	-	-	

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Intangible Assets under Development Completion schedule - Time and cost over run March 31, 2024

Intangible Assets under Development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project In Progress :					
Software	-	-	-	-	-
Patent under Development	-	-	-	-	-
Product under Development	350.74	-	-	-	350.74
Project temporarily suspended	-	-	-	-	

Intangible Assets under Development ageing schedule as at March 31, 2023

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project In Progress :					
Software	-	-	-	-	-
Patent under Development	4.06	5.76	3.86	3.18	16.86
Product under Development	161.26	31.25	5.73	-	198.24
Project temporarily suspended	-	-	-	-	

(iii) Product development cost

The Group during the period has incurred cost on product development activities which are eligible for capitalisation in terms of Ind AS 38 and therefore they are not recognised in other expenses under Consolidated Statement of Profit and Loss. Amount charged to Consolidated Statement of Profit and Loss during the year ended March 31, 2024 : INR Nil and March 31, 2023 : INR Nil.

Particulars	March 31, 2024	March 31, 2023
On Revenue Account	-	-
On Capital Account	514.02	206.74
Total product development expenditure	514.02	206.74

(iv) Capitalisation Of Expenditure

During the respective year ended, the Group has capitalised the following expenses of revenue nature to the cost of Property, Plant and Equipment/Capital Work-in-Progress (CWIP) or Intangible asset/ Intangible Asset under Development (IAUD). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

Particulars	March 31, 2024	March 31, 2023
Salaries, Wages and Bonus (Refer Note No.28)	292.24	127.93
Bonus (Refer Note No.28)	72.81	19.53
Share based payments to Employees (Refer Note No.28)	15.67	12.69
Consumption of Stores and Spares (Refer Note No.26)	45.13	9.35
Finance Cost (Refer Note No.29)	5.70	2.04
Depreciation and Amortisation expense (Refer Note No.30)	13.56	5.15
Other Expense (Refer Note No.31)	68.91	30.05
Total	514.02	206.74

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

7. FINANCIAL ASSETS

(A) INVESTMENTS

Particulars	March 31, 2024	March 31, 2023
Non-current		
Investments carried at Fair Value Through Profit and Loss		
Unquoted		
(a) Investments in Equity Instruments		
NW Engineering Private Limited	10.00	10.00
(CCD's) March 31, 2024: 4,111 (March 31, 2023: 4,111) 0.01% compulsorily convertible debentures of face value of INR 2,432/- each fully paid up		
Techeagle Innovations Private Limited	16.12	-
March 31, 2024: 57 (March 31, 2023: Nil) 0.001% Compulsorily Convertible Cumulative Preference Shares of face value of INR 282,845/- each fully paid up		
Total	26.12	10.00
Aggregate amount of quoted Investments	-	-
Market value of quoted Investments	-	-
Market value of unquoted Investments at FVTPL	26.12	10.00
Aggregate amount of unquoted Investments	-	-
Aggregate amount of impairment in the value of Investments	-	-
Current		
Investments in Mutual Funds (Valued at Fair Value Through Profit or Loss)		
829,798 units March 31, 2024 (March 31, 2023 : 829,798) IDFC Low Duration Reg-Growth	29.21	27.28
1,506,985 units March 31, 2024 (March 31, 2023: 3,479,869) Edelweiss Arbitrage Reg-Growth	26.79	57.47
10,019 units March 31, 2024 (March 31, 2023: 10,019) Axis Corporate Debt Fund	0.15	0.14
4,681,396 units March 31, 2024 (March 31, 2023: 3,242,276.650) IDFC Corporate Bond Fund	81.34	52.64
Nil units (March 31, 2023: 17,565) Axis Money Market Fund	-	21.27
Nil units (March 31, 2023 : 7,891) SBI Overnight Fund Growth	-	28.48
430 units March 31, 2024 (March 31, 2023 : 1,239) HDFC Overnight Fund Growth	1.52	4.07
Nil Units (March 31, 2023 : 32,447) ICICI Pru Money Market-Growth	-	10.42
Nil Units (March 31, 2023: 5,513,011) Aditya Birla SL CRISIL AAA Jun 2023 Index Fund Reg-Growth	-	57.93
112,006 units March 31, 2024 (March 31, 2023 : 321,361) Aditya Birla Sun Life Savings Fund Growth	55.85	149.16
Nil Units (March 31, 2023: 1,158,610) DSP Savings Fund Growth	-	51.98
7,518,723 units March 31, 2024 (March 31, 2023 : 7,518,722) Aditya Birla SI Crisil Sdl Plus Aaa Psu Apr 2027 60:40 Index Fund Reg- Growth	82.91	77.49
7,415,460 units March 31, 2024 (March 31, 2023 : 7,415,459) ICICI Pru Psu Bond Plus Sdl 40:60 Index Fund - Sep 2027-Growth	82.83	77.42

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
831,043 units March 31, 2024 (March 31, 2023 : 1,924,165) UTI Arbitrage Reg-Growth	26.66	57.38
9,292,919 units March 31, 2024 (March 31, 2023: 9,292,919) of IDFC Gilt 2027 Index Fund Reg-Growth	108.24	100.97
12,621,732 units March 31, 2024 (March 31, 2023: 7,604,529) of DSP Corporate Bond Fund- Regular Plan- Growth	182.68	102.68
19,767 units March 31, 2024 (March 31, 2023: 7,604,529) of SBI MAGNUM ULTRA SHORT DURATION FUND	107.95	100.71
14,422 units March 31, 2024 (March 31, 2023 Nil) of NIPPON INDIA ULTRA SHORT DURATION FUND	53.22	-
262,989 units March 31, 2024 (March 31, 2023: Nil) of ICICI Pru Ultra Short Term-Growth	6.66	-
166,545 units March 31, 2024 (March 31, 2023: Nil) of Kotak Savings Reg-Growth	6.54	-
Investments in Bonds (Valued at Fair Value Through Profit or Loss)		
Nil Units (March 31,2023: 100) National Bank For Agriculture and Rural Development	-	103.85
Nil Units (March 31, 2023: 50) Housing Development Finance Corporation Limited	-	51.31
Nil Units (March 31, 2023: 50) 9.15 ICICI Bank Limited	-	53.83
Nil Units (March 31, 2023 :50,000) Muthoot Finance Limited	-	54.28
Total	852.55	1,240.75
Aggregate amount of quoted investments	852.55	1,240.76
Market value of quoted investments	852.55	1,240.76

(B) LOANS

Particulars	March 31, 2024	March 31, 2023
Current		
Unsecured, considered good unless otherwise stated		
To other than Related Parties		
Loans to Employees	0.47	0.85
Loan to employees		
Loans Receivables considered good – Secured	-	-
Loans Receivables considered good – Unsecured	0.47	0.85
Loans Receivables which have significant increase in Credit risk	-	-
Loans Receivables – Credit impaired	-	-
Total	0.47	0.85

(i) Loans given to employees as per the Group's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(C) OTHER FINANCIAL ASSETS

Particulars	March 31, 2024	March 31, 2023
Non-current		
Unsecured, considered good unless otherwise stated		
(i) Financial assets carried at amortised cost		
To other than Related Parties		
Balance with banks deposit account with maturity more than 12 months	0.09	209.45
Earnest Money Deposit with Customers	0.83	0.83
Security Deposits	24.98	16.45
Deposits with banks to the extent held as margin money (Refer note below)	29.19	5.00
Total	55.09	231.73
Current		
Unsecured, considered good unless otherwise stated		
(i) Financial assets carried at amortised cost		
To other than Related Parties		
Security Deposits	38.74	2.88
Interest accrued on Fixed Deposit with banks	1.15	0.89
Bank deposits with less than 12 months maturity	39.90	122.99
Deposits with banks to the extent held as margin money (Refer note below)	243.09	92.50
Performance Linked Incentives Accrued	-	174.20
Total	322.88	393.46
Note:		
Details of lien against fixed deposits (non-current)	29.19	174.55
Details of lien against fixed deposits (current)		
	243.09	153.69

Note - INR 0.00 denotes amount less than INR 5,000

8. INVENTORIES

Particulars	March 31, 2024	March 31, 2023
(Valued at lower of cost and net realisable value)		
Raw Materials	524.75	482.59
Work-in-Progress	28.25	39.13
Finished goods	419.15	525.10
Stock-in-trade	10.69	-
Total	982.84	1,046.82

(i) For mode of valuation of inventories, refer - note 2.2 (g) of material accounting policies

(ii) The above includes Goods in transit for March 31, 2024 : INR Nil, March 31, 2023 : INR Nil.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

- (iii) The value of inventories above is stated after provision/expenses recognised for inventories carried at net realisable value for the year ended March 31, 2024 :INR Nil and for the year ended March 31, 2023 :INR Nil.
- (iv) During the year ended March 31, 2023, on April 6 2022 an unfortunate incident of fire occurred in a partial area of the first floor of manufacturing premises at Mahape. The damage was of a portion of inventories of about INR 80.04 Million which has been written off as at March 31, 2023. There was no impact on the continuity of the Company's operations, and committed contracts were delivered in full. The insurance claim of INR 96.40 Million, towards inventory and GST recoverable thereon has been received during the year.

9. TRADE RECEIVABLES

Particulars	March 31, 2024	March 31, 2023
Current		
Trade Receivables from Customers	442.96	573.62
Unbilled Revenue	0.58	4.54
	443.54	578.16
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	458.44	590.01
Trade Receivables which have significant increase in credit risk - Unsecured	-	-
Trade Receivables Credit Impaired - Unsecured	-	-
	458.44	590.01
Less : Allowance for expected credit loss	14.90	11.85
	443.54	578.16
Category wise details of allowance for expected credit loss		
Allowance for expected credit loss for Trade Receivables considered good – Unsecured	14.90	11.85
	14.90	11.85

- (i) Trade Receivables are non-interest bearing and generally on terms of 30 to 45 days
- (ii) Information about Group's exposure to credit and market risks and impairment losses for Trade Receivables is included in Note 38 and 39
- (iii) Trade Receivables does not include any debts which are due by directors or other officers of the Holding Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.
- (iv) There are no dues from Related Parties as disclosed in note 35.
- (v) The movement in allowance for expected credit loss is as follows :

Particulars	March 31, 2024	March 31, 2023
Balance as at beginning of the year	11.85	7.61
Change in allowance during the year	3.05	4.24
Written back during the year	-	-
Balance as at the end of the year	14.90	11.85

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

9A TRADE RECEIVABLES AGEING SCHEDULE :

March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	-	116.48	289.71	20.55	18.54	9.86	2.72	457.86
(ii) Undisputed Trade Receivables – significant increase in credit risk								-
(iii) Undisputed Trade Receivables – credit impaired								-
(iv) Disputed Trade Receivables – considered good								-
(v) Disputed Trade Receivables – significant increase in credit risk								-
(vi) Disputed Trade Receivables – credit impaired								-
Trade Receivables - Unbilled Revenue	0.58							0.58
Sub Total	0.58	116.48	289.71	20.55	18.54	9.86	2.72	458.44
Less: Allowance for expected credit loss								14.90
Total								443.54

March 31, 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	-	193.75	23.15	351.52	12.42	4.00	0.63	585.47
(ii) Undisputed Trade Receivables – significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Trade Receivables - Unbilled Revenue	4.54	-	-	-	-	-	-	4.54
Sub Total	4.54	193.75	23.15	351.52	12.42	4.00	0.63	590.01
Less: Allowance for expected credit loss								11.85
Total								578.16

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

10. CASH AND CASH EQUIVALENTS

Particulars	March 31, 2024	March 31, 2023
Balances with banks:		
- In current accounts	97.20	6.35
- Deposits with original maturity of less than three months	1,522.13	19.90
- Deposits with banks to the extent held as margin money less than three months	63.62	18.44
Cash on hand	0.28	0.35
	1,683.23	45.04
Details of lien against fixed deposits	63.62	18.44

11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	March 31, 2024	March 31, 2023
- Deposits with banks to the extent held as margin money	21.17	19.83
- Deposits with original maturity of more than 3 months but less than 12 months	1,012.20	0.10
Other Balances with banks	20.92	-
	1,054.29	19.93
Details of lien against fixed deposits	21.17	19.83

12. OTHER ASSETS

Particulars	March 31, 2024	March 31, 2023
Non-current		
Unsecured, considered good unless otherwise stated		
- Prepaid expenses	2.51	0.99
Total	2.51	0.99
Unsecured, considered good unless otherwise stated		
Current		
Advances to suppliers for capital goods	41.29	5.89
Prepaid expenses - Initial public offering (Refer note 45)	-	70.08
Advances other than Capital advances		
- Advances to vendors	115.76	100.28
- Advances to employees	1.18	0.37
Others		
- Prepaid expenses	21.20	8.11
- Balances with Government Authorities	504.94	327.18
- Other receivable (includes TDS receivable from customer)	-	-
Total	684.37	511.91

Note :

- (i) There are no loans due by directors or other officers of the Group or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

- (ii) There are no loans or advances in the nature of loans are granted to promoters, directors, Key Managerial Personnel (KMP) and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
- (a) repayable on demand; or
 - (b) without specifying any terms or period of repayment."

