

INNOVATING TODAY
**LEADING
TOMORROW**



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FORWARD-LOOKING STATEMENT

Some information in this report may contain forward-looking statements. The Company has based these forward-looking statements on its current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements are identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words.

A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. The Company has chosen these assumptions or basis in good faith and believes that they are reasonable in all material respects. However, the Company cautions you that forward-looking statements and assumed facts or bases usually vary from actual results and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.

MESSAGE FROM THE CHAIRMAN AND MANAGING DIRECTOR

Dear Shareholders,

As we commemorate 25 glorious years of Netweb, I am filled with immense pride and gratitude. Reflecting on our journey from a modest beginning to becoming a leader in high-end computing, we recognise this milestone as a testament to the unwavering faith of our customers along with our steadfast commitment to innovation, quality, and customer-centricity.

Our achievements stem from the steadfast commitment and exceptional expertise of our team. Every member's relentless effort has been pivotal in propelling Netweb to its current leadership position. Their commitment to excellence has been the driving force behind our continuous innovation and sustained growth. This year, we achieved a significant milestone with our successful Initial Public Offering (IPO), positioning us as an exclusive entity in the listed space. This accomplishment not only underscores our robust business model but also opens new avenues for growth and enhanced shareholder value.

The technology space is experiencing unprecedented growth, fuelled by advancements in artificial intelligence (AI), cloud computing, and High-Performance Computing (HPC). India is rapidly emerging as a leader in AI adoption, with businesses increasingly leveraging AI to drive innovation and operational efficiency. These industry tailwinds create a fertile ground for innovation and expansion, and Netweb is uniquely positioned to harness these opportunities. Our strategic focus on three pillars — HPC, Private Cloud, and AI, ensures that we are at the forefront of technological evolution. These pillars are the cornerstones of our growth strategy, enabling us to deliver cutting-edge solutions that meet the dynamic needs of our global clientele.

Netweb has consistently focused on developing products that embrace

the "Make-in-India" initiative of the Government of India (GOI). As a result, back in 2021, we bagged an award from the Ministry of Electronics and IT (MeitY) for our contributions to server manufacturing in India and were selected for IT Hardware PLI 2.0 as well. Our path-breaking innovations in Data Centre server capabilities have enabled us to manufacture server systems suitable for building Private Cloud solutions, High-Performance Computing clusters, and modern Data Centres. Such innovations are reflected through notable deployments of state-of-the-art supercomputing facilities at India's leading organisations with a unique blend of HPC, Big Data, AI, and Cloud Infrastructure. Netweb is proud to be a select Indian OEM eligible for the Production Linked Incentive (PLI 2.0) Schemes for IT Hardware as well as networking and telecom products. The PLI 2.0 Scheme for IT Hardware, effective from May 2023, aims to enhance India's manufacturing ecosystem by promoting in-house design and surface mounting technology, reducing dependence on imports. This initiative supports the growing demand from new Data Centres in India for Private Cloud and Data Centre Compute-Storage solutions. The IT Hardware PLI emphasises growth through incentives and a milestone-based structure, signalling the government's commitment to making India a global manufacturing hub and ensuring reliable IT hardware production for both domestic and

international markets. Furthermore, the component oriented IT Hardware PLI Scheme incentivises the production of critical components like semiconductor design, IC manufacturing, and packaging, aiming to bolster self-reliance and overall sectoral growth in India.

In the AI space, we are deeply aligned with the Government of India's AI Mission. Our recent AI Supercomputer 'AIRAWAT', installed at C-DAC Pune, has been ranked 75th in the world, placing India among the top AI supercomputing nations globally. AIRAWAT AI supercomputer, recognised in the 61st edition of the Top 500 Global Supercomputing List released in June 2023, stands as India's largest and fastest AI supercomputing system with a remarkable speed of 13,170 teraflops (Rpeak). Notably, three of Netweb's Supercomputers and AI Systems have been listed 13 times in the world's top 500 Supercomputers. Our innovations in the AI domain over the last decade have clearly paved the way for our progress and have been instrumental in establishing AI as the third pillar of our business.

We are excited about our strategic partnership with NVIDIA, a leader in AI products and solutions. This collaboration enables us to produce a range of AI Systems under our Tyrone brand, utilising NVIDIA's advanced technologies. Our AI Systems, powered by NVIDIA's MGX

platform, are designed to handle complex workloads in HPC, data science, large language models, edge computing, and enterprise AI. This partnership not only enhances our product capabilities but also boosts the "Make-in-India" mission by bringing cutting-edge technologies in India to locally manufacture AI Systems of global standards.

Netweb is proudly rooted in India, yet our ambitions and impact extend globally. Our recently commissioned state-of-the-art facility in Faridabad exemplifies our investment in best-in-class technology, research and development, and world-class manufacturing infrastructure. This positions us to meet the increasing demands of the Data Centre, AI Systems, and Private Cloud markets. The facility underscores our commitment to innovation and delivering unparalleled value to our customers.

India's Data Centre demand landscape is evolving rapidly, offering significant opportunities. Furthermore, the BFSI sector is experiencing a notable rise in demand for Data Centre Servers as digital transformation and contactless payments become more prevalent. This movement is prompting banks and financial institutions to invest in upgraded Data Centre infrastructure to ensure secure and efficient data processing and operations.

Operationally and financially, this year has been remarkable. We have achieved significant milestones, and our robust financial health reflects our strategic acumen and operational excellence. The recent IPO has enabled us to invest in new facilities and expand our capabilities, ensuring we continue to lead in high-end computing solutions.

Looking ahead, our strategy remains focused on leveraging our strengths in HPC, AI, and cloud solutions to drive growth. Our strategy is built on strong top-line visibility and

enhanced capabilities, highlighted by the commissioning of a state-of-the-art manufacturing facility equipped with a cutting-edge design centre and Surface-Mount Technology (SMT). Our partnership with NVIDIA as a select manufacturing OEM for the latest Gen AI Systems will unlock the potential of AI and High-Performance Computing. We have launched "Make-in-India" high-end computing Servers based on Intel Sapphire Rapids and AMD Genoa platforms. Further, we have recently launched Enterprise Grade Network Switches, adding strength to our already strong product portfolio. We continue to expand our product portfolio with new product lines such as on-prem AI sovereign cloud solutions and catering to the growing demand for generative AI infrastructure. We are also planning to extend our reach into Europe and the Middle East, starting with establishing service networks in a few select countries in the region.

As we move forward, I extend my heartfelt gratitude to our shareholders, employees, partners, and customers for their unwavering support and trust. Together, we will continue to push the boundaries of technology and achieve new heights of success.

Thank you for being an integral part of our journey.

Warm regards,

SANJAY LODHA

Chairman and Managing Director,
Netweb Technologies India Limited



INNOVATING TODAY LEADING TOMORROW

This annual report captures the essence of the Company's journey—one defined by the relentless pursuit of excellence and a steadfast commitment to shaping the future. "Innovating Today, Leading Tomorrow" encapsulates the Company's mission to drive technological advancements and set new industry benchmarks, ensuring that it not only meets the demands of today but also paves the way for a more connected and intelligent tomorrow.

At Netweb, innovation is more than a goal; it is the core of the Company's identity. The Company's strategic initiatives, cutting-edge product developments, and dedicated efforts in research and development position it at the forefront of the high-end computing solutions market. By continually pushing the boundaries of what is possible, The Company leads the way in delivering solutions that transform industries and enhance lives.

The Company's commitment to innovation is evident in its continuous introduction of revolutionary technologies and solutions. The Company's customers have immense confidence in its ability to address their needs. This trust is built on Netweb's deep understanding of their challenges and aspirations, which guides the design of the Company's products and solutions. The Company's portfolio includes AI Systems, Enterprise Workstations, High-Performance Storage, Data Centre Servers, High-Performance Computing and Private Cloud Solutions. All of the Company's products are designed to deliver unmatched performance, reliability, and efficiency. Each product reflects the Company's expertise in high-end computing and its dedication to quality.

Technology partnership with industry leaders like NVIDIA, Intel, and AMD amplify the Company's capabilities and broaden its horizons. These partnerships enable the Company to offer state-of-the-art solutions and unlock the full potential of AI and High-Performance Computing for its clients. The Company's initiatives, such as deploying AI Supercomputing Systems and delivering Hyperconverged Infrastructure (HCI) and Private Cloud Solutions, underscore its role in driving global technological progress.

Netweb's state-of-the-art manufacturing facilities and robust R&D capabilities ensure that it deliver products and solutions that meet the highest standards of excellence. The Company is dedicated to continuous improvement and innovation in all aspects of its operations. As the Company continues to innovate today, it is confident in its ability to lead tomorrow. Netweb's vision for the future is clear, and its strategy is robust. The Company is poised to tackle new challenges, seize emerging opportunities, and remain at the vanguard of technological innovation.

KEY HIGHLIGHTS OF FY2024

Operational Highlights

Initial Public Offering (IPO)

This year marked a significant milestone for the Company as it successfully launched its Initial Public Offering (IPO). This pivotal event has not only strengthened the Company's financial position but also broadened its shareholder base, enhancing the Company's ability to drive future growth and innovation. The IPO reflects Netweb's commitment to transparency, market expansion, and delivering long-term value to its investors.

Collaboration with NVIDIA to Unlock the Potential of AI and High-Performance Computing

The Company formed a strategic partnership with NVIDIA to unlock the potential of AI and High-Performance Computing. This collaboration is set to drive innovation, enhance Netweb's technological capabilities, and deliver cutting-edge solutions to the customers.

Exceptional Customer Retention

Netweb's unique ability to retain repeat customers highlights its commitment to delivering exceptional value and service. With a loyal customer base that continues to choose the Company year after year, it demonstrates its dedication to building lasting relationships and exceeding expectations. This enduring loyalty underscores the trust and reliability Netweb has established in the industry.

310

**Repeat Customers
(FY2024) Associated for
over 5.17 years using
fiscal 2016 as the base**

10.57%

**Customer Accretion CAGR
(FY2020-FY2024)**

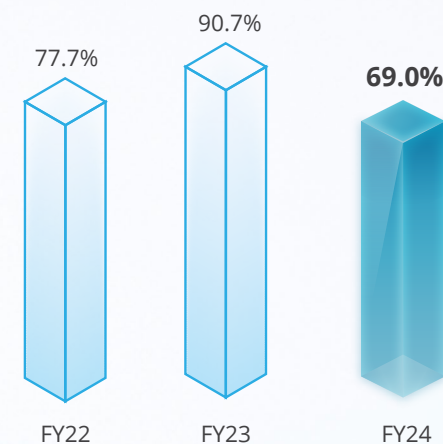
4.47 YEARS

**Average top 10 customer
age (FY2024) using Fiscal
2016 as base**

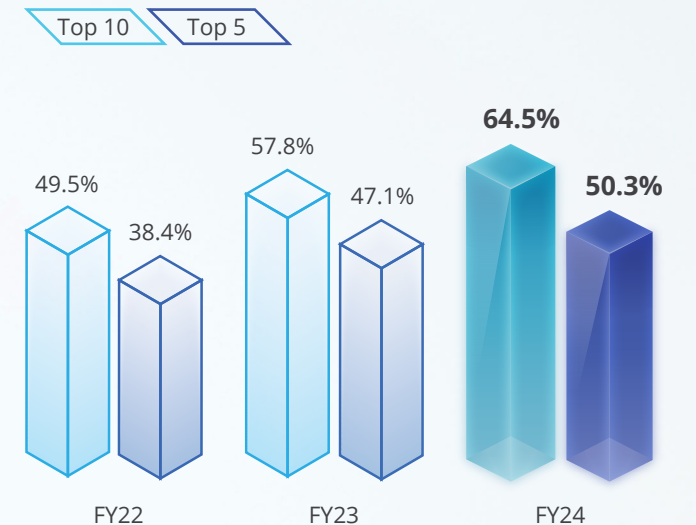
171

**New clients onboarded
across diverse
industries in FY2024**

Revenue from Repeat Customers*



Customer Concentration*



*As a % of revenue from operations and excludes other operating revenue

Financial Highlights

This year, the Company reached an unprecedented milestone with its highest ever revenue, underscoring its effective business strategies, groundbreaking solutions, and dedication to exceeding customer expectations.

₹ 7,359.62 MN

Total Income

₹ 1,144.16 MN

EBITDA

₹ 759.03 MN

Profit After Tax

0.02 TIMES

Debt Equity Ratio

₹ 2*

Dividend Per Share

₹ 29.4%

Return On Equity

₹ 4,227.52 MN

Net Worth

*Subject to shareholders' approval

COMPANY OVERVIEW

About the Company

Netweb Technologies India Limited ('Netweb') is a leading Indian-origin, owned and controlled OEM in the space of High-end Computing Solutions (HCS), blending innovative design with manufacturing expertise. The Company's offerings include High-Performance Computing (Supercomputing / HPC) Systems, Private Cloud and Hyperconverged Infrastructure (HCI), AI Systems and Enterprise Workstations, High-Performance Storage (HPS), Data Centre Servers, Enterprise Grade Network Switches and software and services for HCS offerings. The Company caters to a diverse range of clients, from tech companies and financial institutions to government entities, ensuring bespoke solutions tailored to every need. The Company's success is rooted in its deep expertise in system design and architecture, coupled with its advanced research and development efforts. The Company prides itself on delivering products that not only meet but exceed global standards, driving forward the vision of a technologically advanced future for India.



MISSION

"Rooted in Research and Development, we deliver cutting-edge IT products and pioneering advancements in High-end Computing, encompassing HPC, Data Centre Solutions, Private Cloud, and AI Systems. Our commitment is to foster a culture of excellence and continuous innovation, driven by our dedication to the "Make-in-India" mission. We strive to deliver top-quality, sustainable technological solutions that meet the diverse needs of our clients."



VISION

"Our vision is anchored in our commitment to sustainable practices and unwavering dedication to quality. We aspire to create transformative solutions that address current challenges and anticipate future opportunities on a global scale. By harnessing our expertise in designing, innovating, and developing new solutions, and maintaining an unwavering focus on continual enhancement, we envision shaping a future where technology drives global progress and success."



VALUES

At Netweb, the Company's core values guide every aspect of its business operations and interactions. These principles not only shape the company culture but also define the Company's approach to innovation, customer service, and community engagement. Netweb's commitment to integrity, people and responsibility, leadership, and service reflects its dedication to maintaining the highest standards in all that it does.

Here are the values that sets Netweb apart:



Integrity

Integrity is the cornerstone of the Company. Netweb expects all employees to uphold honesty and transparency in every interaction, whether with customers, suppliers, service providers, or community members. The Company's conduct is not only fair and ethical but also open to public scrutiny. Netweb believes that integrity fosters trust, which is essential for long-term relationships and business success.



People and Responsibility

The Company is dedicated to integrating environmental and social principles into its business practices, ensuring that its success benefits the communities it serves. At Netweb, the Company prioritises the health and safety of its employees, customers, suppliers, and service providers. The Company's commitment to social responsibility means that it actively works to give back to the community, creating a positive impact that multiplies over time.



Leadership

Leadership at Netweb is about teamwork, mutual respect, and accountability. The Company believes in treating all stakeholders—employees, customers, and suppliers—with fairness and honesty. Netweb's approach to leadership is characterised by integrity, humility, and a steadfast commitment to building strong community relationships. By embodying these qualities, Netweb not only distinguishes itself from its peers but also drives meaningful change in the communities it engages.



Service

The Company's goal is to deliver exceptional value to its customers through unparalleled service. The Company strives to meet and exceed customer expectations by delivering on its promises with precision and excellence. At Netweb, customer service is paramount; the Company is committed to being flexible and responsive to the unique needs of each customer, regardless of their size or market. The Company's dedication to service excellence ensures that every customer receives its best effort in terms of quality and support.

NETWEB'S RANGE OF OFFERINGS

High-Performance Computing Systems

Netweb's Supercomputing Systems are bespoke and tailored with specialised hardware designs and architecture to meet varied customer specifications. These systems utilise the Company's 'Tyrone' cluster management suite, an integrated set of software components deployable in various configurations. Netweb has deployed diverse Supercomputing Systems, ranging from 10 nodes to 400 nodes, catering to different customer requirements, with scalability up to 1,000 nodes. Additionally, the Company has established a supercomputing testing facility to test parallel computing codes and ensure system integrity.

Netweb has observed a high level of interrelation between High-Performance Computing (HPC),

AI, Big Data, and even VDI in the market. A growing need for flexible infrastructure allows organisations and enterprises to recalibrate based on different usage scenarios. The Company's mixed workload architecture addresses this need by supporting BareMetal HPC, BareMetal GPU for AI and HPC, and virtualised environments for workloads such as HPC, AI, Big Data, VDI, and generalised applications. This solution incorporates various platforms and software, including Skylus, Kubyts, and TCM. Netweb has developed a specialised variWant of TCM that enables the creation of various clusters on the private cloud, with the capability to auto-scale up and down to optimise resource utilisation. HPC is also adopting a microservices architecture.



With the help of Kubyts, Netweb can deliver containerised HPC, facilitating rapid deployment of HPC workloads. Its cloud-native architecture allows for easy scaling from BareMetal to private cloud environments.

Private Cloud and Hyperconverged Infrastructure



Netweb's Private Cloud and HCI offering, built and sold under the Tyrone Skylus brand, provides hyperconverged capabilities by combining compute, storage, and network resources. This allows the Company to deliver a bespoke hardware and curated software

stack. Netweb's Private Cloud and HCI offerings include;

- Private Cloud
- Cloud Tools
- Hybrid Cloud
- HCI
- Cloud-native storage

The Tyrone-based Private Cloud and HCI offerings are highly effective products that have quickly enabled the Company to compete with foreign HCI OEMs, virtualisation Independent Software Vendors (ISVs), Private Cloud Platforms, and general computing rigs. The IT infrastructure landscape has undergone significant transformation in recent years, with a growing demand for integrated IT solutions that combine the best of hardware and software. Skylus meets this demand by offering a solution that simplifies the process of building a private cloud. With Skylus, organisations can set up a

private cloud within hours to a couple of days, enabling them to run modern workloads with maximum efficiency.

Skylus delivers the best of private cloud capabilities in an appliance with hyperconverged infrastructure, combining compute, storage, and network resources. This makes the transition from desegregated to BareMetal, hyperconverged cloud deployment seamless and easy. Running containerised workloads on Skylus offers an additional advantage for tackling the microservices and AI/APC-related workload strategy requirements of customers. Key features include customised scalability, multitenancy, migration/failover between nodes, and a single management dashboard. Some prominent benefits of Skylus include agility, speed, ease of use, and quick deployment, making it an ideal solution for modern IT infrastructure needs.

AI Systems and Enterprise Workstations



Netweb's AI Systems and Enterprise Workstations address the requirements of supercomputing, machine learning, and deep learning. Equipped with the Company's proprietary containerised application solution, Tyrone Kubyts, these systems are designed to handle standalone parallel compute-intensive

applications. Netweb's AI Systems and workstations support a wide range of applications, including Ai and Deep Learning Frameworks, Computational Fluid Dynamics (Cfd), Computer-Aided Design (Cad), and Computer-Aided Manufacturing (Cam). Recently, the Company has deployed its first Blockchain-based AI Systems facility.

AI is emerging as a major differentiator, poised to define the competitive edge of organisations and serve as a key tool for enhancing services and solutions for government organisations. The demand for setting up AI learning labs is expected to grow manifold, with organisations, governments, and security and defense sectors which are all moving in this direction. MLOps, FMOps/ LLMOps, data lakes, and analytics are

all gaining traction. Netweb has been delivering comprehensive setups for AI labs and is currently developing new products and solutions in this area, leveraging technologies like Kubyts. The rising requirement for large language models using companies' own data to gain competitive advantages will become the norm, and Netweb's products and solutions will assist organisations in this pursuit. The demand for large public, semi-public, or sovereign AI clouds and AI labs in government, education, and enterprises is growing. Netweb's comprehensive expertise and innovative solutions encompass the entire spectrum from motherboards and hardware to networking, middleware, and manageability, ensuring effective and efficient fulfillment of customer requirements.

High-Performance Storage Solutions

Netweb's High-Performance Storage Solutions are engineered to deliver exceptional throughput and scalability, tailored to meet the diverse needs of various industries. Developed in-house in compliance with the "Make-in-India" policy, these solutions guarantee top-notch quality and reliability. The offerings include:

- **Unified Storage Solution (Tyrone Verta):** This versatile system consolidates all storage requirements into a single, flexible solution. It offers enterprise-class features such as high scalability, redundancy, and outstanding performance, making it ideal for a range of applications from High-Performance Computing (HPC) to post-production and broadcast industries.
- **Parallel File System Storage (Tyrone ParallelStor):** Optimised for applications requiring simultaneous data access, this solution enhances both performance and redundancy. It is perfect for environments needing robust data handling capabilities.
- **Cloud Native Storage (Tyrone Collectivo):** Designed for modern workloads, this cloud-integrated storage solution supports the agility and scalability needs of cloud-based applications, ensuring seamless integration and operation.
- **Surveillance and Object Storage (Tyrone Collectivo for Archival):** Specifically tailored for high-demand surveillance and object storage applications, this solution offers exceptional performance and reliability.



Netweb's High-Performance Storage (HPS) solutions are capable of integrating into both private and public cloud environments. They feature no single point of failure, scalability up to exabytes, and built-in high availability. These solutions facilitate up to 10 Mn IOPS and 100 Gbps throughput, with designs extendable up to 1,000 petabytes.

Data Centre Servers



Netweb offers a comprehensive range of server solutions under the “Tyrone Camarero” brand, designed to meet diverse customer needs from entry-level to high-end, “mission-critical” applications. With over 200 Dual-Processor Server models, these solutions enhance performance by enabling multiple simultaneous operations, ensuring low latency, and optimising physical space utilisation. The Servers feature customisations to address specific requirements, such as low rack space consumption,

high in-built storage capability (up to 1 petabyte), and high energy efficiency. All Servers are designed and manufactured in compliance with the “Make-in-India” policy, ensuring adherence to global standards.

By integrating cutting-edge technology and maintaining global standards, Netweb provides robust, efficient, and scalable server solutions to meet the demands of modern Data Centres.

Software and Service for High-end Computing Solutions

Netweb provides a comprehensive suite of software and services for HCS (Hybrid Cloud Solutions), offering Private Cloud solutions for both on-premises and off-premises environments. The software stack is designed for managed Kubernetes, Open Stack Services, AI-Machine Learning, and Deep Learning as a service, as well as Containers as a service. The Company specialises in handling complex workloads, including 5G enterprise cloud, 5G edge compute, private 5G, and enterprise IT solutions.

The Company’s “Big Data” centric solutions leverage Netweb’s Tyrone Camarero dense systems, Tyrone Cluster Management Suite, and Tyrone Collectivo range of specialised storage systems. These solutions are engineered to support data-intensive distributed applications under a unified platform, ensuring robust performance and scalability.

Network Switches

Networking and Switches are crucial components in robust solutions like HPC, HCS, and HCI. With the increasing demand for dense computing hardware and microservices-based deployments, networks are playing an increasingly vital role and are set to claim a larger share of the technology landscape.

Netweb offers a range of “Make-in-India” Switches tailored to meet these evolving demands. The Company is committed to expanding this range to ensure delivery of optimal solutions to the customers.

Netweb serves a diverse array of key markets, showcasing its expertise in delivering tailored High-Performance Computing solutions. The primary markets include:

Academic and Research Institutions



Institutions such as IITs rely on Netweb for robust data processing, storage capabilities, and various workloads like HPC, AI, and Private Cloud Solutions.

Enterprise Clients



Netweb supports the IT infrastructure needs of enterprises such as Yotta Data, delivering scalable and high-availability systems for cloud computing and Data Centre operations.

Media and Entertainment Industry



Clients like Akamai benefit from Netweb’s advanced storage solutions, enhancing data management and distribution efficiency.

Finance Sector



Leading clients like Graviton trust Netweb’s technology for high-frequency trading and complex financial data processing.

Through these diverse markets, Netweb demonstrates its ability to enhance operational efficiencies and support critical functions across high-demand sectors.

Marquee Clientele

Netweb caters to marquee customers across various industries, including information technology, IT-enabled services, entertainment and media, banking, financial services, insurance (BFSI), national Data Centres, and government entities, including the defense sector, education, and research institutions. Some of the Company’s esteemed clients are:

- Indian Institute of Technology (IIT) Jammu
- IIT Kanpur
- NMDC Data Centre Private Limited
- Airamatrix Private Limited
- Graviton Research Capital LLP
- Institute of Nano Science and Technology (INST)
- HL Mando Softtech India Private Limited
- Dr. Shyam Prasad Mukherjee International Institute of Information Technology, Naya Raipur (IIIT Naya Raipur)
- Jawaharlal Nehru University (JNU)
- Hemvati Nandan Bahuguna Garhwal University
- Akamai India Networks Private Limited
- A.P.T. Portfolio Private Limited
- Yotta Data Services Private Limited
- Centre for Computational Biology and Bioinformatics, Central University of Himachal Pradesh (CUHP University)
- Indian Government space research organisation
- R&D organisation of the Ministry of Electronics and Information Technology, Government of India

These collaborations include endeavours in information technology, electronics R&D, and supercomputing.

NETWEB'S JOURNEY AND MILESTONES

Netweb has been at the forefront of cutting-edge innovation for two and a half decades. Its journey is marked by pioneering developments and several industry firsts. Continually introducing revolutionary technologies, Netweb meets the growing demands of the fast-changing world with a focus on high-end computing solutions and comprehensive manufacturing capabilities.

1999

Netweb was incorporated.

2004

Deployed KABRU at IMSc Chennai, ranked in the World's top 500 Supercomputers.

2005

Launched the Tyrone brand of products and solutions.

2013

Deployed PARAM YUVA II at C-DAC, Pune, ranked 69th most powerful supercomputer in the world, at the time of commissioning.

2017

Deployed Servers as part of a surveillance project at 204 locations across 23 states for a public sector undertaking.

2019

Deployed PARAM AMBAR at ISRO, which was India's 4th fastest supercomputer at the time of commissioning.

2018

Awarded Intel Technology Provider Platinum 2018 – Best HPC Data Centre Specialist.

2021

Qualified for the "Production Linked Incentive" scheme of the Government of India for IT Hardware.

Launched Private Cloud stack – Skylus.

2022

Qualified for the "Production Linked Incentive" scheme of the Government of India to promote telecom and networking products manufacturing in India.

Deployed 5G Cloud for a large international telecom service provider.

Launched Kubyts, a container platform that enables rapid deployment of AI and HPC.

2023

Forayed into developing new product lines, including Network Switches and 5G ORAN Appliances.

Deployed AIRAWAT, India's largest and fastest AI Supercomputing system and ranked 75th fastest supercomputer in the world, at the time of commissioning.

Forayed into developing new product lines, viz., Network Switches and 5G ORAN Appliances.

Netweb Listing: Listed on July 27, 2023 on BSE and NSE.

Manufacturing partnership with NVIDIA for NVIDIA Grace CPU Superchip and GH200 Grace Hopper Superchip MGX server designs.

2024

On May 10, 2024 Netweb commissioned India's flagship end-to-end high-end computing server, storage and switch manufacturing facility. It encompasses the entire spectrum from designing PCBs to Surface Mounting on PCBs and finally the production of complete systems.

Launched Intel Sapphire Rapids and AMD Genoa based "Make-in-India" High-end Computing Servers.

OPERATING ENVIRONMENT

Key Trends in the Global IT Manufacturing Sector

The global IT manufacturing sector is undergoing rapid growth, driven by several key trends and market dynamics. These trends include:

- **AI's Transformative Impact:** AI is reshaping industries and businesses, driving efficiency and innovation across sectors.
- **Expansion of Cloud Services:** There is a significant growth in private cloud and cloud services, enabling flexible and scalable IT solutions.
- **Rise of Hybrid Workforces:** The adoption of hybrid work models is increasing, blending remote and in-office setups to enhance flexibility and productivity.
- **Investments in IT Business Services:** There is a notable increase in investments in IT business services and emerging technologies, fostering digital transformation.

The global IT industry was projected to reach US\$ 5,525 Bn in FY2024 and is expected to grow to US\$ 5,926 Bn in FY2025F. The sector is forecasted to expand at a CAGR of 7.2% from FY2024 to FY2029F, reaching US\$ 7,845.7 Bn by FY2029F. The COVID-19 pandemic accelerated digital transformation efforts, emphasising the importance of robust IT infrastructure and agile business models.

Key technologies such as cloud computing, AI, and 5G are driving innovation, supporting diverse applications from High-Performance Computing (HPC) to advanced analytics. Hybrid and multicloud strategies are becoming prevalent, offering flexibility and resilience to enterprises.

Overall, the global IT manufacturing sector is poised for substantial growth, driven by technological advancements and evolving market demands.

Key Trends in the Indian IT Manufacturing Sector

The Indian IT manufacturing sector is experiencing robust growth, buoyed by several factors:

- **Adoption of AI:** Industries in India are increasingly adopting AI technologies, enhancing operational efficiency and driving innovation.
- **Expansion of E-commerce:** The e-commerce sector is growing rapidly, boosting demand for IT infrastructure and digital solutions.
- **Upgrades to 4G and 5G Networks:** Investments in telecommunications infrastructure are fueling connectivity and digital inclusion efforts.
- **Government Initiatives:** Initiatives like the "Make-in-India" campaign and Production Linked Incentive (PLI) Schemes are supporting local manufacturing and technology adoption.

India's IT manufacturing market was valued at US\$ 2,41,000 Mn in FY2024 and is projected to reach US\$ 3,72,706 Mn by FY2029F, growing at a CAGR of 8.8%. The country's strategic investments in digital infrastructure and AI capabilities are poised to propel its global trade share significantly.

Netweb, a prominent player in India's high-end computing solutions market, is well-positioned to capitalise on this growth. Specialising in HPC, HCI, and advanced AI Servers, Netweb aligns its innovations with industry needs and government initiatives, driving technological advancements and research intensity.

Government policies like the National Data Governance Policy and initiatives under the India AI Mission are expected to further accelerate digital transformation and IT adoption across sectors. These initiatives underscore India's commitment to technological self-reliance and innovation, positioning it as a key player in the global IT landscape.

Indian HPC Market Outlook

The Indian High-Performance Computing (HPC) market is poised for significant growth, projected to expand at a CAGR of 9.3% from US\$ 588.9 Mn in FY2024 to US\$ 918.60 Mn by FY2029F.

The National Supercomputing Mission (NSM), with a budget of ₹ 4,500 crore, aims to establish over 70 HPC facilities, enhancing research and development across sectors. Key applications include genomics, drug discovery, and urban modeling, supported by indigenous supercomputing solutions like PARAM Ganga and PARAM Siddhi-AI.

Drivers for the Indian HPC market include increasing cloud adoption and AI integration, bolstering economic growth and technological innovation. Challenges such as high CAPEX and specialised skill requirements are being addressed through strategic investments and collaborative research efforts.

The India AI Mission, with a ₹ 10,300 crore investment, aims to strengthen India's AI ecosystem through compute capacity expansions, innovation centres, and startup financing. These initiatives are pivotal in driving AI adoption and enhancing India's global competitiveness in AI-driven technologies.

In conclusion, the Indian HPC market presents promising opportunities for growth, driven by advancements in technology, supportive government policies, and increasing demand across diverse industry verticals.

India Data Centre Market

India's Data Centre capacity is poised for substantial growth, with investments expected to increase capacity by up to ₹ 1.20 lakh crore, adding 3,900–4,100 MW.

Major tech companies like Amazon, Google, and Microsoft are driving this growth, supported by government incentives and initiatives like the National Digital Health Ecosystem. The classification of Data Centres as critical infrastructure enhances their attractiveness for investment, facilitating access to capital at lower rates.

Tier 2 and Tier 3 cities are emerging as hubs for edge Data Centres and disaster recovery sites, catering to increasing digital demands and enhancing data sovereignty. Strategic investments in 5G, IoT, and AI/ML technologies further bolster India's Data Centre infrastructure, positioning the country as a global hub for digital services. The growth drivers for India's Data Centre server market include the Digital India initiative, supportive government policies, and the China Plus One strategy. These factors, coupled with a robust IT ecosystem and low operational costs, are expected to drive substantial demand for Data Centres and server infrastructure in the coming years.

NETWEB'S UNIQUE POSITIONING

Netweb distinguishes itself in the high-end computing solutions market through several compelling attributes:

Innovative Solutions

Netweb excels in delivering cutting-edge computing solutions, including High-Performance Computing (HPC), Private Cloud and Hyperconverged Infrastructure (HCI), AI Systems and Enterprise Workstations, and Data Centre Servers. These solutions are meticulously crafted to meet the dynamic needs of diverse industries, enhancing efficiency, minimizing downtime, and boosting productivity.

Customization and Flexibility

With a strong emphasis on customization and innovation, Netweb tailors its offerings precisely to meet client requirements. This adaptability is crucial in an industry characterized by rapid technological advancements and evolving customer needs.

R&D Intensive Approach

Netweb invests significantly in research and development, maintaining its position at the forefront of technological innovation. This commitment to R&D ensures continuous refinement and development of state-of-the-art solutions.

Government and Industry Alignment

Netweb strategically aligns with government initiatives such as the National Data Governance Policy and PLI schemes, enhancing its ability to drive innovation and contribute to technological advancements in India. This alignment underscores its commitment to supporting national growth objectives.

Comprehensive Support and Services

Netweb offers centralized support and services, streamlining management of OEM and vendor relationships. This approach not only extends the lifespan and performance of partnered products but also delivers substantial cost efficiencies for end users.

Strategic Technological Investments

Through strategic investments, Netweb supports key sectors like oil and gas, automotive, and BFSI with tailored high-end computing solutions. These investments align with broader economic trends in India, positioning Netweb as a catalyst for industry-specific technological progress.

Indian-Origin Ownership and Control

As India's foremost Indian-origin-owned OEM in high-end computing solutions, Netweb integrates design and manufacturing capabilities, ensuring seamless development to delivery processes.

High Entry Barriers

Operating in a fast-evolving and technologically advanced sector, Netweb benefits from substantial entry barriers, safeguarding its market position and fostering ongoing innovation. Years of dedicated R&D have fortified Netweb with unique capabilities that are challenging to replicate.

Diverse and Prestigious Customer Base

Netweb boasts enduring relationships with marquee clients spanning various industries, underscoring its market credibility and reliability.

Financial Performance and Growth

Netweb has consistently demonstrated robust financial performance and sustainable growth, affirming its stability and resilience in the competitive landscape.

Experienced Leadership

Guided by a seasoned Board and Senior Management Team, Netweb leverages extensive industry expertise and strategic foresight to drive operational excellence and maintain industry leadership.

Through a potent combination of innovation, customization, rigorous R&D, strategic alignment with governmental and industrial imperatives, solid financial performance, and seasoned leadership, Netweb stands out as a premier leader in the high-end computing solutions market.

GROWTH DRIVERS

Netweb is well-positioned for sustainable growth through a combination of enhanced capabilities, significant opportunities, an expanding product portfolio and strong topline visibility. These factors collectively fuel the company's trajectory in the rapidly evolving technology landscape.



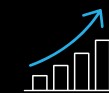
ENHANCED CAPABILITIES

Netweb has commissioned a cutting-edge manufacturing facility equipped with the latest Surface Mount Technology (SMT) in May 2024. Strategic partnerships, such as with NVIDIA as a select manufacturing OEM, enable the Company to leverage advanced AI and High-Performance Computing technologies. The launch of Intel Sapphire Rapids and AMD Genoa-based high-end computing Servers under the "Make-in-India" initiative further underscores Netweb's commitment to bring and build latest technology in India for its technological advancement.



ENHANCED OPPORTUNITIES

The growing investment in Generative AI infrastructure by government bodies and large enterprises is driving demand for large language model (LLM) oriented solutions. There is also a marked increase in the adoption of Private Cloud Solutions across various sectors. The booming Data Centre industry in India is generating high demand for advanced computing resources. Moreover, Netweb's plans to foray into Europe and the Middle East opens up new market opportunities.



EXPANDING PRODUCT PORTFOLIO

Netweb's diversification by offering Enterprise grade network Switches opens up new opportunities and markets for the company. The development of on-prem AI Sovereign cloud solutions is designed to meet contemporary data and AI workload demands, ensuring that the company stays ahead in the technology curve.



STRONG TOPLINE VISIBILITY

Netweb boasts a robust pipeline valued at ₹ 34,466 Mn, alongside an L1 value of ₹ 3,142 Mn and an order book of ₹ 4,112 Mn as of March 31, 2024. This strong visibility ensures a solid revenue foundation for future growth.

These growth drivers collectively highlight Netweb's strategic approach to enhancing its capabilities, seizing new market opportunities, and expanding its product offerings, thereby ensuring a robust and sustainable growth trajectory in the technology sector.

NETWEB'S TEAM OF VISIONARIES

Board of Directors

Mr. Sanjay Lodha, the Promoter, Chairman, and Managing Director of the Company, has been a pivotal figure since joining as a director on September 22, 1999. He holds a Bachelor of Arts Honours degree in Economics from the University of Delhi and a Post-graduate Diploma in Business Management from the Apeejay School of Marketing in New Delhi. Since 2016, he has spearheaded the Strategy and Business Development department. From 2016 to 2022, he served on the Governing Council of the Manufacturers Association of Information Technology, and currently holds the position of Vice President since June 30, 2022. Additionally, he was a Board of Advisors member for Intel in 2020 and 2022.

Mr. Sanjay Lodha

Chairman and Managing Director



Mr. Niraj Lodha, the Promoter and Whole Time Director of the Company, has been a Director since April 13, 2015. He holds a Bachelor's degree in Commerce from Deshbandhu College (Evening), University of Delhi, now known as Ramanujan College. Mr. Niraj leads the South Zone of the Company's Sales and Marketing department, bringing over 15+ years of experience in the field.

Mr. Niraj Lodha

Whole Time Director



As the Promoter and Whole Time Director of the Company, Mr. Navin Lodha has been a dedicated member of the Board since September 22, 1999. He earned his Bachelor's degree in Commerce from Shaheed Bhagat Singh College, University of Delhi. Currently, he leads the West Zone of the Company's Sales and Marketing department, bringing over 15+ years of experience in the field.

Mr. Navin Lodha

Whole Time Director

Mr. Vivek Lodha, the Promoter and Whole Time Director of the Company, has been a valued Director since April 13, 2015. He holds a Bachelor's degree in Commerce from Shaheed Bhagat Singh College, University of Delhi. He leads the East Zone of the Company's sales and marketing department, bringing over 15+ years of experience in the field.

Mr. Vivek Lodha

Whole Time Director



Mr. Mrutyunjay Mahapatra has been serving as the Independent Director of the Company since February 23, 2023. He holds both a Bachelor's and a Master's degree in Physics from Berhampur University. With over 40 years of experience in the banking and finance sector, he has made significant contributions to the field, earning an Honourary Fellowship from the Governing Council of the Indian Institute of Banking and Finance. Mr. Mahapatra has held prominent positions, including Deputy Managing Director of the State Bank of India and Managing Director and Chief Executive Officer of Syndicate Bank. Currently, he is a Professor of the Practice of Banking at T.A. Pai Management Institute.

Mr. Mrutyunjay Mahapatra

Independent Director



Mr. Vikas Modi has been serving as a Independent Director of the Company since February 23, 2023. He holds a Bachelor's degree in Commerce from the University of Rajasthan and is a Chartered Accountant, holding a Certificate of Membership from the ICAI. Since 2006, he has been a partner at Doogar and Associates, a Chartered Accountants firm.

Mr. Vikas Modi

Independent Director



Dr. Jasjeet Singh Bagla has been serving as an Independent Director of the Company since February 23, 2023. He holds both a Bachelor's and a Master's degree in Science from the University of Delhi. With over 23 years of experience in research and academia, he earned a Ph.D. in physics from the University of Pune. Dr. Bagla has been associated with the Mehta Research Institute of Mathematics and Mathematical Physics as a fellow in physics and the Harish Chandra Research Institute, Department of Atomic Energy, Government of India. Currently, he is associated with the Indian Institute of Science Education and Research Mohali, established by the Ministry of Human Resource Development, Government of India.

Dr. Jasjeet Singh Bagla

Independent Director

Mrs. Romi Jatta has been serving as the Independent Director of the Company since February 23, 2023. She holds a Bachelor's degree in Electronics Engineering from the University of Pune and has accumulated over 20 years of professional experience.

She was associated with Whirlpool of India Private Limited from 2003 to 2020, where she held the position of Global Commodity Director. Following this, she joined Philips India Limited as a Procurement Engineering Business Partner from 2020 to 2022. From March 2022 to August 2023, she served as the Group Chief Procurement Officer at Minda Corporation Limited.

Mrs. Romi Jatta

Independent Director



BUSINESS MODEL

Netweb operates on a robust business model designed to drive innovation and deliver comprehensive technology solutions to its clients. By leveraging its in-house expertise and proprietary technologies, the Company caters to the unique needs of diverse industries, ensuring High-Performance and reliability. The company's unique ability to not only retain its existing customers but also continuously acquire new customers highlights its commitment to delivering exceptional value and service.

RESOURCES DEPLOYED

Financial Capital

₹ 4,323.25 Mn Capital Employed

Manufactured Capital

OEM for HCS with integrated design and manufacturing capabilities

State-of-the-art manufacturing capability spread across **3 facilities**

Commissioned advanced manufacturing infra, including SMT spread over **1,148.85 sq mtrs**

Human Capital

192 Technical professionals

ESOP benefit given to the tune of **1.6%** of the total paid-up capital

Intellectual Capital

Continuous investment in R&D to stay at the forefront of technology and deliver cutting-edge solutions in HPC, AI, Private Cloud and HCI infrastructure

1 Patent owned

1 Patent filed

8 trademarks registered

25+ years of experience in developing HCS solutions

~4% of Topline in R&D

Natural Capital

2,712.96 KL of Water consumption

2,044.47 GJ electricity consumption

333.4 KM/L fuel consumption

Social and Relationship Capital

Strategic partnerships with technology partners like Intel, AMD, Samsung, Nvidia, and Seagate.

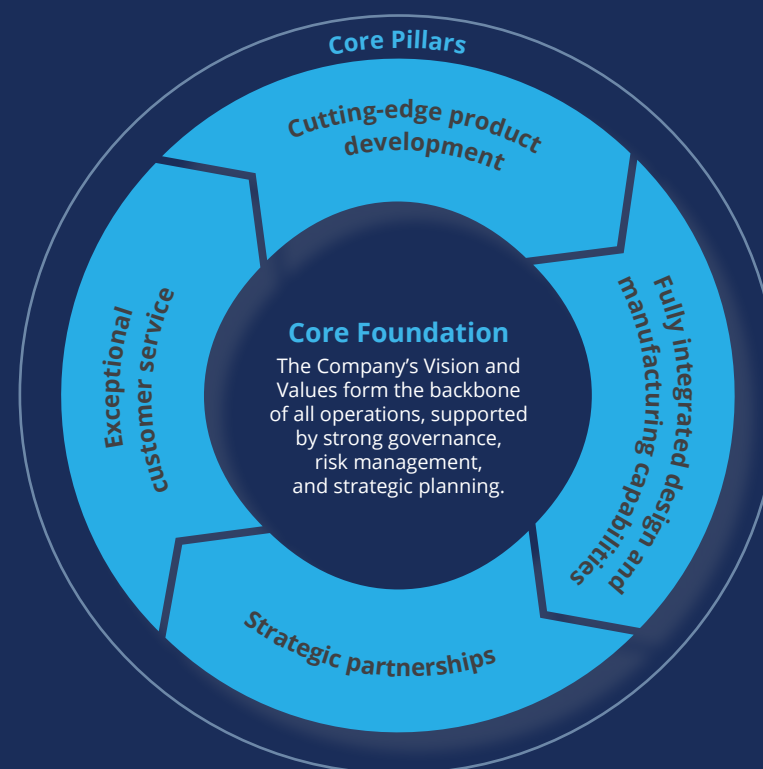
Long-standing relationships with marquee customers across various industries

₹ **70.30 lakh** spent on CSR

PROCESS OF VALUE CREATION

Service Offerings

- Supercomputing/High-Performance Computing (HPC) Systems
- Private Cloud and Hyperconverged Infrastructure
- AI and Enterprise Workstations
- High-Performance Storage Solutions
- Data Centre Server
- Software and Services for HCS offerings
- Enterprise Grade Network Switches



Key Competencies and Strategic Focus

- Deep Expertise in System Design and Architecture.
- Delivering tailored solutions at the right cost to tackle modern challenges faced by enterprises.
- Continuous innovation in AI, machine learning, and cloud computing solutions has positioned Netweb as a leader in the technology sector.
- Cultivating excellence and innovation, driven by the "Make-in-India" mission.
- Integrated design and manufacturing processes ensure high quality, efficiency, and customised solutions.
- Deep understanding of market trends and customer needs, enabling agile adaptation to changing conditions.
- Diversification across multiple high-growth sectors like IT, defence, and education.

OUTPUTS



Full stack of product and solution suite with comprehensive capabilities in designing, developing, implementing and integrating High-end Computing Solutions solutions



Installed 500+ HPC systems, 50+ Private Cloud and HCI, 5,000+ accelerator/GPU based AI Systems and Enterprise Workstations



Generated 523.67 tCO2e under Scope 1 and Scope 2 emissions



Set industry benchmarks, enabling digital transformation across various sectors

OUTCOMES

Financial Capital

₹ 7,359.62 Mn
Revenue

15.8%
EBITDA Margin

₹ 759.03 Mn
PAT

29.4%
RoE

Manufactured Capital

One of the few OEMs in India eligible for both the IT Hardware and Telecom and Networking PLI Schemes

AI Systems and Enterprise workstation has grown at a CAGR of **76.2%** from FY2021 to FY2024

Private cloud and HCI has grown at a CAGR of **86.9%** from FY2021 to FY2024

Human Capital

Strong employee satisfaction and retention

Low attrition rate of **12.56%**

Intellectual Capital

Development of homegrown milestone innovations such as AIRAWAT, India's largest AI supercomputing system.

3 Supercomputers listed **13 times** in the world's top 500 Supercomputers AIRAWAT, Kabru, Param Yuva -II

Rigorous quality control and certification (ISO 9001:2015, ISO 14001:2015, ISO/IEC 27001:2013) ensuring high standards.

Launched Enterprise-grade network Switches

Patented rights over emergency determination system and method utilizing Artificial Intelligence and Blockchain Technology

Launched "Make-in-India" high-end computing Servers based on Intel Sapphire Rapids and AMD Genoa.

Natural Capital

Achieved a reduction of **15%** in water intensity per rupee of turnover

Achieved **20%** reduction in emissions per rupee of turnover

Social and Relationship Capital

Netweb's partnership with the Haryana state government to establish six Mother and Newborn Care Units at government hospitals aims to significantly lower infant mortality rates

10.57% Customer acquisition rate, since 2020

310 Repeat Customers (FY2024) associated for over **5.17 years** using Fiscal 2016 as the base

Netweb's contributions to various educational institutions will greatly impact the educational needs of tribal and underprivileged children

Nurtured enduring relationships with leading technology and industry experts

SEGMENT-WISE REVIEW

Netweb is a premier technology solutions provider specialising in High-Performance Computing (HPC), Artificial Intelligence (AI), Machine Learning (ML), Deep Learning, Cloud Computing, Virtualisation, and Enterprise IT solutions. This review highlights the Company's significant achievements and market position across its primary segments.

High-Performance Computing (HPC)

Netweb is a leading manufacturer of Supercomputing Systems in India. The Company's HPC offerings are renowned for their power and efficiency, catering to a diverse clientele including prestigious institutions like IITs and NMDC Data Centre. The Company has designed, developed and deployed some of India's most powerful Supercomputing systems.

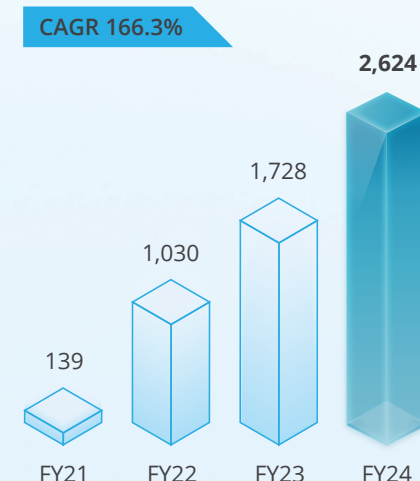


AIRAWAT
PARAM AMBAR
PARAM YUVA II

Key Highlights

- **Number of Installations:** Netweb is among the top OEMs in India with over 500 HPC installations.
- **Technology:** Equipped with the Tyrone cluster management suite, Netweb has deployed diverse Supercomputing systems ranging from 10 nodes to 400 nodes and is scalable up to 1,000 nodes.
- **Revenue Growth:** Demonstrated significant growth in revenue, with a CAGR of 166.3% over the period of FY2021-FY2024, reaching ₹ 2,624 Mn in FY2024.
- **HPC installations and revenue** has been steadily rising, reflecting Netweb's strong foothold in the Indian market. The CAGR of 166.3% over the recent fiscal years is indicative of the growing demand for High-Performance Computing solutions.