13. NON CURRENT TAX ASSETS (NET)

Particulars	March 31, 2024	March 31, 2023
Advance tax and tax deducted at source	9.92	11.27
Total	9.92	11.27

14. INCOME TAX

Particulars	March 31, 2024	March 31, 2023
Deferred Tax relates to the following:		
Property, Plant and Equipment	23.41	12.23
Provision for Employee Benefits - Gratuity	3.68	5.25
Provision for Employee Benefits - Leave encashment	4.92	3.00
Provision for Warranty	18.26	6.59
Provision for Bonus	42.54	12.46
Provision for Liquidated Damages	0.75	7.42
Provision for other Expenses	2.64	3.64
Expected credit loss on Trade Receivables	3.74	2.97
Leases - ROU and Lease Liability	4.25	2.65
Security Deposits	1.71	1.32
Deferred Tax Assets : (A)	105.90	57.53
Investments in measured at FVTPL	11.64	5.37
Deferred Tax Liabilities : (B)	11.64	5.37
Net Deferred Tax Assets/(Liabilities)	94.26	52.16

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of tax losses carried forward by the Group for the year ended April 1, 2021

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Movement in Deferred Tax Assets/(Liabilities): March 31, 2024

Movements during the year ended March 31, 2024	Opening balance	Recognised in profit and Loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance
Property, Plant and Equipment	12.23	11.18	-	-	23.41
Provision for Employee Benefits - Gratuity	5.25	(2.47)	0.90	-	3.68
Provision for Employee Benefits - Leave encashment	3.00	1.92	-	-	4.92
Provision for Warranty	6.59	11.67	-	-	18.26
Provision for Bonus	12.46	30.08	-	-	42.54
Provision for Liquidated Damages	7.42	(6.67)	-	-	0.75
Provision for other Expenses	3.64	(1.00)	-	-	2.64
Expected credit loss on Trade Receivables	2.97	0.77	-	-	3.74
Leases - ROU and Lease Liability	2.65	1.60	-	-	4.25
Security Deposits	1.32	0.39	-	-	1.71
Investments in measured at FVTPL	(5.37)	(6.27)	-	-	(11.64)
Total	52.16	41.20	0.90	-	94.26
Total (net)	52.16	41.20	0.90	-	94.26

Movement in Deferred Tax Assets/(Liabilities): March 31, 2023

Movements during the year ended March 31, 2023	Opening balance	Recognised in profit and Loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance
Property, Plant and Equipment	(4.12)	16.35	-	-	12.23
Provision for Employee Benefits - Gratuity	4.38	0.83	0.04	-	5.25
Provision for Employee Benefits - Leave encashment	2.53	0.47	-	-	3.00
Provision for Warranty	6.08	0.51	-	-	6.59
Provision for Bonus	-	12.46	-	-	12.46
Provision for Liquidated Damages	7.02	0.40	-	-	7.42
Provision for other Expenses	0.07	3.57	-	-	3.64
Expected credit loss on Trade Receivables	1.90	1.07	-	-	2.97
Leases - ROU and Lease Liability	0.06	2.59	-	-	2.65
Security Deposits	0.96	0.36	-	-	1.32
Investments in measured at FVTPL	-	(5.37)	-	-	(5.37)
Total	18.88	33.24	0.04	-	52.16
Total (net)	18.88	33.24	0.04	-	52.16

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Major Components of income tax expense for year ended March 31, 2024 and March 31, 2023 are as follows:

i. **Income tax recognised in profit or loss**

Particulars	March 31, 2024	March 31, 2023
Current Tax Expense		
Current tax on Profits for the year	199.20	121.31
Adjustment in respect of current income tax of previous year		
Total Current Tax Expense	199.20	121.31
Deferred Tax (Credit) / Expense		
Origination and reversal of temporary differences	(41.20)	(33.24)
Total Deferred Tax (Credit) / Expense	(41.20)	(33.24)
Income tax expenses recognised in Profit and Loss	158.00	88.07

ii. **Income Tax recognised in OCI**

Particulars	March 31, 2024	March 31, 2023
Net loss/(gain) on remeasurements of defined Benefit Plan	0.90	0.04
Income tax expense recognised in OCI	0.90	0.04

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2023, March 31, 2022, April 1, 2021

Particulars	March 31, 2024	March 31, 2023
Profit before tax	610.68	407.95
Accounting profit before Income Tax	610.68	407.95
Enacted tax rate in India	25.17%	25.17%
Income Tax on accounting profit	153.71	102.68
Effect of		
Expenses not allowable under Income Tax	1.28	0.48
Tax effect of prior years	-	(13.32)
Others	2.11	(1.77)
Tax at effective Income Tax Rate	157.10	88.07

Note - INR 0.00 denotes amount less than INR 5,000

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

15. EQUITY SHARE CAPITAL AND INSTRUMENTS ENTIRELY EQUITY IN NATURE

i. Authorised Share Capital

Particulars	Equity shares		Preference shares	
	Number of shares	Amount	Number of shares	Amount
Equity shares and Preference shares of INR10 each with voting rights				
At March 31, 2022	225,000	2.25	75,000	0.75
Change during the year	59,700,000	597.00	-	-
At March 31, 2023	59,925,000	599.25	75,000	0.75
Change during the year	-	-	-	-
At March 31, 2024	59,925,000	599.25	75,000	0.75

ii. Issued, Subscribed and Paid up Capital

(a) Reconciliation of the number of Equity shares

Particulars	Equity shares of INR 10 each, fully paid up		Equity shares of INR 10 each, INR 1 partly paid up		Total
	Number of shares	Amount	Number of shares	Amount	Amount
At March 31, 2022	89,400	0.89	1,100	0.00	0.89
Shares Issued during the year	21,246,736	212.47	-	-	212.47
Converted to equity share capital	1,428	0.01	(1,100)	(0.00)	0.01
At March 31, 2023	21,337,564	213.37	-	-	213.37
Shares Issued during the year	6,351,066	63.51	-	-	63.51
Converted to equity share capital	15,196,692	151.97	-	-	151.97
At March 31, 2024	42,885,322	428.85	-	-	428.85

(b) Rights, preferences and restrictions attached to equity shares:

The Holding Company has a single class of Equity shares. Accordingly, all Equity shares rank equally with regard to dividends and share in the Holding Company's residual assets. The Equity shares are entitled to receive dividend as declared from time to time. The voting rights of an Equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up Equity capital of the Holding Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Group, the holders of Equity shares will be entitled to receive the residual assets of the Group, remaining after distribution of all preferential amounts in proportion to the number of Equity shares held and after payment to the secured and unsecured loan.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(c) Reconciliation of the number of Instruments Entirely Equity In Nature shares

Particulars	Series A1 0.01% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, 1 partly paid-up.		Series A 0.001% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, fully paid-up.		Series B Compulsorily Convertible Cumulative Preference Shares of INR 10/- each, fully paid up.		Series B1 Compulsorily Convertible Cumulative Preference Shares of INR 10/- each, fully paid up.		Total
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	
At March 31, 2022	328	0.00	38,145	0.38	-	-	-	-	0.38
Issued during the year	-	-	-	-	10,079	0.10	19,018	0.19	0.29
Capitalised to Equity share capital	(328)	(0.00)	-	-	-	-	-	-	(0.00)
At March 31, 2023	-	-	38,145	0.38	10,079	0.10	19,018	0.19	0.67
At April 1, 2023	-	-	38,145	0.38	10,079	0.10	19,018	0.19	0.67
Issued during the year	-	-	-	-	-	-	-	-	-
Capitalised to Equity share capital			(38,145)	(0.38)	(10,079)	(0.10)	(19,018)	(0.19)	(0.67)
At March 31, 2024	-	-	-	-	-	-	-	-	-

(d) Rights, preferences and restrictions attached to Preference shares: (Series A1)

Compulsorily Convertible Cumulative Preference Shares were issued at par in December, 2016. All Preference shares carry voting rights as per the provision of the Companies Act, 2013. These Preference shares are convertible in to Equity shares upon the earlier of (i) 6th (sixth) anniversary of the date of allotment of each such Series A1 CCPS, or (ii) in connection with an IPO/QIPO, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Holding Company with the competent authority. The Preference shares are entitled to cumulative dividend @ 0.01% in preference to Equity shares, as and when declared. Where dividend on Cumulative Preference shares is not declared for a Financial Year, the entitlement thereto is carried forward. Each Preference share is convertible in to 1 Equity share of INR 10 each in accordance with the Securities Subscription Agreement. The Series A1 CCPS shall have the voting rights, prescribed under applicable Law.

(e) Rights, preferences and restrictions attached to Preference shares: (Series A)

Compulsorily Convertible Cumulative Preference Shares were issued at par in December, 2017. All Preference shares carry voting rights as per the provision of the Companies Act, 2013. These Preference shares are convertible in to Equity shares upon the earlier of (i) 1 (one) day prior to the expiry of 20 (twenty) years from the date of allotment or (ii) in connection with an IPO/QIPO, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Holding Company with the competent authority or such later date as may be permitted under applicable Law, or (iii) a decision by vote or written consent of the holders of a majority of the Series A CCPS that all the Series A CCPS must be converted. The Preference shares are entitled to cumulative dividend @ 0.001% in preference to Equity shares, as and when declared. Where dividend on Cumulative Preference shares is not declared for a Financial Year, the entitlement thereto is carried forward. Each Preference share is convertible in to 1 Equity share of INR 10 each in accordance with the Securities

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Subscription Agreement. Holders of the Series A CCPS are entitled to vote on all matters that are submitted to the vote of the Shareholders.

(f) Rights, preferences and restrictions attached to Preference shares: (Series B)

Compulsorily Convertible Cumulative Preference Shares were issued at par in April, 2022. All Preference shares carry voting rights as per the provision of the Companies Act, 2013. These Preference shares are convertible in to Equity shares upon the earlier of (i) 1 (one) day prior to the expiry of 20 (twenty) years from the date of allotment or (ii) in connection with an IPO/QIPO, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Holding Company with the competent authority or such later date as may be permitted under applicable Law, or (iii) a decision by vote or written consent of the holders of a majority of the Series B CCPS that all the Series B CCPS must be converted. The Preference shares are entitled to cumulative dividend @ 0.001% in preference to Equity shares, as and when declared. Where dividend on Cumulative Preference shares is not declared for a Financial Year, the entitlement thereto is carried forward. Each Preference share is convertible in to 1 Equity share of INR 10 each in accordance with the Securities Subscription Agreement. Holders of the Series B CCPS are entitled to vote on all matters that are submitted to the vote of the Shareholders.

(g) Rights, preferences and restrictions attached to Preference shares: (Series B1)

Compulsorily Convertible Cumulative Preference Shares were issued at par in April, 2022. All Preference shares carry voting rights as per the provision of the Companies Act, 2013. These Preference shares are convertible in to Equity shares upon the earlier of (i) 1 (one) day prior to the expiry of 20 (twenty) years from the date of allotment or (ii) in connection with an IPO/QIPO, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Holding Company with the competent authority or such later date as may be permitted under applicable Law, or (iii) a decision by vote or written consent of the holders of a majority of the Series B1 CCPS that all the Series B1 CCPS must be converted. The Preference shares are entitled to cumulative dividend @ 0.001% in preference to Equity shares, as and when declared. Where dividend on Cumulative Preference shares is not declared for a Financial Year, the entitlement thereto is carried forward. Each Preference share is convertible in to 1 Equity share of INR 10 each in accordance with the Securities Subscription Agreement. Holders of the Series B1 CCPS are entitled to vote on all matters that are submitted to the vote of the Shareholders.

(h) Details of shareholders holding more than 5% shares of a class of shares in the Group:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% Holding	Number of shares	% Holding
Equity Shares with Voting Rights				
Mr. Ankit Mehta	3,686,964	8.60%	3,686,964	17.28%
Mr. Ashish Bhat	3,388,870	7.90%	3,547,070	16.62%
Mr. Rahul Singh	3,583,230	8.36%	3,583,230	16.79%
Mr. Vipul Joshi	1,859,090	4.34%	1,437,360	6.74%
Preference shares				
Series A1, partly paid up				
Trifecta Venture Debt Fund I	-	-	-	0.00%

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% Holding	Number of shares	% Holding
Series A, fully paid up				
Celesta Capital II Mauritius (Formerly known as WRV II Mauritius)	-	-	16,323	42.79%
Indusage Technology Venture Fund I	-	-	9,075	23.79%
Infosys Limited	-	-	5,402	14.16%
Qualcomm Asia Pacific PTE Limited	-	-	5,402	14.16%
Celesta Capital II-B Mauritius (Formerly known as WRV II-B Mauritius)	-	-	1,943	5.09%
Series B, fully paid up				
IndusAge Technology Venture Fund I	-	-	1,013	10.05%
Infosys Limited	-	-	1,787	17.73%
Qualcomm Asia Pacific Pte. Limited	-	-	726	7.20%
Celesta Capital II Mauritius (Formerly known as WRV II Mauritius)	-	-	3,194	31.69%
Celesta Capital II-B Mauritius (Formerly known as WRV II Mauritius)	-	-	381	3.78%
Infina Finance Private Limited	-	-	1,191	11.82%
Export Import Bank Of India	-	-	1,787	17.73%
Series B1, fully paid up				
Florintree Enterprise LLP	-	-	17,884	94.04%
Mr. Ganapathy Subramaniam	-	-	1,134	5.96%

(i) Details of shareholdings by the Promoter's of the Company:

Promoter's name	As at March 31, 2024		As at March 31, 2023		% Change during the year
	Number of shares	% Holding	Number of shares	% Holding	
Equity Shares of INR 10 each fully paid up					
Mr. Ankit Mehta	3,686,964	8.60%	3,686,964	17.28%	(8.68%)
Mr. Ashish Bhat	3,388,870	7.90%	3,547,070	16.62%	(8.72%)
Mr. Rahul Singh	3,583,230	8.36%	3,583,230	16.79%	(8.44%)

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(j) Shares reserved for issue under options and contracts:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares*	Amount
Under Employee Stock Option plan :				
Equity shares of INR 10 each, at exercise price of INR 10 per share (March 31, 2023, March 31, 2022 and April 1, 2021 INR 10 each)	1,073,344	10.73	12,500	0.13
For series A1 0.01% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, INR 1 each partly paid-up.				
Equity shares of INR 10 each	-	-	-	-
For Series A 0.001% Compulsorily Convertible Cumulative Preference Shares of INR 10 each, fully paid-up.				
Equity shares of INR 10 each	-	-	38,145	0.38
For Series B Compulsorily Convertible Cumulative Preference Shares of INR 10 each, fully paid up.				
Equity shares of INR 10 each	-	-	10,079	0.10
For Series B1 Compulsorily Convertible Cumulative Preference Shares of INR 10 each, fully paid up.				
Equity shares of INR 10 each	-	-	19,018	0.19

*The number of shares pertains to pre adjustment with respect to the corporate announcement.

Aggregate number and class of shares allotted as fully paid up by way of Bonus shares : Nil

Aggregate number and class of shares bought back during the period of five years immediately preceding the reporting date: Nil

Note - INR 0.00 denotes amount less than INR 5,000

16. OTHER EQUITY

A. Summary of Other Equity balance:

Particulars	March 31, 2024	March 31, 2023
Reserves & surplus		
Securities Premium	5,256.95	2,354.54
General Reserve	5.00	5.00
Share Based Payment Reserve	95.51	303.90
Retained Earnings	819.74	369.73
Foreign Currency Transalation Reserve	(0.13)	-
Share Application Money Pending Allotment	0.00	-
Total Other Equity	6,177.07	3,033.17

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(a) Securities Premium

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	2,354.54	902.70
Add : Securities premium on Preference shares issued	-	985.52
Add : Securities premium on conversion of Compulsorily Convertible Debenture to Compulsorily Convertible Preference Shares	-	528.57
Add : Securities premium on issue of share- Pre IPO	591.07	-
Add : Securities premium on issue of share- IPO	2,364.28	-
Add : Securities premium on conversion of partly paid equity shares to fully paid equity shares	-	20.32
Add : Securities premium on conversion of partly paid Compulsorily Convertible Preference Shares to fully paid equity shares	-	5.98
Add : Securities premium on conversion of warrants to fully paid equity shares	-	13.47
Add : Issue of equity shares on exercise of employee stock options	284.71	118.48
Less : Transferred to share capital on exercise of stock option	(6.68)	-
Less : Conversion of CCPS into Equity shares	(151.29)	-
Less : Issue of bonus equity shares 1:225	-	(212.41)
Less : Expenses incurred directly in connection with issue of CCPS	-	(8.09)
Less : Expenses incurred directly in connection with issue of share	(179.68)	-
Balance at the end of the year	5,256.95	2,354.54

(b) General Reserve

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	5.00	5.00
Add: Transferred from Debenture Redemption Reserve	-	-
Balance at the end of the year	5.00	5.00

(c) Share Based Payment Reserve

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	303.90	145.39
Add : Employee compensation expense for the year	76.32	276.99
Less : Transferred to securities premium account/share capital on exercise of stock option	(284.71)	(118.48)
Balance at the end of the year	95.51	303.90

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(d) Retained Earnings

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	369.73	49.97
Add: Profit/(Loss) for the year	452.68	319.88
Less: Remeasurement of post employment benefit obligation, net of tax	(2.67)	(0.12)
Balance at the end of the year	819.74	369.73

(e) Foreign Currency Translation Reserve

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	-	-
Add: Exchange differences on translating the financial statement of a foreign operation	(0.13)	-
Balance at the end of the year	(0.13)	-

B. Nature and purpose of reserves:

Securities Premium - Securities premium is used to record the premium on issue of shares. The security premium is utilised in accordance with the provisions of the Act.

General Reserve - On redemption of the debentures for which the Debenture Redemption Reserve was created, the Holding Company has transferred the balance in the Debenture Redemption Reserve to the General Reserve.

Share Based Payment Reserve - The fair value of the equity-settled share based payment transactions is recognised in Consolidated Statement of Profit and Loss with corresponding credit to Share Based Payment Reserve and utilised on issue of shares.

Retained Earnings - Retained earnings are the profits that the Group has earned till date or losses incurred till date, less any transfers to General Reserve, dividends or other distributions paid to shareholders.

17. BORROWINGS

Particulars	March 31, 2024	March 31, 2023
Current Borrowings		
Secured		
(a) Loans repayable on demand		
From Bank (refer note a (i) and (ii))	-	521.50
(b) Other loan from bank* (refer note a (iii))	-	343.54
Total	-	865.04

*From Exim bank

Secured :

Note (a (i)): Cash credit (fund and Non fund based) facility taken from HDFC Bank Limited and carries interest based prevalent base rate plus margin (March 31, 2024 : 9.50 % p.a March 31, 2023 : 9.51% p.a,) on actual amount utilised and the same is repayable on demand. The overdraft facility is secured by personal guarantee of promoters and pari passu charge over over

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

book debts, inventories (excluding inventory of infantry project), movable assets and others assets acquired by the Holding company.

Note (a (ii)): Cash credit (fund and Non fund based) facility taken from Axis Bank Limited and carries interest based prevalent base rate plus margin (March 31, 2024 : 9.55% p.a and March 31, 2023 : 9.75% p.a) on actual amount utilised and the same is repayable on demand. The overdraft facility is secured by personal guarantee of promoters and pari passu charge over book debts, inventories (excluding inventory of infantry project), movable assets and others assets acquired by the Holding company.

Note (a (iii)): Cash credit (cashflow deficit and Non fund based) facility taken from Exim Bank and carries interest based prevalent base rate plus margin (March 31, 2024 :9.50%. The Holding Company has obtained cash credit facility with sanctioned amount of INR 750.00 Million carries interest based prevalent base rate plus margin (March 31, 2023 : 9.25%) for Infantry project and this overdraft facility is secured by personal guarantee of promoters and pari passu charge over book debts (only for Infantry project), inventories (only for Infantry project), movable assets and others assets acquired by the Holding Company.

Note : The Holding Company has filed quarterly returns/statements of current assets with banks and the amounts reported are in agreement with the books of account

Note - INR 0.00 denotes amount less than INR 5,000

18. OTHER FINANCIAL LIABILITIES

Particulars	March 31, 2024	March 31, 2023
Current		
(i) Financial Liabilities at amortised cost		
Payable to employees	175.61	51.01
Total	175.61	51.01

19. TRADE PAYABLES

Particulars	March 31, 2024	March 31, 2023
Current		
Total outstanding dues of micro enterprise and small enterprises	45.69	46.09
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 19B for Ageing)	114.01	93.80
Total	159.70	139.89

19A. DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006) UNDER THE CHAPTER ON DELAYED PAYMENTS TO MICRO, SMALL AND MEDIUM ENTERPRISES WHICH ARE ALSO REQUIRED AS PER IND AS SCHEDULE III:

Information has been determined to the extent such parties have been identified on the basis of information available with the Group:

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal	45.69	46.09
- Interest	0.07	0.72
ii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.07	0.72
v. 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	-	-

Trade Payables due for payments :

19B Trade Payables Ageing Schedule as at March 31, 2024

Particulars	Accruals	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	30.01	11.83	3.85	-	-	45.69
(ii) Others	-	84.36	27.75	0.21	1.33	0.36	114.01
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

Trade Payables Ageing Schedule as at March 31, 2023

Particulars	Accruals	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.86	17.78	26.43	-	0.02	-	46.09
(ii) Others	49.10	26.03	16.60	1.78	0.33	(0.04)	93.80
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

20. OTHER LIABILITIES

Particulars	March 31, 2024	March 31, 2023
Current		
Statutory dues	18.83	15.06
Contract Liabilities (Advance from customers) (Refer Note No. 24 (ii))	149.88	265.42
Other payables (includes reimbursement payable to employee)	0.49	0.44
Total	169.20	280.92

21. LEASE LIABILITIES

Particulars	March 31, 2024	March 31, 2023
Non Current		
Lease liabilities payable beyond 12 months	105.14	112.73
Total	105.14	112.73
Current		
Lease liabilities payable within 12 months	39.77	27.82
Total	39.77	27.82

i. Movement in lease liabilities

Reconciliation of Fair Value:

Particulars	Amount
At March 31, 2022	106.98
Additions	47.55
Finance cost accrued during the year (Refer Note No. 29)	10.60
Payment of lease liabilities	(24.58)
At March 31, 2023	140.55
Additions	38.34
Deletion	(3.40)
Finance cost accrued during the year (Refer Note No. 29)	13.61
Payment of lease liabilities	(44.19)
At March 31, 2024	144.91

ii. The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	March 31, 2024	March 31, 2023
Within one year	50.65	38.55
One to five years	114.99	127.61
More than five years	-	-
Total	165.64	166.16

(iii) The effective interest rate for lease liabilities is 10.00% as on March 31, 2024 (March 31, 2023: 10.00%)

(iv) The Group had total cash outflow for leases (including the short-term leases) for March 31, 2024: INR 1.69 Million (March 31, 2023: INR 0.71 Million).

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

22. PROVISIONS

Particulars	March 31, 2024	March 31, 2023
Non Current		
Provision for employee benefits		
Provision for gratuity (Refer Note No. 33)	14.64	16.26
Provision for compensated absence (Refer Note No. 33)	14.73	8.81
Total	29.37	25.07
Current		
Provision for employee benefits		
Provision for gratuity (Refer Note No. 33)	-	4.62
Provision for compensated absence (Refer Note No. 33)	4.81	3.10
Provision for Warranty*	72.55	26.17
Provision for Liquidated damages**	2.96	29.47
Total	80.32	63.36

*The Group records provision towards warranty for products wherein it has obligation for two years. Accordingly, provision had been recognised on the basis of management's expectation of warranty claims on such products.

Movements in Provision for Warranty

	March 31, 2024	March 31, 2023
At the commencement of the year	26.17	24.11
Provision made during the year	85.88	26.17
Provision utilised during the year	(39.50)	(24.11)
Provision reversed	-	-
At the end of the year	72.55	26.17

**Liquidated damages are contractual obligations affecting the revenue in case of the UAV systems delivery arising as a result of penalties arising from delays caused in the completion of a delivery. For delivery delayed beyond the stipulated delivery completion periods, management has estimated the liability that could arise on these contracts.

Additional disclosure relating to provision for liquidated damages	March 31, 2024	March 31, 2023
At the commencement of the year	29.47	27.90
Provision made during the year	1.39	1.57
Provision utilised during the year	(27.90)	-
At the end of the year	2.96	29.47

23. CURRENT TAX LIABILITY (NET)

Particulars	March 31, 2024	March 31, 2023
Provision for tax (net of advance tax and tax deducted at source)	60.00	66.25
Total	60.00	66.25

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

24. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contract with customers :		
Sale of products (I)		
UAVs	2,932.48	1,612.57
Spare items	39.19	23.44
Less: Liquidated damages (Refer Note No.22)	(1.39)	(2.88)
Sale of service (II)		
Maintenance services	29.88	49.41
Training services	-	-
Others	12.18	0.34
Total (I + II)	3,013.73	1,685.76
Other Operating Revenues		
Performance Linked Incentives*	125.80	174.20
Other Operating Revenues	0.43	-
Duty Drawback	-	0.11
Total	3,139.96	1,860.07

Critical estimates in calculating amounts

The Group has recognised revenue amounting to INR 2971.66 Million for March 31, 2024 and INR 1636.01 Million for March 31, 2023 for sale of product UAVs and spare items to customers . The buyers have the right to warranty for the product sold as per the respective contracts. The Group believes that, based on past experience with similar sales of products, the warranty rate will not exceed 1%. The Group has, therefore, recognised revenue on these transactions with a corresponding provision against revenue for estimated warranty.

(i) Disaggregated revenue information :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of products (transferred at a point of time)	2,971.67	1,636.01
India	2,968.69	1,619.65
Outside India	2.98	16.36
Sale of service (transferred over period of time)	42.06	49.75
India	42.06	49.75
Outside India	-	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Government of India (GoI):		
Sale of products	2,338.78	1,254.01
Sale of service	19.49	45.28
Total	2,358.27	1,299.29
Non Government:		
Sale of products	632.89	382.00
Sale of service	22.57	4.47
Total	655.46	386.47

(ii) Contract balances :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract assets (Unbilled revenue)	-	-
Contract liabilities (Advance from customers)	149.88	265.42

Movement in contract liabilities during the year:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract Liabilities (Advance from customers):		
Opening Balance	265.42	197.85
Revenue recognised that was included in the contract liability balance at the beginning of the year	(118.67)	(197.78)
Advance received during the year	3.13	265.35
Write off/ Provision during the year	-	
Closing Balance	149.88	265.42

(iii) Reconciling the amount of revenue recognised in the Consolidated Statement of Profit and Loss with the contracted price

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contracted price	3,015.12	1,688.64
Less : Liquidated damages	(1.39)	(2.88)
Total Revenue as per Consolidated Statement of Profit and Loss	3,013.73	1,685.76

(iv) Performance obligations

The performance obligation is satisfied upon delivery of the product and payment is generally due as per the contract with the customers. The performance obligation for sale of services is satisfied over the period of time as per contract with customer

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

The transaction price allocated to the remaining performance obligations is as follows :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
To be recognised within one year	12.93	28.74
To be recognised in more than one year	0.77	13.65
Closing Balance	13.70	42.39

The remaining performance obligations expected to be recognised in more than one year relate to the Annual Maintenance Contract("AMC") revenue that is to be satisfied within few years. All the other remaining performance obligations are expected to be recognised within one year.