Segmental Revenue Trend (₹ Mn)



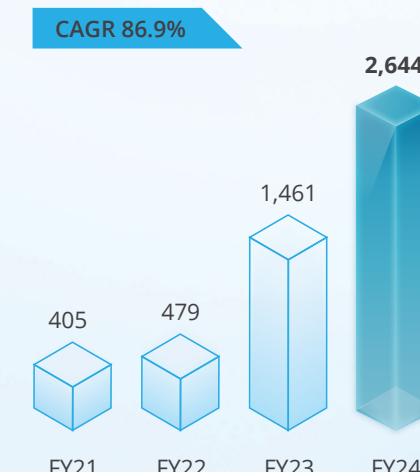
Private Cloud and Hyperconverged Infrastructure (HCI)

Netweb's Private Cloud and HCI solutions, sold under the Tyrone Skylus brand, offer bespoke hardware and curated software stacks, competing effectively with foreign OEMs.

Key Highlights

- **Market Position:** Installations in over 50+ Private Cloud and HCI to marquee customers such as Yotta Data, Graviton, Akamai, and A.P.T. Portfolio.
- **Revenue Growth:** Experienced substantial revenue growth with a CAGR of 86.9%, amounting to ₹ 2,644 Mn in FY2024.
- **Market Trends:** The Indian Private Cloud and HCI market is projected to grow at a CAGR of 19.33%, from US\$ 3,309 Mn in FY2024 to US\$ 8,007 Mn by 2029.
- The upward trend in the segmental revenue highlights the Company's successful expansion in the Private Cloud and HCI market. With a CAGR of 86.9%, Netweb's strategic focus on bespoke hardware and software solutions has proven effective.

Segmental Revenue Trend (₹ Mn)



PRIVATE CLOUD
HYBRID CLOUD
CLOUD NATIVE STORAGE
HCI
CLOUD TOOLS

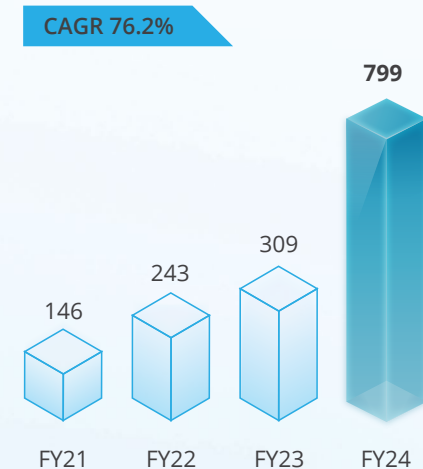
AI Systems and Enterprise Workstations (AI and EW)

The AI Systems and Enterprise Workstations segment addresses the demands of Supercomputing Systems for machine learning and deep learning applications. Netweb's offerings include over 50 workstation models tailored to specific requirements.

Key Highlights

- **Technological Edge:** Proprietary containerised application solutions (viz., Tyrone Kubyts) and extensive deployments of accelerator/GPU-based systems.
- **Installations:** Over 4,000 AI Systems and workstations installed at major institutions including IITs and Airamatrix.
- **Revenue Growth:** Showed robust revenue growth with a CAGR of 76.2%, reaching ₹ 799 Mn in FY2024.
- **The segment's growth trajectory,** with a CAGR of 76.2%, underscores the increasing adoption of AI and Enterprise Workstations. The focus on proprietary solutions and extensive installations across key institutions positions Netweb as a significant player in this space.

Segmental Revenue Trend (₹ Mn)



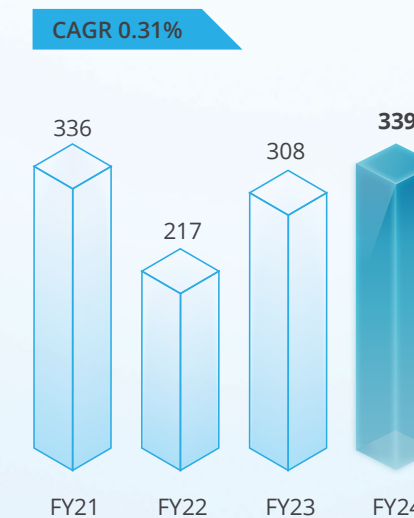
High-Performance Storage Solutions (HPS/Enterprise Storage)

The High-Performance Storage (HPS) segment focuses on providing advanced storage solutions tailored to enterprise computation needs. Netweb's offerings in this segment include a range of products designed for high throughput and high IOPs, ensuring reliability and scalability.

Key Highlights

- **Technological Edge:** Netweb's HPS Solutions are capable of being integrated into private and public cloud environments with no single point of failure, scalable up to exabytes and built-in high availability.
- **Performance:** Supports up to 10 Mn IOPs and 100 GBps throughput, scalable up to 450 GBps, and designs that can extend up to 1,000 petabytes.
- **Compliance:** Developed in-house and compliant with the "Make-in-India" policy.
- **Installations:** Deployed at major institutions including Graviton, A.P.T. Portfolio, and INST.
- **Revenue Growth:** The segment showed steady revenue growth from ₹ 336 Mn in FY2021 to ₹ 339 Mn in FY2024, with a minimal CAGR of 0.31%.

Segmental Revenue Trend (₹ Mn)



UNIFIED STORAGE SOLUTION

PARALLEL FILE SYSTEM STORAGE

CLOUD NATIVE STORAGE

SURVEILLANCE AND OBJECT STORAGE

Data Centre Server

The Data Centre Server segment caters to diverse customer needs with high-end server solutions designed for low latency and better physical space utilisation. Netweb's portfolio includes over 200 dual-processor server models under the Tyrone Camarero brand.



Network and Switches

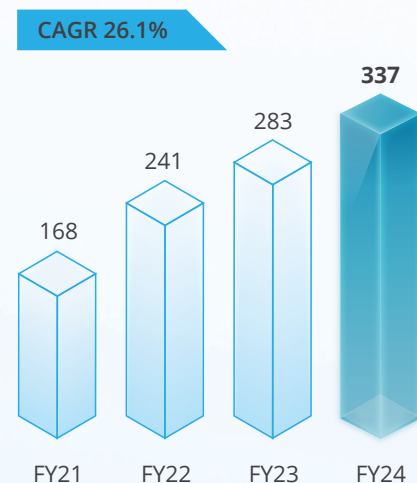
Networking and Switches are crucial components in robust solutions like HPC, HCS, and HCI. With the increasing demand for dense computing hardware and microservices-based deployments, networks are playing an increasingly vital role and are set to claim a larger share of the technology landscape.

Netweb offers a range of "Make-in-India" Switches tailored to meet these evolving demands. The Company is committed to expanding this range to ensure delivery of optimal solutions to the customers.

Key Highlights

- **Technological Edge:** Dual-processor configurations enabling multiple operations simultaneously, with features like low rack space consumption, high in-built storage capability (up to 1 petabyte), and high energy efficiency.
- **Compliance:** Designed and manufactured in compliance with the "Make-in-India" policy.
- **Installations:** Installations done for marquee customers including IIT, JNU and HL Mando.
- **Revenue Growth:** Strong revenue increase from ₹ 168 Mn in FY2021 to ₹ 337 Mn in FY2024, reflecting a robust CAGR of 26.1%.

Segmental Revenue Trend (₹ Mn)



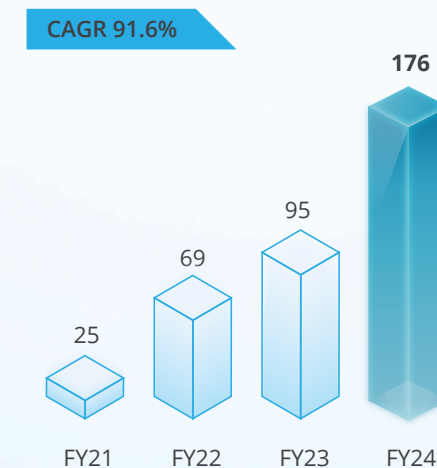
Software and Service for HCS (Hybrid Cloud Solutions)

The Software and Service for HCS segment provides a comprehensive private cloud software stack to manage complex workloads. Netweb's solutions include big data-centric offerings designed to cater to data-intensive distributed applications.

Key Highlights

- **Technological Edge:** Private cloud software stack to handle complex workloads, including 5G enterprise cloud, 5G edge compute, private 5G and enterprise IT.
- **Big Data Solutions:** Utilises Tyrone Camarero dense systems, Tyrone Cluster Management Suite, and Tyrone Collectivo range of specialised storage systems.
- **Installations:** Provided to marquee customers like NMDC Data Centre and Graviton.
- **Revenue Growth:** Significant growth from ₹ 25 Mn in FY2021 to ₹ 176 Mn in FY2024, with an impressive CAGR of 91.6%.

Segmental Revenue Trend (₹ Mn)

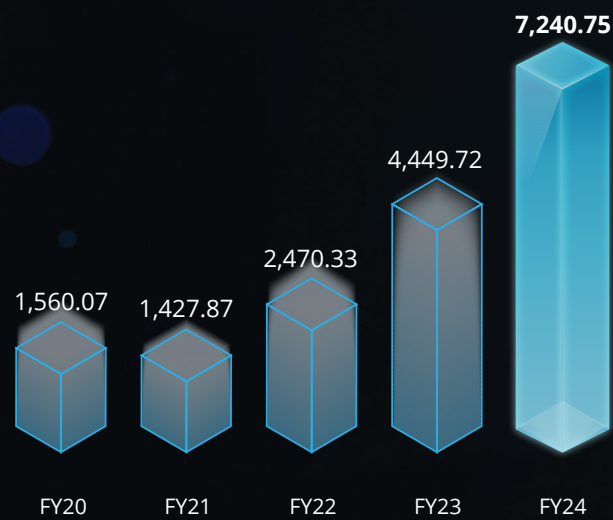


CONCLUSION

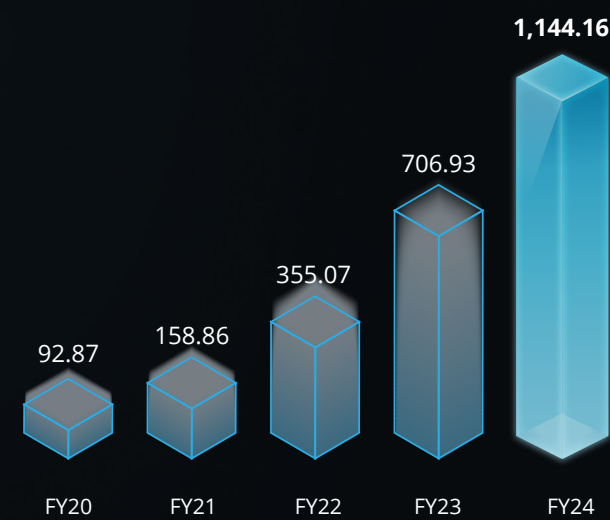
Netweb has shown remarkable growth across its primary segments. The Company's commitment to innovation and quality, coupled with strategic partnerships and market expansion, has cemented its position as a leader in the technology solutions domain. The promising revenue trends and expanding market presence suggest a bright future for Netweb in the High-Performance Computing, Private Cloud, HCI, and AI Systems sectors.

KEY PERFORMANCE INDICATORS

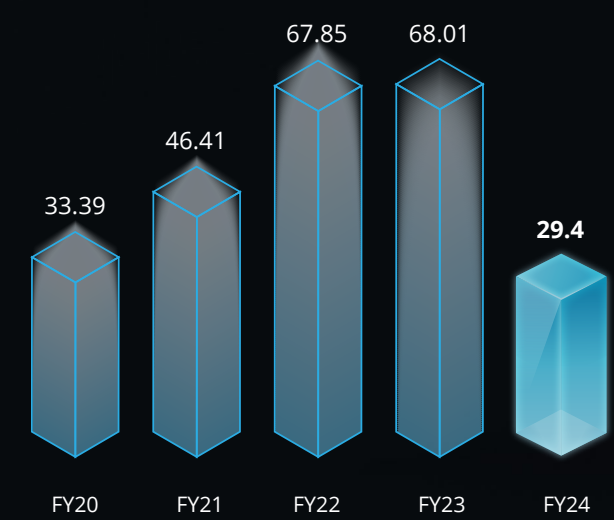
Revenue from Operations
(₹ in Mn)



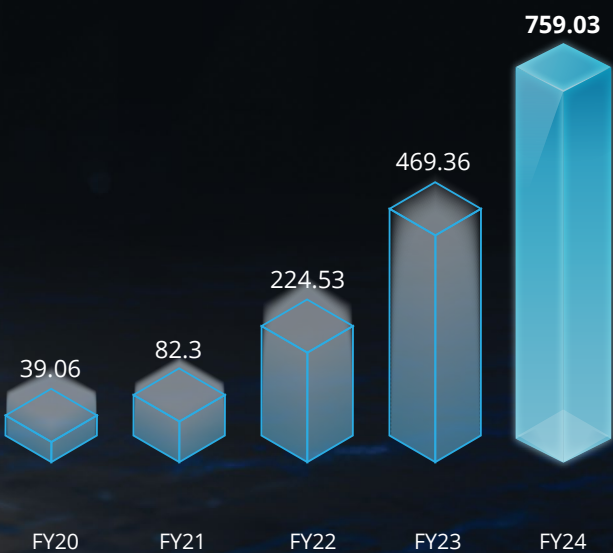
EBITDA
(₹ in Mn)



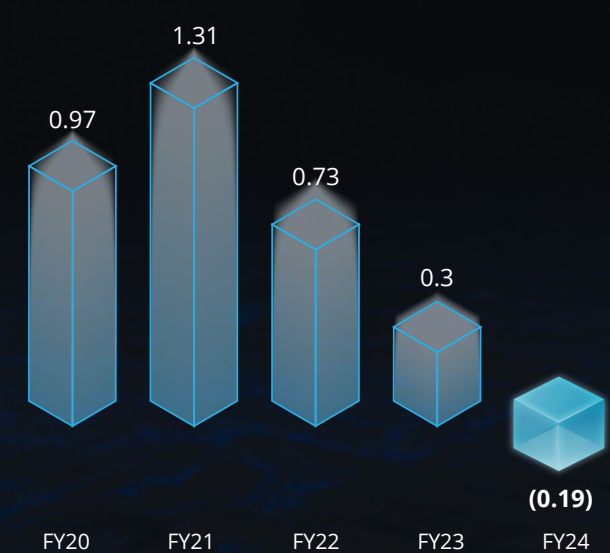
Return on Equity
(in %)



Profit After Tax
(₹ in Mn)



Net Debt-Equity Ratio
(Times)



ENVIRONMENTAL AND SOCIAL INITIATIVES



Environmental Stewardship

Netweb is deeply committed to environmental sustainability, striving to minimise its impact on the planet. The Company has set ambitious goals to increase the use of renewable energy to 5% of its total energy consumption by 2030. This initiative is part of the Company's broader strategy to reduce Greenhouse Gas (GHG) emissions, where it prioritises the procurement of materials processed with lower GHG emissions. Additionally, the Company has implemented a comprehensive climate change strategy that includes tree plantation drives to offset its carbon footprint. Netweb's focus on waste reduction and responsible disposal practices further underscores its dedication to environmental stewardship.

Netweb's E-waste Recycling Programme

With the rapid advancement of technology, older devices are often left unused, leading to the creation of electronic waste (e-waste). As a responsible corporate citizen, Netweb is committed to adhering to all regulatory compliance requirements related to e-waste management.

In alignment with the Company's commitment to Extended Producer Responsibility (EPR), it has instituted a comprehensive set of practices to ensure full compliance with approved EPR plans. These initiatives encompass various aspects of the Company's operations and include:

RoHS Compliance: Netweb rigorously checks and ensures that all raw materials and components procured for producing finished products comply with RoHS standards, thereby minimising the environmental impact of its products.

Partnership with Authorised Recyclers: Netweb has established partnerships with authorised recyclers for the collection, channelisation, and disposal of e-waste, ensuring compliance with all regulatory requirements.

Documentation and Reporting: The Company meticulously documents and files returns as per the EPR plan requirements, ensuring transparency and accountability in e-waste management practices.

Social Responsibility and Inclusion

Netweb believes in creating a workplace that embraces diversity and inclusion. The Company is committed to achieving more than 25% women representation in the workforce by 2030. The emphasis on employee development is evident through the commitment to providing an average of 25+ learning hours per employee. This dedication to the employees' growth and well-being has led Netweb to be recognised as one of the best employers in key operating regions. Moreover, the Company is committed to adhering to labour laws and ensuring that it is an equal opportunity employer.

Community Impact through CSR

The Company's Corporate Social Responsibility (CSR) activities are a core part of its commitment to making a positive impact on society. With a CSR spending of approx ₹ 7 Mn, Netweb focuses on several key areas. In education, the Company supports early childhood education programmes for underprivileged communities, providing children with access to quality learning environments and infrastructure. The initiatives also extend to gender equality and women empowerment, where it partners with government hospitals and healthcare providers to improve neonatal care units and support orphaned girls with education, shelter, and holistic development opportunities.

The Company recognises that the cornerstone of a prosperous future lies in quality education. Through its early childhood education programmes, Netweb grants children from underprivileged communities access to top-tier learning environments. Collaborating with schools and educational institutions, we provide quality education, educational materials, library facilities, and infrastructure support, thereby enabling every child to thrive and reach their full potential.

Contribution for neonatal care unit - An initiative of the local administration, Faridabad

Netweb is dedicated to nurturing the future from the earliest stages. Through its CSR initiative for newborn care units conducted in collaboration with the Faridabad Administration, the Company ensures that every child receives the best start in life and is protected from early birth problems. Netweb's commitment extends to supporting neonatal care units with essential resources and care to thrive.

In partnership with government hospitals and healthcare providers, the Company enhances neonatal intensive care units (NICUs) by:

- Providing funding for state-of-the-art medical equipment.
- Establishing a safe and sterile environment.
- Establishing Mobile Neonatal Care Units (MNCUs) in 6 Government Hospitals in Faridabad.
- Ensuring that all facilities meet the highest standards of care.

Netweb is committed to shaping a better future for all children, especially the most vulnerable. The Company's efforts focus on supporting and empowering orphaned girls, offering them the resources, care, and opportunities necessary to thrive and achieve their full potential. These girls receive comprehensive support including care, nutrition, clothing, shelter, education, medical assistance, and holistic development in a nurturing environment. In addition to school children, other girls from disadvantaged backgrounds also receive free education.



AWARDS AND RECOGNITION

Since 2017, Netweb has consistently been honoured with numerous awards and recognitions that underscore its commitment to excellence, innovation, and leadership in the technology sector. These accolades highlight the Company's relentless pursuit of technological advancements and its dedication to delivering superior solutions to clients. Here, Netweb celebrates the recognition and accolades that have distinguished it as a leader in the industry over the years.

2017

Partner Performance Award - Data Centre Group at the Intel Solutions Summit 2017 MACAU

Intel Technology Provider Platinum Retailer Specialist

2018

Intel Technology Provider Platinum 2018 Best HPC Data Centre Specialist

2019

Partner of the Year - Data Centre Group at the Intel Partner Connect Asia 2019

2020

Seagate Certificate for Appreciation - recognition for a Record of Outstanding Accomplishments

In recognition of outstanding contribution towards growing AMD EPYC Business H1 for FY2024.

2021

Top Software Tools Bundled with IA Partner of the Year 2021 at the Intel Software India Partner Summit, 2021

Partner of the Year 2021, System Integrator by Seagate

Outstanding Contribution in Promotion of electronics and manufacturing of Servers - Ministry of Electronics and Information Technology, Government of India, Celebration of Azadi ka Amrit Mahotsav

2022

MAIT - India's Apex Industry body empowering IT, Telecom and Electronics and Hardware for outstanding leadership and guidance to the Electronics Industry of India

The Best 'Software Tools Bundled with IA' Partner for 2022 by Intel Developer Tools Summit 2022

2023

Awarded by Government e-Marketplace as a winner in 'Top Sellers (MSE)' Category.



Netweb's achievements are a testament to the hard work and ingenuity of its team, as well as the trust and support of the Company's valued customers and partners.



CORPORATE INFORMATION

Board of Directors

Mr. Sanjay Lodha

Chairman and Managing Director

Mr. Navin Lodha

Whole Time Director

Mr. Vivek Lodha

Whole Time Director

Mr. Niraj Lodha

Whole Time Director

Mr. Mrutyunjay Mahapatra

Independent Director

Mr. Jasjeet Singh Bagla

Independent Director

Mrs. Romi Jatta

Independent Director

Mr. Vikas Modi

Independent Director

Chairman and Managing Director

Mr. Sanjay Lodha

Chief Financial Officer

Mr. Prawal Jain

Compliance Officer and Company Secretary

Mr. Lohit Chhabra

Statutory Auditors

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Chartered Accountants

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Peer Review Number: 014441

Secretarial Auditors

M/s P.C Jain and Co

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Faridabad (NCR)-121002

Internal Auditors

M/s Sanmarks and Associates

3F-17, Ozone Centre, Sector 12

Faridabad-121007, Haryana

Registrar and Share Transfer Agent

Link Intime India Private Limited

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Vikhroli (West), Mumbai 400083, India

Toll free Number: 1800 1020 878

Email: rnt.helpdesk@linkintime.co.in

Website: <https://www.linkintime.co.in/>

SEBI Registration Number: INR000004058

Registered Office

Plot No. H1, F.I.T

(Faridabad Industrial Town) Sector – 57,

Ballabhgarh, Faridabad, Haryana – 121004

MANAGEMENT DISCUSSION AND ANALYSIS

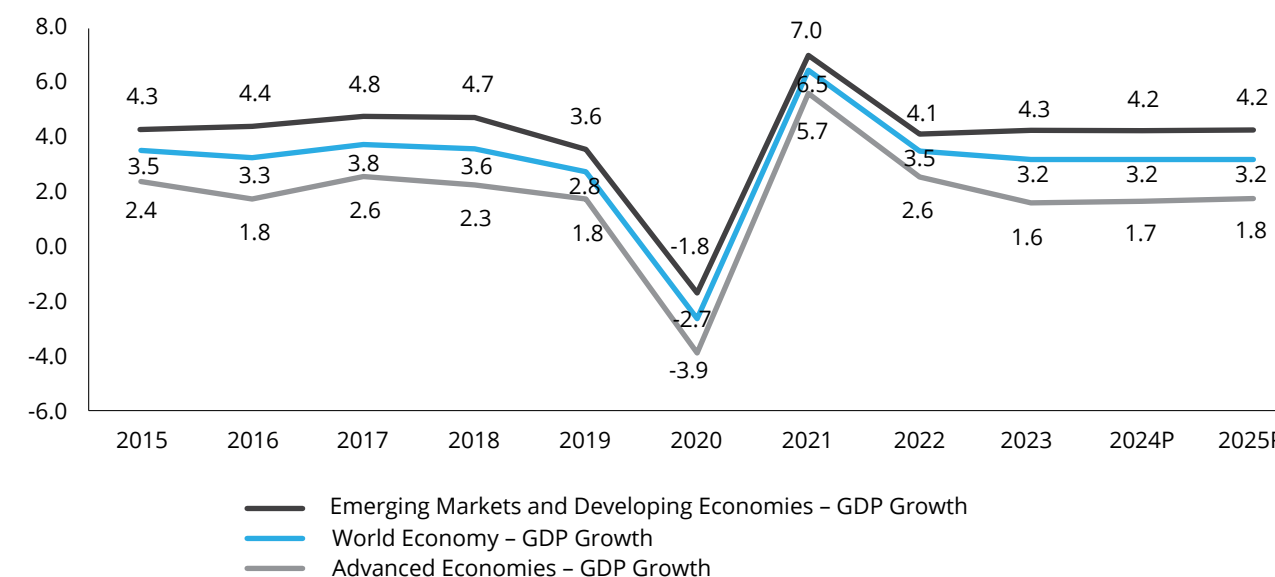
GLOBAL ECONOMIC OVERVIEW AND OUTLOOK

Global growth was estimated at 3.2% in 2023, projected to maintain this pace through 2024 and 2025. This forecast reflects a modest upward revision but remains low by historical standards due to high borrowing costs, reduced fiscal support, lingering effects of the COVID-19 pandemic, and geopolitical tensions. Despite significant global disinflation during 2022-23, economic activity remained resilient, driven by steady employment growth, higher-than-expected government spending, and increased labour force participation. Global headline inflation is expected to decline from 6.8% in 2023 to 4.5% in 2025, with advanced economies reaching their targets sooner than emerging markets.

The global outlook presents balanced risks, including potential price spikes due to geopolitical tensions and financial stress from high-interest rates, while positive factors could include looser fiscal policies and technological advancements.

Growth in Asia and the Pacific exceeded expectations in late 2023, reaching 5.0% for the year. In 2024, growth is anticipated to slow down slightly to 4.5%. Near-term risks are now broadly balanced, with global disinflation and the potential for monetary easing increasing the chances of a soft landing. The region is projected to remain the world's most dynamic, contributing approximately 60% of global growth in 2024.

Real GDP Growth – Global (CY 2015-2025)



Note: Advanced economies include regions such as United States, Germany, France, Italy, Spain, Japan, United Kingdom. Emerging economies include regions such as China, India, ASEAN-5, Russia, Brazil, Mexico, Saudi Arabia, Nigeria, South Africa

Source: IMF, World Economic Outlook (WEO), April 2024

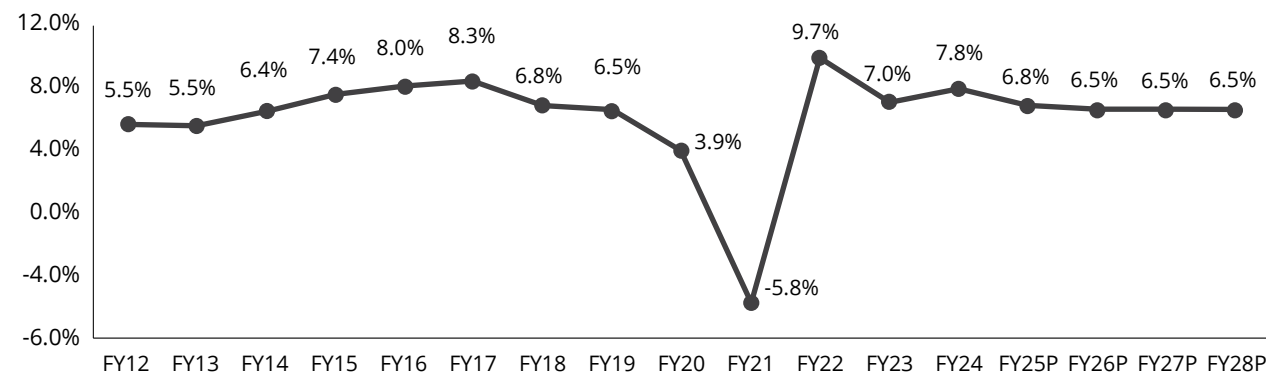
INDIAN ECONOMIC OUTLOOK

India: World's Fastest Growing Economy

India remains the fastest growing major economy of the world, registering repeated positive growth surprises, driven by resilient domestic demand, a rising working-age population and supportive policies. India's real GDP grew by 7% in FY2023 and 7.8% in FY2024, where it contributed 16% to the global growth. It is projected to grow by 6.8-7.2% in FY2025¹.

India's economic resurgence gained solid ground in 2023, as domestic demand improved and global commodity prices stabilised. The upward momentum has been fuelled by stronger-than-expected growth in industrial activity, including manufacturing and construction, a robust services sector and a surge in public infrastructure investment. This momentum is expected to continue in FY2025, backed by improved capital flows bosting private investments, rebound in exports and increase in manufacturing and agricultural output.

Real GDP Growth Rate – India



Source: Ministry of Statistics and Programme Implementation, GOI, IMF, World Economic Outlook (WEO), April 2024

India to Become the Third Largest Economy by 2027

India is projected to become a US\$ 4 trillion economy in 2024-25, surpassing Japan and Germany to become the 3rd largest economy by 2027. Currently, India is the 5th largest economy, with a nominal GDP of approximately US\$ 3.7 trillion. Japan, with a GDP of US\$ 4.1 trillion, and Germany, with US\$ 4.6 trillion, are slightly ahead, though Germany's relatively stagnant growth makes it a static target. (Forecasted by Economic Advisory Council; GOI, and IMF projections also indicate the same).

INDUSTRY OVERVIEW

GLOBAL IT

The global IT industry is undergoing significant transformation, driven by rapidly developing Artificial Intelligence (AI). It has become all-pervasive, penetrating all aspects of IT and business in general. Digital transformation initiatives have accelerated, with organisations adopting new technologies to stay competitive and meet changing market demands. Key trends include a paradigm shift in the IT landscape, brought upon by AI, the growth of private cloud and cloud services, the rise of hybrid workforces, and increased investments in IT business services and emerging technologies.

Exhibit 7: Global IT Industry Market by Segment (US\$ in bn) – FY 2019-2029F (Historical and Estimated Years)

Global IT Industry Segments	US\$ Bn	Market Size			CAGR	
		FY2019	FY2024F	FY2029F	FY2019-FY2024F	FY2024F-FY2029F
Global IT Industry Segments						
Telecom Services		1,536	1,677	1,989	1.78%	3.47%
Emerging Tech		193	204	298	1.12%	7.84%
IT + Business Services		1,163	1,606	2,354	6.67%	7.95%
Software		515	1,080	1,883	15.96%	11.77%
Other Devices + Infrastructure		770	904	1,255	3.27%	6.78%
Workstations		5	7	8	7.63%	4.76%
HPC Systems		38	47	58	4.41%	4.41%
Global IT Industry		4,219	5,525	7,846	5.54%	7.27%

Source: Frost & Sullivan Analysis

Evolving Dynamics in the Global IT Sector: A Year in Review

- Enhanced Cloud Services and XaaS:** Cloud technology has continued to evolve, acting as the backbone for everything-as-a-service (XaaS) models. Organisations are increasingly adopting hybrid and multi-cloud strategies to optimise costs, enhance resilience, and reduce vendor lock-in. This shift has driven the demand for orchestration solutions to manage complex cloud environments efficiently. AI-driven solutions are optimising cloud services, providing intelligent automation, and facilitating advanced data analytics. These enhancements have made XaaS models more efficient and scalable, meeting the growing demand for flexible and cost-effective IT solutions.
- Private Cloud:** The market for private cloud server solutions is also anticipated to grow, driven by concerns over data security and disaster recovery, alongside the adoption of the Bring Your Own Device (BYOD) trend and mobile workforce utilisation. Private cloud servers provide a delivery system for hosted services dedicated to a single company, combining the benefits of public clouds with enhanced security and privacy.
- Hybrid Workforce Evolution:** The hybrid workforce model has become more prevalent, with companies striving to balance remote and in-office work. Technology firms are developing solutions to enhance remote collaboration, productivity, and employee engagement.
- IT Business Services Growth:** IT business services have seen substantial growth, driven by increased IT investments, the rise of software-as-a-service (SaaS), and the proliferation of cloud-based offerings. Businesses are prioritising modern security solutions to protect themselves against data breaches and cyber threats, further fuelling the demand for advanced IT services.
- Emerging Technologies:** The adoption of emerging technologies such as 5G, blockchain, augmented reality (AR), and AI has accelerated. These technologies are reshaping IT service offerings, enabling real-time data processing, secure transactions, and innovative applications across various industries.
- High-Performance Computing (HPC):** HPC systems have experienced significant growth, driven by the need for advanced simulations, data analysis, and complex computing tasks. HPC is critical in areas such as AI, genomics, autonomous vehicles, and financial modelling, providing competitive advantages and fostering innovation.

- Software Solutions and Cybersecurity:** The software segment has expanded, particularly in response to the rise of e-commerce, Internet of Things (IoT), and the increasing number of connected devices. The need for sophisticated cybersecurity solutions has grown, driven by the complexity and accessibility of modern cyber threats.
- Infrastructure Developments:** The demand for robust infrastructure to support cloud services, AI applications, and hybrid work environments has surged. Investments in cloud infrastructure, AI cloud platforms, and hybrid cloud solutions are critical for addressing business challenges and driving growth.

INDIAN IT

The Indian IT industry was valued at US\$ 241 Bn in FY2024, with projections to reach US\$ 372.7 Bn by FY2029, growing at a CAGR of 9.1%. Key factors driving this growth include a stable economy, expansion of e-commerce, upgrades to 4G and 5G networks, and the implementation of the "Make-in-India" and Production Linked Incentive (PLI) Schemes.

Key Growth Sectors

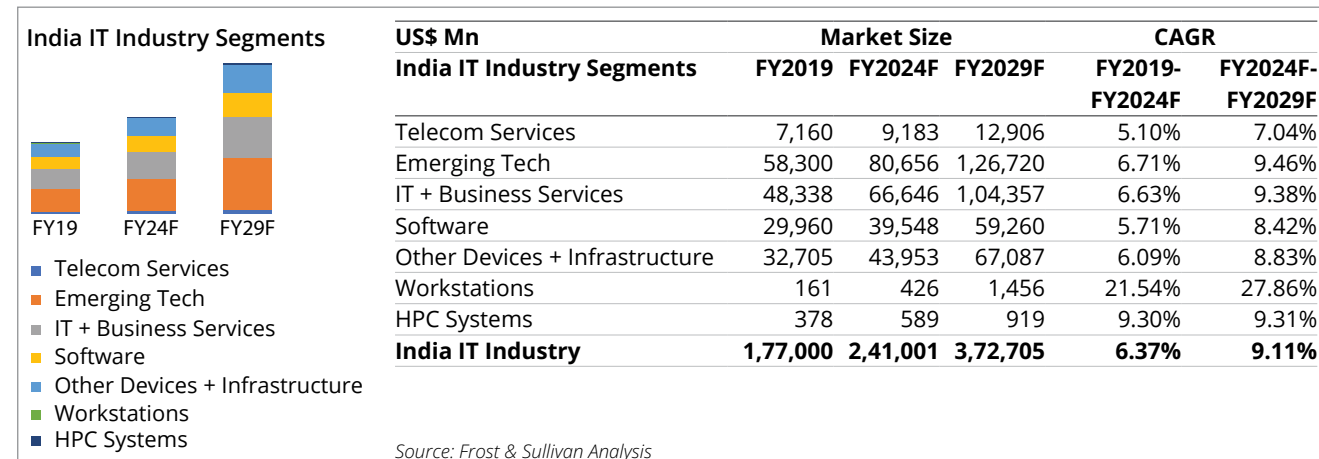
- Oil & Gas:** Expected to grow at over 3% CAGR by FY2027, driven by government investments in infrastructure and exploration. High-Performance Computing (HPC) and AI are crucial for seismic data analysis, simulation, and safety.
- Automobile:** Anticipated to grow at 8-10% CAGR until 2027. The sector, contributing 7.1% to India's GDP, is leveraging AI across the value chain, from manufacturing to predictive maintenance and insurance.
- BFSI:** Projected to grow at 27-30% CAGR until 2025. The fintech market, valued at US\$ 50 Bn in 2021, is expected to reach US\$ 150 Bn by 2025. AI is transforming the sector with applications in fraud detection, customer experience, and algorithmic trading.
- Strategic government investments and the integration of advanced technologies** are set to propel the Indian IT industry forward, driving significant growth across various sectors.

¹ IMF Forecast for FY2025 – 6.8 %

India IT Market by Segment

India IT market by computation type is segmented into HPC Systems, workstations, other devices, infrastructure, software, IT business services, emerging tech, and telecom services.

India IT Industry Market by Segment (US\$ in Mn) – FY2019-2029F (Historical and Estimated Years)



Software: The rise in cybersecurity software is driven by the need to protect data, systems, and networks, especially with increased remote work. Software exports reached US\$ 16.29 Bn in Q1 FY2022.

HPC Systems: High-Performance Computing (HPC) systems are gaining traction due to their ability to handle big data and solve complex problems quickly. Investments in HPC are driven by the needs of the IIoT, AI, engineering, and healthcare sectors.

Workstations: Growth in AI and enterprise workstations is driven by the defence, government, and BFSI sectors for enhanced decision-making and performance. Initiatives such as “Make AI in India” support this growth.

Telecom Services: The adoption of 5G is expected to rise due to the need for high-speed data connectivity for IoT applications, enhancing user experiences in various use cases.

Hardware: The government prioritises electronics hardware manufacturing as part of the “Make-in-India” and “Digital India” programmes, focusing on security and strategic importance. Initiatives like the IT Hardware PLI Scheme and Telecom and Networking PLI Scheme support this growth.

Co-evolution of HPC and AI

Over the past year, significant new developments have emerged in the intersection of HPC and AI. These developments include advancements in hardware, techniques, and applications that have further integrated AI capabilities into HPC systems.

- Hyperscale AI Growth and Shifts:** In 2023, hyperscale companies’ spending on AI infrastructure exceeded traditional on-premises HPC-AI spending. This marked a significant shift, with major investments from companies like Amazon, Apple, Google, Meta, and Microsoft. However, this hyperscale spending is expected to stabilise and regress slightly in the coming years, while on-premises HPC-AI infrastructure is projected to grow steadily (Intersect360 Research).
- Advances in Large Language Models (LLMs):** LLMs are being increasingly deployed across various platforms, including cloud, enterprise, and mobile. Significant advancements have been made in model efficiency, with state-of-the-art models now approaching 10 trillion parameters. These models are being fine-tuned for specific industries, such as financial services and healthcare, enhancing applications like fraud detection and personalised customer service (Cerebras).

3. Multi-Modal Models and Sparse Techniques:

Multi-modal models that can process text, images, sound, and video are gaining traction. There is also a growing focus on sparse models, such as Mixture of Experts (MoE) models, which dynamically allocate computational resources to relevant parts of a problem, enhancing efficiency and accuracy. These developments are expected to significantly improve AI performance in HPC applications (Cerebras).

4. Convergence of AI and HPC:

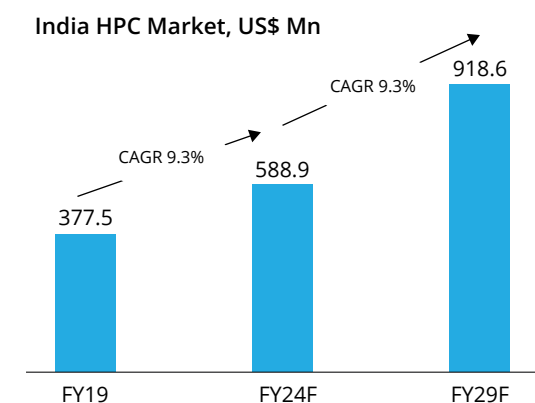
The continued convergence of AI and HPC is leading to enhancements in various scientific fields. For example, AI is improving climate modelling, materials science, and energy research by providing more accurate predictions and faster processing of large datasets. This integration allows for real-time adjustments and more complex simulations, accelerating discoveries and innovations (Cerebras).

These developments reflect a dynamic and rapidly evolving landscape in HPC and AI, highlighting the growing synergy between these fields and their expanding applications across different industries.

INDIA HPC MARKET

The Indian high-performance computing (HPC) market is projected to grow from US\$ 589 Mn in FY2024 to US\$ 918.6 Mn by FY2029, achieving a CAGR of 9.3% over the forecast period (FY2024-2029).

India High-Performance Computing Market (US\$ in Mn)



Source: Frost & Sullivan Analysis

Indian HPC Market Outlook: National Supercomputing Mission

The National Supercomputing Mission (NSM), launched in 2015 with a budget of ₹ 4,500 crore aims to establish a grid of over 70 HPC facilities to boost research and development. As of mid-2020, only 16.67% of the budget was spent, with the rest allocated for future use. The mission supports the “Digital India” and “Make-in-India” initiatives, enhancing research through the National Knowledge Network (NKN).

India’s HPC journey began with systems like Flosolver Mk1 and PARAM 8000, advancing to real-time applications in weather forecasting, flood prediction, and RNA sequencing. The mission’s recent deployment, PARAM Ganga at IIT Roorkee, aligns with “Make-in-India” vision boosting indigenous manufacturing.

Key supercomputers like PARAM Shivay, PARAM Shakti, and PARAM Siddhi-AI have been deployed under the mission. Over 11,000 HPC experts have been trained, and nodal centres established at IIT Kharagpur, IIT Madras, IIT Goa, and IIT Palakkad.

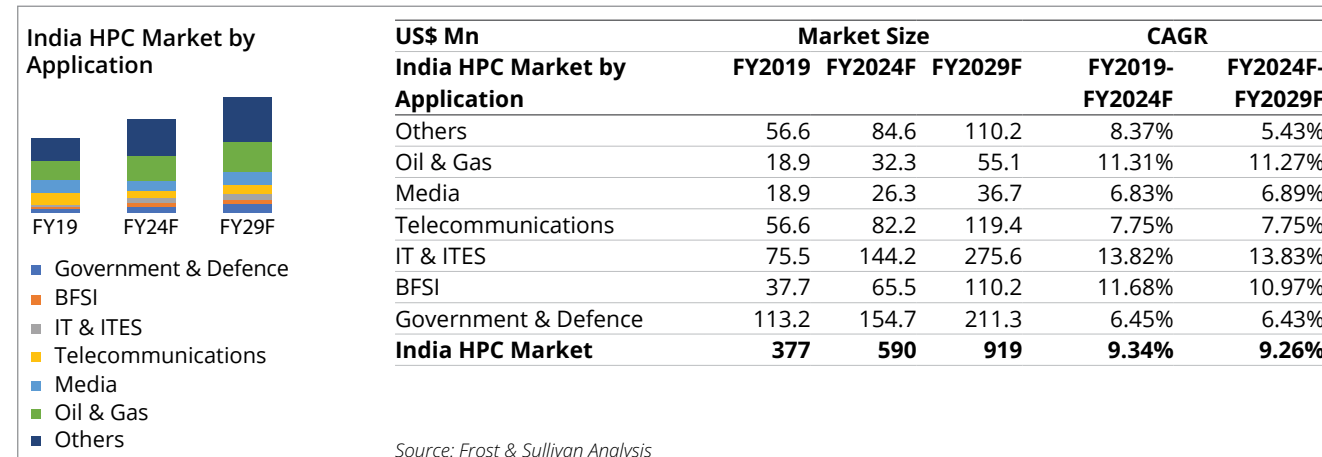
NSM’s applications include genomics, drug discovery, urban modelling, flood prediction, seismic imaging, and telecom optimisation. These applications aim to provide HPC access to numerous institutions and researchers, advancing India’s supercomputing capabilities.

HPC Market in India by Application

Power of HPC is leveraged by both public and private sectors in India. Presently, some of the key sectors like education, agriculture, energy and power and drug design are adopting HPC for their growth, while many automobile industries, construction industries, atmospheric sciences, bioinformatics, and computational fluid dynamics domains etc., are making continuous progress by utilising HPC.

India is emerging as a leader in high performance computing with the National Supercomputing Mission (NSM). Supercomputing infrastructure is already installed in 10 premier institutions and is being set up in five more. This will support academia, researchers, MSMEs, and startups in fields like oil exploration, flood prediction, genomics, and drug discovery, while enhancing indigenous supercomputing capabilities. The government has committed US\$ 1 Bn to develop the next generation supercomputer and proposed a cloud-based model for nationwide research use in areas such as space exploration, weather prediction, and bioinformatics.

India HPC Market by Application (US\$ in Mn) - FY 2019-2029F (Historical and Estimated Years)



Market Drivers, Restraints, Opportunities & Challenges

- Drivers:** Increasing cloud-based monitoring will drive the adoption of HPC in India. Cloud adoption will significantly contribute to India's GDP; it is expected to reach US\$ 380 Bn by 2026, as per NASSCOM. Growing adoption of AI across industries and organisations will further fuel the HPC market in India as well as globally.
- Restraints:** High CapEx and OpEx are major concerns. On-premise HPC resources often exceed capacity, leading to productivity losses. Moving HPC workloads to the cloud can help mitigate this issue.
- Opportunities:** Supercomputing infrastructure is being developed nationwide, with applications in urban modelling, flood forecasting, seismic imaging, genomics, drug discovery, and material science. Indigenous HPC components and processors based on Arm architecture are being developed.
- Challenges:** Running HPC workloads requires specific skillsets due to their complexity and data intensity. HPC systems use large amounts of data to run parallel tasks, enabling businesses to gain insights more quickly.

The rise of ChatGPT and other large language models in 2023 marked the AI awakening, setting the stage for 2024, where organisations are now focusing on long-term AI integration. In the Asia-Pacific, predictive, interpretive, and generative AI (GenAI) applications are expanding, benefiting internal processes, productivity, personalised customer experiences, and market differentiation. By 2028, AI will drive economic expansion, creating new business models and ways of doing things unknown to us today.

AI adoption in the three regions is expected to continue growing over the next few years, although the pace may be slower in the Asia-Pacific due to its diverse cultural, linguistic, and regulatory landscape, which could potentially hinder regional AI progress.

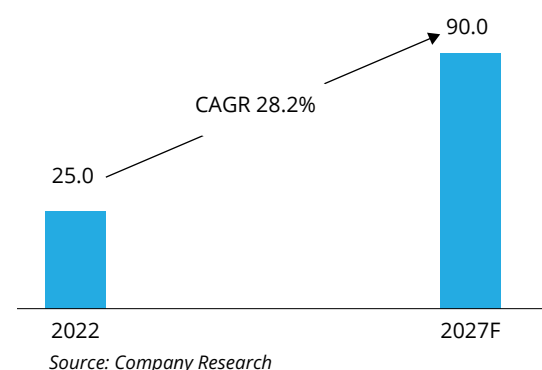
Organisations are leveraging AI to enhance platform value and market reach. The primary drivers for AI adoption in 2023-2024 include improving employee productivity, accelerating new product introductions, reducing costs, enhancing operational efficiency, improving risk management, and generating new revenue.

Enterprises are optimistic about AI's potential to transform industries by simplifying operations, automating processes, reducing costs, and providing data-driven insights for better decision-making. These advancements promise significant global economic growth, contingent on supportive government regulations and policies.

Despite the focus on GenAI, only 20% of Asia-Pacific AI budgets are allocated to it, with 81% directed toward predictive and interpretative AI. However, GenAI is the fastest-growing category, with 16% of 2024 IT budgets in Asia-Pacific earmarked for it, compared to the global average of 11%. This growth is driven by proactive business planning, fewer regulations, strong government support, and the belief that GenAI provides a competitive edge.

AI MARKET TRENDS AND ADOPTION IN ASIA-PACIFIC

AI Spending in Asia/Pacific, US\$ Bn



The high cost of computing resources and the need for prompt engineering skills are key challenges in GenAI adoption. However, 70% of Asia-Pacific organisations identified Generative AI as a significant or dominant factor contributing to increased IT spending.

An impressive ~80% of larger organisations in the Asia-Pacific region are utilising AI/ML capabilities; however, only 8% are fully integrating AI at scale, making it central to their organisations' competitiveness. Increasing enterprise AI maturity requires significant investments in scalable platforms, infrastructure, change management, training, and upskilling, which is challenging and time-consuming. Some industries, like financial services, have prioritised AI for risk and compliance management, while others such as healthcare, are just beginning to invest.

STATE OF AI IN INDIA

India's AI growth is boosted by a vast talent pool and robust government support.

IndiaAI Mission

On March 7, 2024, MeitY announced that the Cabinet has approved over ₹ 10,300 crore for the IndiaAI Mission, aimed at bolstering India's AI ecosystem over the next five years. This funding will support various initiatives, including the IndiaAI Compute Capacity, which plans to deploy over 10,000 GPUs through public-private collaborations to build a scalable AI computing infrastructure.

The IndiaAI Innovation Centre (IAIC) will lead academic efforts, focusing on developing and deploying indigenous Large Multimodal Models (LMMs) and domain-specific models. The IndiaAI Datasets platform will enhance the accessibility, quality, and utility of public sector datasets, driving data-driven governance and AI-based innovation.

The IndiaAI FutureSkills programme will expand AI education, increasing access to graduate and post-graduate AI programmes and establishing data and AI labs across major and smaller Indian cities. The IndiaAI Startup Financing mechanism will facilitate funding for AI startups, aiding their journey from product development to commercialisation.

This approval will benefit Indian citizens and contribute to the expansion of India's economy, positioning the country as a global AI leader. These initiatives align with the broader vision of the IndiaAI Mission to foster technological self-reliance, ensure ethical AI deployment, and democratise AI benefits across society.