25. OTHER INCOME

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income under the effective interest rate method on :		
Fixed Deposits	122.33	31.25
Financial assets at amortised cost (Security deposit)	1.40	0.78
Bonds	4.33	20.11
Fair valuation gain from investments designated at FVTPL	46.24	21.33
Profit on sale of investments	25.47	20.62
Foreign exchange fluctuation gain (Net)	4.63	3.65
Miscellaneous income	3.32	6.21
Insurance Claim (refer note 8 (iii))	96.40	-
	304.12	103.95

26. COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventory of raw material as at beginning of the year	482.59	293.71
Add : Purchases for the year	1,553.72	1,155.61
Less: Capitalised in intangible assets under development (Refer Note No.6A)	(45.13)	(9.35)
Less : Inventory of raw material as at end of the year	(524.75)	(482.59)
	1,466.43	957.38

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

27. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories as at the beginning of the year		
Work-in- progress	39.13	20.48
Finished goods	525.10	174.95
Stock-in-trade	-	-
Total	564.23	195.43
Less : Inventories as at the end of the year		
Work-in- progress	(28.25)	(39.13)
Finished goods	(419.15)	(525.10)
Stock-in-trade	(10.69)	-
Total	(458.09)	(564.23)
Net decrease / (increase) in inventories	106.14	(368.80)

28. EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus*	786.21	371.46
Contribution to provident and other funds (Refer Note No.33)	11.77	5.58
Share based payments to employees** (Refer Note No.34)	76.32	276.99
Staff welfare expenses	15.03	8.10
Compensated absences (Refer Note No. 33)	11.88	3.23
Defined benefit plan expenses (Refer Note No. 33)	4.75	3.91
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(380.73)	(160.14)
	525.23	509.13

* Salaries, wages and bonus amount is after netting off of amount capitalised in intangible assets under development (refer note no. 6A) for March 31, 2024 : INR 72.81 Million (March 31, 2023 : INR 19.53 Million)

** Share based payments to employees amount is after netting off of amount capitalised in intangible assets under development (refer note no. 6A) for March 31, 2024 : INR 15.67 Million (March 31, 2023 : INR 12.69 Million)

29. FINANCE COSTS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest cost on financial liabilities measured at amortized cost		
- On borrowings	26.62	37.24
- Interest on lease liability (Refer Note No.21)	13.61	10.60
- Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(5.70)	(2.04)
Interest cost on Net defined benefit liability (refer note 33)	1.36	1.15
Other borrowing costs (includes processing charges)	0.65	1.40
	36.54	48.35

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

30. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment (Refer Note No.4)	40.68	17.82
Amortisation on intangible assets (Refer Note No. 6)	138.28	76.85
Depreciation on right-of-use assets (Refer Note No. 5)	46.32	29.06
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(13.56)	(5.15)
	211.72	118.58

31. OTHER EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Lease expense	13.16	3.07
Less : Capitalised in intangible assets under development	0.00	(0.15)
Electricity charges	11.78	5.88
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(3.79)	(1.97)
Administration and office expenses	35.90	23.20
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(3.42)	(1.19)
Bank charges and commission	10.50	9.73
Marketing and advertising expenses	24.24	15.35
Repairs and maintenance expenses	6.53	3.87
Software expenses	17.21	9.72
Rates and taxes	2.79	17.28
Manpower recruitment cost	79.68	54.77
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(12.19)	(3.80)
Legal and professional expenses	133.24	64.61
Less : Capitalised in intangible assets under development (Refer Note No. 6A)	(49.51)	(22.95)
Travelling and conveyance expenses	77.74	51.46
Warranty expenses	85.88	26.17
Insurance expenses	9.69	4.85
Transport charges	14.57	13.34
Payment to auditor*	6.39	2.20
Expected Credit Loss on trade receivables	3.05	4.24
Corporate social responsibility Expenses (Refer Note No. 46)	5.02	1.20
Miscellaneous expenses	18.88	10.55
Total	487.34	291.43

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

(a) Details of Payments to auditor*

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
As auditors:		
Statutory audit	2.90	2.20
Limited review	2.10	-
Certification audit services*	1.30	-
Reimbursement of expenses	0.09	-
	6.39	2.20

*Excluding INR 13.87 Million which are considered as a part of offer expenses under initial public offer.

32. EARNINGS PER SHARE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Basic earnings per share		
Basic earnings per share attributable to the Equity holders of the company	10.96	8.55
Total basic earnings per share attributable to the Equity holders of the company	10.96	8.55
(b) Diluted earnings per share		
Diluted earnings per share attributable to the Equity holders of the company	10.77	8.12
Total diluted earnings per share attributable to the Equity holders of the company	10.77	8.12
(c) Par value per share	10.00	10.00
(d) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to the Equity holders of the Company used in calculating basic earnings per share	452.68	319.88
	452.68	319.88
Diluted earnings per share		
Profit attributable to the Equity holders of the company used in calculating basic earnings per share	452.68	319.88
Adjusted Profit attributable to the Equity holders of the company used in calculating diluted earnings per share	452.68	319.88
(e) Weighted average number of shares used as the denominator		
Weighted average number of Equity shares used as the denominator in calculating basic earnings per share	41,317,332	37,404,495
Adjustments for calculation of diluted earnings per share:	42,013,437	39,399,849
Weighted average number of Equity shares used as the denominator in calculating diluted earnings per share	83,330,769	76,804,344

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

33. EMPLOYEE BENEFIT OBLIGATIONS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Expense towards compensated absences included in Employee Benefits expense	11.88	3.23

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Provision for compensated absences (under Non-Current provisions) (Refer note 22)	14.73	8.81
Provision for compensated absences (under Current provisions) (Refer note 22)	4.81	3.10
Total	19.54	11.91

B. Defined Benefit Plan

(i) Description of Plan

Retirement Benefit Plan of the Group include Gratuity. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service with maximum ceiling as per Group policies. Gratuity plan is unfunded.

(ii) Balance Sheet

The liabilities and (surplus)/deficit position of the defined benefit plans at the Balance Sheet date were:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligations	14.64	20.88
(Liability) recognised in Balance Sheet	(14.64)	(20.88)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for gratuity (under Non-Current provisions) (Refer note 22)	14.64	16.26
Provision for gratuity (under Current provisions) (Refer note 22)	-	4.62
Total	14.64	20.88

Movements in Present Value of Obligation:

Particulars	As at March 31, 2023
As at March 31, 2022	17.40
Current service cost	3.91
Past service cost	-
Interest cost	1.15
Actuarial losses / (gains)	0.16
Benefits Paid	(1.75)
As at March 31, 2023	20.87

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	As at March 31, 2023
Current service cost	4.75
Past service cost	-
Interest cost	1.36
Actuarial losses / (gains)	3.57
Benefits Paid	(0.91)
As at March 31, 2024	29.64

(iii) Statement of Consolidated Profit and Loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employee Benefits Expense:		
Current service cost	4.75	3.91
Past service cost	-	-
	4.75	3.91
Finance costs:		
Interest cost	1.36	1.15
	1.36	1.15
Net impact on profit (before tax)	6.11	5.06
Remeasurement of the net defined benefit plans:		
Actuarial (gains)/losses arising from changes in financial assumptions	0.26	(1.38)
Actuarial (gains)/losses arising from changes in demographic assumptions	-	(0.61)
Actuarial (gains)/losses arising from experience adjustments	3.31	2.15
Net impact on other comprehensive income (before tax)	3.57	0.16

(iv) Assumptions

With the objective of presenting the plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The obligations are measured at the present value of estimated future cash flows by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds, which is consistent with the estimated terms of the obligation.

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Ult
Discount rate	7.15%	7.30%
Salary growth rate	7.00%	7.00%
Retirement age	60 years	60 years
Employee attrition rate	Refer table A below	Refer table A below

Table A Employee Attrition Rate	As at March 31, 2024	As at March 31, 2023
Age (Years)	Rate (P.a.)	Rate (P.a.)
21-30	25%	25%
31-40	23%	23%
41-50	11%	11%
51-59	4%	4%

(v) **Sensitivity Analysis**

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

Particulars			As at March 31, 2024	As at March 31, 2023
Discount rate (per annum)	Increase	0.50%	(28.79)	(20.32)
	Decrease	0.50%	30.54	21.47
Salary escalation rate (per annum)	Increase	0.50%	30.32	21.30
	Decrease	0.50%	(28.97)	(20.46)

(vi) **Expected future cash flows in respect of gratuity:**

Particulars	As at March 31, 2024	As at March 31, 2023
Less than a year	5.25	4.62
Between 2-5 years	15.72	11.05
More than 5 years	29.30	19.18

(vii) **Weighted average duration of the defined benefit plan:**

Particulars	As at March 31, 2024	As at March 31, 2023
Gratuity plan (in years)	5.90	5.51

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

C Defined contribution plan

Amount incurred and paid towards contribution to Provident Fund, Labour Welfare Fund and Employees' State Insurance Corporation is recognised as an expense and included in employee benefits expense:

Particulars	As at March 31, 2024	As at March 31, 2023
Contribution to provident fund and other funds	11.77	5.58

34. SHARE BASED PAYMENT

EMPLOYEE STOCK OPTION SCHEME, 2018 (EMPLOYEE STOCK OPTION PLAN) (ESOS/ESOP)

By way of a resolution passed by the Board on April 10, 2018 and a resolution passed by Shareholders on May 2, 2018, ESOS or ESOP 2018 was instituted pursuant to a resolution. The ESOP 2018 was amended by our Holding Company pursuant to a resolution of our Board on December 9, 2020 and resolution dated December 31, 2020 of our Shareholders.

The ESOP 2018 was subsequently amended by our Holding Company pursuant to a resolution of our Board on March 25, 2022 and resolution dated April 28, 2022 of our Shareholders. The maximum number of options which can be granted under ESOP 2018 is 21,935 options (prior to any bonus issue or Split of equity shares).

The primary objective of the plan is to reward the key employee for his association, dedication and contributions to the goals of the Holding Company. The plan is established with effect from May 2, 2018 on which the Shareholders of the Holding Company have approved the plan by the way of special resolution and it shall continue to be in force until its termination by the Holding Company as per provisions of Applicable laws, or the date on which all of the Options available for issuance under the plan have been issued and exercised, whichever is earlier.

Grant date	Number of instruments	Grant Date	Vesting Conditions	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
Tranche 1 : May 02, 2018	4,779	May 02, 2018	For the Options to vest, the Grantee has to be in employment of the Group on the date of the vesting.	The exercise period for Options vested will be ten years from date of vesting subject to the terms and conditions with regards to exercising of options laid down in the Option Grant Letter	10	10
Tranche 2 : July 13, 2018	384	July 13, 2018			10	10
Tranche 3 : November 26, 2019	164	November 26, 2019			10	10
Tranche 4 : February 03, 2020	2,980	February 03, 2020			10	10
Tranche 5 : February 27, 2020	4,470	February 27, 2020			10	10
Tranche 6 : May 2, 2020	585	May 02, 2020			10	10
Tranche 7 : October 29, 2020	115	October 29, 2020			10	10
Tranche 8 : January 21, 2021	130	January 21, 2021			10	10
Tranche 9 : June 02, 2021	61	June 02, 2021			10	10
Tranche 10 : June 14, 2021	128	June 14, 2021			10	10
Tranche 11 : August 13, 2021	47	August 13, 2021			10	10
Tranche 12 : December 13, 2021	37	December 13, 2021			10	10
Tranche 13 : January 3, 2022	18	January 03, 2022			10	10
Tranche 14 : January 10, 2022	14	January 10, 2022			10	10
Tranche 15 : January 23, 2022	1,840	January 23, 2022			10	10

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Grant date	Number of instruments	Grant Date	Vesting Conditions	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
Tranche 16 : April 28, 2022	2,105	April 28, 2022			10	10
Tranche 17 : July 1, 2022	2,546	July 01, 2022			10	10
Tranche 18 : July 4, 2022	18	July 04, 2022			10	10
Tranche 19 : December 1, 2022	106	December 01, 2022			10	10
Tranche 20 : December 19, 2023	661	December 19, 2022			10	10
Tranche 21 : February 2, 2024	10	February 02, 2022			10	10
Tranche 22 : February 26, 2024	8	February 26, 2022			10	10

The following table provides the number and Weighted Average Exercise Prices (WAEP) of, and movements in, share options during the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
2018 Scheme	Number	WAEP (INR)	Number*	WAEP (INR)
Outstanding at the beginning of the year	2,825,000	10.00	11,034	10.00
Granted during the year	153,359	10.00	4,775	10.00
Exercised during the year	1,886,157	-	3,265	-
Lapsed/ forfeited /surrendered/expired during the year	18,858	-	44	-
Outstanding at the end of the year	1,073,344	10.00	12,500	10.00
Exercisable at the end of the year	-	-	-	-

*The number of shares pertains to pre adjustment with respect to the corporate announcement.