AI Adoption in Indian Enterprises

AI adoption in Indian enterprises is expanding from a relatively low baseline due to the cost-effectiveness of manual labor. However, enterprise AI spending in India is expected to grow at an exceptional rate compared to other markets, driven by government support, a thriving AI startup ecosystem, and a large talent pool. Large enterprises in India are making significant AI investments, with widespread adoption across various industries.

Source: Company Research

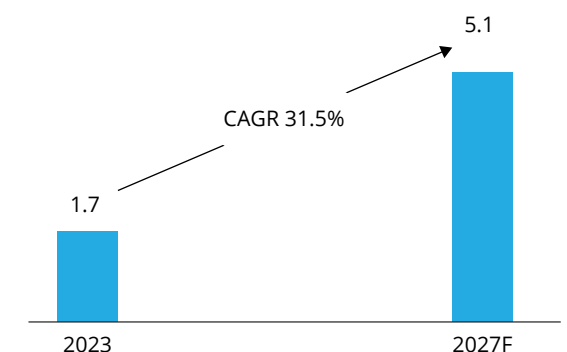
Socio-Economic Dimension

India is renowned for its IT skills, with major hubs like Bengaluru, Hyderabad, and Pune, and leading tech companies such as TCS, Infosys, and Wipro. The large working-age population and numerous educational institutions offering AI-related programmes support a strong AI talent pipeline. Despite an 8.3% CAGR in the economy from 2020-2023, India's per capita AI investment is lower than compared to other developed nations. This low investment per capita and the migration of AI talent to higher-paying countries pose challenges to advancing India's AI maturity.

Source: Company Research

AI Spending Trends in India

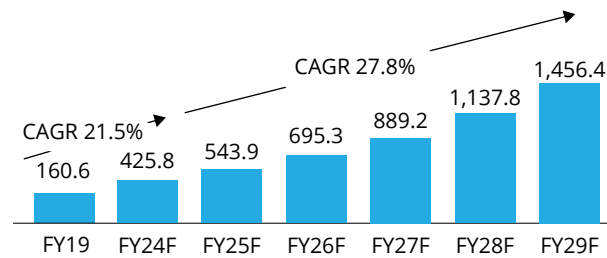
AI Spending in INDIA, US\$ Bn



Source: Company Research

The overall AI spending in India is forecasted to grow at a CAGR of 31.5%, from US\$ 1.7 Bn in 2022 to US\$ 5.1 Bn by 2027. The AI software sector will drive overall AI market growth, reaching US\$ 2.6 Bn by 2027 with a CAGR of 37.5%, primarily led by AI application development and deployment, as well as AI system infrastructure software. AI services, including IT and business services, are projected to grow at a CAGR of 33.8% by 2027.

Exhibit 45: India AI Systems and Enterprise Workstations (AI and EW) Market US\$ Mn – FY2019-2029F (Historical and Estimated Years)



Source: Frost & Sullivan Analysis

AI investments in 2024 and 2025 will prioritise building AI infrastructure essential to creating high-value use cases that are truly transformative in the long-term. AI infrastructure spending is projected to grow at a CAGR of 13.1% from 2023 to reach US\$ 733 Mn by the end of 2027. These investments are boosted by increased spending by enterprises as well as government initiatives like “Make AI Work for India”. Meanwhile, India will continue to focus on boosting employee productivity and enhancing customer experiences via AI-driven applications.

AI Spending in India by Use Cases

AI spending by industry in India (2023)	
BFSI	30.7%
Manufacturing	24.6%
Healthcare	15.9%
Others	28.8%

Source: Company Research

India is improving its AI infrastructure and hence, the highest spending is on AI infrastructure provisioning, including spending on hardware such as servers and chips (CPUs, GPUs, and accelerators), as well as software components like frameworks and libraries. Besides infrastructure, the current focus on AI adoption lies in enhanced customer experience and improved employee productivity, assisting employees to focus on more value-added work, and removing mundane, time-consuming tasks.

TOP INDUSTRY SPENDERS: BFSI & MANUFACTURING

- BFSI Sector:** The BFSI sector in India is leading in technology adoption, using AI & EW for real-time analytics, machine learning, and data processing. BFSI is moving from robotic process automation (RPA) to AI-driven automation, focusing on security, productivity, and customer experience. AI solutions with behavioural analysis and fraud detection mark a shift toward more advanced and adaptable systems. These technologies enhance client experience, portfolio management, risk

management, and automation, driving the demand for AI & EW in this sector.

- Manufacturing:** This is the second largest AI spender, fuelled by the “Make-in-India” initiative. India’s vision of becoming a global, AI-powered manufacturing hub is driving AI spending.
- Defence & Intelligence:** AI & Enterprise Workstation (EW) systems support defence and government operations by enhancing decision-making, productivity, and cybersecurity. They streamline government payment schemes, improve cybersecurity, and bolster operational efficiency in government IT and defence sectors. The use of GPU-intensive AI in military applications for tasks like geospatial visualisation and real-time video analytics is a significant growth driver.

While the BFSI sector sees scalable returns from AI, the government, healthcare, and telecom sectors find it difficult to measure ROI due to such challenges as quantifying in monetary terms, intangible benefits like improved customer satisfaction and decision-making capabilities.

CONVERGENCE OF HPC AND AI IN INDIA

India’s march towards a leadership position in supercomputing found a fresh dimension with the convergence of HPC and Artificial Intelligence (AI).

- The AI Supercomputer:** AI Research Analytics and Knowledge Dissemination Platform (AIRAWAT) installed at C-DAC, Pune was ranked 75th in the world on June 1, 2023. It puts India on the top of AI Supercomputing nations worldwide. The system is installed under National Program on AI by the Government of India. AIRAWAT, developed and built by Netweb Technologies India Ltd., has a compute capacity of 200 AI Petaflops and can handle incredibly large-scale AI workloads at phenomenal speeds. It is designed and architected to be on a scalable infrastructure to act as a common computational cloud platform connecting all Centres of Research Excellence in AI, Indian Centres for Transformational AI, academic, research labs, scientific community, industry and start-ups.
- PARAM Siddhi:** AI, the high-performance computing-artificial intelligence (HPC-AI) supercomputer, had achieved a global ranking of 63 in the Top 500 most powerful supercomputer systems in the world, at the time of its commissioning.

The AIRAWAT PoC of 200 AI Petaflops integrated with PARAM Siddhi: AI of 210 AI Petaflops gives a total peak compute of 410 AI Petaflops mixed precision and sustained compute capacity of 8.5 Petaflops (Rmax) Double Precision.

The peak compute capacity (Double Precision, Rpeak) is 13 Petaflops. Furthermore, MeitY has already envisioned a roadmap for scaling AIRAWAT to 1,000 AI Petaflops Mixed Precision compute capacity to cater to the current AI computational needs.

On March 7, 2024, the Government of India approved over ₹ 10,300 crore for the IndiaAI Mission to empower AI startups and expand compute infrastructure access. This five-year funding will support initiatives like the IndiaAI Compute Capacity, Innovation Centre, Datasets Platform, Application Development Initiative, FutureSkills, Startup Financing, and Safe & Trusted AI. The mission aims to foster AI innovation through a public-private partnership, including deploying over 10,000 GPUs for advanced AI computing infrastructure.

Market Drivers

- Integrated AI Workstations:** Purpose-built AI workstations with powerful GPUs, offer high-performance deep learning capabilities in a compact, quiet form factor. These are ideal for organisations needing integrated hardware and software solutions.
- Open-source Solutions:** The growing trend towards open-source AI & EW solutions offers flexibility, cost savings, and enhanced security. NVIDIA’s AI Enterprise 2.1 and Uber’s AresDB are examples that are driving market expansion.

Challenges

- Integrated GPU Limitations:** Integrated GPUs are insufficient for intensive graphic design and AI applications. Ongoing research aims to improve integrated GPU capabilities for high-performance tasks.
- Supply Disruption:** Shortages of advanced GPUs, geopolitical unrest, and potential US sanctions or embargoes on the export of these chips pose significant risks.

Opportunities

- Expanding Applications:** The increasing use of AI & EW across various applications and the introduction of open-source solutions like NVIDIA AI Enterprise and Cloudera’s RAPIDS Accelerator drive market growth.
- New Entrants:** Indian OEMs like Netweb Technologies are entering the workstation market, providing high-performance solutions for industries such as manufacturing, media, and energy.

Overall, the AI and EW market in India is poised for high growth, driven by advancements in AI technology, government initiatives, and increasing adoption by various sectors.

OVERVIEW OF PRIVATE CLOUD & HCI IN INDIA

Hyperconverged Infrastructure (HCI) integrates servers and storage into a distributed platform with intelligent software, replacing legacy infrastructure. It uses data centre server hardware with local storage and a distributed software layer to address common issues. Private cloud offers public cloud benefits—flexibility, scalability, and usability—within a private data centre.

HCI and Private Cloud Adoption in India

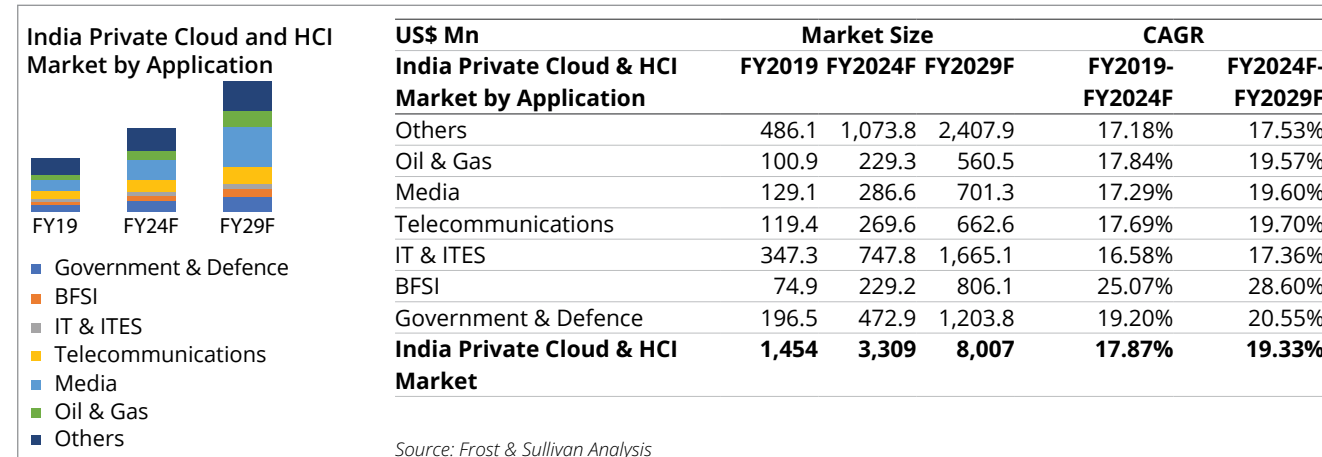
HCI is poised for wide-scale adoption in India, particularly in major cities like Mumbai, Bengaluru, and Hyderabad, where substantial investments are being made by local and international players. It simplifies data centre management, reducing complexity and allowing IT teams to focus on strategic efforts rather than managing disparate systems. This transformation is crucial for modern firms facing significant IT resource demands.

Government initiatives, like collaborations with Nutanix, are expected to drive HCI adoption in India. Virtual roundtables and partnerships focus on digital transformation through data centre modernisation and simplifying cloud management strategies for public sector enterprises (PSUs). State and municipal governments seek cost-effective technology solutions despite budget constraints, making HCI an attractive option over traditional, costly, and hardware-centric infrastructure. HCI facilitates the modernisation of mission-critical systems and supports next-generation applications.

In the IT industry, HCI enables the creation of hybrid cloud environments, integrating seamlessly with virtualisation, containers, and larger cloud platforms. This flexibility supports agile business application deployment across various locations. In the BFSI sector, banks such as RBL have embraced HCI to streamline operations and enhance efficiency, highlighting its role in modernising banking operations.

Private cloud solutions are gaining popularity in India due to their control, security, and predictable performance benefits. Organisations prefer private clouds for enhanced security and control over infrastructure, ensuring consistent monthly costs compared to variable expenses associated with public clouds.

Exhibit 37: India Private Cloud & HCI Market by Application (US\$ in Mn) - FY 2019-2029F (Historical and Estimated Years)



Market Drivers, Restraints, Opportunities & Challenges

Drivers

- **Reliability:** HCI offers high reliability, especially when purchased as pre-tested, single-supplier systems. Combining HCI with cloud backup simplifies replacement and enhances resilience.
- **Unified Management and Automation:** HCI enables unified, software-defined management, reducing the need for multiple tools and simplifying automation, scaling, and hybrid environment management.

Restraints

- **Greater Power Requirement:** HCI systems often require more power and cooling than traditional data centres, potentially necessitating costly infrastructure adjustments.

Opportunities

- **BFSI Sector:** HCI is being increasingly adopted in the BFSI sector to modernise infrastructure, improve operational efficiency, and support digital banking. For example, RBL Bank uses HCI to create a more agile and resilient private cloud environment.

Challenges

- **Compatibility Issues:** HCI environments may struggle with resource sharing and cloud offloading, especially with multi-vendor setups.
- **Hardware Interconnectivity:** Using commodity hardware in HCI environments can lead to performance issues, potentially causing vendor lock-in to ensure optimal performance.

INDIA DATA CENTRE SERVER MARKET

Outlook

India is at a critical juncture in its digital economy transition, with significant investments expected to boost data centre capacity by up to ₹ 1.20 lakh crore. The industry's capacity is projected to quintuple, adding 3,900–4,100 MW*. Major tech companies like Amazon, Google, and Microsoft are driving this growth by outsourcing storage to independent providers.

The pandemic has accelerated the use of smart devices, IoT, and digital commerce, increasing data generation. India's youth, being tech-savvy, contributes significantly to this trend. The government aims to classify data centres as critical infrastructure and offers incentives to attract investments.

India now has 161 data centres across 26 locations, reflecting its commitment to becoming a global data centre hub. The government's digital initiatives, such as e-payment systems, digital universities, and the National Digital Health Ecosystem underline this transition. The 2022 budget emphasised digital services in agriculture, education, and banking, further integrating data centres into the infrastructure.

The Ministry of Electronics and Information Technology's 2020 draft data centre policy aims to make India a global data centre hub. Factors driving growth include data digitisation, cloud adoption, and emerging technologies like AI/ML, IoT, and 5G. The Data Protection Bill could also lead to significant data onshoring, benefitting the Indian data centre market.

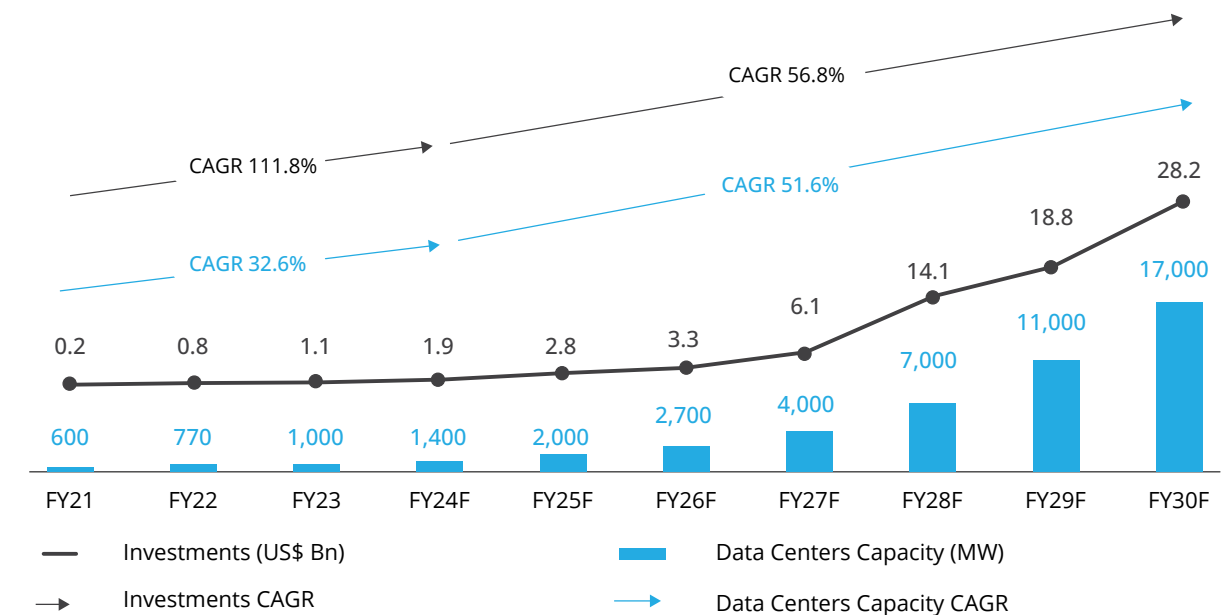
Tier 2 and Tier 3 cities, previously untapped for data centre investments, are now being recognised as optimal for edge data centres and disaster recovery sites. Companies like Yotta Infrastructure are investing significantly in these areas.

*Source : ICRA

Investments in the sector are rising. A JLL study found that to achieve the 6 Mn sq. ft. of development, the Indian data centre industry will need to invest US\$ 3.7 Bn in total over the next three years. Indian firms are optimistic about data centres despite the significant capital required. Major players

like the Adani Group, Oracle, Microsoft, YOTTA, Reliance Industries and others are heavily investing in data centres across various Indian cities, with combined investments amounting to US\$ 27.5 Bn. (Source: F&S and Company data, Economic Times, Jefferies Estimate)

India Data Centre: Upside surprise likely based on announcements



Source: Jefferies Global Utilities and Clean Energy, June 18, 2024

According to Jefferies, India's data centre capacity is projected to increase twelve-fold from 1.4 GW in FY2024 to 17 GW by FY2030, growing at a CAGR of 51.6%. In contrast, Europe's data centre capacity currently stands at 10 GW, despite India having an internet user base of 898 Mn compared to Europe's 400 Mn. Leading global data centre companies such as NTT, AWS, and Colt DCS, along with Indian conglomerates Reliance and Adani, have expressed interest in establishing new facilities. Major occupants include Amazon, Netflix, banks, and fintech companies. Over the past 36-48 months, US\$ 27 Bn in investments have been announced for data centres in India.

The government supports the industry with policies aimed at simplifying data centre establishment processes and offering infrastructure status. States like Maharashtra and Telangana provide additional incentives, making India an attractive destination for data centre investments.

Growth Drivers

I. China Plus One and "Make-in-India" Initiatives

1. **Digital India Initiative:** Promotes digital infrastructure through programmes like DigiLocker, E-hospitals, E-Pathshala, and BHIM. Key benefits include:
 - Growth in e-Government transactions.
 - Connectivity of over 1.1 lakh gram panchayats via optical fiber under Bharatnet.

- Establishment of common service centres for multimedia content delivery in e-governance, education, health, and other services.
- High internet penetration in metropolitan areas (64%), facilitating service delivery.

2. **Government Support:** The Union Budget 2022-23 proposed including data centres and energy storage systems in the unified infrastructure list, easing credit access for sustainable energy storage and digital infrastructure.
3. **China Plus One Strategy:** Post-pandemic, businesses have been diversifying investments from China to new locations, driven by supply chain disruptions, rising labour costs, and strategic concerns about production concentration.

II. Classification of Data Centres as Infrastructure Assets

1. Effective from April 1, 2022, data centres were classified as infrastructure, simplifying funding through loans and investments.
2. This classification ensures better access to capital at lower rates, as banks have relaxed requirements for infrastructure lending.

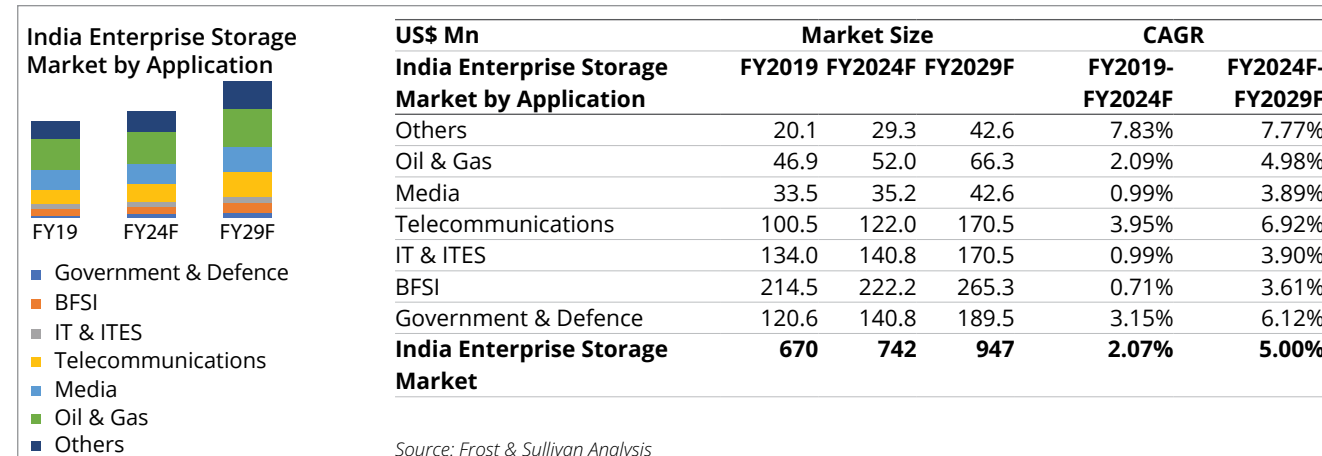
III. Low cost of construction, Land, Power and a robust IT and Services Ecosystem

INDIA ENTERPRISE STORAGE SYSTEMS MARKET

Overview

Exhibit 67: India Enterprise Storage Systems Market by Application (US\$ in Mn) – FY 2019-2029F

(Estimated and Historical Years)



The enterprise storage market in India has grown due to investments in emerging technologies, modernisation programmes, and capacity expansions. Key sectors driving demand include government, professional services, and BFSI.

Market Transformation

- Pandemic Impact: Accelerated digital transformation.
- Data Explosion: Digital India, cashless payments, and entrepreneurial innovations have increased data production and consumption.
- Modernisation Needs: Enterprise data centres and storage systems require advanced facilities to manage and store data efficiently.

Key Trends

- Shift to Cloud: Increasing use of public and hybrid clouds.
- Technological Innovations: Growth in cloud technology, IoT, AI, and digitalisation.
- Adoption of All-Flash Arrays (AFA): Increased use in banking and other sectors.
- Rising Demand for SSDs: Preferred over HDDs for better performance and efficiency.

- Hybrid Flash Arrays (HFA): Balancing capacity and performance.

Drivers

1. Increasing Data Centre Investments: Significant investments by companies like Google, Amazon, Apple, and Facebook in building data centres.
2. Expansion of HCI: HCI improves resource usage, reduces power consumption, and simplifies data centre management.

Opportunities

- Growth of HCI: Facilitates central management of network, storage, and compute services, benefiting SMEs and streamlining IT architecture.

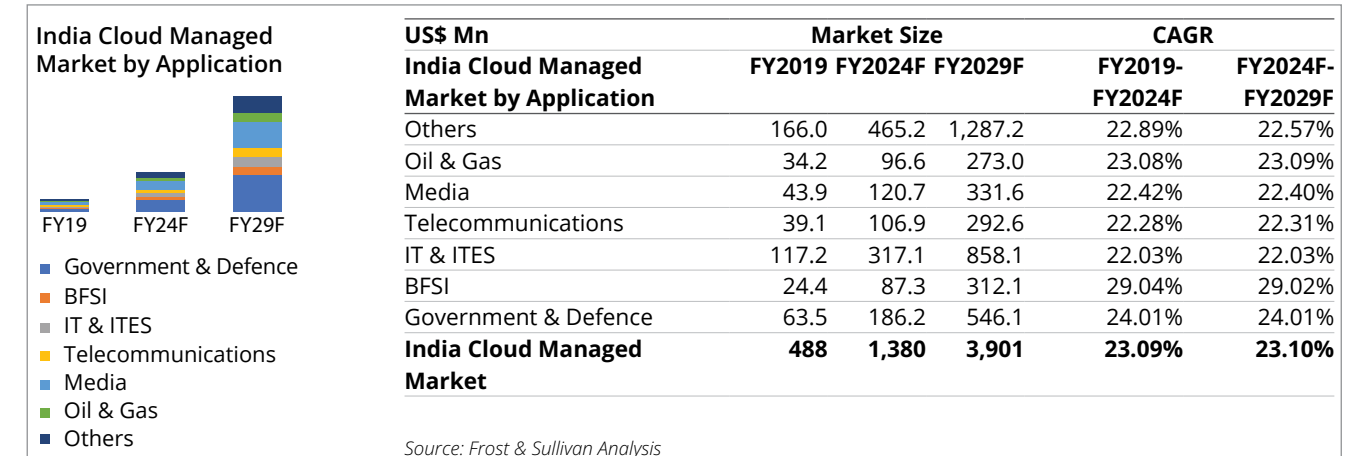
Challenges

1. Data Centre Consolidation: The rise of IaaS and the move towards a universal cloud platform reduce the need for separate data centres, limiting market growth.

INDIA CLOUD MANAGED SERVICES MARKET

Overview

Exhibit 77: India Cloud Managed Services Market by Application (US\$ in Mn) – FY 2019-2029F (Estimated and Historical Years)



The Indian cloud migration services market has grown significantly, becoming a major part of the global cloud computing market. The demand is driven by the need to reduce costs, increase scalability, and enhance agility.

Key Developments

- Industry Expansion: Major players include international corporations, regional IT providers, and specialised cloud migration services.
- Data Centres: New data centres and cloud regions established by service providers.
- Sectoral Growth: Public sector, media, gaming, BFSI, and manufacturing sectors are leading public cloud adoption.

Sector Highlights

- BFSI: Cloud migration in BFSI is expected to grow by 39%. Around 43% of financial services plan to increase their cloud investment.
- Telecommunications: Due to 5G, 95% of data workloads will migrate to the cloud by 2025.
- Government & Defence: "MeghRaj" programme and MeitY guidelines promote cloud adoption and data security.

Drivers

- Cost Efficiency: Lower CapEx and OpEx with pay-as-you-go models.
- Flexibility: Cloud services enable rapid IT project deployment and cost reduction.

Restraints

- Vendor Lock-in: Dependency on a single vendor can limit flexibility and pose risks during migration.

Opportunities

- Hybrid Infrastructure: Shift from traditional data centre outsourcing to hybrid cloud services, increasing demand for PaaS, IaaS, and SaaS.

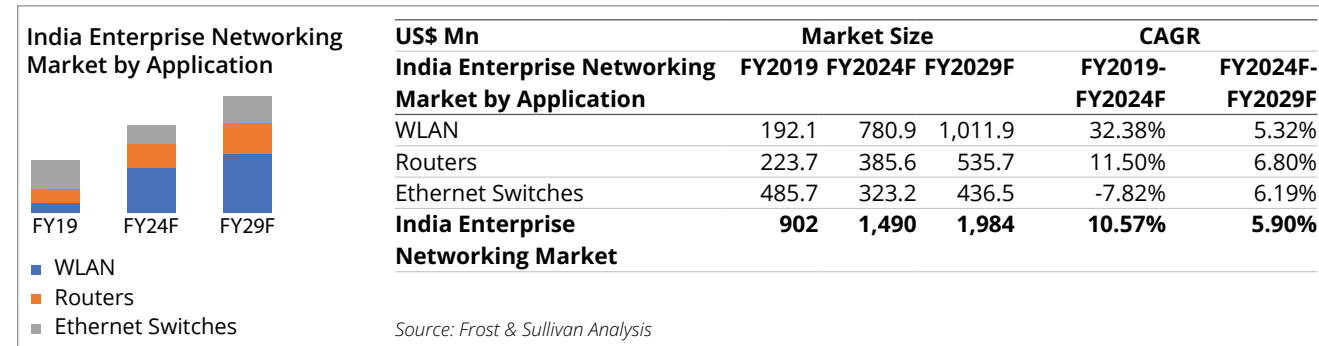
Challenges

- Data Security: Risks of data breaches and privacy issues.
- Regulations: Compliance with various regulations is complex and costly.

INDIA ENTERPRISE NETWORKING MARKET

Overview

India Enterprise Networking Market (US\$ in Mn), by Product type – FY 2019-2029F (Historical and Estimated Years)



India Enterprise Networking market by product is segmented into ethernet switches, routers and WLAN. The ethernet switch market in India is growing due to the increasing need for robust communication infrastructure in various sectors and the benefits of industrial ethernet switches. The government's push for "Make-in-India" initiatives further boosts this market.

Key Trends

- Industrial Adoption: Increasing use in smart grids, intelligent traffic, security, and surveillance.
- FDI Growth: Telecom sector FDI grew by 150% from US\$ 8.3 Bn in 2014 to US\$ 20.7 Bn in 2021.
- Market Leaders: Cisco holds ~57% market share, followed by HPE (4.5%) and Juniper (4.4%).

Growth Drivers

- Government Initiatives: "Make-in-India" boosts local manufacturing, enhances security, and reduces costs.
- Supplier Displacement: Indigenous manufacturers benefit from local sourcing due to security concerns.
- Digital Transformation: Increased adoption of digital technologies and cloud services.
- IoT and Edge Computing: Growing need for real-time data analytics and decision-making.
- Increased Connectivity: Initiatives like BharatNet and submarine cable projects boost demand.

Market Drivers

- Data Centre Growth: Investments of up to ₹ 1.20 lakh crore expected to boost capacity significantly.
- 5G Introduction: Drives demand for high-speed network infrastructure.
- Data Security: Enhancing local manufacturing to mitigate cyber threats.

Security Concerns

- Government focuses on reducing cyber threats by promoting locally made switches, mitigating risks of foreign cyberattacks on critical infrastructure.

Opportunities

- PLI Scheme:** Supports domestic manufacturing of telecom and networking products with financial incentives.
- Local Manufacturing:** Companies like Ciena are increasing local manufacturing to meet growing demand.

COMPANY OVERVIEW

Netweb Technologies India Ltd. is India's leading high-end computing solutions (HCS) provider with fully integrated design and manufacturing capabilities. Its HCS offerings comprise:

- High Performance Computing (Supercomputing/HPC) Systems
- Private Cloud & Hyperconverged Infrastructure (HCI)
- AI Systems & Enterprise Workstations
- High Performance Storage (HPS/Enterprise Storage System) Solutions
- Data Centre Servers
- Software & Services for HCS offerings

In terms of number of HPC installations, the Company is one of the most significant OEMs in India amongst others.

Since inception, Netweb Technologies has undertaken installations of:

- 500+ supercomputing systems
- 50+ private cloud and HCI installations
- 5,000+ accelerator/GPU-based AI systems and enterprise workstations
- HPS solutions with throughput storage of up to 450 GB/s.

The Company caters to marquee customers across various end-user industries such as information technology, information technology enabled services, entertainment and media, banking, financial services and insurance (BFSI), national data centres. It also offers its services to government entities including in the defence sector, education and research development institutions (application industries) such as Indian Institute of Technology (IIT) Jammu, IIT Kanpur, NMDC Data Centre Private Limited, Airmatrix Private Limited, Graviton Research Capital LLP, Institute of Nano Science and Technology (INST), HL Mando Softtech India Private Limited (HL Mando), Dr. Shyam Prasad Mukherjee International Institute of Information Technology, Naya Raipur (IIIT Naya Raipur), Jawaharlal Nehru University (JNU), Hemvati Nandan Bahuguna Garhwal University, Akamai India Networks Private Limited, A.P.T. Portfolio Private Limited (A.P.T.), and Yotta Data Services Private Limited,

Centre for Computational Biology and Bioinformatics, and Central University of Himachal Pradesh (CUHP University).

The Company also caters to an Indian Government space research organisation and an R&D organisation of the Ministry of Electronics and Information Technology, Government of India which is involved in carrying out R&D in information technology, electronics and related areas.

Netweb Technologies designs, manufactures and deploys its HCS-comprising proprietary middleware solutions, end-user utilities and pre-compiled application stack. The Company develops homegrown compute and storage technologies, deploys supercomputing infrastructure to meet the rising computational demands of businesses, academia, and research organisations, particularly, under India's National Supercomputing Mission. Further, three of its supercomputers have been listed 13 times in the world's top 500 supercomputers.

Over the years, the Company has designed, developed and deployed some of India's most powerful supercomputing systems:

Supercomputer	Year of Deployment	User	Speed in teraflops (Rpeak)	Speed in teraflops (Rmax)	Particulars
AIRAWAT	2023	Centre for Development of Advanced Computing, India (CDAC)	13,169.86	8,500	Ranked 75 th in the world and puts India on top of AI supercomputing nations worldwide. Included in the 61 st edition of Top 500 Global Supercomputing List released in June 2023. It is also India's largest and fastest AI supercomputing system.
Agastya	2020	Indian Space Research Organisation (ISRO), Government of India	256.00	161.00	At the time of commissioning, it was India's 27 th fastest supercomputer.
PARAM Ambar	2019	National Institute of Science Education and Research (NISER), Bhubaneswar	1,384.85	919.61	At the time of commissioning, it was India's 4 th fastest supercomputer.
Hartree	2018	National Institute of Science Education and Research (NISER), Bhubaneswar	51.90	38.87	At the time of commissioning, it was India's 29 th fastest supercomputer.
Kalinga Upgrade	2016 & 2020	NISER, Bhubaneswar	249.37	161.42	At the time of commissioning, it was India's 26 th fastest supercomputer.
Kohinoor 3	2016	TIFR-TCIS, Hyderabad	70.85	43.59	At the time of commissioning, it was India's 20 th fastest supercomputer.
PARAM YUVA-II	2013	Centre for Development of Advanced Computing, India (CDAC)	529.38	386.71	At the time of its commissioning, it was the 69 th most powerful supercomputer in the world.
Kabru	2004	The Institute of Mathematical Sciences, Chennai	1.38	1.00	The Company's first supercomputing system which was then one of the top 500 most powerful supercomputing systems in the world.

Rpeak – maximum theoretical performance

Rmax – maximum performance achieved

1 teraflop = one trillion (10¹²) floating-point operations per second

Source: F&S Report; (p.166, 169 & 170)

In 2023, the Company forayed into developing new product lines, viz., Network Switches and 5G Oran Appliances.

Network Switches and 5G Oran Appliances are critical to the data centre industry for enterprise IT, and the telecommunications industry for enabling 5G services, and are expected to (i) address the dearth in Indian network switch OEM; and (ii) reduce India's dependency on foreign OEMs.

Adoption of high throughput - low latency network switches in data centres and 5G networks has been proliferating at a very high pace which further necessitates higher security, reliability, and greater operational efficiencies with lower latencies (Source: F&S Report). The Company has recently introduced 5G cloud on core and edge for an international telecommunications service provider.

The Company operates out of its manufacturing facility located in Faridabad, Haryana, which is equipped with capabilities to design, develop, manufacture and test its products; and cater to its software and service portfolio. In addition to the Company's registered office in Faridabad, it has 16 offices across India.

The Company's manufacturing facility has received ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System) and

ISO/IEC 27001:2013 (Information Security Management System) certificates from International Benchmarking & Certifications.

Netweb Technologies' ability to offer a wide array of products and solutions is enabled and supported by its dedicated R&D team located in Faridabad and Gurgaon, Haryana, and Hyderabad, Telangana. As at May 31, 2024, the R&D team comprised 57 members.

The Company is compliant with the "Make-in-India" policy of the Government of India and is also one of the few OEMs in India eligible to seek production-linked incentives in terms of the Government of India's Production-Linked Incentive (PLI) Scheme 2.0 for IT Hardware. This includes the manufacture of servers and the PLI Scheme for Promoting Telecom and Networking Products Manufacturing in India, covering networking and telecom products.

Netweb Technologies collaborates with various technology partners, such as NVIDIA Corporation (NVIDIA), Intel Americas, Inc. (Intel), Advanced Micro Devices, Inc. (AMD), Samsung India Electronics Private Limited, and Seagate India Private Limited to design and innovate products and provide services tailored to specific customer requirements. The Company also independently designs and innovates its products and solutions offerings and provides services tailored to specific customer requirements.

The Company's bouquet of HCS offerings under the 'Tyrone' brand is wide-ranging and has expanded over the years and, at present, our solutions portfolio comprises:

Supercomputing Systems: Custom hardware and scalable designs up to 1,000 nodes, using the 'Tyrone' cluster management suite.

Private Cloud and HCI: Tyrone Skylus integrates compute, storage, and network, competing with top foreign HCI vendors.

AI Systems and Enterprise Workstations: Designed for supercomputing, machine learning, and deep learning, equipped with Tyrone KUBYTS™.

HPS Solutions: High throughput storage solutions like Tyrone Verta, Collectivo, and ParallelStor, designed for scalability and high availability.

Data Centre Servers: Over 200 models under "Tyrone Camarero", ranging from entry-level to high-end, supporting up to 1 petabyte storage.

Software and Services for HCS Offerings: Netweb provides a private cloud software stack for Kubernetes, AI-ML services, and big data solutions using Tyrone Camarero and Collectivo systems.

The Company's "Big Data"-centric solutions use Tyrone Camarero dense systems, Tyrone Cluster Management Suite and Tyrone Collectivo range of specialised storage systems. These solutions are designed to cater to data-intensive distributed applications under a single umbrella.

Netweb Technologies' products and solutions sold under the 'Tyrone' brand are supported by its engineered solutions:

Product name

Tyrone Cluster Manager 	KUBYTS 	VERTA 	ParallelStor 
Collectivo 	SKYLUS 	Tyrone Camarero 	

Product Portfolio: Our HCS Offerings

Segment-wise Revenue

Product Category	2022-23	%	2023-24	%
AI Systems and Enterprise Workstations	309.30	7.0%	799.00	11.0%
Data Centre Server	283.28	6.4%	337.05	4.7%
HCS focussed Software and Service	94.67	2.2%	175.72	2.4%
High performance storage (HPS) solutions	308.09	7.0%	339.10	4.7%
HPC (Supercomputing system)	1,728.38	39.2%	2,623.59	36.2%
Others (Spare Sale)	225.70	5.1%	289.63	4.0%
Private cloud and HCI	1,460.60	33.1%	2,643.83	36.5%
Networking Switches	0.00	0.0%	32.76	0.5%
Grand Total	4,410.02	100.0%	7,240.68	100.0%

GROWTH STRATEGIES

- 1. Robust Business Pipeline:** The Company's business pipeline and order book remains strong. Ongoing enhancements in its capabilities, coupled with the expansion of its operations and product portfolio positions it favourably for sustained growth, while retaining technological leadership.
- 2. AI Opportunity:** With rapidly expanding adoption of generative, predictive and interpretive AI by organisations and substantial contributions from the global AI developer community across diverse and innovative use cases, India is poised to become the AI factory of the world. This presents promising opportunities for expanding the Company's diverse product offerings.
- 3. New Manufacturing Facility:** Located in Faridabad, Netweb's new manufacturing facility, operational since May 10, 2024, enhance their manufacturing capabilities for high-end servers, storage, and switches. PCB design, manufacturing and SMT for high-end servers, it supports "Make-in-India" with the latest NVIDIA, Intel,

and AMD chips. This facility boosts Netweb's reach in high-performance computing, private cloud, AI cloud, and data centers, highlighting their commitment to growth and innovation and self-reliance in India's tech sector.

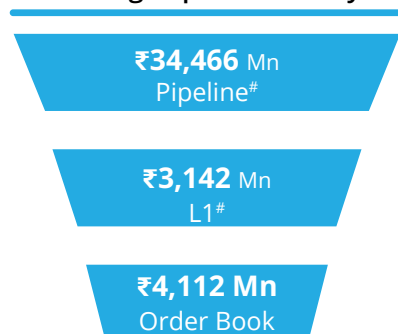


- 4. Partnership with NVIDIA:** The Company has entered into a partnership with NVIDIA as a select manufacturing OEM for the NVIDIA Grace CPU Superchip and GH200 Grace Hopper Superchip MGX server designs to unlock the potential of AI and High-Performance Computing in India. Netweb Technologies will

build and produce more than ten server variations under its Tyrone range of AI systems, meant for a wide range of AI and high-performance computing/supercomputing applications.

5. **New Launches:** Netweb has recently launched Intel Sapphire Rapids and AMD Genoa (4th Gen AMD EPYC) based “Make-in-India” high-end computing servers.
6. Heavy adoption of private cloud across sectors.
7. Huge demand of high-end compute for booming in-bound data centres across India.
8. Foray into Europe & Middle East: The Company plans to establish a service network in four countries initially.
9. Foraying into developing new product lines, viz., Network Switches and 5G ORAN Appliances.
10. Rising demand for on-premise AI Sovereign cloud for demand of contemporary data and AI workloads.

Strong Topline Visibility



Pipeline excludes L1, L1 excludes Order Book, all figures are as on March 31, 2024

KEY BUSINESS DEVELOPMENTS

- **New High-end Computing Server, Storage and Switch Manufacturing Facility**

On May 10, 2024, Netweb Technologies India Limited inaugurated India's flagship end-to-end High-End Computing Server, Storage and Switch Manufacturing Facility in Faridabad. The facility includes PCB design, manufacturing and SMT for high-end servers, storage and switches, demonstrating advanced manufacturing skills. It encompasses the entire spectrum, from designing Printed Circuit Boards (PCBs) to surface-mounting on PCBs and finally the production of complete systems, showcasing India's prowess in creating sophisticated technology products. The new facility will enable the Company to manufacture high-end computing systems featuring Intel, NVIDIA, and AMD chips under the “Make-in-India” initiative. This facility will cater to industry verticals requiring critical and high-performance computing, including private cloud, AI Cloud, and compute data centres, particularly for AI workloads.

- **Netweb Collaborates with NVIDIA to Unlock AI and HPC Potential**

On November 28, 2023, the Company announced its collaboration with NVIDIA as a manufacturing partner for the NVIDIA Grace CPU Superchip and GH200 Grace Hopper Superchip MGX server designs. It will produce over ten server variations under its Tyrone AI systems range, targeting complex workloads like HPC, data science, large language models, edge computing, and enterprise AI. These servers support AI training, inference, and 5G on a single system, with seamless upgrades for future hardware. This partnership aligns with the “Make-in-India” initiative, aiming to build cutting-edge AI infrastructure locally. The Company's AI systems based on NVIDIA MGX will help enterprises tackle AI infrastructure challenges, supporting diverse applications such as generative AI, speech analytics, and automation, ultimately boosting India's AI capabilities and fostering a local ecosystem for accelerated computing.

- **4th Gen AMD EPYC™ Based Servers Launched**

In June 2024, Netweb Technologies launched a new range of “Make-in-India” servers featuring the latest 4th Gen AMD EPYC™ processors. These servers, available in various models such as 1U, 2U, 4U, and workstations, are optimised for high-performance computing and diverse workloads. They support up to dual AMD EPYC 9004 Series processors with up to 256 cores and 6TB memory, providing substantial scalability and impressive computational performance. With flexible I/O expansion, storage support, and various advanced features, these servers are ideal for applications in AI/ML, data centres, and high-performance storage solutions, aligning with the “Make-in-India” initiative to promote innovation and manufacturing excellence.

AWARDS AND ACCOLADES

Since 2017, Netweb Technologies has consistently been honoured with numerous awards and recognitions that underscore its commitment to excellence, innovation, and leadership in the technology sector. These accolades highlight its relentless pursuit of technological advancements and the Company's dedication to delivering superior solutions to its clients. The Company celebrates the recognition and accolades that have distinguished it as a leader in the industry over the years.

2017: Partner Performance Award - Data Center Group at the Intel Solutions Summit 2017 MACAU

2017: Intel Technology Provider Platinum 2017 Retailer Specialist

2018: Intel Technology Provider Platinum 2018 Best HPC Data Center Specialist

2019: Partner of the Year – Data Center Group at the Intel Partner Connect Asia 2019

2020: Seagate Certificate for Appreciation – In Recognition for a Record of Outstanding Accomplishments

2020: In recognition of outstanding contribution towards growing AMD EPYC Business H1 for FY20

2021: Top Software Tools Bundled with IA Partner of the Year 2021 at the Intel Software India Partner Summit, 2021

2021: Partner of the Year 2021, System Integrator by Seagate

2021: Outstanding Contribution in Promotion of electronics and manufacturing of servers – Ministry of Electronics and Information Technology, Government of India, Celebration of Azadi ka Amrit Mahotsav

2022: MAIT – India's Apex Industry body empowering IT, Telecom and Electronics and Hardware for outstanding leadership and guidance to the Electronics Industry of India

2022: Best “Software Tools Bundled with IA” Partner for 2022 by Intel Developer Tools Summit 2022

2023: Awarded by Government e-Marketplace as a winner in “Top Sellers (MSE)” Category

CREDIT RATING

In FY2024, CRISIL (a S&P Global Company) reaffirmed the Company's long-term rating as A-/ Stable and short-term rating as A2+.

DIVIDEND PAYOUT

With the Company's listing in July 2023, the Board of Directors formalised a dividend policy which is in line with good corporate governance practices. Some of the salient features of the policy are:

- Follow a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support future growth.
- Consider financial parameters like earnings outlook, future capex requirements, liquidity and cash flow positions, inorganic growth opportunities etc.
- Consider external factors like economic environment, business cycle, changes in government policies, industry specific rulings and regulatory provisions, statutory restrictions tec.
- For FY2024, in line with the guidelines of dividend policy, the Board of Directors recommended a total dividend of ₹ 2 per share.
- For detailed perspective on dividend policy, please refer to the Company's website at www.netwebindia.com

FINANCIAL HIGHLIGHTS

Profit & Loss

Particulars (₹ in Mn)	FY2024	FY2023	YoY (%)
Income			
Revenue from operations	7,240.75	4,449.72	62.7%
Other income	118.87	6.78	1,653.2%
Total income	7,359.62	4,456.50	65.1%
Expenses			
Cost of materials consumed	5,638.12	3,252.40	73.4%
Change in inventories of finished goods and work-in-progress	(192.67)	(8.75)	2,101.9%
Employee benefits expense	500.44	293.53	70.5%
Finance costs	62.08	40.73	52.4%
Depreciation and amortisation expenses	62.52	36.57	71.0%
Other expenses	269.57	212.39	26.9%
Total expenses	6,340.06	3,826.87	65.7%
Profit before tax	1,019.56	629.63	61.9%
Tax expense	260.53	160.27	62.6%
Profit for the year	759.03	469.36	61.7%

Particulars (₹ in Mn)	March 31, 2024	March 31, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	348.71	169.41
Capital work-in-progress	5.51	17.63
Right-of-use assets	75.00	49.46
Other intangible assets	18.08	14.75
Intangible assets under development	0.12	0.23
Financial assets		
(i) Investments	-	-
(ii) Other financial assets	36.62	10.00
Deferred tax assets (net)	9.14	6.64
Other non-current assets	31.06	9.74
Total non-current assets (1)	524.24	277.86
Current assets		
Inventories	1,146.57	540.74
Financial assets		
(i) Trade receivables	1,838.29	1,515.32
(ii) Cash and cash equivalents	896.75	70.92
(iii) Bank balances other than cash and cash equivalents	1,319.39	65.22
(iv) Other financial assets	84.28	22.25
Other current assets	315.16	167.19
Total current assets (2)	5,600.44	2,381.64
Total assets (1+2)	6,124.68	2,659.50
EQUITY AND LIABILITIES		
Equity		
Equity share capital	112.73	101.85
Other equity	4,114.79	834.81
Total equity (1)	4,227.52	936.66
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	12.72	93.12
(ii) Lease liabilities	59.98	40.61
Other non-current liabilities	9.00	1.05
Provisions	25.78	14.92
Total non-current liabilities (2)	107.48	149.70
Current liabilities		
Financial liabilities		
(i) Borrowings	3.57	210.86
(ii) Lease liabilities	19.46	11.44
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	2.06	0.98
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,264.10	1,032.69
(iv) Other financial liabilities	186.90	118.21
Other current liabilities	300.75	112.63
Provisions	3.99	1.97
Current Tax Liabilities (net)	8.85	84.36
Total current liabilities (3)	1,789.68	1,573.14
Total equity and liabilities (1+2+3)	6,124.68	2,659.50

Total Income

The Company's total income increased by 65.1% from ₹ 4,456.50 Mn in the FY2023 to ₹ 7,359.62 Mn in FY2024, primarily due to an increase in its revenue from operations from ₹ 4,449.72 Mn in FY2023 to ₹ 7,240.75 Mn in FY2024, and other income from ₹ 6.78 Mn in FY2023 to ₹ 118.87 Mn in FY2024.

Revenue from Operations

The Company's revenue from operations increased by 62.7% from ₹ 4,449.72 Mn in FY2023 to ₹ 7,240.75 Mn in FY2024. This increase was on account of an increase in the sale of products by 63.7% from ₹ 4,315.36 Mn in FY2023 to ₹ 7,064.96 Mn in FY2024, primarily due to an increase in the sale of private cloud and HCI from ₹ 1460.60 Mn to ₹ 2,643.87 Mn; supercomputing systems from ₹ 1,728.38 Mn to ₹ 2,623.59 Mn; High Performance Storage solutions from ₹ 308.09 Mn to ₹ 339.09 Mn; and AI systems and enterprise workstations from ₹ 309.30 Mn to ₹ 799 Mn. There was an increase in the sale of services from ₹ 94.66 Mn in FY2023 to ₹ 175.72 Mn in FY2024, primarily due to increased demand for our services.

Other Income

Other income increased by 1,653.2% from ₹ 6.78 Mn in FY2023 to ₹ 118.87 Mn in FY2024, primarily on account of increase in interest income from bank deposits from ₹ 3.60 Mn to ₹ 80.56 Mn and gain from exchange fluctuation from ₹ 1.13 Mn to ₹ 29.33 Mn.

Expenses

The Company's total expenses increased by 65.7% from ₹ 3,826.87 Mn in FY2023 to ₹ 6,340.06 Mn in FY2024. This was primarily due to (i) an increase in the cost of goods sold from ₹ 3,243.65 Mn to ₹ 5,445.45 Mn, (ii) an increase in employee benefits expense from ₹ 293.53 Mn to ₹ 500.44 Mn, and (iii) increase in other expenses from ₹ 212.39 Mn to ₹ 269.57 Mn.

Cost of Materials Consumed

The Company's cost of materials consumed increased by 73.4% from ₹ 3,252.40 Mn in FY2023 to ₹ 5,638.12 Mn in FY2024. This was commensurate with increase in revenue and change in inventories of finished goods and work-in-progress.

Change in inventories of finished goods and work-in-progress

The Company's change in inventories of finished goods and work-in-progress moved from ₹ (8.75) Mn in FY2023 to ₹ (192.67) Mn in FY2024. This was primarily due to an increase in the inventory of work-in-progress goods due to execution and billing of customer orders.

Employee Benefits Expense

The Company's employee benefits expense increased by 70.5% from ₹ 293.53 Mn in FY2023 to ₹ 500.44 Mn in FY2024, primarily due to (i) an increase in salary and wages from ₹ 264.43 Mn to ₹ 357.79 Mn on account of increase in number of employees from 264 to 362 and an average increase in compensation paid to employees and (ii) an increase in share-based payment to employees from ₹ 23.18 Mn in FY2023 to ₹ 128.53 Mn in FY2024.

Finance Costs

The Company's finance costs increased by 52.4% from ₹ 40.73 Mn in FY2023 to ₹ 62.08 Mn in FY2024, primarily due to an increase in (i) interest on borrowings from ₹ 22.77 Mn to ₹ 40.12 Mn, (ii) interest on lease liabilities from ₹ 3.52 Mn to ₹ 5.93 Mn and (iii) interest on others from ₹ 3.05 Mn to ₹ 9.69 Mn, which was partially offset by a decrease in other borrowing costs from ₹ 11.39 Mn to ₹ 6.34 Mn.

Depreciation and Amortisation Expenses

The Company's depreciation and amortisation expenses increased by 71% from ₹ 36.57 Mn in FY2023 to ₹ 62.52 Mn in FY2024, due to increase in (i) gross carrying value of the plant and equipment by ₹ 109.02 Mn, buildings by ₹ 22.72 Mn, furniture and fixtures by ₹ 18.56 Mn, office equipment by ₹ 14.79 Mn and vehicles by ₹ 21.94 Mn, (ii) increase in gross carrying value of other intangible assets by ₹ 6.90 Mn and (iii) and increase in carrying amount of right to use assets by ₹ 41.24 Mn, resulting in (i) increase in depreciation of tangible assets from ₹ 21.93 Mn to ₹ 41.39 Mn, (ii) decrease in amortisation of intangible assets from ₹ 4.47 Mn to ₹ 3.57 Mn and (iii) increase in depreciation of right-of-use assets from ₹ 10.17 Mn to ₹ 17.56 Mn.

Other Expenses

The Company's other expenses increased by 26.9% from ₹ 212.39 Mn in FY2023 to ₹ 269.57 Mn in FY2024. This was primarily due to an increase in (i) technical support expenses from ₹ 6.68 Mn to ₹ 32.55 Mn, (ii) corporate social responsibility expenses from ₹ 3.30 Mn to ₹ 7.03 Mn, and (iii) office expenses from ₹ 9.74 Mn to ₹ 17.33 Mn.

Profit/(loss) Before Taxes

The above led to increase in profit before tax by 61.9% from ₹ 629.63 Mn in FY2023 to ₹ 1019.56 Mn in FY2024.

Tax Expenses

The Company's total tax expenses increased by 62.6% from ₹ 160.27 Mn in FY2023 to ₹ 260.53 Mn in FY2024 due to an increase in our current tax expense from ₹ 156.16 Mn to ₹ 256.65 Mn caused by increase in profit before tax.

Profit/(loss) for the year

For the reasons discussed above, the Company's profit for the year increased by 61.7% from ₹ 469.36 Mn in FY2023 to ₹ 759.03 Mn in FY2024.

Key Performance Indicators

Particulars	FY2024	FY2023
Sale of products (in ₹ Mn)	7,064.96	4,315.36
Sale of services (in ₹ Mn)	175.72	94.66
Other operating revenue (in ₹ Mn)	0.07	39.7
Revenue from operations (in ₹ Mn)	7,240.75	4,449.72
Cost of goods sold (COGS) (in ₹ Mn) ¹	5,445.45	3,243.65
Gross margin (in %) ¹	24.79	27.1
EBITDA (in ₹ Mn) ²	1144.16	706.93
EBITDA margin (in %) ²	15.8	15.89
Profit for the year (in ₹ Mn)	759.03	469.36
Profit margin (in %) ³	10.48	10.55
Return on equity (ROE) (in %) ⁴	29.4	68.01
Return on capital employed (ROCE) (in %) ⁵	38.52	64.42
Total borrowings (₹ Mn) ⁶	95.73	356.03
Net debt (in ₹ Mn) ⁷	-801.02	285.11
Net debt - equity ratio (in times) ⁸	-0.19	0.3
Net debt - EBITDA (in times) ⁹	-0.7	0.4
Asset turnover ratio (in times) ¹⁰	16.18	17.69

Notes:

1. Gross Margin: Percentage of total revenue from operations for the year less cost of goods sold for the year divided by total revenue from operations for the year. Cost of goods sold is taken as a sum of cost of material consumed and change in inventories of finished goods and work in progress.
2. EBITDA is calculated as profit for the year plus tax expense, depreciation and amortisation and finance cost for the year, while EBITDA margin is the percentage of EBITDA divided by total revenue from operations for the year.
3. Profit margin is a percentage of profit for the year divided by total revenue from operations for the year.
4. Return on Equity is calculated as profit for the year divided by average equity.
5. Return on Capital Employed is calculated as earnings before interest and taxes expenses (EBIT) for the year divided by average capital employed. EBIT is calculated as EBITDA for the year less depreciation for the year and capital employed is sum of equity, total borrowings and deferred tax liabilities.
6. Total borrowings are current and non-current borrowings plus current and non-current lease liabilities.
7. Net Debt is total borrowings reduced by cash & cash equivalents.
8. Net Debt to equity is calculated as Net Debt divided by equity.
9. Net Debt to EBITDA is calculated as Net Debt divided by EBITDA for the year.
10. Asset Turnover Ratio: Total revenue from operations for the year divided by total assets, where total assets are sum of property, plant and equipment (net block), capital work in progress, right of use assets, intangible assets (net block) and intangible assets under development.

RESEARCH AND DEVELOPMENT

The Company has a dedicated team continuously working towards innovation in the software and the hardware domain. The R&D team's in-depth understanding of high-end computing solutions, their ability to meet the advanced technological challenges and their constant efforts at innovation, coupled with experience in working on innovative products in India, enable the Company to stay at the forefront of technological evolution and anticipate and envision the future needs of its customers and the market. A dedicated R&D Facility has enabled the Company to expand to eight product lines viz., Tyrone Cluster Manager, KUBYTS, VERTA, ParallelStor, Collectivo, SKYLUS and Tyrone Camarero AI Systems and GPU System. Further, R&D capabilities have helped to design and build an extensive range of over 200 server models and a wide range of over 30 AI systems and workstation models and over 15 storage systems which makes the Company a self-reliant and a proven OEM. The Company's R&D team works from dedicated facilities in Faridabad, Gurgaon, and Hyderabad. As of March 2024, the team comprised 57 members, representing approximately 16% of the total workforce, with plans for additional hires.

ESG INITIATIVES

As a responsible corporate, the Company has taken giant steps to adhere to all applicable environmental, social and governance objectives. A key step was the establishment of an ESG Committee. The Company's existing strengths, capabilities, as well as gaps within the system, process and data are identified by the Committee. Based on these, the Committee develops a strategic ESG roadmap and executes it responsibly. During the year under review, the Company has identified/taken several initiatives, which are as follows:

- To ensure smooth governance, the Company has laid down various policies relating to employee grievances, gender equality and equal employment opportunities and anti-corruption.
- The Company aims to provide at least 25 hours of training to each employee.
- Every employee of the Company is covered under the Mediclaim insurance scheme and accidental insurance coverage of the Company. The Company aims to extend life insurance coverage to its employees, going forward.
- The Company's goal is to have energy from renewal sources fulfilling at least 5% of its total requirement by the year 2027.

RISK AND MITIGATION

RISK	IMPACT	MITIGATION
Technology risk	Rapid advancements in technology can lead to the risk of products or services becoming obsolete.	The Company invests in R&D which helps it to stay ahead of technological trends. Collaboration with various technology partners like Intel, AMD, NVIDIA, etc. helps the Company to regularly update its products and services.
Credit risk	Delay in customer payments and receivables may adversely impact profits and cash flows.	The Company has a well laid mechanism of collections and follow up for recovery of payments, thus minimising the chances of unrealised receivables.
Forex risk	The Company does not enter into hedging transactions with respect to foreign currency exposure. Any losses, on account of foreign currency exchange rate fluctuations may adversely affect business, results of operations and financial conditions.	The Company mitigates the risk by way of natural hedging through matching of currency inflows and outflows.
Customer concentration risk	The Company faces a risk of relying heavily on top 10 of its customers for earning majority of its revenue. Inability to retain any of its customers will affect the revenue of the Company.	Netweb Technologies has, over years, successfully retained its key customers. Also, the Company is continuously expanding its customer base to mitigate the risk.

HUMAN RESOURCES

Employees are the most valuable asset for the Company. As on March 31, 2024, the Company has 362 permanent employees.

The Company places great emphasis on nurturing in-house talent and promoting a culture of self-motivation and teamwork. Regular training and upskilling are imparted wherever required. The Company aims to be an employer of choice and promotes inclusivity, respects diversity and strong talent retention. As a part of its talent retention programmes, the Company offers Employee Stock Ownership Plan (ESOP) schemes, incentives, performance management systems, rewards and recognitions. The Company values and highly appreciates suggestions from employees and implements it for organisational improvement.

INTERNAL CONTROLS

The Company has established robust and effective internal control systems commensurate with its size and operations. These stringent controls ensure efficient and prudent utilisation of resources, safeguarding the Company's assets and interests. Transactions are meticulously approved, recorded, and accurately reported, with checks and balances in place to ensure the reliability and consistency of accounting data. The internal control systems cover all areas

of the Company's operations and undergo periodic reviews and testing to ensure their effectiveness. The Company places great emphasis on the continuous enhancement of its internal control systems to mitigate risks and improve operational efficiency. The efficacy of the internal checks and control systems is validated by internal audits and statutory auditors.

QUALITY CONTROL

The Company has implemented quality systems across its Manufacturing Facility which is designed to ensure quality of products and solutions offerings. Strict checks have been built as a part of the supplier selection process to ensure that all components purchased are in compliance with the Restriction on the use of Hazardous Substances (RoHS) directive.

The Company has also obtained BIS certification IS 13252 (Part 1):2010/ IEC 60950-1: 2005 for its servers, workstations and storage solutions. The Manufacturing Facility are ISO 14001:2015, (Environment Management System), ISO 9001:2015 (Quality Management System) and ISO/IEC 27001:2013 (Information Security Management System) certified.

The Company's products are subjected to various tests including the HIPOT test, (dielectric, i.e. insulation barrier between hazardous and non-hazardous part, strength testing) insulation resistance test, burn-in test (where products are run for an extended length of time in order to identify any potential problems) and the test for electrostatic discharge. Further the Manufacturing Facility also has a dedicated performance analyser to run 'Linpack' tests before the final product and solutions offerings are dispatched to the customers.

CAUTIONARY STATEMENT

Certain statements made in this report, including but not limited to the Company's objectives, projections, expectations, and estimates, may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Various factors could make a significant difference to the Company's operations and actual results, including but not limited to changes in Government regulations, tax laws, economic developments in India and other countries where the Company conducts business, litigation, and other related factors. This report serves as a cautionary statement, and the Company takes no responsibility for any decisions made based on the information contained herein.

NOTICE OF 25TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty-Fifth Annual General Meeting ("AGM") of the members of NETWEB TECHNOLOGIES INDIA LIMITED will be held on Saturday, August 17, 2024 at 03:00 p.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

- To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2024, together with the reports of the Board and the Auditors thereon;
- To declare a final dividend of ₹ 2.00/- (i.e. 100% of the face value of equity shares of the Company) per equity share for the financial year ended on March 31, 2024.
- To appoint a director in place of Mr. Vivek Lodha (DIN: 00461917), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- Ratification of the Cost Auditors remuneration for the financial year 2024-25

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014 and based on the recommendation of the Audit Committee and approval of the Board of Directors, the remuneration payable for the year ending March 31, 2025 to M/s Sunny Chhabra & Co, Cost Accountants, (Membership No. 32469), as appointed by the Board of Directors of the Company on recommendation of the Audit Committee to conduct the audit of the Cost Records of the Company, amounting to ₹ 80,000/- (Rupees Eighty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred during the course of audit be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to perform and execute all such deeds, matters and things as may be deemed necessary or expedient to give effect to this resolution and for the matters annexed therewith or incidental thereto."

- Payment of commission to the Managing Director and Whole Time Directors of the Company for FY 23-24

To consider and if thought fit, to pass the following resolution as Special resolution:

"RESOLVED THAT pursuant to the provisions of section 197, 198 of the Companies Act, 2013 ("Act") rules made thereunder, regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee, approval by the Audit Committee and the Board of Directors, approval of the members of the Company be and is hereby accorded to make payment of commission on the profits of the Company as a part of the remuneration, totaling to ₹ 1,71,05,017 for the FY 2023-24 to Mr. Sanjay Lodha, Managing Director, Mr. Navin Lodha, Mr. Niraj Lodha and Mr. Vivek Lodha, Whole Time Directors of the Company, as per the details mentioned below:

Name of the Director	% Commission on profits	Commission Amount (in ₹)
Mr. Navin Lodha	0.35%	36,28,337
Mr. Niraj Lodha	0.35%	36,28,337
Mr. Vivek Lodha	0.35%	36,28,337
Mr. Sanjay Lodha	0.60%	62,20,006
Total	1.65%	1,71,05,017

RESOLVED FURTHER THAT the total remuneration paid during the year including the amount of commission shall not exceed the limit as allowed under section 197 of the Companies Act, 2013 and regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

RESOLVED FURTHER THAT Mr. Lohit Chhabra, Company Secretary be and is hereby authorized to do all such acts, deeds and things to give effect to the forgoing resolution."

By Order of the Board

Date : July 20, 2024
Place : Faridabad, Haryana

Lohit Chhabra
Company Secretary &
Compliance Officer
M.NO A36610

NOTES:

- a. Pursuant to General Circular Nos.14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 20/2020 dated May 5, 2020 and other relevant circulars including General Circular No. 09/2023 dated September 25, 2023 (collectively referred to as "MCA Circulars") issued by the Ministry of Corporate Affairs ("MCA") and in compliance with the provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('Listing Regulations'), 2015, the 25th Annual General Meeting ("AGM") of the Company is being held through VC / OAVM which does not require the physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Plot No. H-1, Block-H, Pocket No. 9, Faridabad Industrial Town, Sector-57, Faridabad, Haryana 121004 i.e. Registered Office of the Company which shall be the deemed Venue of the AGM
- b. For the purpose of conducting AGM through VC/OVAM, the Company has entered into an agreement with Link Intime India Private Limited for facilitating voting through electronic means, as the authorized agency. Link Intime India Private Limited will be providing facilities for voting through remote e-voting and e-voting during the AGM. The Company is providing a two-way teleconferencing facility for the ease of participation of the members.
- c. Since this AGM is being held through VC / OAVM, the facility for appointment of proxies by the Members will not be available for the AGM and hence the proxy form and attendance slip are not annexed to this Notice. However, in pursuance of Section 113 of the Act, and rules made thereunder, the Members who are body corporate(s) are entitled to appoint their authorised representatives to attend the AGM through VC/OAVM and participate and cast their votes through remote e-voting and e-voting during the 25th AGM of the Company.
- d. The Explanatory Statement pursuant to Section 102 of the Act in respect of the business under Item No. 4 & 5 set out above and relevant details in respect of the Directors seeking re-appointment at this AGM as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ('ICSI') are annexed hereto.
- e. Members attending the AGM through VC / OAVM (including Members present through authorized representatives) shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- f. Institutional / Corporate Members (i.e. other than individuals/HUF/NRI etc.) are required to send scanned copy of Board Resolution, not later than 48 hours

before the AGM, authorizing their representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting and e-voting during AGM to the Scrutinizer by email through its registered email at fcspcjain@gmail.com and Company's Registrar & Transfer Agent ("RTA"), Link Intime India Pvt. Ltd. at rnt.helpdesk@linkintime.co.in with a copy marked to evoting@nsdl.com and Lohit Chhabra, Company Secretary at complianceofficer@netwebindia.com.

- g. Pursuant to the Order passed by National Company Law Tribunal ('NCLT') dated December 18, 2023, TSR Consultants Private Limited has merged with Link Intime India Private Limited with effect from December 22, 2023. Accordingly, the name of RTA of the Company is changed from TSR Consultants Private Limited to Link Intime India Private Limited ('Link Intime'/'RTA').
- h. The Register of Members and the Share Transfer Books of the Company will remain closed from August 10, 2024 to August 17, 2024 (both days inclusive).
- i. Dividend as recommended by the Board of Directors, if declared at the AGM, will be paid on or after August 25, 2024, within 30 days from the date of 25th AGM, to those members whose names appear in the Register of Members at the close of the business hours on August 09, 2024 in respect of shares held by them in physical form and whose names appear in the statement of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited at the close of the business hours on August 09, 2024 in respect of shares held by them in dematerialized form.
- j. Till the date of the Notice, the Company does not have any unclaimed/unpaid dividend which is required to be kept in "unpaid dividend account"/ Further, no shares are required to be transferred to the Investor Education and Protection (IEPF) Fund under section 124(5) of the Act. Members who hold equity shares in physical form and desirous of availing Electronic Clearance Scheme (ECS) facility for direct credit of dividend to their bank account, may submit their request to the Company's RTA. Any query related to dividend should be directed to RTA.
- k. In compliance with the MCA Circulars and SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 27, 2023, the Notice of the 25th AGM of the Company along with the Annual Report for the financial year 2023-2024 is being sent only through electronic mode (unless specifically requested for hard copies by the members) to those Members whose email addresses are registered with their respective Depository Participants ("Dps"), Company or Company's RTA.

Members may note that the Notice of the AGM and the Annual Report for the year 2023-24 will also be available on the Company's website at www.netwebindia.com, and also on the website of the Stock Exchanges where the shares of the Company have been listed viz., BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com. The Company has also published a public notice by way of newspaper advertisement in Jansatta and Financial Express with the required details of 25th AGM, for information of the Members. The said Notice is also available on the website of Link Intime India Private Limited (Agency for providing the e-voting facility). A copy of the advertisement is also made available on the website of the Company and the Agency.

- l. For those Members whose email IDs were not available, a Public Notice with regard to the Company's Annual General Meeting was published on July 21, 2024 in Jansatta-Hindi edition, being the principal vernacular language of the district in which the registered office of the Company is situated, and Financial Express in English language, inter-alia providing requisite information and contact details for registering email IDs and queries on e-voting.
- m. Members who hold shares in physical form and having more than one folio in identical names or joint names are requested to consolidate the same by sending the shares certificates to the Company's RTA.
- n. The Company has made necessary arrangements for the members to hold their shares in dematerialised form.
- o. All documents referred in the accompanying Notice and statement setting out material facts will be available electronically for inspection for members on all working days between 10:00 a.m to 11.00 a.m upto Saturday August 17, 2024 being the date of the AGM. Members seeking to inspect such documents can send an email at: complianceofficer@netwebindia.com.
- p. During the AGM, the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, the register of contracts or arrangements in which Directors are interested under section 189 of the Act, the Certificate from Secretarial Auditor of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any amendment thereof and the Memorandum and Articles of Association of the Company shall be available for inspection during the AGM. All documents referred to in the Notice will also be available for electronic inspection from the date of circulation of this Notice up to the date of AGM.

- q. Since the AGM will be held through VC / OAVM, the attendance slip and route map are not annexed to this Notice.

- r. Awareness about Online Resolution of Disputes in the Indian Securities Market through Online Dispute Resolution ('ODR') Portal

This is to inform the members that Securities and Exchange Board of India ("SEBI") vide circular no. SEBI/HO/OIAE/OIAE_IAD1/P/CIR/2023/131 dated July 31, 2023 issued guidelines for online resolution of disputes in the Indian securities market through establishment of a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising between investors/clients and listed companies (including their RTA's) or specified intermediaries/regulated entities in the securities market.

SEBI vide circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023 has further clarified that the investor shall first take up his/her/their grievance with the Market Participant (Listed Companies, specified intermediaries, regulated entities) by lodging a complaint directly with the concerned Market Participant. If the grievance is not redressed satisfactorily, the investor may escalate the same through the SCORES Portal <https://scores.gov.in/scores/Welcome.html> in accordance with the process laid out. After exhausting the above options for resolution of the grievance, if the investor is still not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal.

The SMART ODR Portal can be accessed at: <https://smartodr.in/login>.

- s. The Board has appointed Mr. P.C Jain, Membership No 4103, Certificate of Practice No 3349 as the scrutinizer to scrutinize the remote e-voting process and also the e-voting during the AGM in a fair and transparent manner. The scrutinizer shall, after the conclusion of e-voting at the 25th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting system and shall make a consolidated Scrutinizer's Report.
- t. The result declared along with the Scrutinizer's Report shall be placed on the Company's website <https://netwebindia.com/investors/corporategovernance.php> and on the website of the NSDL at www.evoting.nsdl.com immediately after declaration. The Company shall simultaneously forward the results to NSE and BSE, where the shares of the Company are listed. The results of the voting will also be displayed on the notice board of the Company at its registered office.
- u. A recorded transcript of the meeting shall be uploaded on the website of the Company <https://netwebindia.com>.

com/investors/corporategovernance.php and the same shall also be maintained in the safe custody of the Company.

- v. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their DPs in case shares are held in electronic form or to Company's RTA i.e. LIPL in case shares are held in physical form.
- w. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed Form can be obtained from the Company's RTA i.e. LIPL. Members are requested to submit the said details to their DPs in case the shares are held in electronic form and to LIPL in case the shares are held in physical form.

Instructions for Remote e-Voting before AGM:

In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and the provisions of Regulation 44 of the Listing Regulations, 2015, the members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Link Intime India Pvt. Ltd., on all resolutions set forth in this Notice.

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various E-voting Service Providers portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter user id and password. Post successful authentication, click on "Access to e-voting".
- c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsdl.com/>
- b) Click on the "Login" tab available under 'Shareholder/ Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 - From Easi/Easiest

Users who have registered/ opted for Easi/Easiest

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.

- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

- a) To register, visit URL:

<https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration/>

<https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.

- d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details:

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN:

Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

*Shareholders holding shares in NSDL form, shall provide 'D' above

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

3. Click on 'Login' under 'SHARE HOLDER' tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.

2. E-voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

- Visit URL: <https://instavote.linkintime.co.in>
- Click on Sign up under "Corporate Body/ Custodian/ Mutual Fund"
- Fill up your entity details and submit the form.
- A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- Click on "Investor Mapping" tab under the Menu Section
- Map the Investor with the following details:
 - 'Investor ID' -
 - Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - 'Investor's Name' - Enter full name of the entity.
 - 'Investor PAN' - Enter your 10-digit PAN issued by

Income Tax Department.

- 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- Click on Submit button and investor will be mapped now.
- The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- Click on 'Votes Entry' tab under the Menu section.
- Enter Event No. for which you want to cast vote. Event No. will be available on the home page of InstaVote before the start of remote evoting.
- Enter '16-digit Demat Account No.' for which you want to cast vote.
- Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
- After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- You will be able to see the notification for e-voting in inbox.
- Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- Download sample vote file from 'Download Sample Vote File' option.

- Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 - 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk 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

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character

(@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**Corporate Body/ Custodian/ Mutual Fund**' tab and further Click '**forgot password?**'
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Other e-voting Instructions

- The remote e-voting period commences on **Tuesday**,

August 13, 2024 at 9.00 a.m. and ends on Friday, August 16, 2024 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on **Friday, August 09, 2024 (the cut-off date)** may cast their vote electronically. The e-voting module shall be disabled for voting thereafter.

- ii. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Friday, August 10th, 2024.
- iii. A person whose name is recorded in the Register of Members or in the Register of Beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting and voting during the AGM.
- iv. Mr. P.C Jain, Founder, M/s P.C Jain & Co, Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
- v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.netwebindia.com within two days of the 25th AGM of the Company to be held on Saturday August 17, 2024.
- vi. The contact details for Registrar and Transfer Agent: Link Intime India Pvt. Ltd.,

Tel. No. : 022 4918 6270, E-mail : rnt.helpdesk@linkintime.co.in.

Process and manner for attending the General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on "Login".
 - Select the "Company" and 'Event Date' and register with your following details: -
 - A. Demat Account No. or Folio No:**
Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. PAN:

Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. Mobile No.:

Enter your mobile number.

D. Email ID:

Enter your email id, as recorded with your DP/ Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Members who would like to speak during the meeting must register their request with the company.
2. Members will get confirmation on first cum first basis. First 10 Speakers registered with the Company will only be allowed to speak at the AGM for a duration upto 3 minutes each.
3. Members will receive "speaking serial number" once they mark attendance for the meeting.
4. Other Members may ask questions to the Panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with Panelist by switching on video mode and audio of your device.

Members are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.

3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

a. Instructions for Income Tax compliances with respect to dividend:

- i. The Finance Act, 2020 has abolished dividend distribution tax (DDT). Accordingly, effective from April 1, 2020, dividend income will be taxable in

the hands of shareholders. Hence the Company is required to deduct tax at source ("TDS") from the amount of dividend paid to shareholders at the prescribed rates. The detailed TDS rates and required documents for claiming non-deduction/ lower deduction of TDS are uploaded in the website of the company at: www.netwebindia.com.

- ii. To avail the benefit of non-deduction/lower deduction of TDS kindly submit the required documents by email to complianceofficer@netwebindia.com on or before August 17, 2024:

OR

The forms/documents (duly completed and signed) for claiming tax exemption are required to be uploaded on the url: <https://linkintime.co.in/formsreg/submission-qf-form-15g-15h.html>

On this page the user shall be prompted to select / share the required information therein to register their request.

- iii. The forms for tax exemption can be downloaded from Link Intime's website. The url for the same is: <https://www.linkintime.co.in/client-downloads.html>
 - On this page select the General tab. All the forms are available under the head "Form 15G/15H/10F"
- iv. The upload of forms/documents (duly completed and signed) on the above mentioned URL of Link Intime India Private Ltd should be done on or before August 17, 2024 to enable the Company to determine and deduct appropriate TDS / Withholding Tax.
- v. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after August 17, 2024.
- vi. In terms of the MCA and SEBI circular, in case the Company is unable to pay the dividend to any shareholder by electronic mode due to non-availability of the details of their bank account, the Company will dispatch the Dividend Warrants/ Demand Drafts to such shareholders by post.
- vii. All communications/ queries in this respect should be addressed to our RTA, Link Intime India Private Limited to: complianceofficer@netwebindia.com.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Agenda Item No 4:

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the re-appointment of M/s Sunny Chhabra & Co, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2024-25. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as approved by the Board on the recommendation of the Audit Committee, has to be ratified by the members of the Company. Accordingly, consent of the members is sought by way of an Ordinary Resolution as set out at Business No. 4 of the Notice for ratification of the remuneration amounting to ₹ 80,000 plus applicable GST and out-of pocket expenses incurred by them in connection with the aforesaid audit.

The Board of Directors recommend the resolution for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

Agenda Item No 5:

Upon the recommendation of Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company, ('Board') at their respective meetings held on May 01, 2024, approved and recommended to Members for payment of Commission as part of the remuneration of Mr. Sanjay Lodha, Managing Director, Mr. Navin Lodha, Mr. Niraj Lodha and Mr. Vivek Lodha, Whole Time Directors of the Company for financial year 2023-24, which shall be payable only after the approval of the members of the Company.

Nomination and Remuneration Committee of the Company in the meeting held on May 01, 2024 has considered and appreciated the growth of the Company in terms of achieving new heights which could not have been possible without the dedication and hard work of Mr. Sanjay Lodha, Mr. Niraj Lodha, Mr. Navin Lodha and Mr. Vivek Lodha ("Executive Directors"). Therefore, keeping in view the contributions of the Executive Director, the Committee has recommended the payment of commission to the Executive Directors as a part of their remuneration for the financial year 2023-24. Pursuant

to the transaction being a related party transaction in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee in its meeting dated has also approved the payment of commission May 01, 2024 to the said directors

The details of commission sought to be paid to the Executive Directors are as below:

Name of the Director	% of profit to be paid as commission	Amount to be paid as commission (In INR)
Mr. Navin Lodha	0.35%	36,28,337
Mr. Niraj Lodha	0.35%	36,28,337
Mr. Vivek Lodha	0.35%	36,28,337
Mr. Sanjay Lodha	0.60%	62,20,006
Total	1.65	1,71,05,017

As per Regulation 17(6)(e) of SEBI Listing Regulations, the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in a general meeting, if the aggregate annual remuneration payable to such executive directors exceeds 5 per cent of the net profits of the listed entity.

For FY 23-24, after taking into account the aforesaid commission proposed to be paid to the Executive Directors, the aggregate annual remuneration payable to all the executive directors of the Company shall exceed 5 percent of its net profits for FY 23-24. Accordingly, the approval of the shareholders by way of special resolution is sought.

Following Directors or their relatives are interested in the resolution, to the extent of their shareholding in the Company. None of the Key managerial personnel are interested, financial or otherwise.

NAME OF THE DIRECTORS/ RELATIVES	% OF SHAREHOLDING
Sanjay Lodha	29.90
Navin Lodha	14.95
Vivek Lodha	14.95
Niraj Lodha	14.95
Priti Lodha	0.001
Anuja Lodha	0.001
Sweta Lodha	0.001
Nisha Lodha	0.001

Notes on Director seeking appointment/re-appointment

As required under regulation 36(3) of the Listing Regulations, 2015 and Secretarial Standards on General Meetings, particulars of Director/s who is/are to be appointed/re-appointed are given below:

Name of the Director	Vivek Lodha
Brief resume of the director	
Director Identification Number	00461917
Date of Birth	May 21, 1976
Date of first appointment on the Board of Directors	April 13, 2015
Qualifications	Graduate in commerce
Experience including nature of expertise in specific functional areas	15 + Years of experience in Sales & Marketing
List of other Directorships including directorships in other listed entities	1 [Supermicro Computers (India) Private Limited]
Chairmanship/ Membership of Audit and Stakeholders' Relationship Committees in other companies	Nil
Relationship with other Directors and Key Managerial Personnel	Mr. Vivek Lodha is brother of Mr. Sanjay Lodha, Managing Director
No. of shares held in the Company	84,27,086
No. of Board meetings attended during last Financial Year	6 (Six)
Details of Remuneration paid/ sought to be paid	Salary and commission as per existing approved terms of appointment
Remuneration last drawn by the director	Salary and commission as mentioned in the Report on Corporate Governance forming part of the Annual Report
Terms and conditions of appointment	Mr. Vivek Lodha was re-appointed as Whole-time Director of the Company for a period of 5 years w.e.f 15.08.2021, liable to retire by rotation. This appointment is being made in terms of section 152(6) of the Companies Act, 2013.
Nature of expertise in specific functional area	Sales & Marketing

25TH DIRECTORS' REPORT

Your Directors have the pleasure in presenting before you the Twenty-Fifth (25th) Annual Report of Netweb Technologies India Limited (formerly known as Netweb Technologies India Private Limited) ('Company') for the financial year ended March 31, 2024 along with Audited Financial Statements and Auditors' Report thereon.

Financial Performance of the Company

During the year, the financial performance of the Company, set a new milestone for its future performance. Below is the summary of the financial performance of the Company for the year.

PARTICULARS	(₹ In million)	
	FY 2023-24	FY 2022-23
Revenue from operations	7,240.75	4,449.72
Other income	118.87	6.78
Total income	7,359.62	4,456.50
EBITDA	1,144.16	706.93
EBITDA Margin (%)	15.80%	15.86%
Finance costs	(62.08)	(40.73)
Depreciation and amortization expenses	(62.52)	(36.57)
Profit before tax	1,019.56	629.63
Current tax	(257.15)	(156.16)
Deferred tax	(3.38)	(4.11)
Profit after Tax (PAT)	759.03	469.36
PAT Margin	10.48%	10.53%
Earnings per equity share (EPS)	13.91	9.22

State of affairs, Operation of the Company and Future Outlook

This year, we achieved a significant milestone with our successful Initial Public Offering (IPO), positioning us as an exclusive entity in the listed space. This accomplishment underscores our robust business model and opens new avenues for growth and enhanced shareholder value.

During the year under review, the total income of the Company is increased from ₹ 4,456.50 million to ₹7,359.62 million, EBITDA increased from ₹ 706.93 million to ₹ 1144.16 million and profit after tax increased from ₹ 469.36 million to 759.03 million. All the financial aspects of the Company have shown steady and excellent growth.

The detailed analysis on the state of affairs, operation of the Company and future outlook is explained in the Management discussion and analysis report forming part of the Annual Report of the Company for the year under review.

Transfer to Reserves

The same is disclosed in the note no. 15 notes to the financial statements for the financial year 2023-24 forming part of the Annual Report for the year under review.

Dividend and Dividend Distribution Policy

In compliance with regulation 43A of the Securities and Exchange Board of India (Listing Obligation and Disclosure

requirements) Regulations 2015, the Company has adopted the Dividend Distribution Policy of the Company during FY 2023-24.

The Policy is available at <https://netwebindia.com/investors/Dividend%20Distribution%20Policy.pdf>. The Policy sets out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividends to its shareholders.

Subject to the approval of the Members in the 25th Annual General Meeting, the Board of Directors recommends a final dividend of ₹ 2.00 per equity share for the financial year 2023-24 to the shareholders of the Company i.e. 100% of the face value of shares of the Company. The proposed dividend is recommended for approval of the Members in compliance of the Dividend Distribution Policy of the Company.

The Board has decided to keep the remaining amount of profit as reserve for the growth of the Company.

The Dividend, if approved by the Members in the ensuing Annual General Meeting will be paid within 30 days of the Annual General Meeting.

Also, pursuant to the provisions of the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend paid or distributed by the Company on or after April 1, 2020, shall be taxable in the hands of the Members.

The Company shall, therefore, deduct tax at source (TDS) at the time of making the payment of dividends to the shareholders. The Register of Members and Share Transfer Books of your Company shall remain closed from 10.08.2024 to 17.08.2024 (both days inclusive). The record date is 09.08.2024 for the purpose of determining eligible shareholders for the purpose of payment of dividends.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

During the financial year 2023-24, the provisions of Section 125(2) of the Companies Act, 2013 were not applicable as there was no unpaid or unclaimed dividend. Further there

are no shares of the Company in demat suspense account or unclaimed suspense account.

Issued Share Capital and Authorised Capital

During the financial year 2023-24, there was no change in the Authorized Share Capital of the Company. The Authorized Share capital stands at ₹ 15,00,00,000 [Rupees Fifteen Crores only].

However, the issued and paid-up share capital increased during the financial year 2023-24. The details of the increase in the issued and paid-up share capital are presented in the below table:

Particulars	(Amount in ₹)	
	No of Shares [Issued and Paid-up Capital]	Share Capital Amount [Issued and Paid-up Capital]
At the beginning of the financial year 2023-24	5,09,23,980	10,18,47,960
Add:		
Through Private Placement	10,20,000	20,40,000
Initial Public Offering of the Company	41,21,000	82,42,000
Shares issued under the Employee Stock Options Scheme	3,00,888	6,01,776
At the end of the financial year 2023-24	5,63,65,868	11,27,31,736

Note : Face value of equity shares is ₹ 2 per share.

Equity Shares with differential Voting Rights

The Company hasn't issued any equity shares with differential voting rights.

Report on the utilisation of proceeds of the Initial Public Offer raised during the financial year 2023-24.

The Company has appointed 'CRISIL Ratings Limited' as the monitoring agency to monitor the utilization of the issue proceeds from the Initial Public offer of the Company raised during the financial year 2023-24. The Monitoring agency has duly submitted its report on a quarterly basis to the Audit Committee and the Board of Directors. The Audit Committee and Board of Directors duly took note of the same and filed it with the stock exchange as required under Regulation 32(6) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. There were no deviations or variations in the utilization of issue proceeds from the objects as stated in the offer document for Public Issue of shares of the Company.

Below is the summary of the utilisation of proceeds from the Public issue during the financial year 2023-24:

Sr. No	Original Object	As on March 31, 2024	
		Original Allocation [₹ In Millions]	Funds Utilised [₹ In Millions]
1	Funding Capital Expenditure requirements – Civil construction of the building for the SMT line and interior development	90.000	31.760
2	Funding Capital Expenditure requirements – Purchase of equipment/ machineries for new SMT production line	232.860	43.490
3	Funding long-term working capital requirements	1,280.220	527.270
4	Repayment or prepayment, in full or in part, of certain of outstanding borrowings	225.000	225.000
5	General Corporate Purposes	112.160	112.160

Deposits

The Company has not accepted any deposit within the meaning of section 73 and 76 of the Companies Act, 2013 and the rules framed thereunder during the financial year 2023-24 and therefore, no amount of principal or interest was outstanding as on the date of the Balance Sheet. During the year 2023-24, Company has filed form DPT-3 in compliance of Companies Act, 2013.

Material changes and commitments affecting the financial position of the Company

There has not been any material change or commitment which have occurred between the end of financial year 2023-24 and the date of this Report which could have affected, in any manner, the financial performance of the Company.

Credit Ratings

The details of Credit ratings on the Bank facilities availed by the Company as provided by CRISIL Ratings Limited are as follows:

Date	Credit Rating
April 12, 2023	Long Term Rating: A-/Stable (Reaffirmed) Short Term Rating: A2+ (Reaffirmed)

Particulars of Loans, Guarantees or Investments

The Company has adhered to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013 in respect of loans, advances and investments made by the Company during financial year 2023-24 and particulars of such loans, advances and investment have been provided in the audited financial statements of the Company forming part of this Annual Report.

Particulars of contracts or arrangements made with Related Parties

The Company has adopted a related party transaction policy in compliance with the requirements of the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company at <https://netwebindia.com/investors/RPT%20Policy.pdf>. All related party transactions that were entered into during the financial year ended March 31, 2024, were on an arm's length basis and were in the ordinary course of business. Further, during the year, your Company has not entered into contracts or arrangements or transactions with the related parties which could be considered as 'material' in accordance with the Policy of the Company on materiality of Related Party Transactions and as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These transactions are in the ordinary course of business and are on an arm's length basis. In view of the above, disclosure in Form AOC-2 is not applicable.

Your Directors draw the attention of the members to (refer Note No 38 to the "Notes to Financial Statements").

Name	Ratio of Remuneration to the median remuneration of employees	% Increase in remuneration in the financial year
Managing Director & Whole Time Directors		
Mr. Sanjay Lodha	38.87	48.31%
Mr. Navin Lodha	30.35	46.06%
Mr. Niraj Lodha	30.35	46.06%
Mr. Vivek Lodha	30.35	43.85%
Independent Directors		
Mr. Mrutyunjay Mahapatra	2.98	NA
Mr. Vikas Modi	3.78	NA
Mrs. Romi Jatta	2.61	NA
Mr. Jasjeet Singh Bagla	1.92	NA

Annual Return

As per the requirements of Section 92(3) of the Act and rules framed thereunder, including any statutory modifications/ amendments thereto for the time being in force, the annual return in form MGT-7 for FY 2023-24 shall be placed on the Company's website. The same can be accessed at www.netwebindia.com/investors/corporategovernance.html.

Details of material and significant orders passed by the regulators or Courts or Tribunals

During the FY 2023-24, no notices or orders or any directions by any regulator, statutory and quasi-judicial body, court or tribunal were received by the Company which could have affected the working and/or the performance of the Company or going concern status of the Company. There had been no instances of settlement with any bank. There had been no corporate insolvency application filed against the Company under any court or any judicial body.

Details of Subsidiary/ Holding / Joint Venture/ Associate Companies

The Company has only one subsidiary company named Netweb Foundation, a Company incorporated under section 8 of the Companies Act, 2013. Company, along with its nominee, is holding 100% equity shares of Netweb Foundation. By virtue of it being a section 8 company, the consolidation of the financial statements is not required. Form AOC-1 is attached as **Annexure A**.

Further, during the financial year 2023-24, no company became or ceased to become a subsidiary or joint venture or associate company of your Company.

Particulars of Employees

The information under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- The ratio of the remuneration of each director & KMP to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

Name	Ratio of Remuneration to the median remuneration of employees	% Increase in remuneration in the financial year
Chief Financial Officer		
Mr. Prawal Jain	14.75	NA
Company Secretary		
Mr. Lohit Chhabra	2.94	NA

Notes:

- The remuneration details in the above table pertain to directors and KMPs as required under the Companies Act, 2013. While calculating the median as presented above, the value of the stock option is not considered as stock options were not granted to directors.
- The percentage increase in remuneration is not provided for KMPs as they haven't drawn remuneration during the full fiscal year 2022.
- Only Sitting fee was paid to Independent Directors during the year under review.

- The percentage increase in the median remuneration of employees in the financial year is (1.18%).
- The number of permanent employees on the rolls of Company are 362 as on March 31, 2024.
- The average percentile increase already in the salaries of employees is 22.91% and the percentile increase in the managerial remuneration is 46.20%. With the introduction of commission on profits to Managing Director and whole time Directors coupled with revision in remuneration after 2 years, the managerial remuneration for the year grew at a faster rate than that of employees.
- The Company affirms that the remuneration is as per the remuneration policy of the Company.
- Nature of employment of all above mentioned employees is permanent.
- The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other information as required in this rule, is provided in below table:

Name of the Employees	Designation	Remuneration received (In ₹)	Qualifications	Experience (In Years)	Date of commencement of employment	Age	Past Employment	% of equity shares
Hirdey Vikram	Chief Sales and Marketing Officer	14,63,12,417	B.Tech	13	16-Aug-16	35	HCL Infosystems Limited	Negligible
Hemant Agrawal	Chief Operating Officer	5,87,12,347	B.Com	21	16-Aug-16	52	-	Negligible
Mukesh Golla	Chief Research & Development Officer	5,66,38,240	B.Tech	20	16-Aug-16	43	-	Negligible
Prawal Jain	Chief Financial Officer & CHRO	2,03,37,635	Cost Accountant, Chartered Accountant, B.Com	28	12-Jan-23	52	Moeving Urban Technologies Private Limited	Negligible
Sanjay Lodha	Chairman & Managing Director	1,82,42,159	Post Graduate Diploma in Business Management	25	16-Aug-16	52	NA	29.90%
Vivek Lodha	Whole Time Director	1,42,41,259	B.Com	15	16-Aug-16	48	NA	14.95%
Navin Lodha	Whole Time Director	1,42,41,259	B.Com	25	16-Aug-16	50	NA	14.95%
Niraj Lodha	Whole Time Director	1,42,41,259	B.Com	15	16-Aug-16	47	NA	14.95%
Tushar Agarwal	VP Sales & Solutions	1,29,22,602	B.Tech	12	16-Aug-16	38	NA	Negligible
Arup Kumar Banerjee	GM - Finance & Accounts	1,07,10,287	MCA	32	16-Aug-16	55	Balaji Mining	Negligible

Notes :

Except for Directors, as they haven't been granted any stock options, the remuneration of all other employees provided in the above table includes the value of perquisites i.e value of the stock option exercised during the financial year.

Remuneration to Mr. Sanjay Lodha, Mr. Niraj Lodha, Mr. Navin Lodha and Mr. Vivek Lodha includes commission on profits for the FY 2022-23 received by them in the financial year 2023-24.

Mr. Sanjay Lodha and Mr. Vivek Lodha are Brothers. Mr. Navin Lodha and Mr. Niraj Lodha are Brothers.

During the year under review, subject to the approval of the members in the ensuing Annual General Meeting, the Managing Director and Whole Time Directors are entitled to Commission on the profits of the Company, details whereof will be disclosed in the Notice of the Annual General Meeting of the Company.

Further, following are the employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees:

Name of the Employees	Designation	Remuneration received
Hirdey Vikram	Chief Sales and Marketing Officer	14,63,12,417
Hemant Agrawal	Chief Operating Officer	5,87,12,347
Mukesh Golla	Chief Research & Development Officer	5,66,38,240
Prawal Jain	Chief Financial Officer & CHRO	2,03,37,635
Sanjay Lodha	Chairman & Managing Director	1,82,42,159
Vivek Lodha	Whole Time Director	1,42,41,259
Navin Lodha	Whole Time Director	1,42,41,259
Niraj Lodha	Whole Time Director	1,42,41,259
Tushar Agarwal	VP Sales & Solutions	1,29,22,602
Arup Kumar Banerjee	GM - Finance & Accounts	1,07,10,287
Anuj Kumar	Assistant Director - Customer Support	1,06,07,895

Corporate Governance

The corporate governance philosophy of your Company is derived by the interest of the stakeholders and focuses on the fairness, transparency and business needs of the organization. Your Company believes that executing strategy effectively and generating shareholder value over the long term requires high standards of corporate governance. The Company always makes constant efforts to set new benchmarks in corporate excellence.

In terms of SEBI Listing Regulations, a separate section on "Corporate Governance" with a compliance report on corporate governance and a certificate from M/s. P.C Jain & Company, Practising Company Secretaries, Secretarial Auditors of the Company regarding compliance with the conditions of Corporate Governance, has been provided in this Annual Report.

A certificate of the Managing Director and Chief Financial Officer of the Company in terms of Part B of Schedule II of SEBI Listing regulations, inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed with report on Corporate Governance.

Employees Share Option Plan of the Company

Your Company introduced employee recognition schemes in the form of ESOPs and such tools have been constructive in acknowledging employee's contributions in the success of the organization. The objective of the said ESOPs is to enhance employee motivation, and enable employees to participate, directly or indirectly, in the long-term growth and success of your Company. Also, such tools act as a retention mechanism by enabling employee participation in the business as its active member.

During the reporting year under review, the Nomination and Remuneration Committee allotted 3,00,888 equity shares of ₹ 2/- each pursuant to exercise of employee stock options by eligible employees under the ESOP Scheme of the Company.

Disclosures on details of options granted, shares allotted upon exercise, etc. as required under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are set out in **ANNEXURE B** to this Report. The same is uploaded on the website of the Company at <https://netwebindia.com/investors/Stock-Exchange-Filing.php>. Further, details of options granted and exercised are included in the notes to accounts forming part of financial statements.

Internal financial control and its adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give

true and fair view of the state of affairs of the Company at the end of the financial year 2023-24 and of the profit or loss of the Company for the year for the same period;

- That the Directors have taken proper and sufficient care for the maintenance of the 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.
- That the Directors have prepared the annual accounts on a going concern basis.
- That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively
- That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Report on Management Discussion & Analysis and Corporate Governance

Pursuant to the SEBI Listing Regulations 2015, Management Discussion and Analysis Report, Report on Corporate Governance, Certificate pursuant to Schedule V read with Regulation 34 (3) of the SEBI Listing Regulations and the declaration by the Chairman and Managing Director regarding affirmations for compliance with the Company's

S.no	Observations	Management Reply
1.	During the period under review, there was a violation of Code of Conduct under Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 by one Designated Person (DP) regarding the execution of trade during the trading window closure period & the same has been intimated to the Stock Exchange(s).	The matter was discussed in the Audit Committee meeting and after taking into account various aspects of the instant matter inter alia concerned Designated Person's long-term association with the Company and conduct throughout the tenure and also being the first instance, the Audit Committee has directed to issue a warning letter to her. The matter was reported to the stock exchange timely. Further, the said matter does not have any material adverse effect on the financials of the Company or on the functioning of the Company.