The value of the underlying shares has been determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Dividend yield (%)	0.00%	0.00%
Expected volatility (%)	130% - 155%	49.00% - 72.08%
Risk-free interest rate(%)	6.97% - 7.08%	6.07% - 7.75%
Expected life of share option	5 - 10 years	6 - 15years
Model Used	Black Scholes valuation model	Black Scholes valuation model

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Effect of share based payment transactions on the Consolidated Statement of Profit and Loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Equity settled share based payments	60.65	264.31
Total expense recognized under "Employee benefits expense"	60.65	264.31

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Weighted Avg. Share Price of options exercised on the date of exercise*	613.00	48,703.00
Average remaining contractual life of options (years) as at the end of the year	11 years	11 years

*Weighted Avg. Share Price of options exercised on the date of exercise is pre bonus issue in case of FY 2022-23

35. RELATED PARTY TRANSACTIONS

A. Names of the related parties of the Group

Subsidiary company

ideaForge Technology Inc. (w.e.f. September 6, 2022)

Place of incorporation : USA

KGV And Co.- Firm where non-executive director is Partner

Key Managerial Personnel (KMP)

Name of Related Party

Nature of Relationship

Mr. Ankit Mehta

Chief Executive Officer and Whole-time Director

Mr. Rahul Singh

Whole-time Director

Mr. Ashish Bhat

Whole-time Director

Ms. Sutapa Banerjee

Non-Executive Independent Director

Mr. Vikas Bhalia

Non-Executive Independent Director

Mr. Srikanth Velamakanni

Non-Executive Independent Director

Mr. Mathew Cyriac

Non-Executive Nominee Director (With effect from June 24, 2022)

Mr. Ganapathy Subramaniam

Non-Executive Nominee Director

Mr. Vipul Joshi

Chief Financial Officer (With effect from October 15, 2022)

Vice President - Operations (Till October 15, 2022)

Ms. Sonam Gupta

Company Secretary & Compliance Officer (With effect from December 15, 2022)

Mr. Vishal Saxena

Vice President - Sales & Business Development

B. Disclosure of transactions between the Company and related parties

Name	Nature of Transaction	March 31, 2024	March 31, 2023
Mr. Ankit Mehta	Salary, wages and bonus	35.31	12.46
Mr. Ashish Bhat	Salary, wages and bonus	35.28	12.46
Mr. Rahul Singh	Salary, wages and bonus	35.28	12.46
Mr. Vipul Joshi	Salary, wages and bonus	41.90	12.46
Ms. Sutapa Banerjee	Director's sitting fees	1.50	0.40
Mr. Vikas Bhalia	Director's sitting fees	1.50	0.20
Mr. Srikanth Velamakanni	Director's sitting fees	0.80	0.20

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Name	Nature of Transaction	March 31, 2024	March 31, 2023
Mr. Vishal Saxena	Salary, wages and bonus	36.79	17.34
Ms. Sonam Gupta	Salary, wages and bonus	1.34	0.33
Mr. Ankit Mehta	Reimbursement of expenses	1.45	1.71
Mr. Ashish Bhat	Reimbursement of expenses	2.32	0.55
Mr. Rahul Singh	Reimbursement of expenses	0.03	0.24
Mr. Vipul Joshi	Reimbursement of expenses	1.03	0.81
Mr. Vishal Saxena	Reimbursement of expenses	0.39	0.34
Mr. Ganapathy Subramaniam	Interest expense on short-term borrowings	-	0.07
Mr. Ganapathy Subramaniam	Loan Repaid (Borrowing)	-	53.50
Mr. Ganapathy Subramaniam	Issue of preference share capital	-	55.73
Mr. Ganapathy Subramaniam	Share based payments charged to P&L	-	74.03
KGV And Co.	Professional fees charged	-	11.64
Mr. Vipul Joshi	Share based payments charged to P&L	7.96	95.77
Mr. Mathew Cyriac	Share based payments charged to P&L	22.17	-
Ms. Sutapa Banerjee	Commision expense	2.12	-
Mr. Vikas Bhalia	Commision expense	2.12	-
Mr. Srikanth Velamakani	Commision expense	2.12	-

C. Status of outstanding balances :

Name	Nature of Transaction	Year ended March 31, 2024	Year ended March 31, 2023
Mr. Ankit Mehta	Post employment benefits	2.03	-
Mr. ashish Bhat	Post employment benefits	2.03	-
Mr. Rahul Singh	Post employment benefits	2.12	-
Mr. Vipul Joshi	Post employment benefits	2.03	-
Mr. Vishal Saxena	Post employment benefits	1.59	-
Mrs. Sonam Gupta	Post employment benefits	0.04	-
Ms. Sutapa Banerjee	Commision payable	2.12	-
Mr. Vikas Bhalia	Commision payable	2.12	-
Mr. Srikanth Velamakani	Commision payable	2.12	-

D. Details of guarantees of key management personnel and shares pledged:

Shares pledged details

- Personal guarantee of Mr. Ankit Mehta, Mr. Rahul Singh, Mr. Ashish Bhat and Mr. Vipul Joshi given to Axis bank, HDFC bank and Export Import Bank of India in FY 2023-24.
- No shares are pledge as on reporting date.

E. Terms and conditions of transactions with Related Parties

There have been no guarantees provided or received for any related party receivables or payables other than those mentioned in note 35D

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

36. OPERATING SEGMENT

The Group is exclusively engaged in the business of manufacture and marketing of UAV systems which are used for security and surveillance. The ancillary business of providing training and maintenance service evolve around the main business of manufacture and marketing of UAV systems. Based on Management Approach, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of overall country level performance indicators.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Financial Statements of the Group as a whole.

The Chief Executive Officer of the Group, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Operating Decision Maker (CODM).

There is only one reporting segment and has no reportable segment as per IND AS 108 - Operating Segment

Information about Geographical Areas :

Revenue from External Customers

The Group is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
India	2,987.72	1,669.40
Outside India	26.01	16.36
Total	3,013.73	1,685.76

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current assets*		
India	1,270.56	968.94
Outside India	-	-
	1,270.56	968.94

* Non-current assets excludes financial instruments, non-current tax assets (net) and deferred tax assets.

Revenue from Major Customers

The Group earns revenue from few of its major customers which individually amounts to 10 per cent or more of the Group's revenues. Details of such customers (i.e. the total amount of revenues from each such customer) are disclosed below. Revenue from such customers are reported under all the segments of the Group.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Customer 1	1,748.74	1,245.98
Customer 2	-	187.65
	1,748.74	1,433.63

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

37. CAPITAL MANAGEMENT

The Group defines capital as total Equity including issued Equity capital, share premium and all other equity reserves attributable to Equity holders of the Group (which is the Group's net asset value). The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Group is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Group's adjusted net debt to adjusted equity ratio was as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings (refer note.17)	-	865.04
Lease Liabilities (refer note. 21)	144.92	140.55
Total debt liabilities	144.92	1,005.59
Less: Cash and Cash Equivalents (refer note10)	(1,683.23)	(45.04)
Adjusted Net Debt	(1,538.31)	960.55
Total/ Adjusted Equity	6,605.92	3,247.21
Adjusted net debt to adjusted equity ratio	(0.23)	0.30
Debt equity considering only borrowings as debt	0.02	0.31

38. FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value

Particulars	Note	Carrying Amount/ Fair Value	
		As at March 31, 2024	As at March 31, 2023
FINANCIAL ASSETS			
Financial assets measured at fair value			
Investments measured at - Fair value through profit or loss	7A	878.67	1,250.76
Financial assets measured at amortised cost			
Investment	7A	-	-
Trade Receivables	9	443.54	578.16
Cash and Cash Equivalents	10	1,683.23	45.04
Bank Balances other Cash and Cash Equivalent	11	1,054.29	19.93
Loans	7B	0.47	0.85
Other Financial Assets	7C	377.96	625.19
Total		4,438.16	2,519.93

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Note	Carrying Amount/ Fair Value	
		As at March 31, 2024	As at March 31, 2023
FINANCIAL LIABILITIES			
Financial liabilities measured at fair value			
Borrowings	17	-	-
Financial liabilities measured at amortised cost			
Borrowings	17	-	865.04
Trade Payables	19	159.71	139.89
Lease Liabilities	21	144.92	140.55
Other Financial Liabilities	18	175.61	51.01
Total		480.24	1,196.49

B. Fair Value Hierarchy

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarised below:

Particulars	Note	As at March 31, 2024	Fair value measurement at end of the reporting period		
			Level 1	Level 2	Level 3
Financial assets and liabilities measured at the fair value					
Investment in mutual funds and Bonds	7A	852.55	-	852.55	-
Investment in equity instruments at FVTPL	7A	26.12	-	-	26.12
Financial assets and liabilities not measured at the fair value					
Borrowings	17	-	-	-	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Note	As at March 31, 2023	Fair value measurement at end of the reporting period		
			Level 1	Level 2	Level 3
Financial assets and liabilities measured at the fair value					
Investment in mutual funds and Bonds	7A	1,240.76	-	1,240.76	-
Investment in equity instruments at FVTPL	7A	10.00	-	-	10.00
Financial assets and liabilities not measured at the fair value					
Borrowings	17	865.04	-	865.04	-

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2023, March 31, 2022 and April 1, 2021.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Other financial assets and liabilities

Fair value of financial assets and liabilities measured at amortised cost (cash and cash equivalents, other bank balance, trade receivables, other financial assets, trade payables, borrowings, lease liabilities and other financial liabilities) is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately as it approximates the carrying value.

39. FINANCIAL RISK MANAGEMENT

The Holding Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risk and credit risk. The Holding Company's senior management has the overall responsibility for establishing and governing the Holding Company's risk management framework. The Holding Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Holding Company's risk management policies. The Holding Company's risk management policies are established to identify and analyse the risks faced by the Holding Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Holding Company.

(A) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the Holding Company. The potential activities where credit risks may arise include from cash and cash equivalents and security deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the Holding Company along with relevant mitigation procedures adopted have been enumerated below:

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Trade receivables

The Holding Company's exposure to credit risk is the exposure that Holding Company has major business dealings with few parties to whom sales are made on credit basis and the contracted consideration is yet to be received.

The Holding Company provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The Holding Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a simplified provision matrix.

The Holding Company has considered an assessment of past history and has taken into account various factors including future forecast conditions for determination of allowance for expected credit loss.

Refer to note 9 for ageing for trade receivables from the due date of payment.

The provision for impairment of trade receivables, movement of which has been provided in note 9

Other financial assets

The Holding Company maintains exposure in cash and cash equivalents and term deposits with banks. The Holding Company has set counter-party limits based on multiple factors including financial position, credit rating, etc. The Holding Company's maximum exposure to credit risk as at March 31, 2023 , March 31, 2022 and April 1, 2021 is the carrying value of each class of financial assets.

(B) Liquidity risk

Liquidity risk is the risk that the Holding Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Holding Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Holding Company's reputation.

The Holding Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Financing arrangements

The Holding Company had access to the following undrawn borrowing facilities at the end of the reporting year:

Particulars	As at March 31, 2024	As at March 31, 2023
Cash credit facilities (includes bank overdraft and working capital facilities)	1,029.64	436.45
	1,029.64	436.45

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Exposure to liquidity risk

The following are the remaining contractual maturities of financial assets and financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest receipts / payments and exclude the impact of netting agreements.

Particulars	Note	Undiscounted Amount			Total
		Carrying Value	Within 1 year	More than 1 year	
March 31, 2024					
Non-derivatives					
Borrowings	17	-	-	-	-
Lease Liabilities	21	144.92	39.77	105.15	144.92
Trade payables	19	159.71	159.71	-	159.71
Other financial liabilities	18	175.61	175.61	-	175.61
Total non derivative liabilities		480.24	375.09	105.15	480.24
March 31, 2023					
Non-derivatives					
Borrowings	17	865.04	865.04	-	865.04
Lease Liabilities	21	140.55	27.82	112.73	140.55
Trade payables	19	139.89	139.89	-	139.89
Other financial liabilities	18	51.01	51.01	-	51.01
Total non derivative liabilities		1,196.49	1,083.76	112.73	1,196.49

(C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Holding Company's income or the value of its holdings of financial instruments.

The Holding Company size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Currency risk
- Price risk
- Interest rate risk

(i) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The functional currency of the Holding Company is Indian Rupees . The Holding Company does not enter into any derivative instruments for trading or speculative purposes. The Holding Company's borrowings are all in Indian Rupees.

The carrying amounts of the Holding Company's foreign currency denominated monetary items are as follows:

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	Amount in USD	Equivalent amount in INR for USD Amount	Amount in AED	Equivalent amount in INR for AED Amount	Amount in EUR	Equivalent amount in INR for EUR Amount	Amount in NZD	Equivalent amount in INR for NZD Amount	Total Amount in INR
March 31, 2024									
Trade Receivables	0.48	-	-	-	-	-	-	-	-
Cash in foreign currency	0.00	-	-	-	-	-	-	-	-
Trade Payables	0.42	35.05	0.00	0.02	0.00	0.02	0.00	0.01	35.10
Net exposure to foreign currency risk	0.90	35.05	0.00	0.02	0.00	0.02	0.00	0.01	35.10
March 31, 2023									
Trade Receivables	0.11	9.35	-	-	-	-	-	-	9.35
Cash in foreign currency	0.00	0.08	-	-	-	-	-	-	0.08
Trade Payables	(0.04)	(3.69)			(0.00)	(0.03)			(3.72)
Net exposure to foreign currency risk	0.07	5.74	-	-	(0.00)	(0.03)	-	-	5.71

The below table demonstrates the sensitivity to a 1% increase or decrease in the foreign currency against INR with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Holding Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

Particulars		As at March 31, 2024	As at March 31, 2023
1% strengthening of INR compared to USD	Profit or (Loss)	(0.35)	(0.06)
1% strengthening of USD compared to INR	Profit or (Loss)	0.35	0.06
1% strengthening of INR compared to AED	Profit or (Loss)	(0.00)	-
1% strengthening of AED compared to INR	Profit or (Loss)	0.00	-
1% strengthening of INR compared to EUR	Profit or (Loss)	(0.00)	0.00
1% strengthening of EUR compared to INR	Profit or (Loss)	0.00	(0.00)
1% strengthening of INR compared to NZD	Profit or (Loss)	(0.00)	-
1% strengthening of NZD compared to INR	Profit or (Loss)	0.00	-

(ii) Price risk

The Holding Company is mainly exposed to the price risk due to its investment in mutual funds and bonds. The price risk arises due to uncertainties about the future market values of these investments. The Holding Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in mutual funds and bonds.