Further, the Board has re-appointed M/s P.C Jain & Co, Practising Company Secretaries as the Secretarial Auditor of the Company for financial year 2024-25.

Cost Audit and Cost Auditors

In terms of Section 148 of the Act read with Rule 3 of Companies (Cost Records and Audit) Rules, 2014 ("Cost Audit Rules"), Company is required to maintain cost audit records and conduct cost audit of such records under Rule 4 of Cost Audit Rules. Towards this end, M/s Sunny Chhabra & Co, Practising Cost Accountants [M. No 32469] were appointed

Code of Conduct are forming part of the Annual report for the year under review.

Disclosure as per requirement of Section 134(3) (m) of Companies Act, 2013 and Rule 8 (3) Of The Companies (Accounts) Rules, 2014

Information as required under Section 134(3)(m) on conservation of energy, Technology Absorption and Foreign exchange Earning and outgo stipulated under section 134(3) (m) of the Companies Act 2013 read with rule 8(3) of the Companies (Accounts) Rules 2014 are given in **Annexure C**.

Auditors and Auditors Report

Statutory Auditors

M/s S.S Kothari Mehta & Co. LLP, Chartered Accountants, Firm Registration No 000756N/N500441 of ICAI, was appointed as Statutory Auditor of the Company on 20.09.2022 for 5 years. They have conducted the statutory audit for the financial year 2023-24. The Independent Auditor's Report is forming part of the Annual Report. There have been no qualifications, reservation, disclaimer or adverse remarks given in the report.

Secretarial Auditors

M/s P.C Jain & Co, Practising Company Secretaries [FRN: P2016HR051300] were appointed as Secretarial Auditors of the Company for the financial year 2023-24 by the Board of Directors on 19.05.2023 for conducting secretarial audit. The secretarial Audit Report is attached as **Annexure D**. There have been no qualifications, reservation, disclaimer or adverse remarks given in the report except as follows:

as Cost Auditors of the Company for the financial year 2023-24 by the Board of Directors on 19.05.2023 for conducting Audit of Cost records. Cost audit has been conducted by M/s Sunny Chhabra & CO., Cost Accountants. The said report will be filed with the Ministry of Corporate Affairs. There were no qualifications, reservation, disclaimer or adverse remarks by the Cost Auditors in their report for FY 2023-24.

Further, the Board has re-appointed M/s Sunny Chhabra & Co, Practising Cost Accountants as the Cost Auditor of the Company for financial year 2024-25.

Internal Auditors

M/s Sanmarks & Associates, Chartered Accountants [FRN: 003343N] was appointed as Internal Auditors of the Company for the financial year 2023-24 by the Board of Directors on May 19, 2024. They conduct the audit as prescribed under section 138 of the Companies Act, 2013. Their report was discussed and deliberated by the Audit Committee of the Company. The Board has re-appointed M/s Sanmarks & Associates, Chartered Accountants as the internal auditors of the Company for the financial year 2024-25.

Compliance with Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards as issued by the Institute of Company Secretaries of India and approved as such by the Central Government pursuant to Section 118(10) of the Companies Act, 2013. Your Directors confirm the compliance of the Secretarial Standards during the year under review.

Details of Directors and Key Managerial Personnel (KMP)

Presently, the details of the Board of Directors and Key managerial personnel of the Company comprises the following as of the closure of the financial year 2023-24:

S. No	Name	Designation	DIN/PAN
1.	Mr. Sanjay Lodha	Managing Director	00461913
2.	Mr. Vivek Lodha	Whole Time Director	00461917
3.	Mr. Navin Lodha	Whole Time Director	00461924
4.	Mr. Niraj Lodha	Whole Time Director	00746701
5.	Mr. Mrutyunjay Mahapatra	Independent Director	03168761
6.	Mr. Vikas Modi	Independent Director	10049413
7.	Mr. Jasjeet Singh Bagla	Independent Director	10043442
8.	Mrs Romi Jatta	Independent Director	10045383
9.	Mr. Prawal Jain	Chief Financial Officer	AAMPJ9412F
10.	Mr. Lohit Chhabra	Company Secretary & Compliance Officer	ARVPC3562B

There have been no changes in the Board of Directors and Key Managerial Personnel during the year under review. During the financial year 2023-24, the Board of Directors had met 8 times. The attendance of the Directors is as mentioned below:

Name of the Directors	Number of meetings attended/total meetings held during the FY 2023-24	
	No. of Board Meetings held during their tenure	No. of Board Meetings attended
Mr. Sanjay Lodha	8	8
Mr. Vivek Lodha	8	6
Mr. Navin Lodha	8	8
Mr. Niraj Lodha	8	4
Mr. Mrutyunjay Mahapatra	8	8
Mr. Vikas Modi	8	8
Mr. Jasjeet Singh Bagla	8	6
Mrs. Romi Jatta	8	7

There are 4 Independent Directors in the Company during the financial year 2023-24. All Independent Directors have submitted declarations confirming that they meet/continue to meet, as the case may be, the criteria of Independence under sub-section (6) of section 149 of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations.

In accordance with the provisions of the Companies Act, Mr. Vivek Lodha (DIN: 00461917), being the longest in the office is liable to retire by rotation and, being eligible, offers himself for reappointment. Accordingly, a resolution seeking his re-appointment is given in the notice of the 25th Annual general meeting.

Pursuant to Schedule IV to the Act and SEBI Listing Regulations, a separate meeting of Independent Directors was held during the financial year 2023-24 without the attendance of non-independent Directors and members of Management.

Performance Evaluation

The Board of Directors, on the basis of criteria specified by the policy on performance evaluation, has carried out an annual evaluation of its own performance, Board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the Board was evaluated by the Board after seeking inputs from all the

directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors based on criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. At the board meeting that followed the meeting of the independent directors and meeting of the Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

Further, the independent directors of the Company, at their separate meeting held during the financial year 2023-24, reviewed the performance of non-independent directors, the board of directors as a whole, the performance of the Chairperson of the Company and accessed the quality, quantity and timeliness of flow of information between the

Management of the Company and the Board that is necessary for the Board of directors to effectively and reasonably perform their duties.

Familiarization Program of Independent Directors

During the financial year 2023-24, the Independent Directors were apprised of the business strategies of the Company. Independent Directors also had a meeting with the functional heads of the Company wherein the functional heads briefed the Independent Directors about departments in the Company and their function in the Company. They were made aware about the policies and code of conduct of the Company. Further, the details of the training and familiarization program are provided in the Corporate Governance Report forming part of the Annual Report of the Company. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities.

Committees of the Board and related Policies

During the year 2023-24, in compliance with the SEBI listing regulations, the Company has constituted mandatory committees as mentioned below. The number of meetings held during the year and the participation of the members in the meetings are mentioned below:

Nomination and Remuneration Committee

Name of the Member	Position in the Committee	No of meeting in which member is entitled to attend	No of meetings attended
Mr. Jasjeet Singh Bagla	Chairperson	3	2
Mrs Romi Jatta	Member	3	3
Mr. Vikas Modi	Member	3	3
Mr. Sanjay Lodha	Member	3	3

Further, Company's policy on appointment of directors and remuneration including criteria for determining qualifications, positive attributes, independence of directors etc is specified in Nomination and Remuneration Policy of the Company. The NRC Policy of the Company is available on the website of the Company at <https://netwebindia.com/investors/Nomination%20and%20Remuneration%20Policy.pdf>.

Audit Committee

Name of the Member	Position in the Committee	No of meeting in which member is entitled to attend	No of meeting attended
Mr. Vikas Modi	Chairperson	5	5
Mr. Mrutyunjay Mahapatra	Member	5	5
Mr. Sanjay Lodha	Member	5	5

CSR Committee

Name of the Member	Position in the Committee	No of meeting in which member is entitled to attend	No of meeting attended
Mr. Sanjay Lodha	Chairperson	1	1
Mr. Navin Lodha	Member	1	1
Mr. Jasjeet Singh Bagla	Member	1	1

Stakeholders Relationship Committee

Name of the Member	Position in the Committee	No of meeting in which member is entitled to attend	No of meetings attended
Mrs. Romi Jatta	Chairperson	1	-
Mr. Sanjay Lodha	Member	1	1
Mr. Navin Lodha	Member	1	1

Risk Management Committee

Name of the Member	Position in the Committee	No of meeting in which member is entitled to attend	No of the meetings which member attended
Mr. Mrutyunjay Mahapatra	Chairperson	2	2
Mr. Sanjay Lodha	Member	2	2
Mr. Navin Lodha	Member	2	2

Risk Management Policy is available on the Company's website at <https://netwebindia.com/investors/Risk%20Management%20Policy.pdf>.

Corporate Social Responsibility

The brief outline of the CSR Policy of the company and the initiatives undertaken by the Company on CSR Activities during the year are set out in **Annexure E** of this report in the format as prescribed in the Company (CSR Policy) Rules 2014. CSR policy of the Company is available on the website of the Company at <https://netwebindia.com/investors/Revised-CSR-Policy.pdf>.

Disclosure under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has always believed in providing a safe workplace for every woman employee working with your Company. Your Company has a policy on the prevention of sexual harassment at the workplace which is in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder. Your Company has complied with the provisions relating to the constitution of the Internal Complaints Committee (ICC) and the same has been duly constituted in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year, the Company hasn't received any complaints under Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, as on the close of financial year 2023-24, no complaint was pending before the ICC for its resolution. Also, the Company had organized training programs concerning sexual harassment from time to time, for its employees and staff. The said training programs and workshops helped create the necessary awareness and encourage a cooperative environment in the organisation.

Risk Management

Involvement of various types of risks is prone to almost all types of industries and the management of your Company is aware of it and is in the process of identification, assessment and mitigation of such risks. The Company has framed a Risk Management Policy to identify and assess the risk areas, monitor and report compliance and effectiveness of the policy and procedure. A detailed exercise is being carried out to identify, evaluate, manage and monitor both business and non-business risk. The Policy seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk policy defines the risk management approach across the enterprise at various levels including documentation and reporting. The policy has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments. Company has constituted Risk Management Committee consisting of the following members:

Name of the Member	Position in the Committee
Mr. Mrutyunjay Mahapatra	Chairperson
Mr. Sanjay Lodha	Member
Mr. Navin Lodha	Member

Business Responsibility and Sustainability Report (BRSR)

A Business Responsibility and Sustainability Report as per Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, detailing the various initiatives taken by your Company on the environmental, social and governance front, forms an integral part of the Annual Report.

The shares of the Company were listed on BSE and NSE on 27.07.2023. Post listing, Company was included in the list of top 1000 listed entities by market capitalization as on March 31, 2024, as per the list released by BSE and NSE. Therefore, BRSR reporting in terms of regulations 34(2)(f)

was not applicable to the Company for the financial year 2023-24. However, considering the environment, social and governance aspect of the performance of the Company and as a matter of good governance practice, the Company has voluntarily prepared this BRSR Report containing a report of responsible business practices of the Company during financial year 2023-24.

The ESG Committee was constituted by the Board with effect from May 01, 2024, to discharge its oversight responsibility on matters related to organization-wide ESG initiatives, priorities and leading ESG practices. The ESG Committee consists of the following members:

Name of the Member	Position in the Committee
Mr. Vivek Lodha	Chairperson
Mr. Prawal Jain	Member
Mrs. Chhavi Bahal	Member
Mrs. Swapnil	Member
Mr. Lohit Chhabra	Member

Vigil Mechanism

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in conformation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behaviour. This Policy is available on the Company's website at <https://netwebindia.com/investors/Whistle%20blower%20policy.pdf>.

We affirm that no personnel has been denied access to the audit committee.

Details in respect of Fraud reported by Auditors under sub-section (12) of section 143 other than those which are reportable to central government

During the year under review, auditors of the Company viz. statutory auditor, secretarial auditor and cost auditor has not reported to the Audit Committee any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in this Report under Section 143 (12) of the Companies Act, 2013.

ACKNOWLEDGEMENT

We thank our stakeholders including our clients, vendors, investors, bankers and employees for their continued support. We place on record our appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

We thank the Government of India, the Ministry of Corporate Affairs, the Central Board of Direct Taxes, the Central Board of Indirect Taxes and Customs, GST authorities, Securities and Exchange Board of India (SEBI), various departments under the state governments for their support, and look forward to their continued support in the future.

By order of Board of Directors
For Netweb Technologies India Limited

Sanjay Lodha
Chairman and Managing Director
DIN:00461913

Place: Faridabad
Date: July 20, 2024

ANNEXURE A

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Netweb Foundation
2.	Reporting period	March 31, 2024
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	2023-24
4.	Share capital	₹ 1,00,000
5.	Reserves & surplus	₹ (64,380)
6.	Total assets	₹ 85,620
7.	Total Liabilities	₹ 50,000
8.	Investments	-
9.	Turnover	₹ 19,51,720
10.	Profit/ (Loss) before taxation	₹ (44,230)
11.	Provision for taxation	-
12.	Profit/(Loss) after taxation	₹ (44,230)
13.	Proposed Dividend	-
14.	% of shareholding	99%

Dated : 20.07.2024
Place : Faridabad

Sanjay Lodha

Designation: Chairman and Managing Director
DIN: 00461913

Prawal Jain

Designation: Chief Financial Officer

For and on behalf of the Board of Directors

Name of the Company
Netweb Technologies India Limited
CIN: L72100HR1999PLC103911

Navin Lodha
Designation: Whole Time Director
DIN:00461924

Lohit Chhabra
Designation: Company Secretary

ANNEXURE B

Disclosures pursuant to Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2019 and Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 on ESOP read with SEBI Circular dated June 6, 2015 for the Financial year 2022-2023

The Netweb Employees Stock Option Scheme, 2023 (“the Scheme”) is in compliance with SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021.

A	Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the ‘Guidance note on accounting for employee share-based payments’ issued in this regard from time to time	Details have been provided in the Notes to Accounts of the Financial Statements in the Annual report 2023-24 as Note no 52.
B	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with ‘Accounting Standard 20 - Earnings Per Share’ issued by ICAI or any other relevant accounting standards as prescribed from time to time	Diluted EPS for the financial year 2023-24 as per AS-20 of ICAI is ₹ 13.88 per share.
C	Details related to ESOS	
(i)	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including	
	(a) Date of shareholders’ approval	January 09, 2023 with further revision on February 23, 2023
	(b) Total number of options approved under ESOP Scheme	25,46,199
	(c) Vesting requirements	1-3 years (3 years from the date of grant (February 1, 2023) in three equal instalments starting from the date of grant.
	(d) Exercise price or pricing formula	₹ 2/- per share
	(e) Maximum term of options granted (Exercise period)	1-3 years
	(f) Source of shares (primary, secondary or combination)	Primary
	(g) Variation in terms of options	Nil
(ii)	Method used to account for ESOS – Intrinsic or fair value.	Fair Value
(ii)	Where the company opts for the expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	N.A.

(IV)	Option movement during the year	Particulars	Details
		Number of options outstanding at the beginning of the period	9,05,472
		Number of options granted during the year	-
		Number of options forfeited / lapsed during the year	-
		Number of options vested during the year	3,01,824
		Number of options exercised during the year	3,00,888
		Number of shares arising as a result of exercise of options	3,00,888
		Money realized by exercise of options (INR)	6,01,776
		Variation of Terms of Options	Nil
		Number of options outstanding at the end of the year	6,04,584
		Number of options exercisable at the end of the year	936

(v)	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Weighted average exercise price of options granted during the year whose	
		Details of Esop	Esop Scheme 2023
		Exercise price Equals to Market Price	NA
		Exercise price exceeds Market Price	NA
		Exercise price Less than Market Price	NA
		Weighted average fair value of options granted during the year whose	
		Exercise price Equals to Market Price	NA
		Exercise price exceeds Market Price	NA
		Exercise price Less than Market Price	NA
(vi)	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to	No options were granted during the financial year 2023-24. The options were granted during the financial year 2022-23 which were vested and exercised during the FY 2023-24.	
		(a) Key Managerial personnel/senior managerial personnel as defined under Regulation 16(d) of the SEBI (LODR) Regulations,2015	
		(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year;	
		(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	
(vii)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information	No options were granted during the year.	
		(a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	
		(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	
		(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;and	
		(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	
Disclosures in respect of grants made in three years prior to IPO under each ESOS			
The Scheme was approved by the shareholders in FY 2022-23 on 09.01.2023 further revised on 23.02.2023. So far, 905472 options have been granted out of the total 25,46,199 pool of options.			

ANNEXURE C

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
(Pursuant to Section 134 (3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

The Company has always been conscious of the importance of the conservation of energy at all the stages of the operational level and ensures that adequate steps and measures are taken by the Company from time to time to minimize energy conservation in its manufacturing facilities, wherever possible. Energy is the most pivotal part of the Company manufacturing activities.

(i) The steps taken or impact on conservation of energy:

We are continuously taking the following steps to conserve energy:

1. Company always uses high efficiency power supplies i.e. 80 Plus Gold or higher power supplies in its equipment to ensure minimal power wastage.
2. The Company encourages LED usage and ensures that all lighting in our organization is done using power-efficient equipment.
3. Encouraged all our employees to always save power by turning off non-essential equipment. We always turn off the air-conditioner and lights during breaks to conserve energy.
4. We also ensure that all systems in our data centres which are not running any workload are shut down.
5. IT equipment consumes tremendous amounts of power and consequently generates a lot of heat. Removal of this heat requires air conditioning which consumes a substantial amount of power. Company is exploring alternate cooling methodology (such as use of liquid to remove heat) to optimise power consumption in the same.
6. Optimized Power Utilization: Enhanced the power efficiency of the data centre and departmental operations.
7. Automated System Load Checks: Implemented automatic scripts to monitor system load, shutting down idle systems to save energy
8. Virtualization: Transitioned most workloads to virtual environments such as VDI, virtual servers, and LXD, reducing the number of physical servers and networking equipment

9. Installed Air Compressor in the manufacturing unit to use air power-based manufacturing tools in order to save energy.
10. The equipment used by the Company required proper ground earthing and we ensure regular checking and take corrective action to keep it in good health. This ensures safety of people and equipment.
11. Regularly monitoring health of the system installed that is providing ground earthing to all the electrical equipment & machinery to eliminate the shock hazard and protect equipment from high voltage.
12. Our manufacturing building has been designed to permit use of the maximum amount of natural lighting.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

We are searching for alternatives to utilizing alternate sources of energy, like installation of Solar Panel Systems.

(iii) The capital investment on energy conservation equipment:

The Company is exploring the suitable investment idea as referred above.

B. TECHNOLOGY ABSORPTION

(i) the efforts made towards innovation, technology development, absorption and adaptation

- a. Cloud Computing Migration: Transitioned from traditional computing to cloud computing.
- b. Virtualization and Containerization: Migrated from physical servers to virtual servers and containerized environments.
- c. Utilized AI to automate repetitive tasks and jobs.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution

- a. Reduction in Physical Servers: decreased the number of physical servers in use.

- b. Optimized Laptop Configurations: Improved efficiency by using VDI, virtualization, and containerization, allowing the use of lower-configuration laptops.
- c. Agile Methodology: Enhanced product development and manpower utilization through Agile practices.
- d. Resource Optimization: Efficiently utilized office resources across multiple projects and products.
- e. R&D Initiatives: Implemented R&D strategies to minimize the need for imported technologies and find local substitutions.
- (a) the details of technology imported: Company have imported SMT (Surface mounted technology) line during the year under review.
- (b) whether the technology has been fully absorbed : The absorption process is currently underway.
- c) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and : It is under installation process.
- (iv) the expenditure incurred on Research and Development: ₹ 32.74 Lakhs
- C. Foreign Exchange Earnings and Outgo**

Particulars	Amount [In ₹]
Foreign exchanges outgo	₹ 3,67,76,55,035.48
Foreign exchanges earning	₹ 13,21,92,189.48

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

Annexure D

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,

Netweb Technologies India Limited

Plot No H-1, Pocket 9, Faridabad Industrial Town(FIT),
Sector-57, Faridabad, Ballabhgarh, Haryana-121004

Dear Members,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Netweb Technologies India Limited, CIN: L72100HR1999PLC103911 (hereinafter called "the Company")**. Secretarial Audit was conducted for the Financial Year 2023-24 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, 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 on March 31, 2024 complied with the 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, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (a) The Companies Act, 2013 (the Act) and the rules made there under;
- (b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (c) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (d) 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 for the period under review)**

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

- i, The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
- ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable for the period under review)
- iii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

During the period under review, there was a violation of Code of Conduct under Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 by one Designated Person (DP) regarding the execution of trade during the trading window closure period & the same has been intimated to the Stock Exchange(s).

- iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- v. The Securities and Exchange Board of India (Share-based Employee Benefits and Sweat Equity Share) Regulations, 2021;
- vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable for the period under review)**
- vii. 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;
- viii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable for the period under review)**
- ix. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable for the period under review)**

- f) On the basis of written Representation and detail of the Industry provided by the Company, we confirm that no other laws are specifically applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that:

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as required under the Companies Act, 2013, 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period no specific events/actions were taken by the Company which has a major bearing on the Company's affairs in pursuance of the act, rules, regulations, guidelines, standards, etc except-

- i. During the period under review, the Company has undertaken a private placement of 10,20,000 equity shares at an issue price of ₹ 500 per equity (including a share premium of ₹ 498 per equity share) share.(ii) During the period under review, the Company had issued equity shares through an initial public offering of the Company (IPO), which includes an offer for sale of 85,00,000 equity shares by the Promoters of the Company and a fresh issue of 41,21,0000 equity shares at a price of ₹ 500 per shares (including premium of ₹ 498 per shares). The Company got listed on stock exchanges namely BSE Limited and National Stock Exchange of India Limited on July 27, 2023.
- ii. During the period under review, the Company has made the allotment of 3,00,888 Equity Shares of the Company at the face value of ₹ 2 each, aggregating to ₹ 6,01,776 towards the Netweb Employee Stock Option Plan 2023 during the period under review.

For P. C. Jain & Co.
Company Secretaries
(FRN: P2016HR051300)
Sd/-

Place: Faridabad
Date: May 01, 2024
UDIN: F004103F000282370

(CS P.C. Jain)
Managing Partner
COP No: 3349
M. No: FCS 4103

Note: 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.

Annexure A

To,

The Members,

Netweb Technologies India Limited

Plot No H-1, Pocket 9, Faridabad Industrial Town(FIT),
Sector-57, Faridabad, Ballabhgarh, Haryana-121004

Dear Members,

Our Secretarial Audit Report for the financial year 2023-2024 of even date is to be read along with this letter.

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

Place: Faridabad
Date: May 01, 2024
UDIN: F004103F000282370

For P. C. Jain & Co.
Company Secretaries
(FRN: P2016HR051300)
(CS P.C. Jain)
Managing Partner
COP No: 3349
M. No: FCS 4103

ANNEXURE - E

Report on CSR Activities For FY 2023-24

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Corporate Social Responsibility ("CSR") is a way of conducting business, by which corporate entities visibly contribute to the social good and the welfare of society at large with an aim to improve the quality of life of people. The Company feels that the essence of CSR is to integrate economic, environmental and social objectives with the Company's operations and growth. CSR is the process by which an organization thinks about and evolves its relationships with society for the common good and demonstrates its commitment by giving back to society for the resources it used to flourish by adopting the appropriate business processes and strategies. To give further force to this cause, the Company endeavors to manage its operations with an emphasis on Sustainable development to minimize impact on the environment and promote inclusive growth.

Corporate Social Responsibility is a management concept, whereby the Company strives to integrate social and environmental concerns in our business operations. The policy provides for undertaking any activity prescribed under Schedule VII to the Companies Act, 2013 with due focus on Education, Gender Equality and Women Empowerment, Health and Sanitation (including Poverty, Malnutrition and Hunger), Rural Development, Environmental Sustainability and Skill Development to attain the goal of sustainable and overall development of the society wherein the Company is carrying out its business operations.

The Company understands to strike a balance between the overall objectives of achieving corporate excellence vis-à-vis the company's responsibilities towards the community.

The Board of Directors (the "Board") of Netweb Technologies India Limited, has adopted the policy and procedures striving for economic and social development that positively impacts the society at large and more specifically communities in which the Company operates.

The Company has framed the Policy as per the requirement of Sections 135 of the Companies Act, 2013 ("Act") read with applicable Rules and Regulations under the Act.

The main objective of CSR policy is to make CSR a key business process for the sustainable development of society. Netweb Technologies India Limited will act as a good corporate citizen and the objective of the policy is to actively contribute to the social, environmental and economic development of the society in which the company operates.

2. COMPOSITION OF CSR COMMITTEE:

The CSR committee consists of following members:

- 1) Mr. Sanjay Lodha : Chairman (Managing Director)
- 2) Mr Navin Lodha : Member (Whole Time Director)
- 3) Mr. Jasjeet Singh Bagla : Member (Independent Director)

3. DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE: Not applicable during the financial year 2023-24.

4. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT ACTUALLY SET OFF DURING THE FINANCIAL YEAR, IF ANY

Sl. No.	Financial Year	Excess spent done in the preceding financial years (in ₹)	Amount available for set off during the FY	Amount set-off during the financial year, if any (in ₹)
1.	2023-24	1,37,763	1,37,763	-
	Total	1,37,763	1,37,763	-

5. AVERAGE NET PROFIT BEFORE TAX OF THE COMPANY FOR LAST THREE FINANCIAL YEARS/ PRESCRIBED CSR EXPENDITURE (TWO PER CENT. OF THE NET PROFIT)

The calculation of Net profit for the last three is as follows:

Particulars	Amount (₹)
Net Profit before tax (as per section 198) of FY 20-21	10,69,70,000
Net Profit before tax (as per section 198) of FY 21-22	30,40,10,689
Net Profit before tax (as per section 198) of FY 22-23	62,23,40,000
Total (A)	1,03,33,20,689
Average of Net Profit of the preceding 3 Financial Years (B) =(A/3)	34,44,40,230
Minimum CSR Obligation (being 2% of last three year profit before tax)(C)=(B*2%)	68,88,805

6. (a) Two percent of average net profit of the company as per section 135(5): ₹ 68,88,805
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial year : Nil
- (c) Amount available to be set off for the financial year, if any : Nil
- (d) Total CSR obligation for the financial year (6a+6b-6c) : ₹ 68,88,805
7. a). CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
70,26,568	-	-	-	-	-

- (b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No./ Date	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-

- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Amrit Vidalya	Education	No	Gujarat, Kalol		25,00,000	Yes	-	-
2.	Mother New Born care unit	Health	Yes	Haryana, Faridabad		19,51,568	No	Netweb Foundation	CSR00050240
3.	Vanvasi Raksha Parivar Foundation	Education	No	Delhi		5,00,000	Yes	-	-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project. State. District.	Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency. Name. CSR registration number.
4.	Saraswati Vedic Sanstha	Education	Yes	Haryana, Faridabad	1,75,000	Yes	-
5.	Sanskriti Society For Education	Education	No	Uttar Pradesh, Mathura	19,00,000	Yes	-
Total					70,26,568		

(d) Amount spent in Administrative Overheads : Nil

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

(f) Total amount spent for the Financial Year (7b+7c+7d+7e) – ₹ 70,26,568

(g) Excess amount for set off, if any – Nil

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of the average net profit of the company as per section 135(5)	68,88,805
(ii)	Total amount spent for the Financial Year	70,26,568
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,37,763
(iv)	Surplus arising out of the CSR projects or program or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,37,763

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. Name of the Fund	Amount (in ₹).	Date of transfer.	Amount remaining to be spent in succeeding financial years. (in ₹)
1.	2020-21	-	-	-	-	-	-	-
2.	2021-22	-	-	-	-	-	-	-
3.	2022-23	-	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
1	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year : NA

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s) : NA

(b) Amount of CSR spent for creation or acquisition of capital asset : NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc : NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not applicable during the period under review.

12. The CSR committee, hereby affirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Sanjay Lodha
(Managing Director & Chairman CSR Committee).
DIN : 00461913

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 read with Section C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended, this Report on Corporate Governance of Netweb Technologies India Limited ("Company") for the financial year ended March 31, 2024, is presented below:

1. Company's Philosophy on the Code of Governance

Our Company is committed to maintaining and implementing the highest standards of corporate governance. We believe that effective governance is essential to building trust with our stakeholders and ensuring the long-term success of our business. Our philosophy is based on transparency, accountability, and ethical conduct. Our Board is responsible for ensuring that the Company is managed in a well-balanced manner that fulfils stakeholders' aspirations, attains sustainable growth and adopts best corporate governance practices. We strive to operate with integrity, comply with all legal and regulatory requirements and make decisions that are in the best interests of our shareholders, employees, customers, and the broader community.

Our Board members are experienced professionals and our Board Committees further supports the Board in discharging duties of the Board in a diligent and effective manner. The Company's Board of Directors ("Board") shapes the long-term vision and policy approach to steadily elevate the quality of governance in the Company.

2. Board of Directors

Our Board has an optimum combination of Executive and Non-Executive Directors with ½ of the Board comprising of Independent Directors. The Members of the Board are highly qualified and experienced persons of repute, eminence and have a good and mix of combination of Board. The Board composition conforms with the applicable provisions of the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements)

Regulations, 2015 (Listing Regulations, as amended from time to time. The Board functions with the objective of creating long-term value for the stakeholders of the Company.

Further, the Independent Directors have duly submitted the declaration of independence during the financial year under review. The Company has received confirmation from all the existing IDs of their registration on the Independent Directors Database maintained by the Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the Management.

In consonance with Section 165 of the Act, none of the Directors on the Board hold the office of Director (including office held as alternate director, if any) in more than 20 companies and out of the total directorship held by the members of Board, none of the Director holds office as a director in more than 10 public companies (including private companies that are either holding or subsidiary company of a public company). Further, in terms of Regulation 17A of the Listing Regulations, none of the independent directors ("IDs") of the Company serve as IDs in more than seven listed entities and none of the IDs are WTDs/Managing Directors in any listed entity. Furthermore, none of the WTDs of the Company serve as IDs in more than three listed entities. In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees or act as chairperson of more than 5 committees (the committees being Audit Committee and Stakeholders' Relationship Committee) across all public limited companies in which he/she is a

Director.

The below table shows the details of the Directors of the Company, number of other directorships, chairmanships/memberships of Board committees in various other companies as on March 31, 2024;

NAME OF DIRECTOR	DIN	CATEGORY/ DESIGNATION	RELATIONSHIP WITH OTHER DIRECTORS IN THE COMPANY	*NO OF DIRECTORSHIP IN OTHER COMPANIES	NAME OF THE OTHER LISTED ENTITY IN WHICH DIRECTOR HOLD DIRECTORSHIP	**NO OF AUDIT/ STAKEHOLDER COMMITTEE MEMBERSHIP IN OTHER COMPANIES	**NO OF AUDIT/ STAKEHOLDER COMMITTEE AS CHAIRPERSON
Mr. Sanjay Lodha	00461913	Promoter, Chairperson & Managing Director	Brother of Vivek Lodha	-	-	-	-
Mr. Vivek Lodha	00461917	Promoter, Whole Time Director	Brother of Sanjay Lodha	-	-	-	-
Mr. Navin Lodha	00461924	Promoter, Whole Time Director	Brother of Niraj Lodha	-	-	-	-
Mr. Niraj Lodha	00746701	Promoter, Whole Time Director	Brother of Navin Lodha	-	-	-	-
Mr. Mrutyunjay Mahapatra	03168761	Non executive-Independent Director	-	7	Suraj Estate Developers Limited -Independent Director ; and Digispace Technologies Limited - Independent Director	5	2
Mrs. Romi Jatta	10045383	Non Executive-Independent Director	-	-	-	-	-
Mr. Jasjeet Singh Bagla	10043442	Non Executive-Independent Director	-	-	-	-	-
Mr. Vikas Modi	10049413	Non Executive-Independent Director	-	-	-	-	-

* Includes directorship in Public Companies including listed companies (but excluding our Company) and private companies that are either holding or subsidiary companies of a public company

** Includes all public limited companies, whether listed or not and excluding all other companies including private limited companies, foreign companies, high-value debt listed companies, companies incorporated under section 8 of the Act and membership in our Company.

The detailed profile of the Board of Directors is available on the Company's website at <https://netwebindia.com/leadership.php>. During the period under review, none of the Directors including Independent Directors have resigned from the Board of your Company. During the period under review, 8 (Eight) Board meetings [Dates of Board Meeting : 19.05.2023, 28.06.2023, 01.07.2023, 10.07.2023, 21.07.2023, 13.08.2023, 01.11.2023 and 23.01.2024] were held. The maximum time gap between any two consecutive meetings did not exceed 120 days.

The following table shows the attendance of directors at Board meetings, attendance at the last Annual General meeting, number of shares held in the Company.

NAME OF DIRECTOR	NO. OF BOARD MEETING ATTENDED DURING THE FINANCIAL YEAR	ATTENDANCE AT LAST ANNUAL GENERAL MEETING I.E. 20TH MAY, 2023	NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD IN THE COMPANY AS ON 31ST MARCH 2024
Mr. Sanjay Lodha	8	Yes	1,68,55,072
Mr. Vivek Lodha	6	No	84,27,086
Mr. Navin Lodha	8	Yes	84,27,086
Mr. Niraj Lodha	4	Yes	84,27,086
Mr. Mrutyunjay Mahapatra	8	No	0
Mrs. Romi Jatta	7	Yes	0
Mr. Jasjeet Singh Bagla	6	No	0
Mr. Vikas Modi	8	Yes	0

During the financial year 2023-24, Independent Directors were apprised regarding the business strategies of the Company and the vision of the Company. Independent Directors met functional heads of the Company; functional heads briefed the Independent Directors about their department and function in the Company. They were made aware about the policies and code of conduct of the Company. Details about their familiarization is enclosed on <https://netwebindia.com/investors/Disclosure-under-Regulation-46.php>.

As on March 31, 2024, the Board comprised of qualified members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee meetings. The Board has identified the following matrix summarizing a mix of skills, expertise and competencies expected to be possessed by our individual Directors, which are key to corporate governance and Board effectiveness:

S.No.	Skills/Expertise/Competencies required by the member of the Board
1	Strategy Leadership
2	Business Know How
3	Technological Expertise
4	Finance and Corporate Governance
5	Risk Management
6	Sales & Marketing

In the table below, the specific areas of focus or expertise of individual board members have been mentioned along with their qualification and experience. However, the absence of a specific skill / expertise / competency being mentioned against a member's name does not necessarily mean the member does not possess the corresponding qualification or skills.

Particulars	Mr. Sanjay Lodha	Mr. Navin Lodha	Mr. Vivek Lodha	Mr. Niraj Lodha	Mr. Mrutyunjay Mahapatra	Mrs. Romi Jatta	Mr Jasjeet Singh Bagla	Mr. Vikas Modi
Qualification	B.A (Honours) & Post Graduate Diploma in Management	B.Com	B.Com	B.Com	B.SC in Physics and M.SC in Physics	B.Tech	B.SC and P.H.D in Physics	B.Com and C.A
Experience	25 + Years	15 + Years	15 + Years	15 + Years	40 + Years	20 + Years	23 + Years	18 + Years
Area of Skills/ Expertise/ Competence	Strategy Leadership, Technological expertise, Business Know-how, Risk Management, Corporate Governance and Sales & Marketing	Strategy Leadership, Business Know-how, Risk Management and Sales & Marketing	Strategy Leadership, Business Know-how, Risk Management and Sales & Marketing	Strategy Leadership, Business Know-how, Risk Management and Sales & Marketing	Strategy Leadership, Banking and Finance, Technological expertise and Corporate Governance	Strategy Leadership, Sales & Marketing, Global Business procurement expertise and Corporate Governance	Strategy Leadership, Technological expertise and Corporate Governance	Strategy Leadership, Banking and Finance, and Corporate Governance

3. Committees of the Board

The Committees of the Board play a crucial role in the governance structure of your Company and have been constituted to deal with specific areas/activities which concern your Company and need a closer review. The Company has six Board-level committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders relationship Committee, Risk Management Committee, Management Committee, CSR Committee and ESG Committee. These Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Company Secretary officiates as the Secretary of these Committees.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference for Committee members are taken by the Board of Directors. The minutes of the meetings of all Committees are placed before the Board for review. All decisions / recommendations made by various Committees during FY 2023-24 were noted / accepted by the Board. The necessary quorum was present at all the meetings.

Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, is provided below:

Audit Committee

The primary objective of the Audit Committee is to act as a catalyst in helping your Company to achieve its objectives by overseeing the integrity of your Company's financial statements, adequacy & reliability of the internal control systems of your Company, compliance with legal & regulatory requirements and your Company's code of conduct, performance of your Company's statutory & internal auditors, systems of your Company;

The terms of reference of the Audit Committee are based on the role of the Audit Committee, as mentioned in Section 177 of the Act, Regulation 18 of the Listing Regulations and as determined by the Board from time to time.

Below are the terms of reference of the Audit Committee;

- oversight of financial reporting process and the disclosure of financial information relating to our Company to ensure that the financial statements are correct, sufficient and credible;
- recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment

of auditors of our Company and the fixation of the audit fee;

- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- formulation of a policy on related party transactions, which shall include materiality of related party transactions;
- reviewing, at least on a quarterly basis, the details of related party transactions entered into by our Company pursuant to each of the omnibus approvals given;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - 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;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- 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 utilisation of proceeds of 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
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments
- valuation of undertakings or assets of the listed entity, wherever it is necessary

- l. evaluation of internal financial controls and risk management systems;
- m. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- n. 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;
- o. discussion with internal auditors of any significant findings and follow up there on;
- p. 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;
- q. 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;
- r. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- s. to review the functioning of the whistle blower mechanism;
- t. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- u. Carrying out any other function as is mentioned in the terms of reference of the audit committee
- v. reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 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.
- w. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- x. mandatorily review the following information
- management discussion and analysis of financial condition and results of operations;
 - management letters / letters of internal control weaknesses issued by the statutory auditors
 - internal audit reports relating to internal control weaknesses
 - the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee
 - statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

Composition, name of members and chairperson;

The composition of the Audit Committee is in line with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. All the Committee members are financially literate and possess sound knowledge of accounts, finance, audit, governance and legal matters. As on March 31, 2024, the Committee comprise of the following members:

S. No.	Name of the Member	Designation
1.	Mr. Vikas Modi	Chairperson - Independent Director
2.	Mr. Mrutyunjay Mahapatra	Member - Independent Director
3.	Mr. Sanjay Lodha	Member - Executive Director

Nomination And Remuneration Committee

The Nomination and Remuneration Committee ("NRC") has been vested with the authority to, inter-alia, recommend nominations for Board membership, develop and recommend policies with respect to the Board diversity, developing a succession plan for our Board and senior management. The role and the terms of reference of the NRC are in compliance with the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

Below are the terms of reference of the 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 our Company a policy relating to the remuneration of the directors, key managerial personnel and other employees (Remuneration Policy);
 - The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
 - the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - 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 our Company and its goals.
- 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 performance 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 shall specify the manner for effective evaluation of performance of the Board, 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. Our Company shall disclose the Remuneration Policy and the evaluation criteria in its annual report;
 - 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.
 - recommend to the board, all remuneration, in whatever form, payable to senior management.

Composition, Name of Members and Chairperson;

The composition of NRC has been in compliance with Section 178 of the Act and Regulation 19 of the Listing Regulations. As on March 31, 2024, the Committee comprise of the following members:

S.No.	Name of the Member	Designation
1.	Mr. Jasjeet Singh Bagla	Chairperson - Independent Director
2.	Mrs. Romi Jatta	Member - Independent Director
3.	Mr. Vikas Modi	Member - Independent Director
4.	Mr. Sanjay Lodha	Member - Executive Director

Meeting and Attendance during the year;

NAME OF MEMBER	POSITION IN THE COMMITTEE AUDIT	DESIGNATION	COMMITTEE MEETINGS ENTITLED TO ATTEND	MEETINGS ATTENDED
Mr. Jasjeet Singh Bagla	Chairperson	Independent Director	3	2
Mr. Vikas Modi	Member	Independent Director	3	3
Mrs. Romi Jatta	Member	Independent Director	3	3
Mr. Sanjay Lodha	Member	Chairperson & Managing Director	3	3

Meetings and Attendance during the year.

NAME OF MEMBER	POSITION IN THE COMMITTEE AUDIT	DESIGNATION	NO OF MEETING HELD DURING THE YEAR	NO OF MEETING ATTENDED
Mr. Vikas Modi	Chairperson	Independent Director	5	5
Mr. Mrutyunjay Mahapatra	Member	Independent Director	5	5
Mr. Sanjay Lodha	Member	Chairperson and Managing Director	5	5

Performance evaluation criteria for Independent Directors

Board Evaluation Process

The Board had carried out an annual evaluation of its own performance and of its committees as well as the performance of each individual Directors as per the criteria specified by the NRC and expressed its satisfaction for the same. Board Evaluation criteria feedback was sought based on the evaluation criteria approved by the NRC for evaluating the performance of the Board, its committees and individual directors.

As per policy on performance evaluation of the Company, evaluation of the Board, Committee, and individual directors was based on criteria such as mentioned in the policy.

In order to ensure confidentiality, the Board's evaluation was undertaken by way of a questionnaire as part of policy on performance evaluation. All the directors participated in the evaluation process. The responses received from the Board members were compiled and a consolidated report was submitted to the Board through the Company Secretary. The evaluation report was also discussed at the meeting of the Board of Directors. The Board deliberated over the suggestions and inputs to augment its own effectiveness and optimise the individual strengths of the directors. The directors were satisfied with the Company's standard of governance, its transparency, meeting practices and overall Board effectiveness.

Further, the independent directors of the Company, at their separate meeting held during the financial year 2023-24, reviewed the performance of non-independent directors, board of directors as a whole, performance of chairperson of the Company and accessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board that is necessary for the Board of directors to effectively and reasonably perform their duties.

Stakeholders' Relationship Committee

The Board has constituted Stakeholders Relationship Committee pursuant to Section 178 of the Act and Regulation 20 of the Listing Regulations. The Committee oversees the resolution of grievances of the security holders of your Company including complaints related to transfer of shares, non-receipt of annual report or non- receipt of declared dividends etc.

Composition, name of members and chairperson;

The composition of the Committee has been in compliance with Section 178 of the Act and Regulation 20 of the Listing Regulations. As on March 31, 2024, the Committee comprised of the following members:

S. No.	Name of the Member	Designation
1.	Mrs. Romi Jatta	Chairperson - Independent Director
2.	Mr. Sanjay Lodha	Member - Executive Director
3.	Mr. Navin Lodha	Member - Executive Director

Mrs Romi Jatta, Independent Director of the Company is the Chairperson of the Committee. Mr. Lohit Chhabra is the Company Secretary and Compliance Officer of the Company. During the year, the Company has received 1136 complaints and all were resolved and there was no complaint pending as on March 31, 2024. Status Report of investor queries and complaints for the period from April 1, 2023 to March 31, 2024 is given below:

S. No.	Particulars	No. of complaints
1.	Investor complaints pending at the beginning of the year	-
2.	Investor complaints received during the year	1136
3.	Investor complaints disposed of during the year	1136
4.	Investor complaints remaining unresolved at the end of the year	-

Further, one meeting of the Committee was held during the financial year 2023-24 wherein 2 out of 3 members were present.

Terms of Reference of Stakeholders' Relationship Committee-

- 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.
- Review of measures taken for effective exercise of voting rights by shareholders.
- 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.
- 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.

Risk Management Committee

The Board has constituted the Risk Management Committee pursuant to Regulation 21 of the Listing Regulations.

Composition, name of members, chairperson and Attendance in the Meeting during the year;

The composition of the Committee has been in compliance with Regulation 21 of the Listing Regulations. As on March 31, 2024, the Committee comprised of the following members:

S.No.	Name of the Member	Designation
1.	Mrutyunjay Mahapatra	Chairperson - Independent Director
2.	Sanjay Lodha	Member - Executive Director
3.	Navin Lodha	Member - Executive Director

Below are the terms of reference of the Committee;

- To review and assess the risk management system and policy of our Company from time to time and recommend for amendment or modification thereof. The risk management policy shall include the following:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

II. Measures for risk mitigation including systems and processes for internal control of identified risks; and

III. Business continuity plan.

- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of our Company;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

Composition, Name of Members and Attendance in the Meeting during the year;

NAME OF DIRECTOR	POSITION IN THE COMMITTEE AUDIT	DESIGNATION	COMMITTEE MEETINGS ENTITLED TO ATTEND	MEETINGS ATTENDED
Mr. Mrutyunjay Mahapatra	Chairperson	Independent Director	2	2
Mr. Sanjay Lodha	Member	Managing Director	2	2
Mr. Navin Lodha	Member	Whole Time Director	2	2

Senior Management:

The particulars of the senior management as stipulated under SEBI (LODR) Regulations, 2015 are as follows:

NAME	DESIGNATION
Mr. Hirdey Vikram	Chief Sales & Marketing Officer
Mr. Hemant Agarwal	Chief Operating Officer
Mr. Mukesh Golla	Chief Research and Development Officer

Above officials were appointed as Senior Management during the last financial year. There were no changes in the senior management during the financial year 2023-24. Profile of Senior Management is available on the Company website at <https://netwebindia.com/leadership.php>.

4. Remuneration of Directors:

The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the corporate world, financial position of the Company, etc. Given below is the remuneration details of the Directors including Non Executive Directors:

	Mr. Sanjay Lodha	Mr. Navin Lodha	Mr. Vivek Lodha	Mr. Niraj Lodha	Mr. Mrutyunjay Mahapatra	Mr. Vikas Modi	Mr. Jasjeet Singh Bagla	Mrs Romi Jatta
Basic Salary	1,44,00,000	1,20,00,000	1,20,00,000	1,20,00,000	Nil	Nil	Nil	Nil
Commission*	38,42,159	22,41,259	22,41,259	22,41,259	Nil	Nil	Nil	Nil
Sitting Fees	Nil	Nil	Nil	Nil	14,00,000	17,75,000	9,00,000	12,25,000
Stock Options	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

* The amount paid during the financial year 2023-24 are commission on the profits of the financial year 2022-23 which was duly approved in the Annual

General Meeting held in financial year 2023-24.

The Non-executive Directors play an active role in the meetings of the Board and are associated with the various Board Committees. They also bring independent judgment in the Board's deliberations and decisions. Further, the Non-executive Directors do not draw any remuneration from the Company except sitting fees for attending Board and Committee Meetings. The remuneration structure of executive directors in given above in the table. The Company's Nomination and Remuneration Policy (NRC Policy) is placed on the website of the Company can be accessed on <https://netwebindia.com/investors/Nomination%20and%20Remuneration%20Policy.pdf> which was adopted by the Board on March 14, 2023

5. Succession Planning

The NRC works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience, within the organization and the Board, in an endeavour to introduce new perspectives, whilst maintaining experience and continuity. By integrating workforce planning with strategic business planning, the Company deploys the necessary financial and human resources to meet its objectives. Succession planning and elevation within the organization, fuel the ambitions of its talent force, to earn future leadership roles.

6. General Body Meetings

Details of last 3 Annual General Meetings (AGM) of the Company are as follows:

Financial Year-	Venue of the meeting	Date and Time of the Meeting	Special Resolution passed	Whether any resolution passed through Postal Ballot, if yes, Person who conducted the Postal Ballot
2022-23	Plot No. H-1, Block-H, Pocket-9 Sector-57, Ballabhgarh, Faridabad, Haryana-121004	Date : May 20, 2023 Time : 3:00 PM	Approval for payment of commission to Managing Director and Whole Time Directors	No
2021-22	Plot No. H-1, Block-H, Pocket-9 Sector-57, Ballabhgarh, Faridabad, Haryana-121004	Date : September 20, 2022 Time : 1:00 PM	No Special Resolution was passed	No
2020-21	Garments park (Paridhan), module No.F-4, 1 st Floor, CF Building, Block-A, 19, Canal South Road, Kolkata – 700015	Date : October 04, 2021 Time : 1:00 PM	Shifting of Registered office and alteration of memorandum of association	No

No special resolution is proposed to be passed through the Postal Ballot.

7. MEANS OF COMMUNICATION:

QUARTERLY RESULTS:

The Quarterly and Half-yearly/Annual financial results are forthwith communicated to the BSE Limited (the "BSE") and National Stock Exchange of India Limited ("NSE"), (both BSE and NSE are collectively referred as the "Stock Exchanges"), as soon as they are approved and taken on record by the Board of Directors. Additionally, your Company's quarterly/ half yearly/ annual financial results are simultaneously published in 'Financial Express-English Newspaper Publication and Jansatta-Hindi Newspaper Publication in accordance with SEBI Listing Regulations. Also, they are also put up on your Company's website at <https://netwebindia.com/investors/>.

Quarter [FY 2023-24]	Date of Board Meeting	Date of Publication of Results	Weblink of results published	Whether it also displays official news releases
March 2024	May 01, 2024	May 03, 2024	https://netwebindia.com/investors/Outcome_Q4.pdf	Yes
December 2023	January 23, 2024	January 25, 2024	https://netwebindia.com/investors/Invite-pdf/Final_Q3_outcome.pdf	Yes
September 2023	November 01, 2023	November 03, 2023	https://netwebindia.com/investors/Invite-pdf/Final_Q2_Outcome.pdf	Yes
June 2023	August 13, 2023	August 15, 2023	https://netwebindia.com/investors/Invite-pdf/Outcome-of-the-BM.pdf	Yes

PRESENTATIONS MADE TO INSTITUTIONAL INVESTORS OR TO THE ANALYSTS.

Your Company hosts a quarterly conference call post declaration of quarterly/half yearly/annual results of your Company. This is followed by the question and answer session by the analysts/ investors logged into the conference call. Presentations made, if any, to the Institutional Investors/Analysts are hosted on the website of your Company, along with the Transcripts of the Investor/Analysts Calls/Meets hosted by your Company on the website of the Company at <https://netwebindia.com/investors/>. Details of any scheduled Analysts Meet/Conference Call are usually intimated to the Stock Exchanges in advance and the outcome of such Analysts Meet/Conference Call are intimated within the requisite timelines to the Stock Exchanges.

8. GENERAL SHAREHOLDER INFORMATION:

ANNUAL GENERAL MEETING - DATE, TIME AND VENUE;

Annual General Meeting [2023-24] Saturday August 17, 2024

DIVIDEND PAYMENT DATE; on or before September 14, 2024

Details about Payment of Annual Listing Fee to each of such Stock Exchange(s);

Name of the Stock Exchange	Stock Code	Date of Payment of Stock Exchange Fees
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	543945	April 25, 2024
National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra East, Mumbai- 400051	Netweb	April 16, 2024

MARKET PRICE DATA- HIGH, LOW DURING EACH MONTH IN LAST FINANCIAL YEAR AND PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS BSE SENSEX AND NSE INDICES;

As the Company got listed on both Stock Exchanges namely BSE Limited and National Stock Exchange of India Limited on July 27, 2023, we have shown data from July 2023 to March 2024.

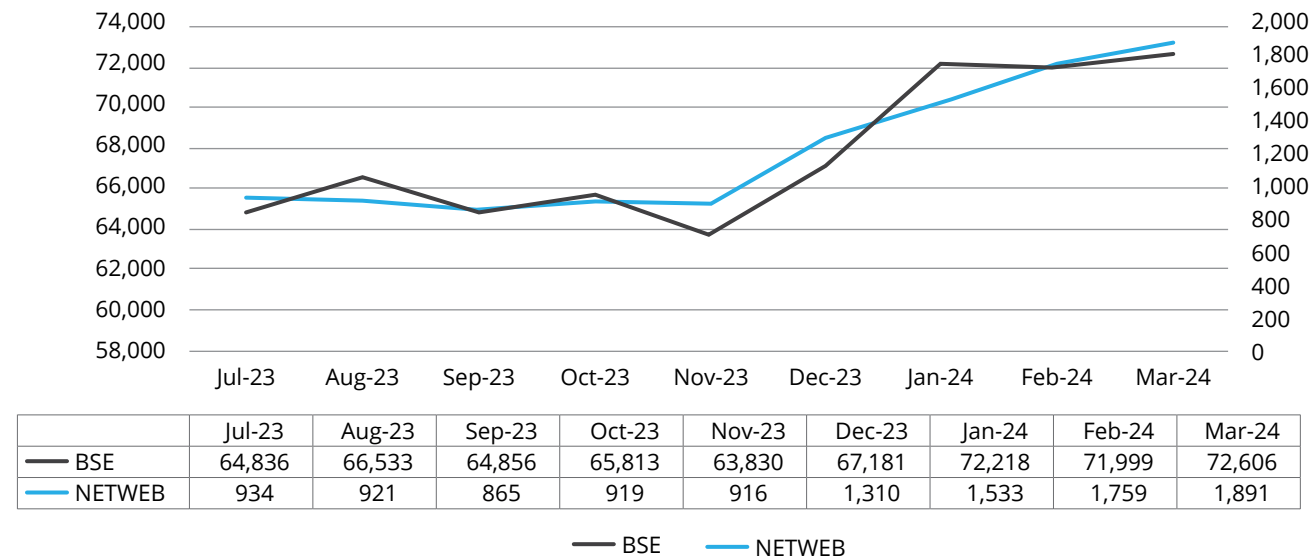
Market Price Data during each month [2023-24]

Month	NSE		BSE	
Mar 2024	22,526.60	21,710.20	72,606.31	73,651.35
Feb 2024	22,297.50	21,530.20	71,998.78	72,500.30
Jan 2024	22,124.15	21,137.20	72,218.39	71,752.11
Dec 2023	21,801.45	20,183.70	67,181.15	72,240.26
Nov 2023	20,158.70	18,973.70	63,829.87	66,988.44
Oct 2023	19,849.75	18,837.85	65,813.42	63,874.93
Sep 2023	20,222.45	19,255.70	64,855.51	65,828.41
Aug 2023	19,795.60	19,223.65	66,532.98	64,831.41
Jul 2023	19,991.85	19,234.40	64,836.16	66,527.67

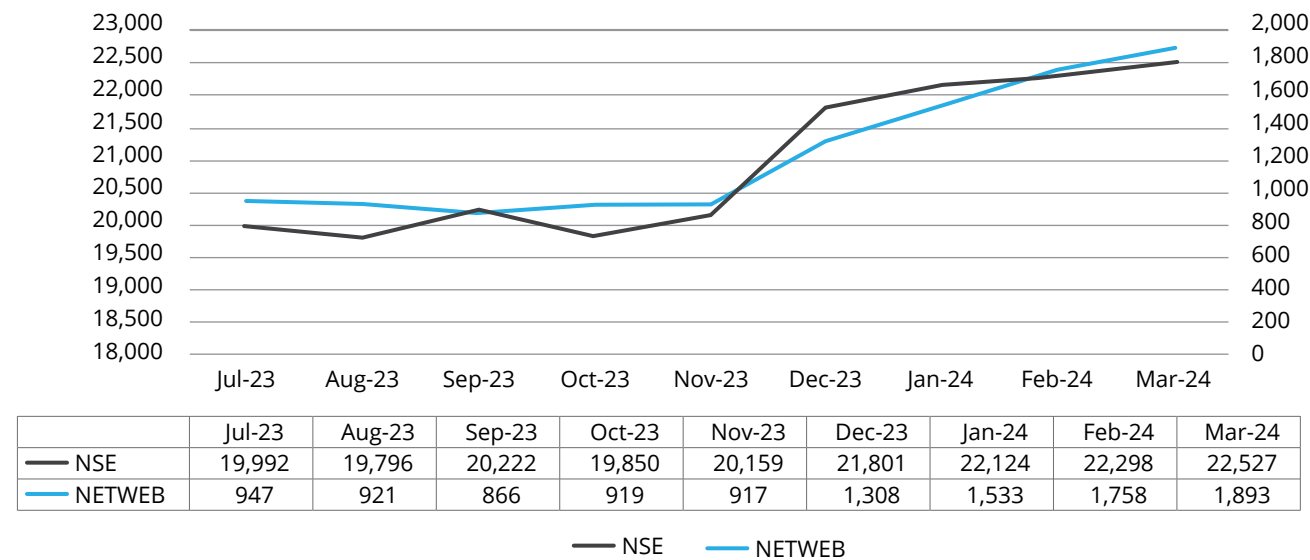
Stock Price date during each month [2023-24]

Month	NSE		BSE	
	High	Low	High	Low
Mar 2024	1,892.60	1,359.60	1,891.15	1,359.45
Feb 2024	1,758.00	1,295.00	1,759.00	1,294.35
Jan 2024	1,532.75	1,139.00	1,532.85	1,155.00
Dec 2023	1,308.00	876.15	1,310.00	878.40
Nov 2023	916.95	751.00	916.10	750.85
Oct 2023	918.90	738.60	919.00	739.70
Sep 2023	866.15	790.10	865.00	794.75
Aug 2023	920.70	782.70	920.65	782.55
Jul 2023	947.00	857.00	933.95	857.05

Comparison of Netweb with BSE Indices



Comparison of Netweb with NSE Indices



REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENTS; Your Company's Registrars & Transfer Agents ("RTA") for its share registry (both, physical as well as electronic) is 'Link Intime India Private Limited' having its office at C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, India.

SHARE TRANSFER SYSTEM

Shareholders holding shares in dematerialized mode have been requested to register their email address, bank account details and mobile number with their depository participants. Those holding shares in physical mode have been requested to furnish PAN, nomination, contact details, bank account details and specimen signature for their corresponding folios..

Shareholders may contact the RTA at rnt.helpdesk@linkintime.co.in.

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2024;

Netweb Technologies India Limited

Distribution of Shareholding (Rupees) Report Type - All(NSDL+CDSL+PHYSICAL)

S. No	Shareholding of Nominal Value of ₹	Number of Shareholders	% of Total Shareholders	Share Amount (₹)	% of Total Share Amount
1	1 to 1000	80,800	98.8053	53,96,398	4.7869
2	1001 to 2000	502	0.6139	7,54,474	0.6693
3	2001 to 4000	229	0.28	6,70,764	0.595
4	4001 to 6000	84	0.1027	4,31,084	0.3824
5	6001 to 8000	26	0.0318	1,84,134	0.1633
6	8001 to 10000	26	0.0318	2,38,232	0.2113
7	10001 to 20000	33	0.0404	4,78,264	0.4242
8	20001 to 9999999999	77	0.0942	10,45,78,386	92.7675
TOTAL :		81,777	100	11,27,31,736	100

S.No	Category	DEMAT Securities	DEMAT Holders	Physical Securities	Total Securities	Total Value	Percent
1	Alternate Invst Funds - II	7,85,775	2	0	7,85,775	15,71,550	1.3941
2	Alternate Invst Funds - III	1,25,315	3	0	1,25,315	2,50,630	0.2223
3	Body Corporate - Ltd Liability Partnership	6,055	12	0	6055	12,110	0.0107
4	Clearing Members	326	3	0	326	652	0.0006
5	FPI (Corporate) - I	51,75,662	46	0	51,75,662	1,03,51,324	9.1823
6	FPI (Corporate) - II	5,79,294	6	0	5,79,294	11,58,588	1.0277
7	Hindu Undivided Family	1,55,392	1,699	0	1,55,392	3,10,784	0.2757
8	Insurance Companies	3,35,633	1	0	3,35,633	6,71,266	0.5955
9	Mutual Funds	26,52,256	14	0	26,52,256	53,04,512	4.7054
10	Non Resident (Non Repatriable)	45,263	395	0	45,263	90,526	0.0803
11	Non Resident Indians	1,25,476	572	0	1,25,476	2,50,952	0.2226
12	Other Bodies Corporate	1,65,066	177	0	1,65,066	3,30,132	0.2928
13	Promoters	4,22,94,780	12	0	4,22,94,780	8,45,89,560	75.0362
14	Public	39,19,575	78,835	0	39,19,575	78,39,150	6.9538
TOTAL :		5,63,65,868	81777	0	5,63,65,868	11,27,31,736	100

As on March 31, 2024, 100% of the issued shares of the Company are dematerialized. Shares of the Company were not suspended by any of the stock exchanges during the financial year 2023-24.

Further, there were no outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date which have likely impact on equity;

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES;

The details for the same have been provided in the Notes to the Financial Statement of the Company for the financial year 2023-24.

PLANT LOCATIONS;

S.No	Location	Address	Owned / Leased / Licensed / Rented	Name of the Lessor / Licensor	Validity Period
1	Faridabad, Haryana	Plot No. H1, F.I.T (Faridabad Industrial (Registered Office and Town) Sector -57, Ballabgarh, manufacturing unit) Faridabad, Haryana – 121004	Owned	N.A.	N.A.
2	Faridabad, Haryana	Plot No. H2, F.I.T (Faridabad Industrial Town) Sector -57, Ballabgarh, Faridabad, Haryana – 121004	Owned	N.A.	N.A.

ADDRESS FOR CORRESPONDENCE.

Purpose	Name and Address
Transfer/ dematerialization of shares and any other queries	M/s Link Intime India Private Limited (Registrar & Transfer Agent) Address : C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, India Contact No : 918108114949 Email ID : netwebtechnologies.ipo@linkintime.co.in
Queries related to Payment of dividend, Annual report and other related issues	Mr. Lohit Chhabra Company Secretary & Compliance Officer Address: Plot No H-1, Pocket 9, Faridabad Industrial Town (FIT), Sector-57, Ballabhgarh, Faridabad, Haryana - 121004 Contact: +911292310416 Email Id : complianceofficer@netwebindia.com

LIST OF ALL CREDIT RATINGS OBTAINED BY THE ENTITY ALONG WITH ANY REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR, FOR ALL DEBT INSTRUMENTS OF SUCH ENTITY OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL OF THE LISTED ENTITY INVOLVING MOBILIZATION OF FUNDS, WHETHER IN INDIA OR ABROAD.

Below credit rating was issued by the CRISIL Ratings Limited.

Date	Credit Rating of Bank facilities
April 12, 2023	Long Term Rating: A-/Stable (Reaffirmed) Short Term Rating: A2+ (Reaffirmed)

9. OTHER DISCLOSURES:

- (A) There were no related party transactions of a material nature during the financial year under review. Transactions with related parties as per the requirements of Ind AS 24 are disclosed in Note 38 of the Financial Statements.
- (B) There has been no non-compliance, penalties imposed by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any statutory authority, on any matters related to capital markets during the last three years except the violation as mentioned below in the table:

S.no	Observations	Management Reply
1.	During the period under review, there was a violation of Code of Conduct under Regulation 9 of SEBI meeting and after taking into account various aspects (Prohibition of Insider Trading) Regulations, 2015 by of the instant matter inter alia Designated Person's one Designated Person (DP) regarding the execution of long-term association with the Company and conduct trade during the trading window closure period & the throughout the tenure and being the first instance, the same has been intimated to the Stock Exchange(s).	The matter was discussed in the Audit Committee of Code of Conduct under Regulation 9 of SEBI meeting and after taking into account various aspects (Prohibition of Insider Trading) Regulations, 2015 by of the instant matter inter alia Designated Person's one Designated Person (DP) regarding the execution of long-term association with the Company and conduct trade during the trading window closure period & the throughout the tenure and being the first instance, the same has been intimated to the Stock Exchange(s). Audit Committee has directed to issue a warning letter to her. The matter was reported to the stock exchange timely.

- (C) As per the requirement of the Companies Act, 2013 and Listing Regulations, 2015 as amended from time to time, the Company has established vigil mechanism to enable stakeholders including directors and individual employees and their representative bodies to report concerns about unethical behaviours, actual or suspected fraud or violation of the Company's code of conduct or ethical policy. The whistle blowers may lodge their complaints/concern with the Chairperson of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company and direct access to the Chairperson of the Audit Committee was available to the stakeholders who resorted to the vigil mechanism of the Company. The policy offers appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings. The Company affirms that no personnel has been denied access to the audit committee.
- (D) The Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed under the Listing Regulations, as amended from time to time, to the extent applicable on the Company. The certificate regarding compliance with the conditions of Corporate Governance received from a practising company secretary is also annexed to this Report.
- (E) The Company has only one Subsidiary Company namely 'Netweb Foundation'. The Company has no material subsidiary.
- (F) We have raised funds through Initial Public offering and private placement during the year 2023-24. Details of utilization of the same is made available in the Annual report.
- (I) In accordance with the amended provisions of the Listing Regulations, the Company has received a certificate from

M/s P.C Jain & Co, Practising Company Secretaries to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. The same forms part of this Report.

- (J) There were no instances where any recommendation of the Committee hasn't been adopted by the Board of Directors.

(K) TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART.

Particulars	For the year ended March 31, 2024 [In Millions]
As auditor:	
Audit fee	2.00
Reimbursement of expenses	0.06
Total	2.06

During the financial year ended March 31, 2024 the company incurred ₹ 3.56 million towards service received from the auditors of the Company in relation to the proposed Initial Public Offering (IPO).

- (L) As per the requirement of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time, the disclosure as required under provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is duly provided in the Board's Report of the Company. The Company has devised a policy namely, "Policy on Prevention and Redressal of Sexual Harassment of Women at Workplace" which is available at the website of the Company at <https://netwebindia.com/investors/POSH%20Policy.pdf>

During the year No complaints were received in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- (M) No such loan was given by the Company or its subsidiaries to its Directors or any other entity in which Directors are interested during the financial year under review.
- (N) Company has no material subsidiary during the financial year under review.

10. Compliance status with Discretionary Requirements is given below:

- (i) During the financial year under review, the Company has received unmodified audit opinion from statutory auditors of the Company.
- (ii) The Internal Auditors directly report to the Audit Committee.

11. Website

Appropriate disclosures on the Company's website, regarding compliance with Corporate Governance requirements specified in regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 :

Name of Policy, Code or Charter	Web Link
Board Committees	https://netwebindia.com/investors/corporategovernance.php
Terms of Appointment of IDs	https://netwebindia.com/investors/Terms%20and%20Conditions%20of%20appointment%20of%20Independent%20Directors.pdf
Code of conduct of board of directors and senior management personnel;	https://netwebindia.com/investors/Code%20of%20Conduct%20for%20Directors%20KMP%20and%20SMP.pdf
Whistleblower Policy	https://netwebindia.com/investors/Whistle%20blower%20policy.pdf
Policy on Related Party Transactions	https://netwebindia.com/investors/RPT%20Policy.pdf
Policy for determining Material Subsidiaries	https://netwebindia.com/investors/Determination%20of%20Material%20Subsidiaries.pdf
Familiarization Programme	https://netwebindia.com/investors/corporategovernance.php
Corporate Social Responsibility Policy	https://netwebindia.com/investors/Revised-CSR-Policy.pdf
Policy on determination of Materiality for disclosure of Event/Information	https://netwebindia.com/investors/Determination-of-Materiality-of-Disclosure-and-Events.pdf
Dividend Distribution Policy	https://netwebindia.com/investors/Dividend%20Distribution%20Policy.pdf
Nomination and Remuneration Policy	https://netwebindia.com/investors/Nomination%20and%20Remuneration%20Policy.pdf
Secretarial Audit and Secretarial Compliance report	https://netwebindia.com/investors/compliance-report/Annual%20Secretarial%20Compliance%20Report%202024.pdf

DECLARATION FOR AFFIRMANCE OF COMPLIANCE WITH CODE OF CONDUCT

In compliance with Regulation 17 of the SEBI Listing Regulations and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct for all Directors and Senior Management Personnel. The code is available on the Company's website. The Code is applicable to all Board members and Senior Management personnel of your Company. Pursuant to Regulation 26(5) of the SEBI Listing Regulations, all members of senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large. Pursuant to Regulation 26(3) of the SEBI Listing Regulations, all the Board members and senior management of your Company as on March 31, 2024 have affirmed compliance with their respective Codes of Conduct.

A Declaration to this effect, duly signed by the Chairman and Managing Director is as below:

DECLARATION ON CODE OF CONDUCT

Netweb Technologies India Limited is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a Code of conduct for Directors KMP and SMP. I hereby certify that the Board members and senior management personnel of the Company have affirmed compliance with the Code of Ethics and Business Conduct for the financial year 2023 -24 .

For Netweb Technologies India Limited

Sanjay Lodha
Chairman and Managing Director
DIN: 00461913

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

Under regulation 34 read with schedule V of the SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
NETWEB TECHNOLOGIES INDIA LIMITED
(CIN: L72100HR1999PLC103911)

Plot No H-1, Pocket 9, Faridabad Industrial Town(FIT),
Sector-57, Faridabad, Ballabhgarh, Haryana-121004

We have reviewed the implementation of Corporate Governance procedures by **NETWEB TECHNOLOGIES INDIA LIMITED (CIN: L72100HR1999PLC103911)** for the financial year ended on March 31, 2024, with the relevant records and documents maintained by the Company, furnished to me for my review and the report on Corporate Governance as approved by the Board of Directors.

The compliances of conditions of Corporate Governance are the responsibility of the management. Our examination was limited to a review of procedures and implementations thereof, as adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our review and according to the information and explanation provided to us, it is hereby certified and confirmed:

- That the conditions of Corporate Governance as stipulated in the Listing Regulations, 2015 with the Stock Exchange have been complied with in all material respect by the Company; and
- That 'No' investor grievance is pending for a period exceeding one month as per the records maintained by the Company.

For P.C. Jain & Co.,
Company Secretaries,
(FRN: P2016HR051300)

Date: July 20, 2024
Place: Faridabad
UDIN: F00413F000282293

(P.C. Jain)
Managing Partner
CP No. 3349
M. No. FCS 4103

CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
NETWEB TECHNOLOGIES INDIA LIMITED
(CIN: L72100HR1999PLC103911)

Plot No H-1, Pocket 9, Faridabad Industrial Town(FIT),
Sector-57, Faridabad, Ballabhgarh, Haryana-121004

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **NETWEB TECHNOLOGIES INDIA LIMITED** having **(CIN: L72100HR1999PLC103911)** and having registered office at Plot No H-1, Pocket 9, Faridabad Industrial Town(FIT), Sector-57, Faridabad, Ballabhgarh, Haryana-121004 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations/ representations furnished to us by the Company & its Director/ officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended as on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S.No.	Name of Director	DIN	Date of Appointment of Director
1.	Mr. Sanjay Lodha	00461913	16/08/2016
2.	Mr. Navin Lodha	00461924	16/08/2016
3.	Mr. Niraj Lodha	00746701	16/08/2016
4.	Mr. Vivek Lodha	00461917	16/08/2016
5.	Mr. Mrutyunjay Mahapatra	03168761	23/02/2023
6.	Mr. Jasjeet Singh Bagla	10043442	23/02/2023
7.	Mrs Romi Jatta	10045383	23/02/2023
8.	Mr. Vikas Modi	10049413	23/02/2023

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.C. Jain & Co.,
Company Secretaries,
(FRN: P2016HR051300)

Place: Faridabad
Date: April 18, 2024
UDIN: F004103F000163121

(P.C. Jain)
Managing Partner
CP No. 3349
M No.4103

Compliance Certificate

[Pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015]

To,
The Board of Directors
Netweb Technologies India Limited

We have reviewed financial statements and the cash flow statement of Netweb Technologies India Limited ("Company") for the year ended March 31, 2024 and to the best of our knowledge and belief:

- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

We have indicated to the Auditors and the Audit Committee that

- there are no significant changes in internal control over financial reporting during the year;
- there are no significant changes in accounting policies during the year; and
- that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Netweb Technologies India Limited

Sanjay Lodha
Chairman and Managing Director
DIN: 00461913

Prawal Jain
Chief Financial Officer

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES.

I. Details of the listed entity

- Corporate Identity Number (CIN) of the Listed Entity
L72100HR1999PLC103911
- Name of the Listed Entity
Netweb Technologies India Limited
- Year of incorporation
1999
- Registered office address
Plot No. H-1, Block-H, Pocket No. 9, Faridabad Industrial Town, Sector-57, Faridabad, Haryana 121004
- Corporate address
Plot No. H-1, Block-H, Pocket No. 9, Faridabad Industrial Town, Sector-57, Faridabad, Haryana 121004
- E-mail
complianceofficer@netwebindia.com
- Telephone
01292310400
- Website
www.netwebindia.com
- Financial year for which reporting is being done
2023-24
- Name of the Stock Exchange(s) where shares are listed
BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
- Paid-up Capital
INR 11,27,31,736
- Details of the person who may be contacted in case of any queries on the BRSR report.

S. No.	Name	Telephone	Email
1	Lohit Chhabra	01292310400	Complianceofficer@netwebindia.com
- 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).
Standalone
- Name of assurance provider
Not Applicable

- Type of assurance obtained
Not Applicable

II. Products/services

- Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacture of Computer, Electronic and Optical Products	Manufacture of computers and peripheral equipment	100%

- Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Supercomputing/High performance Computing	262	37%
2	Private Cloud and hyperconverged infrastructure		36%
3	AI and enterprises work solutions		11%
4	High Performance Storage Solutions		5%
5	Data Centre Servers		5%

III. Operations

- Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	18	20

- Markets served by the entitya. Number of locations

Locations	Number
National (No. of States)	26 states + 1 UT
International (No. of Countries)	2

- What is the contribution of exports as a percentage of the total turnover of the entity?
Exports contribute to 0.07% of the total turnover of the Company.

- A brief on types of customers

Netweb is one of India's leading high-end computing solutions (HCS) provider, with fully integrated design and manufacturing capabilities. The HCS offering comprises HPC, Private cloud and (HCI), AI systems and enterprise workstations, High performance storage (HPS), GPUs and Data Centre Servers. With over 300 successful HPC installations, Netweb Technologies serves customers across varied sectors such as Higher Education & Research, Space and Defence, IT & ITEs, and Finance (High Frequency Trading).

IV. Employees

- Details as at the end of Financial Year:

- Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male No. (B)	% (B/A)	Female No. (C)	% (C/A)
a. Employees (including differently abled)						
	Employee					
1	Permanent (A)	362	297	82%	65	18%
2	Other than Permanent (B)	36	36	100%	0	0%
3	Total (A+B)	398	333	84%	65	16%

*Other than permanent, employees includes contractual employees. The entire workforce of the company is categorized as Employees and none as Workers. Therefore, the information required in all sections in the workers category is not applicable.

b. Differently abled Employees and workers:

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
b.	Differently abled Employees					
		Employees				
1	Permanent					
2	Other than Permanent			Nil		
3	Total					

21. Participation/Inclusion/Representation of women

S.No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	8	1	12.5%
2	Key Management Personnel	2	0	0%

* Managing Director of the Company (KMP) is counted under Board of Directors.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14%	31%	16%	15%	15%	15%	22%	19%	23%
Permanent Workers	Not Applicable								

*We have calculated the turnover rate basis the calculation methodology provided in the BRSR guidance by SEBI

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	Netweb Foundation	Subsidiary	99%	No

VI. CSR Details

23. (b)

a. Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
Turnover (in ₹)	724.07 Crores (as on 31.03.2024)
Net worth (in ₹)	422.75 Crores (as on 31.03.2024)

VII. Transparency and Disclosures Compliances

24. 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) If yes, then provide web link for grievance redress policy	FY 2023-24Current Financial Year			FY 2022-23Previous Financial Year		
		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	Netweb Technologies has a stringent Whistle Blower Policy, Code of conduct, POSH Policy which is also available on the website: (netwebindia.com)	Nil	Nil	The Company was listed on July 27, 2023 all complaints from investors are related to IPO related such as unblocking of funds, non-allotment of shares etc			Nil
Investors (other than shareholders)		1136					
Employees and workers	Corporate Governance- Netweb Technologies	Nil					
Customers	We have a board level committee (Stakeholders relationship committee headed by independent Director)	Nil					
Value Chain Partners		Nil					
Other (please specify)		Nil					

25. 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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1	Data privacy & information management	Risk	External attacks on network, malware, compromised credentials, Business email compromise via. Phishing and other cyber security risks may result in data loss and loss of reputation	Our systems are strongly secured, and we have received ISO 27001:2013 (Information Security Management System) certificates from International Benchmarking & Certifications	Negative: Introducing innovative technology often comes with increased operational costs due to investments in infrastructure and training
2	E- Waste management	Risk	Improper disposal of e-waste could result in legal ramifications, fines, and reputational damage to the company. Monitoring and tracking our e-waste enables us to repurpose and recycle materials within our manufacturing process thus reducing production cost	We have tied-up with one of the leading authorised e-waste recyclers for facilitating our customers to enable them to dispose of e-waste products after its end-of-life. They have expertise in assisting Producers in fulfilling their compliances related to EPR and E-waste Management.	Negative: Additional operational cost in collection of e-waste
3	Supply chain management	Risk	Geo-political factors, logistical factors, quality, inaccessibility could disrupt our supply chain	We have a diverse base of suppliers situated both domestically and internationally. Additionally, we leverage efficient technology for inventory management & tracking	Negative: Additional operational cost
4	Talent Acquisition and Retention	Opportunity	Inability to attract, hire and retain talent. We require constant upskilling and reskilling of our employees to ensure we deliver top services to our clients and attract better talent.	The Company's dedication to attract better talent is reflective in its regular upskilling and re-skilling trainings	Positive: Fostering a dedicated and motivated workforce thus improving customer satisfaction

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

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)	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes
c. Web Link of the Policies, if available	Corporate Governance- Netweb Technologies (netwebindia.com)								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	No								
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) adopted by your entity and mapped to each principle.	Our Manufacturing Facility has received ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System), ISO 45001 (Occupational health & safety) and our offices have ISO/IEC 27001:2013 (Information Security Management System), ISO 37001 (Good Governance) certificates from International Benchmarking & Certifications.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	• Increase usage of renewable energy to 5% of total energy consumption by 2030 • Gender diverse workforce with more than 25% women representation by 2030 • 25+ average learning hours per employee • Facilitate best-in-class employee experience and being recognized among the best employers in our key operating regions								
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	Embracing sustainability as a core value, we have set ambitious targets and are committed to transparently reporting our performance in the upcoming year.								
Governance, Leadership and Oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	As a responsible company, we firmly believe that embracing sustainability isn't just a choice, it's a responsibility we owe to our planet and future generations. At our company, we recognize the urgent need to reduce our environmental footprint and operate with greater consciousness. We are committed to integrating sustainable practices into every aspect of our operations from sourcing materials to manufacturing and distribution. We strive to uplift communities, address social issues and create a positive and lasting impact on the lives of those around us. Our corporate philosophy prioritizes employee care. It provides employees and business associates with working conditions that are clean, safe, healthy and fair.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Chairperson of ESG Committee Telephone: 0129-2310400 Email: complianceofficer@netwebindia.com								
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.	ESG Committee comprising of Whole-time Director, CFO, HR head, Legal Head and Company Secretary is responsible for decision making on sustainability related issues								

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)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The company adheres to all necessary legal and regulatory mandates and undergoes regular assessments conducted by the appropriate Board committees or the Board of Directors.									Yes,								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No, the company has the necessary policies which are timely reviewed by the Board.								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1 to P9
The entity does not consider the Principles material to its business (Yes/No)	-
The entity is not at a stage where it is in a position to formulate and implement the policies on principles (Yes/No)	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-
It is planned to be done in the next financial year (Yes/No)	No - The policies are timely reviewed by the Board
Any other reason (please specify)	-

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	% of persons in respective category covered by awareness programmes
Board of Directors	1	Company's policies and procedures under the Board Familiarization Program	100%
Key Managerial Personnel			
Employees other than BoD and KMP's	2	Company code of conduct, insider trading provisions, whistle blower policies, Company payroll software mechanism	100%
Workers	1	Safety training, Grooming and First-aid training.	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):

a. Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement		Nil			
Compounding fee					
b. Non-Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case		Has an appeal been preferred? (Yes/No)
Imprisonment					
Punishment		Nil			

3. Of the instances disclosed in Question 2 above, details of Appeal/Revision preferred in case where monetary non-monetary actions has been appealed

S. No.	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
		Not Applicable

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

Yes, Netweb Technologies has instituted a robust Anti-Corruption and Anti-Bribery Policy, underlining its commitment to lawful and ethical conduct across all levels of the organization. This policy serves as a proactive measure to curtail the risk of corrupt behavior and to ensure that all staff members, extending to the Board of Directors, uphold the highest integrity standards. The policy explicitly outlines prohibited actions, providing guidance for responsible and transparent interactions, particularly in areas of the business susceptible to ethical dilemmas.

The policy acts both as a deterrent to any potential unethical behavior and as a resource for employees to consult when faced with situations that might otherwise lead to corrupt practices. Comprehensive education and training programs accompanying the policy aim to further embed a culture of honesty and ethical responsibility within the corporate ethos of Netweb Technologies.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors		
KMPs		
Employees	Nil	Nil
Workers		

6. Details of complaints with regard to conflict of interest

Topic	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of KMPs				

7. Provides details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on case of corruption and conflicts of interest

No corrective measures have been initiated or are in progress concerning fines, penalties, or similar issues, as there have been no complaints filed.

8. Number of days of accounts payables ((Accounts payable *365)/Cost of goods/service procured) in the following format:

	FY 24 Current Financial Year	FY 23 Previous Financial Year
Number of days of accounts payables	76	111

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 24 Current Financial Year	FY 23 Previous Financial Year
Concentration of Purchases	Purchases from trading houses as % of total purchases	NIL	NIL
	Number of trading houses where purchases are made from	NIL	NIL
	Purchases from top 10 trading houses as % of total purchases from trading houses	NIL	NIL
Concentration of Sales	Sales to dealers / distributors as % of total sales	NIL	NIL
	Number of dealers / distributors to whom sales are made	NIL	NIL
	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NIL	NIL
Share of RPTs in	Purchases (Purchases with related parties / Total Purchases)	NIL	NIL
	Sales (Sales to related parties / Total Sales)	NIL	NIL
	Loans & advances (Loans & advances given to related parties / Total loans & advances)	NIL	NIL
	Investments (Investments in related parties / Total Investments made)	NIL	100%

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.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	We don't track our R&D expenses separately. They are expensed of under the related heads as and when incurred and as per estimates R&D expenses constitutes approx. 3-4% of our Top line.		-
Capex	0.5%	0.4%	-

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?

The company firmly believes in the concept of sustainable sourcing and recognizes its significant role in promoting the responsible conduct of the business., While a formal sustainable procurement framework is in development, we are actively taking measures in incorporating the principles of sustainable sourcing and procurement into our procurement strategies.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life

	Process Description
Plastics (including packaging)	Netweb Technologies India Limited has tied-up with leading government authorised waste recyclers for facilitating our customers to enable them to dispose of e-waste products after its end-of-life. We have vendor operated 42 dedicated collection and drop points available for our customers to choose from.
E-waste	
Hazardous waste	

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, the Extended Producer Responsibility (EPR) is applicable to the entity's activities. The waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards.

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	
		No. (B)	%(B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Employees											
Male	297	297	100%	297	100%	-	-	297	100%	297	100%
Female	65	65	100%	65	100%	65	100%	-	-	65	100%
Total	362	362	100%	362	100%	65	100%	297	100%	362	100%
Other than Permanent											
Male	Vendors and Contractors are required to adhere with the statutory compliance as per the state rules.										
Female											
Total											

- b. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format -

	FY 24 Current Financial Year	FY 23 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.07%	0.05%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY24 Current Financial Year			FY23 Previous Financial Year			Remarks
	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%	Not Applicable	Yes	100%	Not Applicable	Yes	(PF as per EPF Act 1952)
ESI	100%		Yes	100%		Yes	(ESI as per ESIC Act 1948)
Gratuity	100%		Yes	100%		Yes	(As per Payment of Gratuity Act 1972)
Other	-		-	-		-	

Accessibility of workplaces

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.

Yes, the operations and office premises are accessible to differently abled employees and workers.

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

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees	
	Return to work rate	Retention rate
Male	100%	100%
Female	100%	100%
Total	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other Than Permanent Workers	
Permanent Employees	Employees are provided with a dedicated email address for lodging any grievances. Moreover, they have the option to utilize channels like the Whistleblower Protection Program and the prevention of Sexual Harassment Act to confidentially report any concerns and we have constituted an internal complaints committee dedicated to complaints of such nature. For POSH: posh@netwebindia.com For Grievance: grievance@netwebindia.com For Whistle blower: complianceofficer@netwebindia.com
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees / workers inrespective category (A)	No. of employees / workers inrespective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers inrespective category (C)	No. of employees / workers inrespective category, who are part of association(s) or Union (D)	% (D/C)
Permanent Employees						
Male						
Female						
Other						
Total						

8. Details of training given to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health & Safety measures		On Skill Upgradation		Total (D)	On Health & Safety measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent Employees										
Male	297	297	100%	297	100%	218	218	100%	218	100%
Female	65	65	100%	65	100%	46	46	100%	46	100%
Total	362	362	100%	362	100%	264	264	100%	264	100%

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 employees / workers irrespective category (A)	No. of employees / workers irrespective category, who had a career review (B)	% (B/A)	Total employees / workers irrespective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
Employees						
Male	178	178	100%	109	109	100%
Female	35	35	100%	21	21	100%
Total	213	213	100%	130	130	100%

* 100% of eligible employees have received performance and career development reviews.

10. Health and safety management system:

- Whether an occupational health Company has implemented an occupational health and safety management system in accordance with ISO 45001 standards across all its manufacturing facilities and office premises. The organization is committed to ensuring a secure work environment for its employees, recognizing that their well-being is essential and significantly influences their productivity.
- What is the coverage of such system?
- What are the processes used to identify We implement regular equipment inspections, host frequent safety work-related hazards and assess risks awareness sessions, and provide specialized training programs for our on a routine and non-routine basis by staff. the entity?
- Whether you have processes for workers Not Applicable to report the work-related hazards and to remove themselves from such risks. (Yes/No)
- Do the employees/ worker of the entity No have access to non-occupational medical and healthcare services? (Yes/ No)

11. Details of safety related incidents, in the following format

Safety Incident/Number	Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	
	Workers	Not Applicable	
Total recordable work-related injuries	Employees	Nil	
	Workers	Not Applicable	
No. of fatalities	Employees	Nil	
	Workers	Not Applicable	
High-consequence work-related injury or ill health (excluding fatalities)	Employees	Nil	
	Workers	Not Applicable	

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

We have implemented rigorous safety protocols, we conduct regular risk assessments, and have provided comprehensive training to employees to prevent and mitigate negative health impacts associated with their operations, products, or services. Additionally, we have enforced compliance with relevant regulations and standards while fostering a culture of safety consciousness across all levels of the organization. Employees are provided with a dedicated email address for lodging any grievances and seek resolutions.

13. Number of Complaints on the following made by employees and workers:

Topic	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	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	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	

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.

During the year, the company experienced no incidents related to safety. Nonetheless, proactive measures have been adopted to mitigate safety related incidents.

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.

The company acknowledges those who play a vital role in its operations as key stakeholders. This includes a spectrum of both internal and external parties. Presently, the firm has identified five distinct groups of stakeholders: employees and labor force, regulatory bodies, investors and shareholders, Business Partners and customers. The company actively engages with each stakeholder segment by organizing meetings or initiating calls in order to maintain ongoing communication.

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
Investors/ shareholders		Investors calls, In Persons Meetings and Emails	Quarterly or as and when requested by prospective investors excluding silent periods.	Quarterly results and strategic presentation
Customers		Email, Advertisement, social media and exhibition participation	As and when needed	Business Discussions
Business Partners (Suppliers, Dealers/ Distributors)	No	Email, Advertisement, social media and exhibition participation	As and when needed	Product/service purchase and sales
Employees & Workers		Meets, Awareness Session and In-persons meetings	As and when needed	Performance assessment, training & development
Regulatory Bodies		Regular Compliances filings	As per regulatory requirement	Compliance

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	FY24 Current Financial Year			FY23 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	362	362	100%	264	264	100%
Other than Permanent	36	0	0%	6	0	0%
Total	398	362	90.95%	270	264	97.77%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total(A)	Equal to Minimum Wage (B)	% Employees (B/A)	More than Minimum Wage (C)	% Employees (C/A)	Total(D)	Equal to Minimum Wage (E)	% Employees (E/D)	More than Minimum Wage (F)	% Employees (F/D)
Employees										
Permanent										
Male	297	-		297	100%	218	5	2.30%	213	97.70%
Female	65	-		65	100%	46	1	2.17%	45	97.82%
Other than permanent										
Male	36	36	100%	-	-	6	6	100%	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in INR Crores)	Number	Median remuneration/ salary/ wages of respective category (in INR Crores)
Board of Directors (BoD)	4*	1.42	0	0
Key Managerial Personnel	2	0.47	0	0
Employees other than BoD and KMP	291	0.05	65	0.03
Workers	NA	NA	NA	NA

* Includes only Executive directors

Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 24 Current Financial Year	FY 23 Previous Financial Year
Gross wages paid to females as % of total wages	10.62%	9.93%

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, the ESG Committee is the focal point responsible for addressing Human Rights issues or impacts caused or contributed to by the business. All the employees can also reach out to the management for any concerns.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Internal Committee is designated as the primary entity within the company responsible for managing and resolving any matters related to human rights that arise as a direct result of business activities. The committee functions as a responsive and authoritative body that employees and other stakeholders can approach with confidence when they have human rights concerns or grievances. It operates under a clear mandate to investigate allegations of human rights violations, take appropriate corrective action, and provide remedies when necessary. If the employee is not satisfied with the decision of the committee then he has the right to approach the regulatory forums

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment		Nil	-		Nil	-
Discrimination at workplace					-	
Child Labour						
Forced Labour / Involuntary Labour						
Wages						
Other human rights-related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, prohibition and Redressal) Act,2013, in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under the Sexual Harassment of Women at Workplace (Prevention, prohibition and Redressal) Act,2013(POSH)		Nil
Complaints on POSH as a % of female employees / workers		
Complaints on POSH upheld		

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The company has introduced a robust POSH mechanism, empowering employees to address instances of harassment or discrimination effectively. Further, the company introduced a whistle blower policy facilitating the reporting of concerns. We have a zero-tolerance policy for any retaliation against an employee lodging a complaint and any abuse of this protection will warrant disciplinary action. By providing a platform for reporting and addressing such issues, the company fosters a culture of accountability and inclusivity. If a complainant feels subjected to retaliation, they have the option to file a written complaint on the dedicated email address provide for any grievances. This approach ensures a workplace environment that upholds respect and dignity for all. All the employees can also reach out to the management for any concerns.

9. Do human rights requirements form part of your business agreements and contracts?

No

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above

We follow all the labour laws strictly and so far no action has been taken on us for any deviations. All employees can reach out to management if they have any areas of concerns regarding their work or surrounding environment.

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, in the following format:**

Parameter	FY24 Current Financial Year	FY23 Previous Financial Year
From renewable sources		
Total electricity consumption (GJ) (A)	Nil	Nil
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	Nil	Nil
From non-renewable sources		
Total electricity consumption (GJ) (D)	2,044.47	1,177.49
Total fuel consumption (E)	333.4	158.61
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	2,377.87	1,336.11
Total energy consumed (GJ)	2,377.87	1,336.11
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.00000033	0.00000030
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.00000736	0.00000664
Energy intensity in terms of physical output (per FTE)	5.97	4.95
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.

No

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.

No, the company has not recognized any of its sites or installations as Designated Consumers within the context of the Performance Achieve and Trade (PAT) framework. Nonetheless, as a conscientious enterprise, it places considerable emphasis on integrating sustainable practices into its corporate planning.

In case targets have not been achieved, provide the remedial action taken, if any:

Not Applicable

3. Provide details of the following disclosures related to water, in the following 4format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	4,069.44	2,935.44
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	4,069.44	2,935.44
Total volume of water consumption (in kilolitres)	2,712.96	1,956.96
Water intensity per rupee of turnover (Water consumed / turnover) (kl per INR of revenue)	0.00000037	0.00000044
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000008	0.000010
Water intensity in terms of physical output (KL/ FTE)	6.82	7.24
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.

No

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
No treatment		
With treatment – please specify the level of treatment		
(ii) To Groundwater		
No treatment		
With treatment – please specify the level of treatment		
(iii) To Seawater		
No treatment		
With treatment – please specify the level of treatment		
(iv) Sent to third parties		
No treatment		
With treatment – please specify level of treatment	1,356.48	978.48
(v) Others		
No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kiloliters)	1,356.48	978.48

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.

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY24 Current Financial Year	FY23 Previous Financial Year
NOxSOxParticulate matter (PM)Persistent organic pollutants matter (POP)	Company is monitoring ambient air quality parameters as per the State Pollution Control Board's (SPCB) / Central Pollution Control Board's (CPCB) criteria at plants and offices. All parameters remained within norms of SPCBs / CPCBs guidelines.		
Volatile organic compounds (VOC)Hazardous air pollutants (HAP)Others – please specify			

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.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY24 Current Financial Year	FY23 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	117.05	169.05
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	406.62	234.19
Total Scope 1 and Scope 2 emissions	tCO ₂ e	523.67	403.24
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO ₂ e/ revenue INR	0.000000723	0.000000906
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)	tCO ₂ e / PPP	0.00000162	0.000002003
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO ₂ e/ FTE	1.3158	1.4935
Total Scope 1 and Scope 2 emission 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.

No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The company intends to initiate yearly plantation drives and is in the process of installation of solar panels.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in Kilogram)		
Plastic waste (A)	297.6	168.0
E-waste (B)	595.2	336.60
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	99.2	56.0
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	NA	NA
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G+ H)	992.0	560.0

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of Waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations	2.64	0
Total		

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	-	64.86
Total		

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.

No

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.

The Company has implemented a waste management system to efficiently handle waste generated during manufacturing processes and overall operations. The foundation of this approach rests on the 3Rs framework: Reduce, Reuse, and Recycle. The company has tied up with multiple waste collection centers which collect our waste and dispose it off in a safe manner. Additionally, we believe in the concept of circularity and utilize our input material packaging for products which are shipped out to our consumers in order to reduce packaging waste.

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 in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1			Not Applicable

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Throughout the reporting period, the Company did not engage in any projects that required an Environmental Impact Assessment (EIA) to be conducted.

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:

S. No.	Specify the law / regulation /guidelines which was not complied	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	Not Applicable as the entity has complied with all laws and regulations			

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.

4

1. b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	LIFE Membership Certificate, Association of Information Technology , Netweb Technologies Bengaluru is a LIFE member of AIT	National
2	MAIT Membership	National
3	MEDEPC -Mobile And Electronic Devices Export Promotion Council	National
4	AICRA- All India Council for Robotics & Automation	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	Not Applicable	

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.

Project Name	SIA Notification	Date Notification	Conducted by independent	Result Communicated	Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
	Not Applicable					

3. Describe the mechanisms to receive and redress grievances of the community.

As part of our Corporate Social Responsibility (CSR) initiatives, the Company actively interacts with local communities to understand and respond to their issues and concerns. This engagement takes the form of various CSR projects and other similar activities.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY24 Current Financial Year	FY23 Previous Financial Year
Directly sourced from MSMEs/ small producers	1.24%	1.44%
Directly from within India	41.67%	44.62%

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	FY24 Current Financial Year	FY23 Previous Financial Year
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100%	100%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

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.

Customer escalations and complaints are treated with utmost importance in the organization. The email address and contact number for submitting a complaint are promptly accessible on our website. We have a ticket raising system (Eagle, Zeroc) for handling customer complaints and feedback which operates through a structured process that organizes, prioritizes, and resolves issues efficiently.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Services	As a percentage to total turnover
Environmental and social parameters relevant to the product	The company does not track such parameters
Safe and responsible usage Recycling and/or safe disposal	currently

3. Number of consumer complaints in respect of the following:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy			Nil			Nil
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Others (Repay and refund)						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary Recall Forced Recall	Nil	Not Applicable

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.

Safeguarding data privacy and ensuring robust cyber security systems are of paramount importance to our operations. We recognize that our clients trust us with sensitive information, and it is our responsibility to protect it from unauthorized access, breaches or misuse. Maintaining the confidentiality and integrity is not only essential for building trust with clients but also for upholding regulatory compliance standards. We invest in cutting edge technology, conduct security audits and prioritizes employee training to ensure highest standards of security.

Privacy Policy (netwebindia.com)

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.

Not Applicable

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches

NIL

- b. Percentage of data breaches involving personally identifiable information of customers

NIL

- c. Impact, if any, of data breaches

Not Applicable

Financial
Statements

Independent Auditor's Report

To the Members of Netweb Technologies India Limited
(Formerly known as Netweb Technologies India Private Limited)

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **Netweb Technologies India Limited** (formerly known as Netweb Technologies India Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the 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 (including 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 Ind AS 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 ("ICAI") read together with the ethical requirements that are relevant to our audit of the Ind AS 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 audit opinion on the Ind AS 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr No	Key Audit Matter	Auditor's Response
1	The Company's contracts with customers include contracts with multiple products and services. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Revenue from the sale of goods is recognised at the point in time when control of the assets is transferred to the customer, generally on delivery of the goods. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any). Revenue from sale of services is recognised over a period of time because the customer simultaneously receives and consumes the benefits provided by the Company and accounted revenue as and when services are rendered and there are no unfulfilled obligation.	Our audit procedures included, among others, inquiries with management regarding significant new contracts and relevant changes in existing contracts. The procedures also included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition. On a sample basis, we reconciled revenue to the supporting documentation, such as sales orders, invoices and other relevant documents. A specific emphasis was set on verifying that revenue transactions at the end of the financial year and at the beginning of the new financial year have been recognised in the proper accounting period by comparing revenues close to the balance sheet date with the respective contractual terms. Our procedures also involved testing the performance obligations in the contract and the variable consideration, if any. We also test-checked instances for transfer of control to the customer with the necessary documentation.