The carrying amounts of the Company's investment in mutual funds and bonds are as follows:

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Investments in mutual funds	852.55	977.49
Sensitivity analysis:		
1% increase in prices Profit or (Loss)	8.53	9.77
1% decrease in prices Profit or (Loss)	(8.53)	(9.77)
Investments in bonds	-	263.27
Sensitivity analysis:		
1% increase in prices Profit or (Loss)	-	2.63
1% decrease in prices Profit or (Loss)	-	(2.63)

(iii) 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. 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.

The Holding Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Holding Company to cash flow interest rate risk. During March 31, 2023, March 31, 2022 and April 1, 2021 the Holding Company's borrowings at variable rate were denominated in INR.

The Holding Company's fixed rate borrowings are carried at amortised 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.

The interest rate profile of the Holding Company's interest-bearing financial instruments as reported to the management of the Holding Company is as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed-rate instruments		
Financial assets	878.67	1,250.76
Financial liabilities	-	-
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	-	865.04

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased profit or loss by amounts shown below. This analyses assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the Balance Sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	26.62	37.24
Impact - Profit or (Loss)		
Interest rates - increase by 100 basis points	(0.27)	(0.37)
Interest rates - decrease by 100 basis points	0.27	0.37

40. COMMITMENTS AND CONTINGENCIES

A. Commitments

i. Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	24.92	4.92

ii. Lease Commitments

Lease commitments are the future cash out flows from the lease contracts which are not recorded in the measurement of lease liabilities. These include potential future payments related to leases of low value assets, leases with term less than twelve months and variable leases.

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one year	1.67	0.71
Later than one year and not later than five years	0.02	-
Later than five years	-	-
	1.69	0.71

iii. Other commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Preference share dividend on Convertible Cumulative Preference Shares*	-	0.00

*Since 67,242 numbers of CCPS shares, held by 9 shareholders, will be converted to equity shares, preference dividend of INR 0.00 has not been provided for.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

B. Contingent Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Group not acknowledged as debts		
Demands raised by income tax authorities	35.22	35.22
Demands raised by indirect tax authorities	34.33	34.33

Note: In respect of Supreme Court Judgement on which allowances paid to the employees shou be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. In view of the management, the liability for the period from the date of the Supreme Court order to March 31, 2019 is not significant and has not been given effect to in the books of account.

There are no other Contingent Liabilities as on March 31, 2024: INR Nil (March 31, 2023 : INR Nil)

C. Contingent Assets

There are no other Contingent Assets as on March 31, 2024: INR Nil (March 31, 2023 : INR Nil)

Note - INR 0.00 denotes amount less than INR 5,000

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

41. SHARE OF ENTITIES IN GROUP

Name of Entity	For the year ended March 31, 2024					
	As at March 31, 2024			Share in Profit and Loss		
	Net Assets (Total Assets - Total Liabilities)	Share in Sale of products and services	Share in Profit and Loss	Share in Other Comprehensive Income	Share in Total Comprehensive Income	
Parent						
ideaForge Technology Limited	101%	101%	108%	100%	108%	484.25
Subsidiary						
Indian						
ideaForge Technology Inc.	1%	0%	(3%)	0%	-	(14.74)
Inter-company eliminations	(1%)	-1%	(4%)	0%	-	(19.51)
	100%	100%	100%	100%	(2.67)	450.00
Name of Entity	For the year ended March 31, 2023					
	As at March 31, 2023			Share in Profit and Loss		
	Net Assets (Total Assets - Total Liabilities)	Share in Sale of products and services	Share in Profit and Loss	Share in Other Comprehensive Income	Share in Total Comprehensive Income	
Parent						
ideaForge Technology Limited	100%	100%	100%	100%	100%	319.76
Subsidiary						
Indian						
ideaForge Technology Inc.	-	-	-	-	-	-
Inter-company eliminations	-	-	-	-	-	-
	100%	100%	100%	100%	(0.12)	319.76

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

42. CHANGES TO MATERIAL ACCOUNTING POLICIES

The Holding Company adopted Disclosure of Accounting policies (Amendment to Ind AS 1) with effect from April 1, 2023. Although the amendments did not result in any changes in the accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provides guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity specific accounting policy information that the users need to understand other information in the Financial Statement.

43. OTHER STATUTORY DISCLOSURES

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group have not traded or invested in Crypto currency or Virtual Currency during reporting periods.
- (iii) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed 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)
- (vi) The Group does not have any borrowings from banks and financial institutions that are used for any other purpose other than the specific purpose for which it was taken at the reporting Balance Sheet date.
- (vii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (viii) The Group is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.
- (ix) The Group shall disclose as to whether the fair value of investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Since, the Group does not have any investment property during any reporting period, the said disclosure is not applicable.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

- (x) Section 8 of the Companies Act, 2013 companies are required to disclose grants or donations received during the year. Since, the Group is not covered under Section 8 of the Companies Act, 2013, the said disclosure is not applicable.
- (xi) There are no scheme of arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the reporting periods.
- (xii) The Group has not identified any transactions or balances in any reporting periods with companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (xiii) The Group has no unrecorded transactions in books of accounts that has been surrendered or disclosed 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)
- (xiv) There are no charge or satisfaction yet to be registered with ROC beyond the statutory period by the Group as at the reporting periods.
- (xv) The Group has neither declared nor paid any dividend during the reporting period.

44. MANAGERIAL REMUNERATION

The remuneration paid by the Holding company to its Chief Executive Officer and two whole time directors during the current year, is in accordance with the provisions of Section 197 read with Schedule V to the Act. The remuneration paid to the Chief Executive Officer and two whole time directors during the current year is as per the limits laid down under Section 197 read with Schedule V to the Act and as approved by the shareholder's through special resolution in the Extra Ordinary General Meeting held on February 4, 2023.

45. UTILISATION OF IPO PROCEEDS

During the quarter ended September 30, 2023, the Holding Company has completed its Initial Public Offer ("IPO") of 8,441,764 Equity shares of face value of INR 10 each at an issue price of INR 672 per share (including share premium of INR 662 per share) consisting of a fresh issue of 3,572,052 Equity shares aggregating to INR 2,400 Millions and an offer for sale of 4,869,712 Equity shares aggregating to INR 3,272.45 Millions. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f. July 7, 2023. Expenses incurred by the Company in connection with the IPO have been recovered from the selling shareholders.

The total offer expenses in relation to the fresh issue are INR 148.40 Million.

Particulars	As at March 31, 2023
Gross Proceeds from the Issue	2,400.00
(Less) Issue related expenses	148.40
Net Proceeds available for utilisation	2,251.60

The aforesaid offer related expenses in relation to the fresh issue have been adjusted against securities premium as per Section 52 of the Companies Act, 2013.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

The utilisation of IPO proceeds from fresh issue from fresh issue (net of IPO related expense of INR 148.40 Million) is summarised below:

Particulars	Amount to be utilised as per prospectus	Utilisation up to March 31, 2024	Unutilised as on March 31, 2024
Repayment/prepayment of certain Loans	500.00	500.00	-
Funding Working Capital gap	1,350.00	752.60	597.40
Investment in Product Development	400.00	217.40	182.60
General Corporate Purposes	1.60	1.60	-
Total utilisation of funds	2,251.60	1,321.56	780.00

46. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The aggregate amount of expenditure incurred during the year by the Company on Corporate Social Responsibility (CSR) is INR 5.02 Million (previous year INR 1.20 Million) and is shown separately under note 31 based on Guidance Note on Accounting for Expenditure on CSR Activities issued by the ICAI.

As per section 135 of the Companies Act, 2013, the Following year wise amount was utilized as financial contribution towards CSR Activities:

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Gross amount required to be spent by the Group during the year	4.77	1.20
(b) Amount approved by Board and incurred during the year on:	-	-
Ongoing Projects	-	-
Other than Ongoing Projects		
(i) Child Education	1.08	0.73
(ii) Environment, Health, Women Empowerment	-	0.20
(iii) Zero Hunger, and quality education	1.92	0.25
(iv) Women Empowerment	-	0.01
(v) Health & Well Being	1.73	-
(vi) Life on land	0.30	-
Total	5.03	1.19
(c) Shortfall/ (Excess) at the end of year	(0.10)	0.01
(d) Total of previous years shortfall	0.01	Nil
(e) Reason of Shortfall	-	-

- i) There were no CSR spends which were incurred by the Holding Company through its Related Party

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR Millions unless otherwise stated)

47. SUBSEQUENT EVENTS

The Group evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of Financial Statement to determine the necessity for recognition and/or reporting of subsequent events and transactions in the Financial Statement. As of May 14, 2024, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla

Partner

Membership No: 108511

Place: Navi Mumbai

Date: May 14, 2024

For and on behalf of the Board of Directors of

ideaForge Technology Limited

(Formerly known as ideaForge Technology Private Limited)

CIN : U31401MH2007PLC167669

Ankit Mehta

Chief Executive Officer and Whole Time Director

DIN: 02108289

Vipul Joshi

Chief Financial Officer

Place: Navi Mumbai

Date: May 14, 2024

Rahul Singh

Whole Time Director

DIN: 02106568

Sonam Gupta

Company Secretary

Membership No: A53881


ideaForge Technology Limited

CIN: U31401MH2007PLC167669

 Regd. Office: EL-146, TTC Industrial Area, Electronic Zone, MIDC,
 Mahape, Navi Mumbai – 400 710, Maharashtra

 Website: www.ideaforgetech.com Email: compliance@ideaforgetech.com

Contact No. +91 (22) (6787 1007)

NOTICE OF THE SEVENTEENTH ANNUAL GENERAL MEETING

Notice is hereby given that the Seventeenth (17th) Annual General Meeting (AGM) of the Members of **ideaForge Technology Limited** (formerly known as idea Forge Technology Private Limited) will be held on **Thursday, August 08, 2024, at 11.00 a.m.** through Video Conferencing / Other Audio-Visual Means ("VC/OAVM") to transact the following business. The venue for the 17th AGM shall be deemed to be the Registered Office of the Company at EL-146, TTC Industrial Area, Electronic Zone, MIDC, Mahape, Navi Mumbai -400 710, Maharashtra.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the year ended March 31, 2024, together with the Report of the Board of Directors and the Auditor's thereon.
2. To appoint a director in place of Mr. Ashish Bhat, Whole-time Director (DIN: 02480920), who retires by rotation and being eligible, offers himself for re-appointment.
3. **To approve rectification in the terms of Statutory Auditors**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT, based on the recommendations of Audit Committee and approval of the Board of Directors, consent of the Members of the Company be and is hereby accorded for revision in the term of M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No: 101248W/W-100022), as the Statutory Auditors of the Company for a period of 4 years till FY 2026-27 instead of 5 years till FY 2027-28.;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of Directors with power to further delegate to or any other Officer(s)/ Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS:

4. **Re-Appointment of Mr. Ankit Mehta (DIN: 02108289) as Whole-time Director of the Company.**

To consider and if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and the Articles of Association of the Company, based on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors and subject to any regulatory/ government approval, if applicable, consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Ankit Mehta (**DIN: 02108289**) as a Whole-time Director of the Company from November 15, 2024 to November 14, 2029 for a period of 5 (five) years as per the terms and conditions of Appointment Including Remuneration as set out in the Explanatory Statement attached this notice.

"RESOLVED FURTHER THAT the in the event of inadequacy or absence of profits, in any financial year or years, the aforementioned remuneration shall be continued to be paid as minimum remuneration to the Whole-time Director in accordance with the applicable provisions of Schedule V of the Act, subject to such other approvals as may be necessary."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter or vary the scope of remuneration of Mr. Ankit Mehta, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time, as may be considered appropriate, subject to the overall limits specified by this resolution and the

Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

“RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and are hereby severally authorized to do such acts, deeds and things, as may be necessary for compliance with the applicable laws and to file the aforesaid resolution with the Registrar of Companies and sign and issue a certified copy of the aforesaid resolution, whenever necessary.”

5. Re-Appointment of Mr. Rahul Singh as Whole-time Director of the Company.

To consider and if thought fit, to pass the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and the Articles of Association of the Company, based on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors and subject to any regulatory/government approval, if applicable, consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Rahul Singh (**DIN: 02106568**) as a Whole-time Director of the Company from November 15, 2024 to November 14, 2029 for a period of 5 (five) years as per the terms and conditions of Appointment Including Remuneration as set out in the Explanatory Statement attached this notice.

“RESOLVED FURTHER THAT the in the event of inadequacy or absence of profits, in any financial year or years, the aforementioned remuneration shall be continued to be paid as minimum remuneration to the Whole-time Director in accordance with the applicable provisions of Schedule V of the Act, subject to such other approvals as may be necessary.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter or vary the scope of remuneration of Mr. Rahul Singh, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time, as may be considered appropriate, subject to the overall limits specified by this resolution and the

Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

“RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and are hereby severally authorized to do such acts, deeds and things, as may be necessary for compliance with the applicable laws and to file the aforesaid resolution with the Registrar of Companies and sign and issue a certified copy of the aforesaid resolution, whenever necessary.”

6. Re-Appointment of Mr. Ashish Bhat as Whole-time Director of the Company.

To consider and if thought fit, to pass the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and the Articles of Association of the Company, based on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors and subject to any regulatory/government approval, if applicable, consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Ashish Bhat (**DIN: 02480920**) as a Whole-time Director of the Company from November 15, 2024 to November 14, 2029 for a period of 5 (five) years as per the terms and conditions of Appointment Including Remuneration as set out in the Explanatory Statement attached this notice.

“RESOLVED FURTHER THAT the in the event of inadequacy or absence of profits, in any financial year or years, the aforementioned remuneration shall be continued to be paid as minimum remuneration to the Whole-time Director in accordance with the applicable provisions of Schedule V of the Act, subject to such other approvals as may be necessary.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter or vary the scope of remuneration of Mr. Ashish Bhat, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time, as may be considered appropriate, subject to the overall limits specified by this resolution and the

Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

“RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and are hereby severally authorized to do such acts, deeds and things, as may be necessary for compliance with the applicable laws and to file the aforesaid resolution with the Registrar of Companies and sign and issue a certified copy of the aforesaid resolution, whenever necessary.”

7. Continuation of term of appointment of Mr. Ganapathy Subramaniam (DIN: 00019891) as Non – Executive Director and Non – Independent Director.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Regulation 17(1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘the SEBI Listing Regulations’) (including any statutory modification or re-enactment(s) thereof for the time being in force) and as recommended by the Nomination and Remuneration Committee and the Board of Directors, consent of the members is given to the continuation of Mr. Ganapathy Subramaniam **(DIN:00019891)** who was appointed as a Non-Executive Director of the Company on November 28, 2017 for a further period of five years with effect from April 1, 2024 not liable to retirement by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to or any other Officer(s)/ Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board
For ideaForge Technology Limited

Ms. Sonam Gupta
Company Secretary & Compliance Officer
(ACS 53881)

Place: Navi Mumbai
Date: July 06, 2024

Registered Office:

EL-146, TTC Industrial Area, Electronic Zone, MIDC,
Mahape, Navi Mumbai – 400 710, Maharashtra

NOTES:-

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), setting out material facts concerning the business under Item Nos. 3 to 6 of the accompanying Notice, is annexed hereto and forms part of this Notice.
2. The Ministry of Corporate Affairs (MCA), Government of India vide its various circulars including the latest General Circular No. 09/2023 dated September 25, 2023, has permitted, inter alia, holding of the AGM through VC/ OAVM facility on or before September 30, 2024. The Securities and Exchange Board of India (“SEBI”) also vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 (“SEBI Circular”) has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 (“Listing Regulations”). In compliance with these circulars, provisions of the Act and the Listing Regulations, the 17th AGM of the Company shall be conducted through VC/ OAVM facility, which does not require physical presence of members at a common venue.
3. In terms of the MCA Circulars, physical attendance of members has been dispensed with and therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 17th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members, who are Bodies Corporate / Institutional Shareholders, may attend the AGM through VC/OAVM and participate there at and cast their votes through e-Voting. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of their respective Board or governing body resolution / authorisation etc., authorising their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-Voting. The said resolution / authorisation shall be sent to the Company by e-mail on its registered e-mail address to scutinizer@snaco.net with a copy marked to evoting@nsdl.co.in.
4. Since the AGM is being held through VC/OAVM facility, the Route Map is not required to be annexed in the notice.
5. Members may join the AGM through VC/ OAVM facility, by following the procedure as mentioned in the notice and the facility for participation shall be kept open for the members from 10.45 a.m. i.e. 15 minutes before the time scheduled to start the AGM and the Company may close

the window for joining the VC/ OAVM facility 30 minutes after the scheduled time to start the AGM.

6. Members may note that the VC/ OAVM facility provided by NSDL, allows participation of 1000 members on a first-come-first-served basis. The large members (i.e. members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the AGM without any restriction on first-come first-served basis. The Company reserves the right to restrict the number of questions and speakers, as appropriate for smooth conduct of the AGM.
7. Attendance of the members participating in the AGM through VC/ OAVM facility using their login credentials shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars, as amended, the Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the 17th AGM and facility for those members participating in the 17th AGM to cast vote through e-Voting system during the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency and NSDL will be providing facility for voting through remote e-Voting, for participation in the 17th AGM through VC/ OAVM facility and e-Voting during the AGM. Members may note that NSDL may use third party service provider for providing participation of the members through VC/ OAVM facility.
9. In terms of the MCA Circulars, the Notice convening the 17th AGM and Annual Report for the financial year ended March 31, 2024, will be available on the website of the Company at www.ideaforgetech.com, BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and National Securities Depositories Limited ("NSDL") at www.evoting.nsdl.com.
10. Electronic copy of the Annual Report for the financial year ended March 31, 2024, is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes

unless any member has requested for a hard copy of the same.

In case any member is desirous of obtaining hard copy of the Annual Report for the financial year ended March 31, 2024, and Notice convening the 17th AGM of the Company, may send request to the Company's e-mail address at compliance@ideaforgetech.com mentioning the folio no./ DP ID and Client ID.

11. The details required under Regulation 36(3) of the SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings (SS- 2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this AGM form part of the Notice.
12. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and/or send their questions at least 3 days in advance i.e. on or before 3.00 p.m. on Monday, August 05, 2024, by mentioning their name, demat account number/ folio number, email id, mobile number at email: compliance@ideaforgetech.com to enable the Company to reply suitably during the AGM. The Chairman will endeavour to respond to the same at the AGM. Queries received after this time and date may not be responded to, at the AGM. Further, the Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
13. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and Certificate from Secretarial Auditors of the Company certifying that ESOP Schemes of the Company is being implemented in accordance with the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available for inspection in electronic mode. Members who wish to inspect the documents are requested to send an email to compliance@ideaforgetech.com mentioning their name, folio no. / client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card attached to the email.
14. Members holding shares in dematerialised form:
 - (a) may contact their Depository Participant(s) for recording nomination in respect of their shares.
 - (b) are requested to intimate all changes pertaining to their bank details, nominations, power of attorney, change

of address, change of name, e-mail address, contact numbers, etc., to their DP only. Changes intimated to the DP will then be automatically reflected in the Company's records.

- (c) Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
15. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

OTHER INFORMATION

16. Members of the Company had approved the appointment of M/s. B S R & Co. LLP, Chartered Accountants, as the Statutory Auditors at the Sixteenth AGM of the Company which is valid till Twenty-First AGM of the Company. In accordance with the Act, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.
17. The Company has appointed Mr. S. N. Viswanathan, (COP 24335) or failing him Ms. Ashwini Vartak (COP 16723) of S. N. ANANTHASUBRAMANIAN & CO., Company Secretaries, (ICSI Unique Code: P1991MH040400) as Scrutiniser to scrutinise the voting and remote e-Voting process and the voting at the Meeting in a fair and transparent manner. The members desiring to vote through remote e-Voting are requested to refer to the detailed procedure given below. Members whose email ids are not registered with the depositories are requested to refer the instructions provided below for procuring user id and password and registration of email ids for e-Voting for the resolutions.

18. The Scrutiniser shall after the conclusion of e-Voting at the 17th Annual General Meeting, shall submit the Report to the Chairman or a person authorised by him, within two working days from the conclusion of the 17th AGM, who shall then countersign and declare the result of the voting forthwith.
19. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company at www.ideaforgetech.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of results by the Chairman or a person authorised by him. The results shall also be forwarded to the BSE Limited and National Stock Exchange of India Limited.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-Voting period begins on Monday, August 05, 2024, at 09:00 A.M. and ends on Wednesday, August 07, 2024, at 05:00 P.M. The remote e-Voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. August 01, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 01, 2024.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	<ol style="list-style-type: none"> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.
	<p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

Type of shareholders	Login Method
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join the General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join the General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@snaco.net with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User

Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 and 022 - 2499 7000 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to compliance@ideaforge.tech
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to compliance@ideaforge.tech If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at compliance@ideaforge.tech. The same will be replied by the company suitably.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

M/s. BSR & CO LLP, Chartered Accountants were appointed as Statutory Auditor in FY-2017-18 when the status of the Company was Private Limited. Subsequently, they were re-appointed for a period of 5 Years from FY 2018-19 till FY 2022-23.

Subsequently, at the AGM held on June 06, 2023, M/s. BSR & CO. LLP were re-appointed as the Statutory Auditors for a further term of 5 Years from FY 2023-24 till FY 2027-28.

In terms of Section 139(2) of the Companies Act, 2013, no audit firm can be appointed for a period more than of ten years. It has come to our attention that the current re-appointment of 5 years will result in M/s. BSR & CO. LLP holding office for more than 10 years.

Accordingly, based on the advice of the Audit Committee, the Board of Directors have proposed to the Members to revise the term of M/s. BSR & Co. LLP Statutory Auditors from a period of 5 years to 4 years; i.e. from FY 2023-24 to FY 2026-27 instead of FY 2027-28 as resolved at the AGM held in 2023 and recommend passing of the Ordinary Resolution as set out in Item No. 3 of the Notice of AGM.

None of the Directors or KMP or their relatives are interested in the Ordinary Resolution.

ITEM NO. 4

Mr. Ankit Mehta was appointed as Whole-time Director on the Board of Directors of the Company with effect from February 08, 2007. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 14, 2024, has approved the reappointment of Mr. Ankit Mehta as Whole-time Director of the Company for a period of 5 (five) years w.e.f. November 15, 2024, to November 14, 2029.

The Term of Appointment including remuneration of Mr. Ankit Mehta are as under:

- I. Period of Appointment: November 15, 2024, to November 14, 2029
- II. Remuneration:
 1. Salary and Personal Allowance:

Basic Salary and Personal Allowance payable to Mr. Ankit Mehta shall be of 1,52,50,000/- (Rupees One Crore Fifty-Two Lakhs Fifty Thousand Only) per annum.

2. Annual Increment – Mr. Ankit Mehta shall be paid annual increment(s) as may be recommended by the Nomination and Remuneration Committee and approved by the Board.
3. Perquisites:

In addition to salary and personal allowance as above, Mr. Ankit Mehta will be entitled to perquisites including House Rent Allowance (or Company owned/leased accommodation in lieu thereof as per Company's rules), medical reimbursement, bonus, credit card and annual club membership fees, medical/accident insurance, servants, other benefits as per the rules of the Company and such other perquisites as may be recommended by the Nomination & Remuneration Committee (the "NRC") and approved by the Board of Directors from time to time.
4. Reimbursement of expenses incurred for travelling, boarding and lodging including for spouse and attendant(s) during business trip(s), provision of car for use on the Company's Business, telephone expenses at residence and club membership shall be reimbursed and not considered as perquisites.
5. Mr. Ankit Mehta will be entitled to a performance-based incentive (**Variable Pay**) as may be recommended by the NRC and approved by the Board of Directors every financial year.
6. Company's contribution to Provident Fund, Superannuation or Annuity Fund, Gratuity and Encashment of Leave as per the rules of the Company shall be in addition to the remuneration mentioned above.
7. The Nomination and Remuneration Committee of the Board of Directors may, at its discretion, within the limits here in above stipulated above revise and /or restructure the same from time to time. The valuation of perquisites will be done at the cost to the Company.
8. For purposes of leave accumulation, gratuity, provident fund, superannuation and other benefits, the services of Mr. Ankit Mehta will be considered as continuous and this re-appointment including the re-appointment on account of retirement of rotation will not be considered as any break in service.
9. In the event of loss or inadequacy of profits, the aforesaid remuneration will be paid as minimum remuneration in accordance with provisions of Schedule V of the Companies Act, 2013 and subject

to applicable laws and such sanctions and approvals as may be required.

10. The overall remuneration paid to the Whole-time Director shall not exceed INR 5,00,00,000/- [Five Crore] in a financial year.

Other Terms

- (a) The Whole-time Director may be liable to retirement by rotation at the Annual General Meeting of the Company
- (b) The Whole-time Director shall be entitled to compensation for loss of office as provided in Section 202 of the Companies Act, 2013.
- (c) No sitting fees shall be paid to the Whole-time Director for attending meetings of the Board of Directors or any Committee of the Board.
- (d) The contract for the appointment of Mr. Ankit Mehta is terminable by either the Board of Directors or by Mr. Ankit Mehta giving the other 90 days' notice in writing.
- (e) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to the duties of Directors and carry out the orders and Directors given by the Board of Directors from time to time.
- (f) The Whole-time Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

Additional Information on Director recommended for appointment/re-appointment and/or fixation of remuneration as required under Secretarial Standard-2 and as prescribed by the Institute of Company Secretaries of India is provided in Annexure-A hereto.

The profile of Mr. Ankit Mehta and other disclosures are given in the Corporate Governance Report, which is part of the Annual report. Details of Mr. Ankit Mehta as required under the SEBI Listing Regulations and Secretarial Standard on General Meeting (SS-2), issued by the institute of Company Secretaries of India, have been provided elsewhere in the Notice.

Members are requested to note that the Company has received consent in writing from Mr. Ankit Mehta to act as Whole-time Director of the Company and declaration(s) and confirmation(s) stating that he is not disqualified from

being appointed as Whole-time Director of the Company in terms of Section 164 and other applicable provisions of the Act and the Securities and Exchange Board of India.