Information other than the Ind AS financial statements and Auditor's Report thereon

The Company's Management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the Ind AS financial statements and our auditor's reports 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 Ind AS financial statements does not cover the other information and we do 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 Director Responsibilities for Ind AS Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and Board of Directors is 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS 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 system with reference to the Ind AS 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 management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director use of the going concern basis of accounting 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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 financial statements of the current year 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 sub-section (11) of section 143 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. 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 below paragraph (i) (vi) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the rules").

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 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) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph (i)(vi) below on reporting under Rule 11 (g) of the Rules.
- g) With respect to the adequacy of the internal financial controls over financial reporting with reference to the Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- i) 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:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2024 on its financial position in its Ind AS financial statements – Refer Note no. 42 to the Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including long term derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a. The management has represented that, to the best of it's knowledge and belief, 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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.
- b. The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material

misstatement.

- v. a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has feature of recording audit trail (edit log) facility and the same has operated from April 5, 2023 onwards for all relevant transactions recorded in the software, as described in note 54 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of this software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, thus reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Registration No. 000756N / N500441

Jalaj Soni
Partner

Date: May 1, 2024
Place: Faridabad

Membership No. 528799
UDIN: 24528799BKDIBZ5210

Annexure A

to the Independent Auditor's Report of even date on the Ind AS Financial Statements of Netweb Technologies India Limited (formerly known as Netweb Technologies India Private Limited)

The Annexure **as referred in paragraph (1) 'Report on Other Legal and Regulatory Requirements** of our Independent Auditors' Report to the members of **Netweb Technologies India Limited (formerly known as Netweb Technologies India Private Limited)** on the Ind AS financial statements for the year ended March 31, 2024, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets. The Company has also maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment and right-of-use assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, all major items of Property, Plant and Equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification as compared to the books of accounts.
- (c) According to the information and explanation given to us and on the basis of examination of title deeds, we report that the title deeds of the immovable properties are held in the name of the Company as at the balance sheet date.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year ended March 31, 2024.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The physical verification of the inventory (other than material in transit) has been conducted at reasonable intervals by the management during the year. As far as we could ascertain and according to information and explanations given to us, no material discrepancies were noticed between the physical stock and the book records.

- (b) The Company has been sanctioned working capital limits in excess of rupees five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. As disclosed in note 20 (4) to the Ind AS financial statements, the quarterly return/ statement filed by company with the banks are in agreement with the books of account of the Company of the respective quarters.

- iii. (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 provided any loan, any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year and hence, reporting under clause 3 (iii) (b), (c), (d) (e) & (f) of the Order is not applicable.

- (b) The Company has made investments in one company in previous years. The Company has not made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnership. The terms and conditions under which such investments were made are not prejudicial to the Company's interest, based on the information and explanations provided by the Company.

- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided loan, made investment provided any guarantee or security as specified under Section 185 and 186 of the Act.

- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public or deemed deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.

- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determining whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales Tax, Income Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues with the appropriate authorities, to the extent applicable.
- (b) According to the information and explanations given to us and on the basis of examination of the records of the Company there are no undisputed aforesaid statutory dues payable as at March 31, 2024 for a period of more than six months from the date they became payable.
- (c) According to the records and information and explanations given to us, there are no dues in respect of statutory dues referred to in vii (a) above which have not been deposited on account of any dispute except as given below:

Name of Statute	Nature of Dues	Period (F.Y.) to which the amount relates	Amount Demanded (Excluding interest) (₹ in million)	Amount paid (₹ in million)	Forum where dispute is pending
The Central Sales Tax Act, 1944 and State VAT Act	Central Sales tax	2008-09 to 2011-12	0.51	-	High Court, Himanchal Pradesh

- viii. The Company has not surrendered or disclosed any transaction as income, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 during the year.
- ix. (a) In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lenders.
- (c) According to the information and explanations given to us and on examination of the books of the Company, the term loans have been applied for the purpose for which they were obtained.
- (d) On overall examination of the Ind AS financial statements of the Company, funds raised on short term basis have, prima facie, not been utilised during the year for long term purposes by the Company.
- (e) On an overall examination of the Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiary hence, the requirement to report on clause (ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to information and explanations given by the management and audit procedures performed by us, monies raised by the Company by way of initial public offer were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilisation have been invested in fixed deposits with various banks. The amount of unutilized proceeds as at March 31, 2024 amounted to ₹ 1000.56 million.
- (b) During the year, the Company has made preferential and private allotment of equity shares. According to the information and explanations given to us and based on our examination of the records of the Company, these allotments of equity share capital has been made after complying with the requirements of Section 42 and Section 62 of the Companies Act, 2013 and the funds raised have been used for the purposes for which the funds were raised. Further, no convertible debentures (fully, partially or optionally convertible) have been issued during the year.
- xi. (a) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud by the Company or on the Company being noticed or reported during the year, nor have we been informed of such case by the management.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and details of such transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Companies Act, 2013.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued during the year and till the date of this report, for the period under audit have been considered by us, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with its directors.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, the requirement to report under clause 3(xvi) (b) and (c) of the Order is not applicable to the Company.
- (b) There is no Core Investment Company as a part of the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016), hence, the requirement to report under clause 3(xvi) (d) of the Order is not applicable to the Company.
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses either in the current financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios disclosed in Note 46 to the Ind AS financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, in respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) According to the information and explanation provided to us, the Company has not undertaken any ongoing project during the year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Registration No. 000756N / N500441

Jalaj Soni
Partner

Date: May 1, 2024
Place: Faridabad

Membership No. 528799
UDIN: 24528799BKDIBZ5210

Annexure B

to the Independent Auditor's Report of even date on the Ind AS Financial Statements of Netweb Technologies India Limited (formerly known as Netweb Technologies India Private Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements'

We have audited the internal financial controls with reference to the financial statement of **Netweb Technologies India Limited** (formerly known as Netweb Technologies India Private Limited) ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal 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. 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 Companies Act, 2013.

Auditors' 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 system 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 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 system with reference to financial statements of the Company.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control 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 control with reference to financial statements includes 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 control 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over

Date: May 1, 2024
Place: Faridabad

financial reporting 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.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Registration No. 000756N / N500441

Jalaj Soni
Partner
Membership No. 528799
UDIN: 24528799BKDIBZ5210

Balance Sheet

as at 31 March 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)				
Particulars	Notes	As at 31 March 2024	As at 31 March 2023	
ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	3 (a)	348.71	169.41	
(b) Capital work-in-progress	3 (b)	5.51	17.63	
(c) Right-of-use assets	4 (a)	75.00	49.46	
(d) Other intangible assets	4 (b)	18.08	14.75	
(e) Intangible Assets under development	4 (c)	0.12	0.23	
(f) Financial assets				
(i) Investments	5	-	-	
(ii) Other financial assets	6	36.62	10.00	
(g) Deferred tax assets (net)	7	9.14	6.64	
(h) Other non-current assets	8	31.06	9.74	
Total non-current assets (1)		524.24	277.86	
2 Current assets				
(a) Inventories	9	1,146.57	540.74	
(b) Financial assets				
(i) Trade receivables	10	1,838.29	1,515.32	
(ii) Cash and cash equivalents	11 (a)	896.75	70.92	
(iii) Bank balances other than cash and cash equivalents	11 (b)	1,319.39	65.22	
(iv) Other financial assets	12	84.28	22.25	
(c) Other current assets	13	315.16	167.19	
Total current assets (2)		5,600.44	2,381.64	
Total assets (1+2)		6,124.68	2,659.50	
EQUITY AND LIABILITIES				
1 Equity				
(i) Equity share capital	14	112.73	101.85	
(ii) Other equity	15	4,114.79	834.81	
Total equity (1)		4,227.52	936.66	
2 Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	16	12.72	93.12	
(ii) Lease liabilities	17	59.98	40.61	
(b) Other non current liabilities	18	9.00	1.05	
(c) Provisions	19	25.78	14.92	
Total non-current liabilities (2)		107.48	149.70	
3 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	20	3.57	210.86	
(ii) Lease liabilities	21	19.46	11.44	
(iii) Trade payables	22			
- Total outstanding dues of micro enterprises and small enterprises		2.06	0.98	
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,264.10	1,032.69	
(iv) Other financial liabilities	23	186.90	118.21	
(b) Other current liabilities	24	300.75	112.63	
(c) Provisions	25	3.99	1.97	
(d) Current Tax Liabilities (net)	26	8.85	84.36	
Total current liabilities (3)		1,789.68	1,573.14	
Total equity and liabilities (1+2+3)		6,124.68	2,659.50	

Material Accounting Policies

2

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's registration number : 000756N / N500441

Jalaj Soni
Partner
Membership No. 528799

Place : Faridabad
Date : May 01, 2024

For and on behalf of the Board of Directors of
Netweb Technologies India Limited
(formerly known as Netweb Technologies (India) Private Limited)

Sanjay Lodha
Managing Director & CEO
DIN: 00461913

Prawal Jain
Chief Financial Officer
Place : Faridabad
Date : May 01, 2024

Navin Lodha
Director
DIN: 00461924
Lohit Chhabra
Company Secretary

Statement of Profit and Loss

for the year ended 31 March 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)				
Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023	
I Income				
Revenue from operations	27	7,240.75	4,449.72	
Other income	28	118.87	6.78	
Total income (I)		7,359.62	4,456.50	
II Expenses				
Cost of materials consumed	29	5,638.12	3,252.40	
Change in inventories of finished goods and work-in-progress	30	(192.67)	(8.75)	
Employee benefits expense	31	500.44	293.53	
Finance costs	32	62.08	40.73	
Depreciation and amortisation expenses	33	62.52	36.57	
Other expenses	34	269.57	212.39	
Total expenses (II)		6,340.06	3,826.87	
III Profit before exceptional items and tax (I - II)		1,019.56	629.63	
IV Exceptional items (net)				
V Profit before tax (III + IV)		1,019.56	629.63	
VI Tax expense				
(a) Current tax	36	256.65	156.16	
(b) Adjustment of tax relating to earlier period		0.50	-	
(c) Deferred tax charge / (Credit)		3.38	4.11	
Total tax expense		260.53	160.27	
VII Profit for the year (V - VI)		759.03	469.36	
VIII Other comprehensive income				
Items that will not be reclassified to Profit or Loss :				
- Re-measurement gains / (losses) on defined benefit plans		(23.41)	0.56	
- Income Tax relating to Items that will not be reclassified to Profit or Loss		5.89	(0.14)	
Total other comprehensive income for the year (net of tax)		(17.52)	0.42	
IX Total comprehensive income for the year (VII + VIII)		741.51	469.78	
X Earnings per equity share (EPS)	37			
Basic (in ₹)		13.91	9.22	
Diluted (in ₹)		13.88	9.07	
Face value per share (in ₹)		2.00	2.00	

Material Accounting Policies

2

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's registration number : 000756N / N500441

Jalaj Soni
Partner
Membership No. 528799

Place : Faridabad
Date : May 01, 2024

For and on behalf of the Board of Directors of
Netweb Technologies India Limited
(formerly known as Netweb Technologies (India) Private Limited)

Sanjay Lodha
Managing Director & CEO
DIN: 00461913

Prawal Jain
Chief Financial Officer

Place : Faridabad
Date : May 01, 2024

Navin Lodha
Director
DIN: 00461924
Lohit Chhabra
Company Secretary

Statement of Cash Flows

for the year ended 31 March 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	1,019.56	629.63
Adjustments for :		
Depreciation of Property, Plant and Equipment's and Intangible Assets	44.96	26.40
Depreciation of Right-of-use assets	17.56	10.17
Finance costs (other than Interest on lease liabilities)	56.15	37.21
Interest on lease liabilities	5.93	3.52
Interest Income	(81.52)	(4.37)
Unrealised foreign exchange	4.48	(7.29)
Liabilities Written Back	(1.20)	(1.26)
Provision for doubtful debts	0.46	-
Impairment on Investment	-	0.10
Bad Debts Written Off	7.31	4.28
EMD Balance Written Off	-	3.31
Share-based payments to employees	128.53	23.18
Loss on discard of property, plant and equipment	1.19	-
Profit on Sale of property, plant and equipment	(3.63)	-
Cash generated from operations before working capital changes	1,199.78	724.88
Adjustments for :		
(Increase)/Decrease in trade receivables	(330.74)	(741.20)
(Increase)/Decrease in Other financial assets	(35.20)	(5.40)
(Increase) / Decrease in Other assets	(149.51)	(69.92)
(Increase) / Decrease in Inventories	(605.83)	(157.59)
(Decrease)/increase in other liabilities	196.07	63.76
(Decrease)/Increase in trade payables	229.21	508.99
(Decrease)/Increase in Other financial liabilities	23.09	73.76
(Decrease)/increase in provisions	(10.53)	4.63
Cash generated from operating activities	516.34	401.91
Income Tax Paid	332.67	130.59
Net cash generated from operating activities	183.67	271.32
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, CWIP including intangible assets, capital advances and capital creditors	(194.68)	(132.64)
Investments in subsidiary companies	-	(0.10)
Proceeds from sale of property, plant and equipment	8.94	-
Interest Income	27.28	2.58
Investment in deposits (net) with banks	(1,287.33)	(10.05)
Net cash used in investing activities	(1,445.79)	(140.21)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid (other than on lease liabilities)	(57.50)	(37.28)
Interest on lease liabilities	(5.93)	(3.52)
Proceeds from long term borrowings	14.10	24.94
Repayment of long term borrowings	(109.63)	(70.38)
Short term borrowings (net)	(192.16)	13.74
Principal payments against lease liabilities	(14.93)	(7.95)
Monitoring account and public account	33.17	-
Dividend paid	(25.46)	-
IPO expenses	(96.57)	-
Pre IPO expenses	(27.74)	-
Issue of fresh capital	2,570.60	-
Net cash used in Financing Activities	2,087.95	(80.45)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	825.83	50.66
Cash and cash equivalents at the beginning of the year	70.92	20.26
Cash and cash equivalents at the closing of the year	896.75	70.92

Statement of Cash Flows

for the year ended 31 March 2024

a) Cash and Cash Equivalents included in Statement of Cash Flow comprise of following (Refer Note 11(a)) :

Particulars	As at 31-March-2024	As at 31-March-2023
Cash on Hand	0.62	0.23
In current accounts	896.13	70.69
Total	896.75	70.92

b) Financial Liabilities :

Particulars	As at 31-March-2024	As at 31-March-2023
Non Current Borrowings (including current maturities)	16.29	111.82
Current Borrowings	-	192.16
Interest Accrued (excluding Interest on lease liabilities)	0.31	1.19
Lease Liabilities	79.44	52.05
Total	96.04	357.22

c) Reconciliation of changes in liabilities arising from financing activities:

Particulars	As at 31-March-2023	Cashflows	Non Cash Change	As at 31-March-2024
Non Current Borrowings	111.82	(95.53)	-	16.29
Current Borrowings	192.16	(192.16)	-	-
Interest Accrued (excluding Interest on lease liabilities)	1.19	(63.43)	62.55	0.31
Lease Liabilities	52.05	(20.86)	48.25	79.44
Total	357.22	(371.98)	110.80	96.04

Particulars	As at 31-March-2022	Cashflows	Non Cash Change	As at 31-March-2024
Non Current Borrowings	157.26	(45.44)	-	111.82
Current Borrowings	178.42	13.74	-	192.16
Interest Accrued (excluding Interest on lease liabilities)	0.32	(40.80)	41.67	1.19
Lease Liabilities	9.16	(11.47)	54.36	52.05
Total	345.16	(83.97)	96.03	357.22

The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Material Accounting Policies

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's registration number : 000756N / N500441

Jalaj Soni
Partner
Membership No. 528799

Place : Faridabad
Date : May 01, 2024

For and on behalf of the Board of Directors of
Netweb Technologies India Limited
(formerly known as Netweb Technologies (India) Private Limited)

Sanjay Lodha
Managing Director & CEO
DIN: 00461913

Prawal Jain
Chief Financial Officer

Place : Faridabad
Date : May 01, 2024

Navin Lodha
Director
DIN: 00461924

Lohit Chhabra
Company Secretary

Statement of Changes in Equity

for the year ended 31 March 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

(a) Equity share capital*

As at 31-March-2024

Balance as at 1 April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2023	Changes in equity share capital during the year	Balance as at 31 March 2024
101.85	-	101.85	10.88	112.73

As at 31-March-2023

Balance as at 1 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
56.58	-	56.58	45.27	101.85

*For changes in equity during the year, refer Note 14

(b) Other equity

Particulars	Attributable to equity shareholders			Total
	Securities premium	Share options outstanding account	Retained earnings	
As at 1-April-2022	7.99	-	379.13	387.12
Profit for the year	-	-	469.36	469.36
ESOP reserve created during the year	-	23.18	-	23.18
Issue of Bonus Shares	(7.99)	-	(37.28)	(45.27)
Other comprehensive income, net of income tax	-	-	0.42	0.42
As at 31-March-2023	-	23.18	811.63	834.81
Profit for the year	-	-	759.03	759.03
ESOP reserve created during the year	-	128.53	-	128.53
Fresh Issue of Shares	2,559.71	-	-	2,559.71
Dividend paid	-	-	(25.46)	(25.46)
IPO expenses*	(96.57)	-	-	(96.57)
Pre IPO expenses*	(27.74)	-	-	(27.74)
Share option exercise	76.67	(76.67)	-	-
Other comprehensive income, net of income tax	-	-	(17.52)	(17.52)
As at 31-March-2024	2,512.07	75.04	1,527.68	4,114.79

*For IPO and Pre IPO expenses during the year, refer Note 49(viii) and 49(ix)

Material Accounting Policies

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's registration number : 000756N / N500441

For and on behalf of the Board of Directors of
Netweb Technologies India Limited
(formerly known as Netweb Technologies (India) Private Limited)

Jalaj Soni
Partner
Membership No. 528799

Sanjay Lodha
Managing Director & CEO
DIN: 00461913

Navin Lodha
Director
DIN: 00461924

Place : Faridabad
Date : May 01, 2024

Prawal Jain
Chief Financial Officer
Place : Faridabad
Date : May 01, 2024

Lohit Chhabra
Company Secretary

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

1 CORPORATE INFORMATION

Netweb Technologies India Limited (formerly known as Netweb Technologies (India) Private Limited) ('the Company') is a limited company domiciled in India and incorporated on September 22, 1999 under the provisions of the Companies Act, 1956 having its registered office at Plot No H-1, Pocket 9, Faridabad Industrial Town (FIT), Sector-57, Ballabhgarh, Faridabad, Haryana, 121004, India. The Company is in the business of "Computer Server" which includes transforming storage and computing with innovative Servers, Workstations, Storage, Cloud, HPC, AI and Big Data solutions. This class includes consultancy on type and configuration of hardware with or without associated software application.

Pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on October 18, 2022, the Company has converted from a Private Limited Company to a Public Limited Company and consequently, name of the Company has changed to Netweb Technologies India Limited pursuant to fresh certificate of incorporation issued by ROC on November, 18, 2022.

2 MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these Financial Statements. These policies have been consistently applied for all years presented.

2.01 Basis of preparation and presentation of financial statements

i) Compliance with IndAS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013.

ii) Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- (i) Certain financial assets and liabilities that are measured at fair value
- (ii) Defined benefit plans-plan assets measured at fair value

- iii) The Financial Statements are presented in Indian Rupees ('INR') and all values are rounded to nearest millions (INR '000,000) upto two decimal places, except when otherwise indicated.

2.02 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non- current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and deferred tax liabilities are classified as non- current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.03 Property, plant and equipment

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

applicable. Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of item can be measured reliably. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognized is derecognized 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 income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment is provided on pro-rata basis on written-down value method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013 along with residual value 5%. The useful life is as follows:

Assets	Useful life (in years) As per schedule II.	Estimated useful life by co. (in years)*
Building	30-60	60
Plant and machinery	15	5-15
Furniture and fixtures	10	3-10
Vehicles	8-10	8-10
Office equipment	5	3-5
Computers and servers	3-6	3-6
Electrical Installations	10	10

*Based on Internal assessment the management believes that the useful life given above best represent the period over which management expects to use these assets

Land is carried at historical cost and is not depreciated.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at 1 April 2021, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

2.04 Intangible assets

Separately acquired intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss in the expense category consistent with the function of the intangible assets.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets with finite useful life are amortized on a straight-line value basis over the estimated useful economic life of 6-20 years, which represents the period over which the Company expects to derive economic benefits from the use of the assets.

Intangible Assets under development includes cost of intangible assets under development as at the balance sheet date.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all the items of intangible assets recognized as at 1 April 2021, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

2.05 Impairment of non- financial Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for the which there are separately identifiable cash inflows which largely independent of the cash inflows from other assets or group of assets (cash generating units). Non - financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.06 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- Those measured at amortized cost

The classification depends on entity's business model for managing the financial assets and the contractual terms of the cash flow.

Initial recognition and measurement

All financial assets (not recorded at fair value through profit or loss) are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at fair value through profit and loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at amortized cost
- Equity instruments

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Debt instruments at amortized cost

A Debt instrument is measured at amortized cost if both the following conditions are met:

- Business Model Test:** The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test:** The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at fair value through OCI

A Debt instrument is measured at fair value through other comprehensive income if following criteria are met:

- Business Model Test :** The objective of financial instrument is achieved by both collecting contractual cash flows and for selling financial assets.
- Cash flow characteristics test:** The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI

category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognized in statement of profit and loss. On derecognition of asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit & loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI, is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Equity investments of other entities

All equity investments in scope of IND AS 109 are measured at fair value. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) when:

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
 - the Company has transferred the rights to receive cash flows from the financial assets or
 - the Company has retained the contractual right to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

The Company follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12- months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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 EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

Notes to the Financial Statements

For the year ended March 31, 2024

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- (b) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

The balance sheet presentation for various financial instruments is described below:-

- (a) **Financial assets measured as at amortized cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- (b) **Debt instruments measured at FVTOCI:** For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the "accumulated impairment amount".

(ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. the Company financial liabilities include loans and borrowings including bank overdraft, trade payables, trade deposits, retention money, liabilities towards services and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit

or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and 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 a hedge relationship as defined by Ind AS 109. The separated embedded derivate are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and 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/ losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using Effective interest rate method.

Loans and borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using

Notes to the Financial Statements

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the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

Borrowing are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Derecognition

A financial liability is derecognized 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 an exchange or medication is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments:

Financials 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets/ financial liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the

Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

2.07 Inventories

(a) Basis of Valuation:

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

(b) Method of Valuation:

- Cost of raw materials and components** has been determined by using FIFO method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- Cost of finished goods and work-in-progress** includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.
- Net realizable 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.

2.08 Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised

Notes to the Financial Statements

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in Other Comprehensive Income or directly in equity, respectively.

Current tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

The Company's management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred income tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.09 i) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company collects Goods and Service Tax on behalf of government, and therefore, these are not consideration to which the Company is entitled, hence, these are excluded from revenue. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

a) Revenue from sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the assets is transferred to the customer, generally on delivery of the goods.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

b) Revenue from sale of services

Revenue from sale of services is recognised over a period of time because the customer simultaneously receives and consumes the benefits provided by the Company and accounted revenue as and when services are rendered and there are no unfulfilled obligation.

c) Consideration of significant financing component in a contract

The Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects,

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at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

d) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as non-current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

e) Contract Assets

A contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as trade receivables.

f) 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, contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

g) Impairment

An impairment is recognised to the extent that the carrying amount of receivable or asset relating to contracts with customers (a) the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which such asset relates; less (b) the

costs that relate directly to providing those goods or services and that have not been recognised as expenses.

ii) Other Income

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis by reference to the principal outstanding and effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Other Operating Revenue

Incentive and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

2.10 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the year in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. Corresponding liabilities are presented as current employee benefit obligations in the balance sheet.

Accumulated leaves, which are expected to be utilised within the next twelve months, is treated as short-term employee benefits. The company measured the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The company recognises the expected cost of short-term employee benefit as an expense, when an employee renders the related services.

The Company presents the leave encashment as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

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(ii) Defined Contribution Plan

The Company makes defined contribution to Employees Provident Fund Organization (EPFO), Pension Fund and Employees State Insurance (ESI), which are accounted on accrual basis as expenses in the statement of Profit and Loss in the period during which the related services are rendered by employees.

Prepaid contribution are recognised as an assets to the extent that a cash refund or reduction in future payments is available.

(iii) Defined Benefit Plan

Retirement benefit in the form of Gratuity is considered as defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is determined by actuarial valuation as on the balance sheet date, using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- (i) The date of the plan amendment or curtailment, and
- (ii) The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and
- (ii) Net interest expense or income

2.11 Share-based payment arrangements

Employees (including senior executives) 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). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share Options outstanding reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense."

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counter party, any remaining clement of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

2.12 Leases- Company as a lessee

Leases are accounted for using the principles of recognition, measurement, presentation and disclosures as set out in Ind AS 116 Leases.

On inception of a contract, the Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Company's financial statements as a right-of-use asset and a lease liability.

Lease contracts may contain both lease and non-lease components. The Company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use asset recognised at lease commencement includes the amount of lease liabilities on initial measurement, 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 to a residual value over the rights-of-use assets estimated useful life or the lease term, whichever is lower. Right-of-use assets are also adjusted for any re-measurement of lease liabilities and are subject to impairment testing. Residual value is reassessed at each reporting date.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest on lease liability and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification e.g. a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

The Company has opted not to apply the lease accounting model to intangible assets, leases of low-value assets or leases which have a term of less than 12 months. Costs associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease payments are presented as follows in the Company's statement of cash flows:

- i. short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- ii. payments for the interest element of recognised lease liabilities are presented within cash flows from financing activities; and
- iii. payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities.

2.13 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, 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. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

2.14 Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the year in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

2.15 Provisions and Contingent Liabilities Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of 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. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value

of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. the Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Contingent assets

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed in the financial statements to the extent it is probable that economic benefits will flow to the Company from such assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.16 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted(unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.17 Statement of cash flows

Statements of cash flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferral accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing of cash flows. The cash flows from operating, financing and investing activities of the Company are segregated.

2.18 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the Financial Statements.

a) Recognition of deferred taxes

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

b) Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about the risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Recognition of revenue

The price charged from the customer is treated as standalone selling price of the goods transferred to the customer. At each balance sheet date, basis the past trends and management judgment, the Company assesses the requirement of recognising provision against the sales returns for its products and in case, such provision is considered necessary, the management make adjustment in the revenue. However, the actual future outcome may be different from this judgement.

d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-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 taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

e) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease etc. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

2.19 Company Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and

assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority

b) Gratuity benefit

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long-term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics (i.e. IALM 2012-14 Ultimate). These assumptions translate into an average life expectancy in years at retirement age. Future salary increases and pension increases are based on expected future inflation rates. Further details about the assumptions used, including a sensitivity analysis,

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

are given in Note 39.

c) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d) Property, plant and equipment and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives

and residual values of the Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. For managements estimates on useful life of assets refer note 2.03

e) Intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life. The useful lives of the Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. For managements estimates on useful life of assets refer note 2.04

2.20 Recent Accounting Pronouncements

Recent pronouncements 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. As at 31 March 2024, MCA has not notified any new standards or amendments to the existing standards which are applicable to the Company

Notes to the Financial Statements

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(All amounts in Indian Rupees in millions, unless otherwise stated)

3(a). Property, plant and equipment	Particulars	Land*	Buildings*	Furniture and fixtures	Plant and equipment	Office Equipments	Vehicles	Electrical fittings	Computer	Total
Gross Carrying Amount										
As at 1 April 2022	14.27	13.77	4.99	38.38	1.98	17.94	1.55	6.11	98.99	
Additions	23.65	19.09	9.48	29.25	4.89	9.11	0.89	6.38	102.74	
Disposals	-	-	-	-	-	-	-	-	-	
As at 31 March 2023	37.92	32.86	14.47	67.63	6.87	27.05	2.44	12.49	201.73	
Additions	-	22.72	18.62	109.18	14.89	31.01	15.46	15.30	227.18	
Disposals	-	-	0.06	0.16	0.10	9.07	-	1.69	11.08	
As at 31 March 2024	37.92	55.58	33.03	176.65	21.66	48.99	17.90	26.10	417.83	
Accumulated depreciation										
As at 1 April 2022	-	0.66	1.13	1.12	0.48	4.34	0.40	2.26	10.39	
Charge for the year	-	0.72	1.90	8.64	1.66	5.26	0.35	3.40	21.93	
Disposals	-	-	-	-	-	-	-	-	-	
As at 31 March 2023	-	1.38	3.03	9.76	2.14	9.60	0.75	5.66	32.32	
Charge for the year	-	1.82	4.95	15.94	4.78	6.91	1.03	5.96	41.39	
Disposals	-	-	0.01	0.02	0.04	3.76	-	0.76	4.59	
As at 31 March 2024	-	3.20	7.97	25.68	6.88	12.75	1.78	10.86	69.12	
Net Carrying Amount										
As at 31 March 2023	37.92	31.48	11.44	57.87	4.73	17.45	1.69	6.83	169.41	
As at 31 March 2024	37.92	52.38	25.06	150.97	14.78	36.24	16.12	15.24	348.71	

* Title deeds of immovable properties are held in the name of the Company.
3(a)(i) There are no adjustments to Property, Plant and Equipment on account of exchange differences.
3(a)(ii) Addition to Buildings includes ₹ 0.92 millions (Previous year ₹ 0.49 millions) on account of interest on loan.
3(a)(iii) There is no revaluation of Property, Plant and Equipment during the year.

Notes to the Financial Statements

For the year ended March 31, 2024

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3(b) Capital work-in-progress

Particulars	Amount
As at 1 April 2022	5.22
Additions	31.40
Capitalised during the year	18.99
As at 31 March 2023	17.63
Additions*	135.84
Capitalised during the year	147.96
As at 31 March 2024	5.51

* Addition to capital work in progress includes ₹ 0.47 millions (Previous year ₹ 0.45 millions) on account of interest on loan.

Capital work-in-progress ageing schedule

As at 31 March 2024	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	
Projects in progress	5.51	-	-	-	5.51
Projects temporarily suspended	-	-	-	-	-
Total	5.51	-	-	-	5.51

As at 31 March 2023	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	
Projects in progress	12.41	5.22	-	-	17.63
Projects temporarily suspended	-	-	-	-	-
Total	12.41	5.22	-	-	17.63

4 (a) Right of Use Assets

Particulars	Building	Total
Gross carrying value		
As at 1 April 2022	12.27	12.27
Additions	51.89	51.89
Deductions	(2.84)	(2.84)
As at 31-March-2023	61.32	61.32
Additions	43.10	43.10
Deductions	(1.86)	(1.86)
As at 31-March-2024	102.56	102.56

Accumulated Depreciation

As at 1 April 2022	4.53	4.53
Charge for the year	10.17	10.17
Deductions	(2.84)	(2.84)
As at 31 March 2023	11.86	11.86
Charge for the year	17.56	17.56
Deductions	(1.86)	(1.86)
As at 31 March 2024	27.56	27.56

Net carrying value

As at 31 March 2023	49.46	49.46
As at 31 March 2024	75.00	75.00

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For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

4 (b) Other intangible assets

Particulars	Software	Patent & trademark	Total
As at 1 April 2022	8.40	-	8.40
Additions	11.31	0.61	11.92
Deductions	-	-	-
As at 31 March 2023	19.71	0.61	20.32
Additions	6.79	0.11	6.90
Deductions	-	-	-
As at 31 March 2024	26.50	0.72	27.22
Accumulated Depreciation			
As at 1 April 2022	1.10	-	1.10
Charge for the year	4.46	0.01	4.47
Deductions	-	-	-
As at 31 March 2023	5.56	0.01	5.57
Charge for the year	3.52	0.05	3.57
Deductions	-	-	-
As at 31 March 2024	9.08	0.06	9.14
Net carrying value			
As at 31 March 2023	14.15	0.60	14.75
As at 31 March 2024	17.42	0.66	18.08

Change in accounting estimate

During the financial year ended 31 March 2024, the management of the Company performed an internal review of intangibles, accordingly, the management has changed its method of amortisation related to intangibles from written down value to Straight line method.

Accordingly, there is decrease in amortisation expense for the financial year 2023-24 by ₹ 4.14 million and profit before tax for the year ended 31 March 2024, increased from ₹ 1015.42 millions to ₹ 1019.56 millions and profit per share has increased from ₹ 13.85 to ₹ 13.91.

4 (c) Intangible Assets under development

Particulars	Amount
As at 1 April 2022	-
Additions	0.23
Capitalised during the year	-
As at 31 March 2023	0.23
Additions*	-
Capitalised during the year	0.11
As at 31 March 2024	0.12

Intangible Assets under development ageing schedule

As at 31 March 2024	Amount of Intangible Assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	0.12	-	-	0.12
Projects temporarily suspended	-	-	-	-	-
Total	-	0.12	-	-	0.12

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

As at 31 March 2023	Amount of Intangible Assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	0.23	-	-	-	0.23
Projects temporarily suspended	-	-	-	-	-
Total	0.23	-	-	-	0.23

5 Investments

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Investment in Equity Instruments		
Equity Instruments-Unquoted (At cost-impairment)		
i. Subsidiary		
- Netweb Foundation	0.10	0.10
9,900 equity shares of face value ₹ 10/-		
Less - Impairment in value of investment	(0.10)	(0.10)
Total Investments	-	-

(a) Aggregate amount of quoted investments and market value thereof	-	-
(b) Aggregate amount of unquoted investments	-	-
(c) Aggregate amount of impairment in value of investments	0.10	0.10

During the previous year, the Company had subscribed 9,900 equity shares of ₹10/- each of Netweb Foundation (a Section 8 - Company as per Companies Act 2013)). Netweb Foundation became a subsidiary of the Company w.e.f. May 25,2022 by virtue of holding 9,900 equity shares equivalent to 99% share capital in Netweb Foundation .Netweb Foundation is prohibited to distribute any dividend / economic benefits to its members, hence the Company is unable to earn any variable return/ economic benefits from the voting rights through its holding in equity shares of Netweb Foundation. Accordingly, the above investment does not meet the definition of control under Ind AS 110 -'Consolidated Financial Statements' and the aforesaid investment value of ₹ 0.10 millions had been charged off to the statement of profit and loss during the previous year ended 31 March 2023.

6 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Unsecured, considered good unless otherwise stated		
Carried at amortised cost		
Security deposits	35.78	4.88
Retention Money	0.84	2.42
Bank Deposits (Refer Note 11 (b) (i))	-	2.70
Total other financial assets	36.62	10.00

Notes to the Financial Statements

For the year ended March 31, 2024

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7 Deferred tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets		
Temporary difference in carrying values of property, plant & equipment & intangible assets between books of accounts and for tax purposes. Liabilities and provisions tax deductible only upon payment/actual crystallization.	0.25	1.65
- Post retirement benefits	7.49	4.25
Impact on account of Leases	1.12	0.65
Expected Credit Losses	0.19	0.08
Other temporary difference	0.52	0.54
(A)	9.57	7.17
Deferred tax liability		
Other temporary difference	(0.43)	(0.53)
(B)	(0.43)	(0.53)
Net deferred tax assets (A+B)	9.14	6.64

8 Other non-current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Capital advances	26.53	6.75
Prepaid expenses	4.53	2.99
Total other non-current assets	31.06	9.74

9 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
(The Inventory is valued at lower of cost and net realizable value)		
Raw materials (including goods in transit)*	874.22	461.06
Work in progress	184.64	26.66
Finished goods (including goods in transit)**	87.71	53.02
Total Inventories	1,146.57	540.74

* Includes raw material in transit

** Includes finished goods in transit

10 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables: (Carried at Amortised Cost) (Unsecured)		
Trade Receivables - Considered Good	1,838.29	1,515.32
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	0.77	0.30
Total trade receivables	1,839.06	1,515.62
Less: Allowance for credit losses	0.77	0.30
Total trade receivables (net)	1,838.29	1,515.32

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes to the Financial Statements

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Trade receivables ageing schedule

As at 31-March-2024	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months- 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	1,652.86	144.28	33.19	5.71	2.25	1,838.29
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	0.17	0.60	0.77
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	1,652.86	144.28	33.19	5.88	2.85	1,839.06
Less: Allowance for credit losses	-	-	-	0.17	0.60	0.77
Net Trade receivables	1,652.86	144.28	33.19	5.71	2.25	1,838.29

As at 31-March-2023	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months- 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	1,463.82	41.37	6.24	2.22	1.67	1,515.32
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	0.12	0.18	0.30
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	1,463.82	41.37	6.24	2.34	1.85	1,515.62
Less: Allowance for credit losses	-	-	-	0.12	0.18	0.30
Net Trade receivables	1,463.82	41.37	6.24	2.22	1.67	1,515.32

11 (a) Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks:		
- On current accounts	896.13	70.69
Cash on hand	0.62	0.23
Total cash and cash equivalents	896.75	70.92

11 (b) Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Bank Deposits	216.07	-
Bank Deposits (Refer Note 11(b)(i))	71.65	65.22
Earmarked balances with bank		
Bank Deposit from IPO proceeds	998.50	-
Bank Balances in monitoring account	33.17	-
Total bank balances other than cash and cash equivalents	1,319.39	65.22

11(b)(i) A charge has been created over the deposits towards various guaranties in favour of customer and statutory authorities.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

12 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Unsecured, considered good unless otherwise stated		
Carried at amortised cost		
Earnest Money Deposit	18.09	12.33
Retention Money	10.44	8.57
Security deposits	1.38	0.33
Duty Drawback Receivable	0.07	-
Interest Accrued on Bank deposits	54.30	1.02
Total Other financial assets	84.28	22.25

13 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured considered good		
Prepaid expenses	72.54	7.22
Staff advances	3.96	2.97
Balance with statutory / government authorities	140.45	64.87
Advance towards CSR*	-	0.50
Advance to suppliers and other advances	25.66	16.14
IPO expenses recoverable	-	33.81
PLI incentive receivable	-	39.70
Other receivables	72.55	1.98
Total Other current assets	315.16	167.19

* Advance given to related party, refer note 38

14 Equity share capital

(a) Authorised equity share capital:

	Number of shares*	Face Value	Amount
As at 1 April 2022	6,000,000	10	60.00
Shares extinguished on splitting of shares	(6,000,000)	10	(60.00)
Shares due to above splitting up	30,000,000	2	60.00
Increase during the year	45,000,000	2	90.00
As at 31 March 2023	75,000,000	2	150.00
Changes during the year	-	-	-
As at 31 March 2024	75,000,000	2	150.00

(b) Issued, subscribed and fully paid equity share capital:

	Number of shares*	Face Value	Amount
As at 1 April 2022	5,658,220	10	56.58
Shares extinguished on splitting of shares	(5,658,220)	10	(56.58)
New shares issued on splitting of shares	28,291,100	2	56.58
Issue of bonus shares	22,632,880	2	45.27
As at 31 March 2023	50,923,980	2	101.85
Fresh issue of shares during the year*	5,141,000	2	10.28
Exercise of ESOP	300,888	2	0.60
As at 31 March 2024	56,365,868	2	112.73

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

* During the year ended 31 March 2024 the Company has made the following issue of equity shares

Particulars	No. of shares (A) (In full numbers)	Issue price per share (B)	Face Value per share (C)	Premium per share (D=B-C)	Amount credited to share capital (E=A*C)
Pre-IPO	1,020,000	500	2.00	498	2,040,000
IPO	4,101,000	500	2.00	498	8,202,000
IPO - Employee Reservation	20,000	475	2.00	473	40,000
Stock Option Granted	300,888	2	2.00	-	601,776
Total	5,441,888				10,883,776

(c) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2 per share (PY ₹ 2 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend, if any in Indian rupees. The dividend proposed, if any by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors of the Company in the Board meeting dated February 15, 2023 and Shareholders of the company in the Extra Ordinary General Meeting dated February 16, 2023 have approved the sub-division of each of the Equity Share of the Company having a face value of ₹ 10/- each in the Equity Share Capital of the Company be sub-divided into 5 Equity Shares having a face value of ₹ 2/- each ("Sub-division"). Further, the equity portion of authorized share capital of the company was revised to 7,50,00,000 equity shares of face value of ₹ 2 each i.e. ₹ 150 millions.

Further the Board of Directors at its meeting held on February 15, 2023, pursuant to Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, proposed that a sum of ₹ 45.27 millions be capitalized as Bonus Equity shares out of free reserves and surplus, and distributed amongst the Equity Shareholders by issue of 2,26,32,880 Equity shares of ₹ 2/- each credited as fully paid to the Equity Shareholders in the proportion of 4 (Four) Equity share for every 5 (Five) Equity shares. It was approved in the meeting of shareholders held on February 16, 2023. The Board of Directors of the Company in the Board meeting dated February 20, 2023 allotted the Bonus Equity Shares to the shareholders of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

(d) Aggregate number of equity shares issued as bonus during the period of five years immediately preceding the reporting date:

Particulars	As at 31 March 2024	As at 31 March 2023
Equity share allotted as fully paid bonus shares by capitalisation of Retained Earnings and Security Premium.	-	45.27

During the year ended March 31, 2023, the Company allotted 2,26,32,880 equity shares as fully paid up bonus shares in proportion of 4:1 (i.e. four bonus shares for every one equity share held) to the eligible members/beneficial owners, by capitalisation of amount of ₹ 45.27 millions which was by way of transfer from Retained Earnings ₹ 37.28 millions and Securities Premium Reserve. ₹ 7.99 millions.

Such bonus shares rank pari passu in all respects and carry the same rights as the existing equity shareholders and are entitled to participate in full, in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

(e) Share based payments

During the financial year 2022-23, Netweb- Employee Stock Option Plan 2023^{****} pursuant to resolutions passed by Board of Directors of the Company at their meeting held on December 24, 2022 and by Shareholders of the Company at their meeting held on January 09, 2023 and as amended by the Board of Directors of the Company at their meeting held on February 20,

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

2023 and approved by the Shareholders of the Company at their meeting held on February 23, 2023. The Plan has been made effective from January 21, 2023.

The stock options granted to each eligible employee shall vest over a period of 3 years with equal vesting from the grant date. The eligible employees shall be entitled to exercise the vested options within the exercise period. The Exercise price of the stock options granted is INR 2. (Please refer note 52 for further details).

(f) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% holding in class	Number of shares*	% holding in class
Equity shares of ₹ 2* each fully paid				
Sanjay Lodha	16,855,072	29.90%	19,715,072	38.71%
Vivek Lodha	8,427,026	14.95%	9,857,086	19.36%
Niraj Lodha	8,427,026	14.95%	9,857,086	19.36%
Navin Lodha	8,427,026	14.95%	9,857,086	19.36%
Total	42,136,150		49,286,330	

(g) Details of shareholding of Promoters

Name of Shareholder	As at 31 March 2024		As at 31 March 2023		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
Equity shares of ₹ 2* each fully paid					
Sanjay Lodha	16,855,072	29.90%	19,715,072	38.71%	-8.81%
Vivek Lodha	8,427,026	14.95%	9,857,086	19.36%	-4.41%
Niraj Lodha	8,427,026	14.95%	9,857,086	19.36%	-4.41%
Navin Lodha	8,427,026	14.95%	9,857,086	19.36%	-4.41%
Total	42,136,150		49,286,330		

Name of Shareholder	As at 31 March 2023		As at 31 March 2022		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
Equity shares of ₹ 2* each fully paid					
Sanjay Lodha	19,715,072	38.71%	12,693,550	44.87%	-6.16%
Vivek Lodha	9,857,086	19.36%	2,494,500	8.82%	10.54%
Niraj Lodha	9,857,086	19.36%	2,294,500	8.11%	11.25%
Navin Lodha	9,857,086	19.36%	3,300,550	11.67%	7.69%
Total	49,286,330		20,783,100		

* Previous year figures of number of shares are pursuant to impact of split of shares from face value of ₹ 10 to ₹ 2 per share and issue of bonus shares.

15 Other equity

Securities premium	(A)	Amount
Balance as at 1 April 2022		7.99
Additions		-
Less: Issue of Bonus shares		7.99
Balance as at 31 March 2023		-
Additions		2,559.71
Add: Share Option Exercise		76.67
Less: IPO Expenses		96.57
Less: Pre IPO Expenses		27.74
As at 31 March 2024		2,512.07

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Share options outstanding account	(B)	Amount
Balance as at 1 April 2022		-
Additions		23.18
Balance as at 31 March 2023		23.18
Additions		128.53
Less: Share Option Exercise		76.67
As at 31-March-2024		75.04

Retained earnings	(C)	
Balance as at 1 April 2022		379.13
Profit for the year		469.36
Add: Other comprehensive income, net of income tax		0.42
Less: Issue of Bonus shares		37.28
Balance as at 31 March 2023		811.63
Profit for the year		759.03
Add: Other comprehensive income, net of income tax		(17.52)
Less: Dividend Paid		25.46
As at 31-March-2024		1,527.68

Total other equity	(A + B + C)	
Balance as at 31 March 2023		834.81
Balance as at 31 March 2024		4,114.79

Nature and purpose of reserves

Securities Premium:

Securities premium is used to record the premium received on issue of shares and is utilised in accordance with the provisions of Companies Act, 2013.

Retained Earnings:-

Retained earnings represents undistributed profits of the Company which can be distributed to its equity shareholders in accordance with the provisions of the Companies Act, 2013.

Share options outstanding account :

The share option outstanding account has been created in accordance with the approved Employee Stock Option Scheme.

16 Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Secured		
Term loans		
- From Banks	3.87	49.71
- From Other Parties	12.42	3.52
Unsecured		
Term loans		
- From other parties	-	44.06
- From related parties	-	14.53
Total Borrowings	16.29	111.82
Less: Current maturities of loans- Secured (refer note no 20)	3.57	18.70
Total non-current borrowings	12.72	93.12

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Nature of security and terms of repayment for borrowings:

(A) Secured Term loans

(1) Term Loans from Banks

(a) Security Terms

- (i) Indian Bank GECLS-Covid-19 Loan amounting to Nil (March 31, 2023: ₹ 2.94 millions) carrying interest rate of Repo Rate + Spread 2% per annum and is repayable in monthly equal instalments. The loan is secured by Pari pasu charge with HDFC bank over the assets to be created out of the loan proceeds on industrial unit (land & proposed building) at Plot H-1, Sector - 57, Faridabad Industrial Town (FIT), Faridabad, Haryana, in the name of the company, measuring 540.31 Sq. yards, Pledge of FDR (excluding BG margin) of the Company and Personal Guarantee and residential properties provided by Mr. Sanjay Lodha (Director of Company), Mr. Vivek Lodha (Director of Company), Mr. Navin Lodha (Director of Company), Mr. Niraj Lodha (Director of Company), Ms. Madhuri Lodha (Mortgagor Guarantor) (Relative of Director), Ms. Priti Lodha (W/o Mr. Sanjay Lodha) (upto February 21, 2023) and Ms. Sweta Lodha (W/o Mr. Navin Lodha) (upto February 21, 2023).
- (ii) Term loan from Indian Bank for the construction of building amounting to Nil (March 31, 2023: ₹ 14.38 millions) carrying interest rate of Repo Rate + Spread 2% per annum, is secured by pari pasu charge with HDFC Bank over industrial unit (land & proposed building) at Plot H-2, Sector - 57, Faridabad Industrial Town (FIT), Faridabad, Haryana, in the name of the company, measuring 540.31 Sq. yards, along with the hypothecation of Fixed Assets of the company and Personal Guarantee cum residential properties provided by Mr. Sanjay Lodha (Director of Company), Mr. Vivek Lodha (Director of Company), Mr. Navin Lodha (Director of Company), Mr. Niraj Lodha (Director of Company), Ms. Madhuri Lodha (Mortgagor Guarantor) (Relative of Director), Ms. Priti Lodha (W/o Mr. Sanjay Lodha) (Personal Guarantee) (upto February 21, 2023) and Ms. Sweta Lodha (W/o Mr. Navin Lodha) (Personal Guarantee) (upto February 21, 2023).
- (iii) Working Capital Term Loan under GECLS 1.0 (extension) from Indian Bank amounting to Nil (March 31, 2023: ₹ 22.20 millions) carrying interest rate of Repo Rate + Spread 2% per annum and is repayable in monthly equal instalments. The loan is secured by pari pasu charge with HDFC Bank over the assets to be created out of the loan proceeds, on industrial unit (land & proposed building) at Plot H-1, Sector - 57, Faridabad Industrial Town (FIT), Faridabad, Haryana, in the name of the company, measuring 540.31 Sq. yards, Pledge of FDR (excluding BG margin) of the Company and 100% guarantee cover of National Credit Guarantee Trustee Company Limited (NCGTC).