ITEM NO. 5

Mr. Rahul Singh was appointed as Whole-time Director on the Board of Directors of the Company with effect from February 08, 2007. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 14, 2024, has approved the reappointment of Mr. Rahul Singh as Whole-time Director of the Company for a period of 5 (five) years w.e.f. November 15, 2024, to November 14, 2029.

The Term of Appointment including remuneration of Mr. Rahul Singh are as under:

- I. Period of Appointment: November 15, 2024, to November 14, 2029
- II. Remuneration:
 1. Salary and Personal Allowance:
Basic Salary and Personal Allowance payable to Mr. Rahul Singh shall be of 1,52,50,000/- (Rupees One Crore Fifty-Two Lakhs Fifty Thousand Only) per annum.
 2. Annual Increment – Mr. Rahul Singh shall be paid annual increment(s) as may be recommended by the Nomination and Remuneration Committee and approved by the Board.
 3. Perquisites:
In addition to salary and personal allowance as above, Mr. Rahul Singh will be entitled to perquisites including House Rent Allowance (or Company owned/leased accommodation in lieu thereof as per Company's rules), medical reimbursement, bonus, credit card and annual club membership fees, medical/accident insurance, servants, other benefits as per the rules of the Company and such other perquisites as may be recommended by the Nomination & Remuneration Committee (the "NRC") and approved by the Board of Directors from time to time.
 4. Reimbursement of expenses incurred for travelling, boarding and lodging including for spouse and attendant(s) during business trip(s), provision of car for use on the Company's Business, telephone expenses at residence and club membership shall be reimbursed and not considered as perquisites.

5. Mr. Rahul Singh Mehta will be entitled to a performance-based incentive **(Variable Pay)** as may be recommended by the NRC and approved by the Board of Directors every financial year.
6. Company's contribution to Provident Fund, Superannuation or Annuity Fund, Gratuity and Encashment of Leave as per the rules of the Company shall be in addition to the remuneration mentioned above.
7. The Nomination and Remuneration Committee of the Board of Directors may, at its discretion, within the limits here in above stipulated above revise and /or restructure the same from time to time. The valuation of perquisites will be done at the cost to the Company.
8. For purposes of leave accumulation, gratuity, provident fund, superannuation and other benefits, the services of Mr. Rahul Singh will be considered as continuous and this re-appointment including the re-appointment on account of retirement of rotation will not be considered as any break in service.
9. In the event of loss or inadequacy of profits, the aforesaid remuneration will be paid as minimum remuneration in accordance with provisions of Schedule V of the Companies Act, 2013 and subject to applicable laws and such sanctions and approvals as may be required.
10. The overall remuneration paid to the Whole-time Director shall not exceed INR 5,00,00,000/- [Five Crore] in a financial year.

Other Terms

- (a) The Whole-time Director may be liable to retirement by rotation at the Annual General Meeting of the Company
- (b) The Whole-time Director shall be entitled to compensation for loss of office as provided in Section 202 of the Companies Act, 2013.
- (c) No sitting fees shall be paid to the Whole-time Director for attending meetings of the Board of Directors or any Committee of the Board.
- (d) The contract for the appointment of Mr. Rahul Singh is terminable by either the Board of Directors or by Mr. Rahul Singh giving the other 90 days' notice in writing.
- (e) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of

the Act with regard to the duties of Directors and carry out the orders and Directors given by the Board of Directors from time to time.

- (f) The Whole-time Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

Additional Information on Director recommended for appointment/re-appointment and/or fixation of remuneration as required Under Secretarial Standard-2 and as prescribed by the Institute of Company Secretaries of India is provided in Annexure-A hereto.

The profile of Mr. Rahul Singh and other disclosures are given in the Corporate Governance Report, which is part of the Annual report. Details of Mr. Rahul Singh as required under the SEBI Listing Regulations and secretarial Standard on General Meeting (SS-2), issued by the institute of Company Secretaries of India, have been provided elsewhere in the Notice.

Members are requested to note that the Company has received consent in writing from Mr. Rahul Singh to act as Whole-time Director of the Company and declaration(s) and confirmation(s) stating that he is not disqualified from being appointed as Whole-time Director of the Company in terms of Section 164 and other applicable provisions of the Act and the Securities and Exchange Board of India.

ITEM NO. 6

Mr. Ashish Bhat was appointed as Whole-time Director on the Board of Directors of the Company with effect from February 08, 2007. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 14, 2024, has approved the reappointment of Mr. Ashish Bhat as Whole-time Director of the Company for a period of 5 (five) years w.e.f. November 15, 2024, to November 14, 2029.

The Term of Appointment including remuneration of Mr. Ashish Bhat are as under:

- I. Period of Appointment: November 15, 2024, to November 14, 2029
- II. Remuneration:
 1. Salary and Personal Allowance:

Basic Salary and Personal Allowance payable to Mr. Ankit Mehta shall be of 1,52,50,000/- (Rupees One Crore Fifty-Two Lakhs Fifty Thousand Only) per annum.

2. Annual Increment – Mr. Ashish Bhat shall be paid annual increment(s) as may be recommended by the Nomination and Remuneration Committee and approved by the Board.
3. Perquisites:
In addition to salary and personal allowance as above, Mr. Ashish Bhat will be entitled to perquisites including House Rent Allowance (or Company owned/leased accommodation in lieu thereof as per Company's rules), medical reimbursement, bonus, credit card and annual club membership fees, medical/accident insurance, servants, other benefits as per the rules of the Company and such other perquisites as may be recommended by the Nomination & Remuneration Committee (the "NRC") and approved by the Board of Directors from time to time.
4. Reimbursement of expenses incurred for travelling, boarding and lodging including for spouse and attendant(s) during business trip(s), provision of car for use on the Company's Business, telephone expenses at residence and club membership shall be reimbursed and not considered as perquisites.
5. Mr. Ashish Bhat will be entitled to a performance-based incentive **(Variable Pay)** as may be recommended by the NRC and approved by the Board of Directors every financial year.
6. Company's contribution to Provident Fund, Superannuation or Annuity Fund, Gratuity and Encashment of Leave as per the rules of the Company shall be in addition to the remuneration mentioned above.
7. The Nomination and Remuneration Committee of the Board of Directors may, at its discretion, within the limits here in above stipulated above revise and /or restructure the same from time to time. The valuation of perquisites will be done at the cost to the Company.
8. For purposes of leave accumulation, gratuity, provident fund, superannuation and other benefits, the services of Mr. Ashish Bhat will be considered as continuous and this re-appointment including the re-appointment on account of retirement of rotation will not be considered as any break in service.
9. In the event of loss or inadequacy of profits, the aforesaid remuneration will be paid as minimum remuneration in accordance with provisions of Schedule V of the Companies Act, 2013 and subject

to applicable laws and such sanctions and approvals as may be required.

10. The overall remuneration paid to the Whole-time Director shall not exceed INR 5,00,00,000/- [Five Crore] in a financial year.

Other Terms

- (a) The Whole-time Director may be liable to retirement by rotation at the Annual General Meeting of the Company
- (b) The Whole-time Director shall be entitled to compensation for loss of office as provided in Section 202 of the Companies Act, 2013.
- (c) No sitting fees shall be paid to the Whole-time Director for attending meetings of the Board of Directors or any Committee of the Board.
- (d) The contract for the appointment of Mr. Ashish Bhat is terminable by either the Board of Directors or by Mr. Ashish Bhat giving the other 90 days' notice in writing.
- (e) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to the duties of Directors and carry out the orders and Directors given by the Board of Directors from time to time.
- (f) The Whole-time Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

Additional Information on Director recommended for appointment/re-appointment and/or fixation of remuneration as required under Secretarial Standard-2 and as prescribed by the Institute of Company Secretaries of India is provided in Annexure-A hereto.

The profile of Mr. Ashish Bhat and other disclosures are given in the Corporate Governance Report, which is part of the Annual report. Details of Mr. Ashish Bhat as required under the SEBI Listing Regulations and secretarial Standard on General Meeting (SS-2), issued by the institute of Company Secretaries of India, have been provided elsewhere in the Notice.

Members are requested to note that the Company has received consent in writing from Mr. Ashish Bhat to act as Whole-time Director of the Company and declaration(s) and confirmation(s) stating that he is not disqualified from

being appointed as Whole-time Director of the Company in terms of Section 164 and other applicable provisions of the Act and the Securities and Exchange Board of India.

ITEM NO. 7

The Members may note that pursuant to SEBI's amendment dated July 15, 2023, applicable with effect from April 1, 2024 read with Regulation 17(1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the continuation of a Director serving on the Board of Directors of a listed entity shall be subject to the approval by the Members at a general meeting at least once in every five (5) years from the date of their appointment or reappointment, as the case may be. Further, the continuation of director serving on the Board of Directors of a listed entity as on March 31, 2024, without the approval of the Members for a period of last five (5) years or more shall be subject to the approval of Members in the first general meeting to be held after March 31, 2024. Mr. Ganapathy Subramaniam was appointed as the Director of the Company w.e.f. November 28, 2017, not liable to retire by rotation and presently he is on the Board of the Company. Therefore, Mr. Ganapathy Subramaniam **(DIN: 00019891)** can continue as Director of the Company w.e.f. April 01, 2024, only if Members approve continuation of his term of appointment as Director of the Company. Members may note that Mr. Ganapathy Subramaniam has played a pivotal role as the Board Member of the Company.

Mr. Ganapathy Subramaniam holds a degree in Bachelor of Engineering in electrical and electronics engineering from Bharathidasan University. He was previously associated with Texas Instruments (India) Private Limited. The Board believes that his continuation and guidance on the Board will significantly contribute to the Company's growth and long-term value creation. In view of the above and after careful consideration of his performance over the past years and on recommendation of the Nomination and Remuneration Committee, the Board subject to approval of the Members, approved the continuation of term of appointment of Mr. Ganapathy Subramaniam as Non-Executive and Non-Independent Director for a period of 5 (five) consecutive years w.e.f. April 01, 2024, and shall not be liable to retire by rotation. Considering the above, the Board recommends his continuation as Director by way of Ordinary Resolution as set out in Item no 7 of this Notice. The details of Mr. Ganapathy Subramaniam as required under Secretarial Standard – 2 and Regulation 36 of the SEBI Listing Regulations, as applicable, are provided in 'Annexure A' to the Notice. Save and except Mr. Ganapathy Subramaniam and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

This Statement may be regarded as disclosures under Secretarial Standard – 2 and Regulation 36 of the SEBI Listing Regulations, as and when applicable.

ANNEXURE – A

Details of Directors seeking re-appointment [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2, Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India]:

Name of Director	Mr. Ankit Mehta	Mr. Rahul Singh	Mr. Ashish Bhat	Mr. Ganapathy Subramanian
Directors Identification Number (DIN)	02108289	02106568	02480920	00019891
Date of Birth	February 14, 1983	October 01, 1984	September 13, 1983	March 31, 1968
Age	41	39	40	56
Date of first appointment on the Board	February 08, 2007	February 08, 2007	February 08, 2007	November 28, 2017
Qualifications	B. Tech, M. Tech, Mech Engineering	B. Tech, Mech Engineering	B. Tech, Elec Engineering	Electric and electronics Engineering
Experience	He has been associated with our Company since its incorporation and has experience in the drone industry. He holds a degree in Bachelor of Technology in mechanical engineering under the dual degree programme and a degree in Master of Technology in mechanical engineering with specialization in computer aided design and automation under the dual degree programme from Indian Institute of Technology, Bombay	He has been associated with our Company since its incorporation and has experience in the drone industry. He holds a degree in Bachelor of Technology in mechanical engineering from Indian Institute of Technology, Bombay	He has been associated with our Company since its incorporation and has experience in the drone industry. He holds a degree in Bachelor of Technology in electrical engineering from Indian Institute of Technology, Bombay.	He holds a degree in Bachelor of Engineering in electrical and electronics engineering from Bharathidasan University. He was previously associated with Texas Instruments (India) Private Limited.
Expertise in specific functional areas	Driving business growth, strategy, global expansion, investor relations.	Driving innovation and defining product and technology roadmap	Driving innovation and defining product and technology roadmap	Tech Industry
Terms and conditions of appointment or re-appointment	As per Employment Agreement	As per Employment Agreement	As per Employment Agreement	Re-appointment in terms of Regulation 17 (1D) of SEBI (LODR), Regulations
Details of remuneration	As per Employment Agreement	As per Employment Agreement	As per Employment Agreement	NA
Directorships in other Companies	-	-	-	<ul style="list-style-type: none"> • CIREL Systems Private Limited • Galaxeye Space Solutions Private Limited • Blanket Semiconductor Private Limited

Name of Director	Mr. Ankit Mehta	Mr. Rahul Singh	Mr. Ashish Bhat	Mr. Ganapathy Subramanian
Memberships/ Chairmanships of Board committees in other companies	NIL	NIL	NIL	NIL
Names of listed entities from which Director has resigned in the past three years	-	-	-	-
Number of shares held in the Company	36,86,964	35,83,230	33,88,870	9,14,516
Relationship with other director, manager and KMP of the Company	NA	NA	NA	NA
Number of Board Meetings attended during FY-2023-24	8	8	7	6



ideaForge Technology Limited

Registered Office & Manufacturing Location

El-146, TTC Industrial Area,
Electronic Zone MIDC, Mahape,
Navi Mumbai, Thane, Maharashtra, India, 400710.
CIN: U31401MH2007PLC167669

Tel.: +91 22 6787 1007

Email: compliance@ideaforgetech.com

Website: www.ideaforgetech.com