(b) Loans guaranteed by directors or others, the amount of such loans outstanding are as under:-

Particulars	As at 31 March 2024	As at 31 March 2023
Term Loan (Banks)-Secured	-	39.52

Particulars	As at 31 March 2024	As at 31 March 2023
(2) Vehicle loans from Banks and others amounting to	16.29	13.71
Interest Rate	7.10% to 9.75%	7.10% to 9.00%
Secured against the hypothecation of respective vehicles and repayable in equal monthly instalments		

(B) Unsecured Term loans

Particulars	As at 31 March 2024	As at 31 March 2023
(1) Term loan from Banks and Other Parties (Financial Institutions / NBFC & Inter corporate loans) amounting to	-	44.06
(a) Interest on Term Loans (Banks & Financial Institutions / NBFC) :-	-	16.50%

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

(b) Repayment Term (Banks & Financial Institutions / NBFC) :-

Facility	Repayment Terms
Fullerton India Credit Co. Ltd	Repayable in 37 monthly equal instalments commencing from 04 th December, 2019 and ending on 04 th December, 2022
HDFC Bank Limited	Repayable in 36 monthly equal instalments commencing from 06 th January, 2020 and ending on 06 th December, 2022
ICICI Bank Limited	Repayable in 36 monthly equal instalments commencing from 05 th December, 2019 and ending on 05 th November, 2022
IDFC First Bank Limited	Repayable in 36 monthly equal instalments commencing from 02 nd December, 2019 and ending on 02 nd November, 2022
RBL Bank Limited	Repayable in 36 monthly equal instalments commencing from 05 th December, 2019 and ending on 05 th November, 2022
YES Bank Limited	Repayable in 36 monthly equal instalments commencing from 04 th December, 2019 and ending on 04 th November, 2022

(c) Interest on Term Loans & Repayment Term (Inter corporate loans):-

Inter corporate loans are repayable in five (5) years from the date of agreement & shall be renewed for consecutive periods of 5 (five) years. Interest is payable @ 9%-15% p.a.

(2) Unsecured Loan from related parties

Particulars	As at 31 March 2024	As at 31 March 2023
Loan from related parties	-	14.53

Loans from Related Parties are repayable in five (5) years from the date of agreement & shall be renewed for consecutive periods of 5 (five) years. Interest is payable at the rate of up to 12% p.a.

(C) As on balance sheet date there is no default in repayment of principal and interest.

(D) The Company has utilised the borrowings received from banks and financial institutions for the purpose it was taken in the respective years.

17 Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Lease liabilities	59.98	40.61
Total Non Current Lease liabilities	59.98	40.61

(Refer note no. 41 for further details)

18 Other non current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Revenue received in advance	9.00	1.05
Total Other non current liabilities	9.00	1.05

19 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Provision for employee benefits		
Provision for gratuity (refer note 39)	25.78	14.92
Total Non Current Provisions	25.78	14.92

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

20 Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Secured		
Cash credit (secured)		
- Cash credits from banks	-	192.16
Current maturities of long term borrowings (refer note no 16)	3.57	18.70
Total current borrowings	3.57	210.86

Note:

- 1 Cash credit from Indian Bank amounting to Nil (March 31, 2023: ₹ 151.32 Millions) is secured against Pari pasu charge on stock, Book debts and other current assets of the Company, both present and future with HDFC bank.

Further CC Limit are secured against (i) Properties of directors of the Company (ii) Pledge of FDR (excluding BG margin) of the Company (iii) Pari pasu charge on industrial unit (land & building) at Plot H-1, Sector - 57, Faridabad Industrial Town (FIT), Faridabad, Haryana, in the name of the company, measuring 540.31 Sq. yards, along with the hypothecation of Fixed Assets of the company as a collateral Security (iv) Pari pasu charge on industrial unit (land & Proposed building) at Plot H-2, Sector - 57, Faridabad Industrial Town (FIT), Faridabad, Haryana, in the name of the company, measuring 540.31 Sq. yards, along with the hypothecation of Fixed Assets of the company (After liquidation of Term Loan, the property will be held as collateral for working capital facility) as a collateral Security (v) Personal Guarantee provided by Mr. Sanjay Lodha (Director of Company), Mr. Vivek Lodha (Director of Company), Mr. Navin Lodha (Director of Company), Mr. Niraj Lodha (Director of Company), Ms. Madhuri Lodha (Mortgagor Guarantor) (Relative of Director), Ms. Priti Lodha (W/o Mr. Sanjay Lodha) (upto February 21, 2023) and Ms. Sweta Lodha (W/o Mr. Navin Lodha) (upto February 21, 2023) with HDFC bank.

Interest rate on the above loans outstanding as at the year ended March 31, 2024 is Repo Rate +2%.

- 2 Cash credit from HDFC Bank amounting to Nil (March 31, 2023: ₹ 40.84 Millions) is secured against Pari pasu charge on current assets, movable and immovable fixed assets with Indian Bank.

Further CC Limit are secured against (i) Properties of directors of the Company (ii) Pledge of FDR (excluding BG margin) of the Company (iii) Pari pasu charge over industrial unit (land & building) at Plot H-1, Sector - 57, Faridabad Industrial Town (FIT), Faridabad, Haryana, in the name of the company, measuring 540.31 Sq. yards, (iv) Pari pasu charge of industrial unit (land & Proposed building) at Plot H-2, Sector - 57, Faridabad Industrial Town (FIT), Faridabad, Haryana, in the name of the company, measuring 540.31 Sq. yards as a collateral Security (v) Personal Guarantee provided by Mr. Sanjay Lodha (Director of Company), Mr. Vivek Lodha (Director of Company), Mr. Navin Lodha (Director of Company), Mr. Niraj Lodha (Director of Company) and Ms. Madhuri Lodha (Mortgagor Guarantor) (Relative of Director) with Indian Bank.

Interest rate on the above loans outstanding as at the year ended 31st March 2024 is 3M T-Bill +1.86%.

- 3 **Loans guaranteed by directors and others, the amount of such loans outstanding are as under-**

Particulars	As at 31-March-2024	As at 31-March-2023
Cash Credit (CC) from Bank-Secured	-	192.16

- 4 The company has been sanctioned working capital limit in excess of ₹ Five crore in aggregate, at any point of time during the year from bank on the basis of security of current assets. The quarterly return/statement filed by company with the banks are in agreement with the books of account of the company of the respective quarters.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

21 Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Lease liabilities	19.46	11.44
Total Lease liabilities	19.46	11.44

(Refer note no. 17 & 41 for further details)

22 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Carried at amortised cost		
Total outstanding dues of micro enterprises and small enterprises	2.06	0.98
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,264.10	1,032.69
Total Trade payables	1,266.16	1,033.67

Notes

- a Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at 31 March 2024	As at 31 March 2023
- Principal amount remaining unpaid to any supplier as at the end of the accounting year.	2.06	0.98
- Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.09	-
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
- The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
- The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

22.1 Trade payable ageing schedule

As at 31-March-2024	Unbilled Dues	Outstanding for following periods from date of transactions				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	2.06	-	-	-	2.06
Others	-	1,264.08	0.02	-	-	1,264.10
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	-	1,266.14	0.02	-	-	1,266.16

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

As at 31-March-2023	Unbilled Dues	Outstanding for following periods from date of transactions				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	0.98	-	-	-	0.98
Others	-	1,032.69	-	-	-	1,032.69
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total		1,033.67	-	-	-	1,033.67

23 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Interest Accrued	0.31	1.19
Accrued salaries and benefits	99.63	76.22
Capital Creditors	51.98	5.50
Other expense payable	34.98	35.30
Total Other financial liabilities	186.90	118.21

24 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory dues payable	6.50	9.25
Revenue received in advance	98.89	28.08
Advance from customers	195.36	75.30
Total Other current liabilities	300.75	112.63

25 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Provision for employee benefits		
Provision for gratuity (refer note 39)	3.99	1.97
Total Provisions	3.99	1.97

26 Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for taxation, net of advance tax and TDS receivable	8.85	84.36
Total Current tax liabilities (net)	8.85	84.36

27 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of products	7,064.96	4,315.36
Sale of services	175.72	94.66
Other operating revenue	0.07	39.70
Total Revenue from operations	7,240.75	4,449.72

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Notes to revenue from contracts with customers:

a) Timing of rendering of products and services - 31 March 2024

Particulars	Performance obligation satisfied at point in time	Performance obligation satisfied over time	Total
Sale of products	7,064.96		7,064.96
Sale of services		175.72	175.72
Total	7,064.96	175.72	7,240.68

Timing of rendering of products and services - 31 March 2023

Particulars	Performance obligation satisfied at point in time	Performance obligation satisfied over time	Total
Sale of products	4,315.36	-	4,315.36
Sale of services	-	94.66	94.66
Total	4,315.36	94.66	4,410.02

b) Revenue by location of customers

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
India	7,235.27	4,405.39
Outside India	5.41	4.63
Total revenue from contract with customers	7,240.68	4,410.02

c) Reconciliation of revenue recognised in statement of profit and loss with contracted price

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue as per contracted price	7,240.68	4,410.02
Less: adjustment on account of price variation	-	-
Less: Turnover discount	-	-
Total	7,240.68	4,410.02

d) Contract Balances:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract Assets		
Trade Receivables	1,838.29	1,515.32
Retention Money	11.28	10.99
Contract Liabilities		
Advance from customers	195.36	75.30
Revenue received in advance	107.89	29.13

A contract liabilities 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 or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

e) Revenue recognised in relation to Contract Liabilities

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Arising out of contract liabilities as at the beginning of the year	103.11	34.06

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

f) Unsatisfied performance obligation

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Total value of performance obligation of the Company remaining unsatisfied at the end of year with timelines within which it is expected to recognise revenue :		
Within one year	294.25	103.38
More than one year	9.00	1.05
Total	303.25	104.43

28 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Other non-operating income		
Exchange difference fluctuation	29.33	1.13
Liabilities Written Back	1.20	1.26
Interest income on bank deposits	80.56	3.60
Interest income - others	0.96	0.77
Income on Sale of Property, plant and equipment	3.63	-
Others	3.19	0.02
Total Other income	118.87	6.78

29 Cost of materials consumed

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of the year	461.06	312.22
Add: Purchases	6,051.28	3,401.24
	6,512.34	3,713.46
Less: Inventory at the end of the year	874.22	461.06
Cost of materials consumed	5,638.12	3,252.40

Note: Purchases includes all the direct cost incurred on raw material

30 Change in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening inventories		
- Finished goods	53.02	63.73
- Work in progress	26.66	7.20
Sub total	79.68	70.93
Closing inventories		
- Finished goods	87.71	53.02
- Work in progress	184.64	26.66
Sub total	272.35	79.68
Change in inventories of finished goods and work-in-progress	(192.67)	(8.75)

31 Employee benefits expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	357.79	264.43
Contribution to provident and other funds	2.54	0.68
Share-based payments to employees	128.53	23.18
Staff welfare expenses	11.58	5.24
Total Employee benefits expense	500.44	293.53

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

32 Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on borrowings	40.12	22.77
Interest on lease liabilities	5.93	3.52
Interest on others	9.69	3.05
Other Borrowing Costs	6.34	11.39
Total Finance costs	62.08	40.73

33 Depreciation and amortisation expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of tangible assets (refer note 3a)	41.39	21.93
Amortisation of intangible assets (refer note 4 b)	3.57	4.47
Depreciation of Right-of-use assets (refer note 4a)	17.56	10.17
Total Depreciation and amortisation expenses	62.52	36.57

34 Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Rent Expenses	3.18	2.15
Rates & Taxes	4.71	2.65
Travelling and Conveyance expenses	41.13	31.08
Postage & Courier expenses	24.13	17.78
Packing & Forwarding Expenses	1.07	1.12
Utility Expenses	14.10	12.06
Office expenses	17.33	9.74
Legal and professional expenses	35.79	29.23
Technical Support Charges	32.55	6.68
Commission expenses	10.13	20.29
Payment to auditor (refer note no 35)	2.06	1.00
Sitting fees to non-executive independent directors	2.73	1.10
Charity & Donation	0.10	0.17
Repair & Maintenance Expenses		
- Building	1.15	0.30
- Plant and machinery	3.55	5.68
- others	8.56	5.58
Business promotion expenses	39.60	36.56
Insurance Charges	3.95	2.45
Corporate Social Responsibility Expenditure (refer note no 47)	7.03	3.30
Customer Support Expenses	3.48	11.75
Bad debt Written off	7.31	5.41
EMD balance Written off	-	3.31
Impairment on Investment	-	0.10
Provision for doubtful debts	0.46	-
Loss on discard of Property, plant and equipment	1.18	-
Miscellaneous Expense	4.29	2.90
Total Other expenses	269.57	212.39

35 Payment to auditor (exclusive of taxes)*

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
As auditor:		
Audit fee	2.00	1.00
Reimbursement of expenses	0.06	-
Total	2.06	1.00

*During the financial year ended March 31, 2024 the company has incurred ₹ 3.56 million (31 March 2023: ₹ 2.59 million) towards service received from the auditors of the Company in relation to the proposed Initial Public Offering (IPO).

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

36 Income tax

The Company is subject to income tax in India on the basis of financial statements. Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') issued by Ministry of Law and Justice (Legislative Department) on September 20, 2019 which is effective from April 1, 2019, domestic companies have the option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. The Company based on the current projections has chosen to adopt the reduced rates of tax as per the Income Tax Act, 1961 from the financial year 2019-20 and accordingly the Company has accounted deferred tax based on the reduced applicable tax rates.

Tax expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income tax recognized in Profit & Loss Account		
Current tax	256.65	156.16
Adjustment of tax relating to earlier period	0.50	-
Deferred tax expense / (credit)	3.38	4.11
Income tax recognized in other comprehensive income		
Deferred tax expense/(credit) on items of OCI	(5.89)	0.14
Total taxes	254.64	160.41

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before taxes	1,019.56	629.63
Applicable tax rates in India	25.17%	25.17%
Computed tax charge	256.60	158.47
Adjustment of tax relating to earlier period	0.50	-
Non-deductible expense	19.35	13.25
Allowable Expenses	(18.80)	(15.56)
Other Adjustments	(3.01)	4.25
Total Tax expenses	254.64	160.41
Total income tax expense recognized in Profit and Loss	254.64	160.41

37 Earnings per share ('EPS')

Basic EPS amounts are calculated by dividing the profit / loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Face value of equity shares (₹ per share)	2.00	2.00
Profit attributable to equity shareholders (A)	759.03	469.36
Weighted Average number of Equity Shares original	50,923,980	5,658,220
Impact of share split effected after September 30, 2022 (each share of face value ₹ 10 split into five shares of face value of ₹ 2 each)	-	22,632,880
Weighted Average number of Equity Shares post split	50,923,980	28,291,100
Impact of bonus issue effected after September 30, 2022 (allotment of 2,26,32,880 bonus shares at face value of ₹ 2 each)	-	22,632,880
Weighted average number of Shares issued during the year	3,645,229	-
Weighted Average number of Equity Shares post split and bonus used as denominator in calculating Basic Earnings Per Share (B)	54,569,209	50,923,980
EPS - basic (A/B) (₹)	13.91	9.22
Weighted Average number of Equity Shares post split and bonus used as denominator in calculating Basic Earnings Per Share	54,569,209	50,923,980
Effect of dilutive common equivalent shares - share options outstanding	108,199	818,300
Weighted average number of equity shares and common equivalent shares outstanding (C)	54,677,408	51,742,280
EPS - diluted (A/C) (₹)	13.88	9.07

38 Related party transactions

a) Names of related parties and description of relationship

Description of relationship	Name of related parties
Subsidiary Companies	1) Netweb Foundation (a Section 8 Company, Date of incorporation - May 25, 2022)
Enterprises where key managerial personnel or their relatives exercise significant influence (where transactions have taken place)	1) Ashoka Bajaj Automobiles LLP (Formerly Ashoka Bajaj Automobiles Private Limited)
Key managerial personnel	1) Sanjay Lodha, (Director) 2) Navin Lodha, (Director) 3) Niraj Lodha, (Director) 4) Vivek Lodha, (Director) 5) Prawal Jain (Chief Financial Officer) 6) Lohit Chhabra (Company Secretary)
Independent Directors	1) Mrutyunjay Mahapatra 2) Vikas Modi 3) Romi Jatta 4) Jasjeet Singh Bagla
Close members of Key managerial personnel (where transactions have taken place)	1) Anuja Lodha 2) Madhuri Lodha 3) Nisha Lodha 4) Priti Lodha 5) Sweta Lodha

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

b) Summary of transactions and outstanding balances with above related parties are as follows

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
i) Remuneration to key managerial personnel*		
Key managerial personnel		
Sanjay Lodha	20.62	16.14
Navin Lodha	15.63	11.99
Niraj Lodha	15.63	11.99
Vivek Lodha	15.63	12.14
Prawal Jain	7.98	1.53
Lohit Chhabra	1.54	0.31
<i>*The remuneration to the key managerial personnel does not include the provisions made for gratuity, as they are determined on an actuarial basis for the Company as a whole.</i>		
ii) Share-based payments to employees		
Key managerial personnel		
Prawal Jain	3.83	0.70
Lohit Chhabra	0.52	0.09
iii) Shares issued		
Key managerial personnel		
Prawal Jain	0.02	-
Lohit Chhabra*	0.00	-
<i>*absolute amount ₹2448.00</i>		
iv) Sitting fees to Independent directors*		
Mrutyunjay Mahapatra	1.40	0.28
Vikas Modi	1.78	0.28
Romi Jatta	1.23	0.20
Jasjeet Singh Bagla	0.90	0.20
<i>*adjusted with securities premium ₹2.58 millions</i>		

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Loan Taken*		
Sweta Lodha	-	0.40
<i>*Loan taken during the year includes Interest capitalized in Loan amount.</i>		
Loan repayment		
Sanjay Lodha	6.19	1.08
Niraj Lodha	4.27	1.25
Vivek Lodha	-	3.68
Anuja Lodha	-	1.80
Nisha Lodha	-	3.12
Priti Lodha	-	4.24
Sweta Lodha	-	1.42
Ashoka Bajaj Automobiles Pvt Ltd	4.39	-
Madhuri Lodha	-	0.52
Interest Expense		
Sanjay Lodha	0.21	0.60
Niraj Lodha	0.15	0.47
Vivek Lodha	-	0.16
Anuja Lodha	-	0.17
Madhuri Lodha	-	0.05
Nisha Lodha	-	0.28
Priti Lodha	-	0.45
Sweta Lodha	-	0.08

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Ashoka Bajaj Automobiles LLP (Formerly Ashoka Bajaj Automobiles Private Limited)	-	0.40
Investment in Equity Instruments		
Netweb Foundation	-	0.10
Contribution to CSR (refer Note 47)		
Netweb Foundation	1.95	2.80
Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
ii) Outstanding balances as at the year ended:		
a) Non - current financial liabilities - Loan From related party		
Key managerial personnel and their relatives		
Sanjay Lodha	-	6.00
Niraj Lodha	-	4.14
Enterprises where key managerial personnel or their relatives exercise significant influence (where transactions have taken place)		
Ashoka Bajaj Automobiles LLP (formerly known as Ashoka Bajaj Automobiles Pvt Ltd)	-	4.39
b) Current financial liabilities - Remuneration payable to key managerial personnel and their relatives		
Key managerial personnel and their relatives		
Sanjay Lodha	6.59	4.11
Navin Lodha	4.00	3.15
Niraj Lodha	4.12	3.29
Vivek Lodha	4.14	2.73
Prawal Jain	0.33	0.33
Lohit Chhabra	0.11	0.11
c) Advance for CSR contribution (refer Note 47)		
Netweb Foundation	-	0.50

39 Gratuity and other post-employment benefits plans

a) Defined contribution plan

The Company's contribution to provident fund and other funds are considered as defined contribution plans. The contributions are charged to the statement of profit and loss as they accrue. Contributions to provident fund and other funds included in employee benefits expense (refer note 31) are as under:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contribution to provident and other funds	2.54	0.68

b) Defined benefit plans

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, every employee who has completed five years or more of service gets gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age. The Gratuity plan is unfunded.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for gratuity benefit:

i. Net benefit expenses (recognized in the statement of profit and loss)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	5.60	3.58
Interest cost on defined benefit obligation	1.23	0.87
Past service cost, including losses/(gains) on curtailment	(16.99)	0.18
Net benefit expenses	(10.16)	4.63

ii. Remeasurement (gains)/ loss recognised in other comprehensive income:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	23.07	(0.20)
Actuarial (gain)/ loss on obligations arising from changes in financial assumptions	0.33	(0.36)
Actuarial (gain)/ loss recognised in OCI	23.40	(0.56)

iii Net defined benefit asset/ (liability)

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation	(29.77)	(16.89)
Asset / (liability) recognised in the balance sheet	(29.77)	(16.89)

iv Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening defined benefit obligation	16.89	12.82
Current service cost	5.60	3.58
Benefits paid	(0.36)	-
Interest cost on the defined benefit obligation	1.23	0.87
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	23.07	(0.20)
Actuarial (gain)/ loss on obligations arising from changes in demographic adjustments	-	-
Actuarial (gain)/ loss on obligations arising from changes in financial assumptions	0.33	(0.36)
Past service cost, including losses/(gains) on curtailment	(16.99)	0.18
Closing defined benefit obligation	29.77	16.89

v The following pay-outs are expected in future years:

Particulars	As at 31 March 2024	As at 31 March 2023
Within the next 12 months	4.12	2.03
Between 1 and 2 years	3.76	1.90
Between 2 and 3 years	3.60	1.90
Between 3 and 4 years	3.50	1.92
Between 4 and 5 years	3.81	1.88
Beyond 5 years	30.03	20.26

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

vi. The principal assumptions used in determining gratuity obligations for the Company's plan are shown below

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate (in %)	7.10%	7.30%
Salary escalation rate (in %)	10.00%	10.00%
Employee Turnover/ Withdrawal Rate	15.00%	15.00%
Retirement age	60	60
Mortality Rate *	IALM 2012-14 ult	IALM 2012-14 ult
Method used	Projected unit credit method	Projected unit credit method

* Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics (i.e. IALM 2012-14 Ultimate). These assumptions translate into an average life expectancy in years at retirement age

Risk Exposure

i) Plan Characteristics and Associated Risks:

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death or disability. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

- a) **Discount rate risk** : The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities.
- b) **Salary Growth risk** : Salary growth rate is enterprise's long term best estimate as to salary increases & takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis.
- c) **Demographic risks**: Attrition rates are the enterprise's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of The Enterprise, business plan, HR Policy etc.

vii. A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate		
Decrease in Defined benefit obligation due to 1% increase in discount rate	1.59	1.00
Increase in Defined benefit obligation due to 1% decrease in discount rate	1.78	1.12
Salary escalation rate		
Increase in Defined benefit obligation due to 1% increase in Expected Salary Escalation rate	1.31	1.08
Decrease in Defined benefit obligation due to 1% decrease in Expected Salary Escalation rate."	1.23	0.98

The above sensitivity analysis are based on a change in an assumption while holding all others assumptions constant. In the event of change in more than one assumption, the impact would be different than the stated above. The methods and any types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

Notes to the Financial Statements

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40 Segment reporting

Segments are identified in line with Ind AS-108, "Operating Segment" [specified under the section 133 of the Companies Act 2013 (the Act)] read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act, taking into consideration the internal organisation and management structure as well as differential risk and return of the segment. Based on above, as the company is engaged in the business of manufacturing and sale of computer servers and there is other operating revenue in the form of AMC and related services. Accordingly, the Company has identified "Computer server" as the only primary reportable segment. The Company does not have any geographical segment as the Company mainly operates from single geographical location, primarily within India and the volume of exports is not significant. Hence no separate disclosures are provided in these financial statements.

Non-current assets by geographical area

All non current assets of the Company are located in India

Information about major customers

There are two customer (March 31, 2023: Two customer) which amounts to 10% or more to the Company's revenue.

41 Leases

a) Leases

i. Company as a lessee

The Company has lease contracts for office facilities . The lease term of the office facilities is generally 1 - 9 years .The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain leases of office facilities and office Equipment's with low value or tenure less than 1 year . The Company applies the 'lease of low-value assets' / 'short term lease' recognition exemptions for these leases.

The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The carrying amounts of right-of-use assets recognised and the movements during the year is as follows

Gross block	Buildings	Total
As at 1 April 2022	12.27	12.27
Additions	51.89	51.89
Deduction	(2.84)	(2.84)
As at 31 March 2023	61.32	61.32
Additions	43.10	43.10
Deduction	(1.86)	(1.86)
As at 31 March 2024	102.56	102.56
Accumulated depreciation		
As at 1 April 2022	4.53	4.53
Charge for the year	10.17	10.17
Deduction	(2.84)	(2.84)
As at 31 March 2023	11.86	11.86
Charge for the year	17.56	17.56
Deduction	(1.86)	(1.86)
As at 31 March 2024	27.56	27.56
Net carrying value		
As at 31 March 2023	49.46	49.46
As at 31 March 2024	75.00	75.00

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For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

The carrying amounts of liabilities recognised and the movements during the year is as follows:

Particulars	Amount
As at 1 April 2022	9.16
Additions	50.84
Amounts recognized in statement of profit and loss as interest expense	3.52
Payment of lease liabilities	11.47
As at 31 March 2023	52.05
Additions	41.76
Amounts recognized in statement of profit and loss as interest expense	5.93
Payment of lease liabilities*	20.30
As at 31 March 2024	79.44

*excludes other payment related to lease liabilities (financing activities).

Particulars	As at 31 March 2024	As at 31 March 2023
Current	19.46	11.44
Non Current	59.98	40.61

The maturity analysis of lease liabilities are disclosed in note 45(3)

The effective interest rate for lease liabilities is 9.25 %.

The following are the contractual maturities of lease liabilities on an undiscounted basis

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one years	25.80	15.87
One to five years	68.73	46.28
More than five years	-	0.72
Total undiscounted lease liabilities	94.53	62.87
Impact of discounting	(15.09)	(10.82)
Lease Liabilities included in the balance sheet	79.44	52.05

The following are the amounts recognised in profit or loss:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense of right-of-use assets (Refer Note 33)	17.56	10.17
Interest expense on lease liabilities (Refer Note 32)	5.93	3.52
Expense relating to leases of low-value assets / short term leases (included in other expenses) (refer note 34)	3.18	2.15
Total amount recognised in profit or loss	26.67	15.84

- Total Cash outflow during the year

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
• Payments for the principal portion of the lease liability (Financing Activities)	14.37	7.95
• Payments for the interest portion of the lease liability (Financing Activities)	5.93	3.52
• Short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability (Operating Activities)	3.18	2.15
• Other Payment related to leases (Financing Activities)	0.56	-

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

42 Commitments and contingencies

(i) Capital commitments

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	42.61	7.69

(ii) Contingent liabilities

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Particulars	As at 31 March 2024	As at 31 March 2023
Claims against the company not acknowledged as debt		
Sales Tax, Value added tax, CST and GST	0.51	0.51
Bank guarantees	520.52	276.27
Total	521.03	276.78

43 Capital Management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company.

Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

Particulars	As at 31 March 2024	As at 31 March 2023
Debt *	95.73	356.03
Cash and cash equivalents	896.75	70.92
Net debt	(801.02)	285.11
Equity**	4,227.52	936.66
Total capital (Net Debt and Equity)	3,426.50	1,221.77
Net debt to equity ratio	(0.19)	0.30

*Debt is defined as long-term, short-term borrowings and lease liabilities.

** Equity includes all capital and reserves of the Company.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

44 Fair Values

a) Financial Instruments by category

As at 31 March 2024

Particulars	FVTPL/ FVTOCI	Amortised cost
Financial assets		
(i) Trade receivables	-	1,838.29
(ii) Cash and cash equivalents	-	896.75
(iii) Bank balances other than cash and cash equivalents	-	1,319.39
(iv) Other financial assets	-	120.90
Total	-	4,175.33
Financial liabilities		
(i) Borrowings	-	16.29
(ii) Lease Liabilities	-	79.44
(iii) Trade payables	-	1,266.16
(iv) Other financial liabilities	-	186.90
Total	-	1,548.79

As at 31 March 2023

Particulars	FVTPL/ FVTOCI	Amortised cost
Financial assets		
(i) Trade receivables	-	1,515.32
(ii) Cash and cash equivalents	-	70.92
(iii) Bank balances other than cash and cash equivalents	-	65.22
(iv) Other financial assets	-	32.25
Total	-	1,683.71
Financial liabilities		
(i) Borrowings	-	303.98
(ii) Lease Liabilities	-	52.05
(iii) Trade payables	-	1,033.67
(iv) Other financial liabilities	-	118.21
Total	-	1,507.91

b) Fair value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows: -

Level 1 - Quoted prices in active markets

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data

There are no Assets or Liabilities which are required to be measured at FVTPL/FVTOCI. Accordingly no disclosure required for Fair value hierarchy.

There are no transfers between level 1, level 2 and level 3 during the year.

The carrying amount of financial assets and financial liabilities measured at amortized cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

45 Financial risk management objectives and policies

The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The management is responsible for formulating an appropriate financial risk governance framework for the Company and for periodically reviewing the same. The senior management ensures that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

Risk	Exposure arising from	Measurement	Management
Market risk-interest rate	Borrowings	Sensitivity analysis	Mix of borrowings with fixed and floating interest rates
Market risk-foreign exchange	Recognised financial liabilities not denominated in INR	Sensitivity analysis	Foreign currency exposure is unhedged
Credit risk	Financial assets measured at amortised costs	Ageing analysis	Credit limits
Liquidity risk	Borrowings and other liabilities	Cash flow forecasting	Availability of committed credit lines and borrowing facilities

(1) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

(a) Interest rate risk exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting year are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Fixed rate borrowings		
Long term borrowings (including current maturities)	16.29	72.30
Short term borrowings	-	-
Variable rate borrowings		
Long term borrowings (including current maturities)	-	39.52
Short term borrowings	-	192.16
Total borrowings	16.29	303.98

(b) Sensitivity

A 50 basis point increase or decrease is used, which represents management's assessment of the reasonably possible change in interest rate.

Particulars	As at 31 March 2024	As at 31 March 2023
Variable Cost Borrowings at the year end	-	231.68

In case of fluctuation in interest rates by 50 basis points and all other variables were held constant, the profit before tax for the year from continuing operations would increase or decrease as follows:

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Impact on profit before tax for the year end.	-	1.16

c) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Foreign currency sensitivity

Particulars	Change in currency	Effect on profit before tax	
		Strengthening	Weakening
As at 31-March-2024			
USD	5%	18.73	(18.73)
As at 31-March-2023			
USD	5%	21.68	(21.68)

(2) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables.

Customer credit risk is managed by Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company does not hold collateral as security. Further, trade receivables contribution to approximately 75% to 93% of the customers of the Company are due for less than 180 days during each reporting period. The company majorly deals with government authorities and agencies which further reduces the credit risk of the company.

With respect to Trade receivables, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

The following table summarises the changes in the loss allowance measured using ECL:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	0.30	0.65
Amount provided/ (reversed) during the year	0.47	(0.35)
Amount utilised during the year	-	-
Closing provision	0.77	0.30

Credit risk on cash and cash equivalent and bank balances is not significant as it majorly includes deposits with bank.

(3) Liquidity risk

Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

The table below summarises the maturity profile of company's financial liabilities based on contractual payments:-

Particulars	0 - 1 years	1 to 5 years	> 5 years	Total
March 31, 2024				
Borrowings	3.57	12.72	-	16.29
Lease liabilities	19.46	59.98	-	79.44
Trade payables	1,266.16	-	-	1,266.16
Other financial liabilities	186.90	-	-	186.90

Particulars	0 - 1 years	1 to 5 years	> 5 years	Total
March 31, 2023				
Borrowings	210.86	34.54	58.58	303.98
Lease liabilities	11.44	39.90	0.71	52.05
Trade payables	1,033.67	-	-	1,033.67
Other financial liabilities	118.21	-	-	118.21

46 Ratios

Sl. no	Particulars	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023
1	Current ratio	Current assets	Current liabilities	3.13	1.51
	% change from previous year			106.70%	
	Reason for change more than 25%			Change due to increase in Inventories and bank balances.	
2	Debt-equity ratio	Borrowings and lease liabilities	Equity	0.02	0.38
	% change from previous year			-94.04%	
	Reason for change more than 25%			Change due to repayments of debt and Increase in equity.	
3	Debt service coverage ratio	Profit after tax plus finance costs, depreciation and amortisation expense*	Repayment of long term borrowings and lease liabilities (excluding prepayments) and finance costs	4.65	4.49
	% change from previous year			3.43%	
4	Return on equity (ROE)	Profit after tax*	Average equity	29.40%	68.01%
	% change from previous year			-56.77%	
	Reason for change more than 25%			Change due to Increase in equity.	
5	Inventory turnover ratio	Revenue from operations*	Average inventories	8.58	9.63
	% change from previous year			-10.90%	
6	Trade receivable turnover ratio	Revenue from operations*	Average trade receivables	4.32	3.88
	% change from previous year			11.28%	
7	Trade Payable turnover ratio	Purchases of goods and services*	Average trade payables	5.26	4.34
	% change from previous year			21.19%	

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Sl. no	Particulars	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023
8	Net capital turnover ratio	Revenue from operations*	working capital (i.e. current assets less current liabilities)	1.90	6.96
	% change from previous year			-72.71%	
	Reason for change more than 25%			Change due to increase in Inventories and bank balances.	
9	Net profit ratio	Profit after tax*	Revenue from operations*	10.48%	10.55%
	% change from previous year			-0.62%	
10	Return on capital employed (ROCE)	Earnings before interest and taxes*	Capital employed (i.e. equity, borrowings, lease liabilities and deferred tax liabilities)	25.02%	64.42%
	% change from previous year			-61.16%	
	Reason for change more than 25%			Change due to Increase in equity.	
11	Return on investment (other than subsidiaries) (%)	Income generated from invested funds*	Average investment	6.11%	5.47%
	% change from previous year			11.59%	

47 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are specified in Schedule VII of the Companies Act, 2013. The Details of current and brought forward CSR obligations are detailed as below:-

a) Detail of CSR expenditure	As at 31 March 2024	As at 31 March 2023
Gross amount required to be spent by the Company	6.89	3.24
Amount approved by the Board to be spent during the year	6.89	3.30
Unspent obligation in relation to Other than Ongoing Projects of Previous Year	0.50	0.07
Total amount required to be spent during the year	7.39	3.37
Amount contributed / spent during the year on:		
Other than On-going Projects:		
Educational Purpose	5.08	-
Total (A)	5.08	-
Contribution to Netweb Foundation (Implementing Agency):		
Educational Purpose	-	2.80
Healthcare	1.95	-
Total (B)	1.95	2.80
Total (A+B)	7.03	2.80
Accrual towards unspent obligation in relation to Other than On-going Projects:		
	-	0.50
Total	-	0.50

The Company has transferred an amount of INR 1.95 million (2022-23: INR 3.30 million) to Netweb Foundation out of which INR 1.95 million (2022-23: INR 2.80 million) has been spent during the year. The balance amount of INR Nil (2022-23: INR 0.50 million) is lying with Netweb Foundation for utilisation in subsequent year.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

- b) Details of CSR expenditure under Section 135(5) of the Act in respect of unspent amount other than ongoing projects:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balance	0.50	0.07
Amount deposited in Specified Fund of Sch. VII within 6 months	0.50	0.07
Amount required to be spent during the year	6.89	3.30
Amount spent during the year	7.03	2.80
Closing Balance*	(0.14)	0.50

*INR 0.50 million pertaining to the year ended 31st March 2023 has been Deposited in PM Cares Fund on 18th May 2023. Excess amount spent on CSR pertaining to year ended 31st March 2024 has not been carried forward for set off in subsequent year.

- c) In terms of Ind AS 24, the Company has made contribution of INR 1.95 million (2022-23: INR 3.30 million) for CSR expenditure to Netweb Foundation during the year (refer Note no.38)

48 Unhedged foreign currency exposure

Particulars	Currency	As at 31 March 2024		As at 31 March 2023	
		Foreign Currency	₹	Foreign Currency	₹
Trade Payable	USD	4.49	374.64	5.28	433.51

49 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The Company did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the respective reported financial year.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), 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"
- (vi) The Company has not received any fund from any person(s) or entity(is), 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"

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

(vii) Details of IPO Proceeds

The Company received an amount of ₹1,940.24 million (net of estimated IPO expense of ₹119.76) via fresh issue of 41,20,000 equity shares through Initial Public Offering (IPO). The Company's equity shares were listed on the National Stock Exchange (NSE) and on the BSE Limited (BSE) on the 27th July, 2023. The utilization of net IPO proceeds is summarized below:

Object of the issue as per Prospectus	Amount to be utilised as per prospectus	Utilisation upto 31 March 2024	Unutilised amount as on 31 March 2024
Funding Capital Expenditure	322.86	75.25	247.61
Funding Working Capital Requirements	1,280.22	527.27	752.95
Repayment/Prepayment of Outstandings	225.00	225.00	-
General Corporate Purpose	112.16	112.16	-
Total	1,940.24	939.68	1,000.56

Net IPO proceeds which were unutilised as at 31 March 2024 were temporarily invested in Deposits with Scheduled Commercial Bank.

(viii) Details of IPO Expense

The Company has estimated ₹365.67 million as IPO related expenses and allocated such expenses between the Company and Selling Shareholders based on an agreement between the Company and Selling Shareholders and in proportion to the total proceeds raised of ₹6,310 million, amounting to ₹119.76 million and ₹245.91 million respectively. The Company's share of expenses of ₹96.57 million (net of GST benefits) incurred till 31 March 2024 has been adjusted against Securities Premium as at 31 March 2024.

Details of IPO expenses debited to Securities Premium during the year ended 31 March 2024

Particulars	Amount
IPO expenses incurred till 31 March 2024	110.23
Less: GST input taken	13.66
Net amount debited to Securities Premium	96.57

(ix) Details of pre IPO Proceeds and Expense

The Company received ₹479.15 million (net of pre IPO expenses incurred of ₹30.85 million) from certain institutional investors towards proceeds out of fresh issue of equity shares raised through pre IPO placement of shares. Accordingly, an amount of ₹27.74 million (net of GST benefit) has been adjusted against Securities Premium as at 31 March 2024.

Details of pre IPO expenses debited to Securities Premium during the year ended 31 March 2024

(ix) Details of pre IPO Proceeds and Expense

The Company received ₹479.15 million (net of pre IPO expenses incurred of ₹30.85 million) from certain institutional investors towards proceeds out of fresh issue of equity shares raised through pre IPO placement of shares. Accordingly, an amount of ₹27.74 million (net of GST benefit) has been adjusted against Securities Premium as at 31 March 2024.

Details of pre IPO expenses debited to Securities Premium during the year ended 31 March 2024

Particulars	Amount
Pre IPO expenses incurred	30.85
Less : GST input taken	3.11
Net amount debited to securities Premium	27.74

- (x) The company does not have any unrecorded transactions which have been surrendered or disclosed as Income during the year in the tax assessment under the Income Tax Act, 1961.

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

(xi) The company is not declared wilful defaulter by any bank, financial institution or lender.

(xii) During the year, no scheme of arrangements in relation to the company has been approved by the competent authority in terms of Section 232 to 237 of the Companies Act, 2013. Accordingly, this clause is not applicable to the company.

50 Code on Social Security

The Indian Parliament has approved the Code on Social Security, 2020 which may impact the employee benefit expenses of the Company. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be determined. The Company will give appropriate impact in the financial statements once the code becomes effective and related rules to determine the financial impact are notified.

51 Production Linked Incentives

Netweb Technologies India Limited was been awarded Production Linked Incentive (PLI) Scheme for IT hardware (eligible product -Servers) vide approval letter no. IFCI/Advisory/MeitY/PLITHW-221007029 dated 7th October 2022 under the PLI Scheme introduced by the Government of India vide gazetted Notification no. CG-DL-E-03032021-225613 dated 03rd March 2021 and the PLI Guidelines issued thereunder, as amended from time to time. Now the company has shifted to PLI-2.00 vide approval letter dated IFCI/MeitY/PLI-ITHW-231124033 dated 24th November 2023. Under the new scheme the company is eligible to get a certain percentage of their sales of eligible products as incentive and is valid from Financial Year 2023-24 to 2028-29 (April to June). The company had achieved threshold limits of both investment & sales as prescribed under the scheme for 1st Year i.e. FY 21-22, and has successfully claimed and received the incentive amount of ₹ 38.99 Million from MeitY. The company is in process of filing incentive claim for the 2nd year i.e. FY 2023-24.

52 Disclosure on Employees Stock Options Scheme

a) ESOP Policy

Equity share-based payments to employees and other providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based payments transactions are set out in notes to accounts.

The fair value determined at the grant date of the equity-settled share based payments is expensed on straight-line basis over the vesting period, based on the company's estimate of equity instrument that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Option Outstanding Account.

b) ESOP Disclosure

Details of scheme:

The Company adopted the ESOP Scheme "Netweb- Employee Stock Option Plan 2023" pursuant to resolutions passed by Board of Directors of the Company at their meeting held on December 24, 2022 and by Shareholders of the Company at their meeting held on January 09, 2023 and as amended by the Board of Directors of the Company at their meeting held on February 20, 2023 and approved by the Shareholders of the Company at their meeting held on February 23, 2023. The Plan has been made effective from January 21, 2023.

The Plan provides for grant of stock options, wherein one stock option would entitle the holder of the option a right to apply for one equity share of the company upon fulfilment of vesting conditions prescribed in the Plan. The stock options granted to each eligible employee shall vest over a period of 3 years with equal vesting from the grant date. The eligible employees shall be entitled to exercise the vested options within the exercise period. The Exercise price of the stock options granted is INR 2

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

The details of grants approved for employees of the Company in accordance with the Employee Stock Option Scheme :

To the employees of the Company

NTIL ESOP Scheme

Tranches	Grant Date	Exercise Price	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding	Estimated Fair Value of each Option granted
Tranche- I	31-Jan-23	2	301,824	301,824	-	300,888	-	936	254.80
Tranche- II	31-Jan-23	2	301,824	-	301,824	-	-	301,824	254.80
Tranche- III	31-Jan-23	2	301,824	-	301,824	-	-	301,824	254.80

Following table depicts range of exercise prices and weighted average remaining contractual life:

Total for all grants	2023-24			
	No. of options	Range of exercise price (In INR)	Weighted average exercise price (In INR)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	905,472	2.00	2.00	1.84
Granted during the year	-	-	-	-
Cancelled during the year	-	-	-	-
Expired during the year	-	-	-	-
Exercised during the year	300,888	2.00	2.00	-
Outstanding at the end of the year	604,584	2.00	2.00	1.34
Exercisable at the end of the year	936.00	2.00	2.00	-

Total for all grants	2022-23			
	No. of options	Range of exercise price (In INR)	Weighted average exercise price (In INR)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	905,472	2.00	2.00	2.00
Cancelled during the year	-	-	-	-
Expired during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	905,472	2.00	2.00	1.84
Exercisable at the end of the year	-	-	-	-

Method used for accounting of share based payment plan

The company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black- Scholes Models.

The key assumptions used in Black- Scholes Models for calculating fair values as on date of respective grants are:

- Grant date
- Risk free interest rate
- Expected life.
- Expected Volatility
- Dividend yield.
- Price of the underlying share in the market at the time of the option grant.

Note: For the year ended 31st March 2024, the company has accounted expense of ₹ 128.53 (March 31, 2023: ₹ 23.18 millions) as Employee benefit expenses on the aforesaid employee stock option plan. The balance in share option outstanding account is ₹ 75.04 millions (March 31, 2023: ₹ 23.18 millions)

Notes to the Financial Statements

For the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

53 Dividend on Equity shares

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Dividend on equity shares declared and paid during the year		
Final dividend of ₹0.50 per share for the FY 2022-23 (FY 2021-22: ₹ Nil per share)	25.46	-
	25.46	-
Proposed dividend on equity shares not recognised as liability		
Final dividend of ₹ 2 per share for the FY 2023-24 (FY 2022-23: ₹0.50 per share)	112.73	25.46
	112.73	25.46

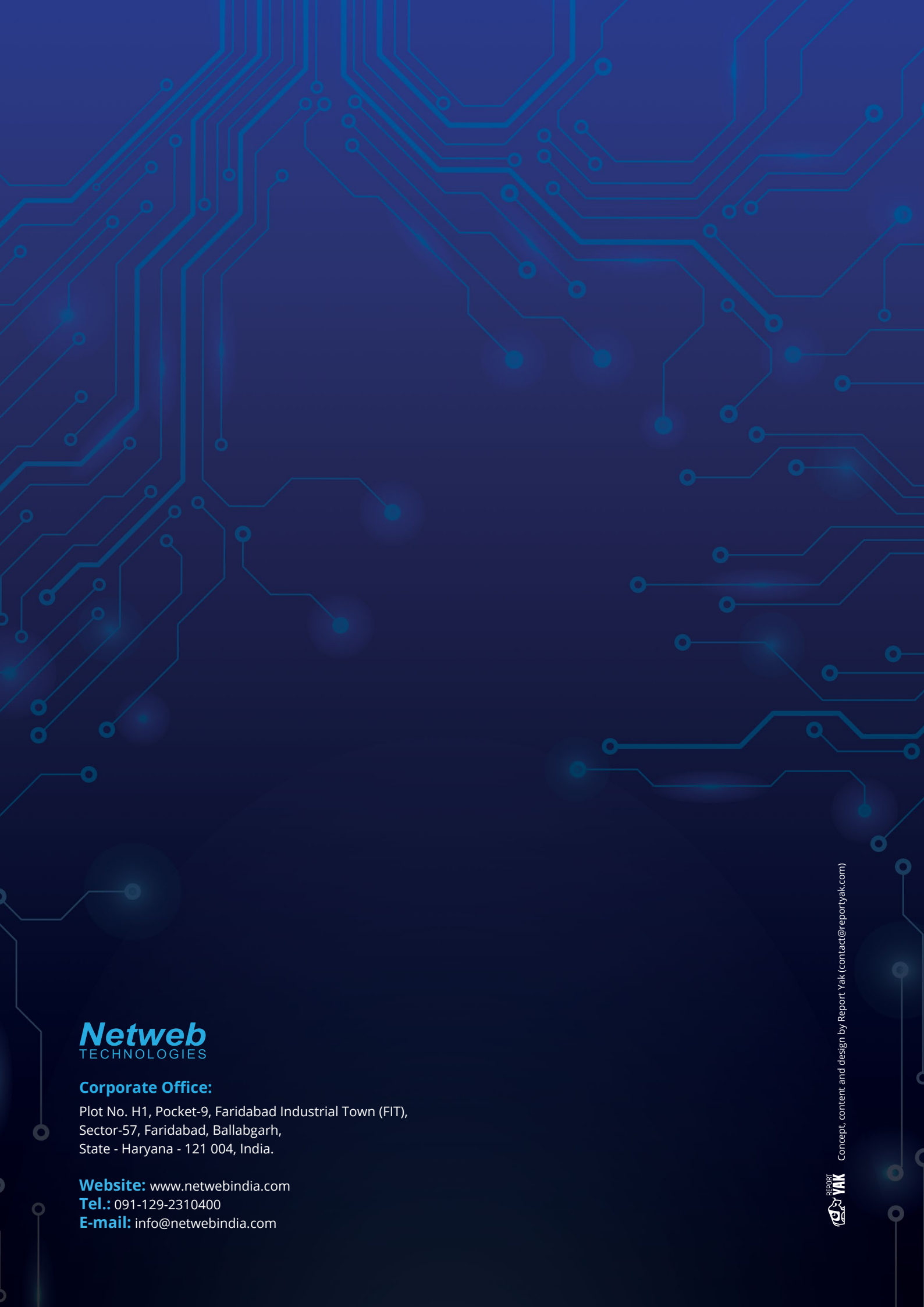
54 Audit Trail

The company has used accounting software for maintaining its books of accounts which has feature of recording Audit trail (Edit log) facility and the same has operated from April 5, 2023 onwards for all relevant transaction recorded in the software.

55 Events occurring after the Balance Sheet Date:

There are no events occurring after Balance Sheet date for the Financial Year 2023-24 except Note No.53 (Dividend on Equity Shares).

For S S Kothari Mehta & Company Chartered Accountants Firm's registration number : 000756N / N500441	For and on behalf of the Board of Directors of Netweb Technologies India Limited (formerly known as Netweb Technologies (India) Private Limited)
Jalaj Soni Partner Membership No. 528799	Sanjay Lodha Managing Director & CEO DIN: 00461913
Place : Faridabad Date : May 01, 2024	Navin Lodha Director DIN: 00461924
	Prawal Jain Chief Financial Officer Place : Faridabad Date : May 01, 2024
	Lohit Chhabra Company Secretary



Netweb TECHNOLOGIES

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