



# NETWEB TECHNOLOGIES INDIA LIMITED



(Please scan the QR to view the RHP and the Abridged Prospectus)

Our Company was originally incorporated as 'Netweb Technologies India Private Limited', at New Delhi as a private limited company under the Companies Act, 1956 and received a certificate of incorporation issued by the RoC, on September 22, 1999. Thereafter, our Company was converted into a public limited company, pursuant to a special resolution passed by the Shareholders of our Company on October 18, 2022, and the name of our Company was changed to its present name pursuant to a fresh certificate of incorporation issued by the RoC on November 18, 2022. For further details of changes in the name, registered office of our Company, and details in relation to the acquisition of a business undertaking of our Promoter and Chairman and Managing Director, Sanjay Lodha by our Company, see '*History and Certain Corporate Matters*' on page 250 of the red herring prospectus dated July 10, 2023 ("**RHP**" or "**Red Herring Prospectus**").

**Corporate Identification Number:** U72100HR1999PLC103911;  
**Registered and Corporate Office:** Plot No H-1, Pocket 9, Faridabad Industrial Town (FIT), Sector-57, Ballabhgarh, Faridabad, Haryana – 121004. **Contact Person:** Lohit Chhabra, Company Secretary and Compliance Officer;  
**Tel:** +911292310416; **E-mail:** complianceofficer@netwebindia.com; and **Website:** www.netwebindia.com

## OUR PROMOTERS: SANJAY LODHA, NAVIN LODHA, VIVEK LODHA AND NIRAJ LODHA

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH (EQUITY SHARES) OF NETWEB TECHNOLOGIES INDIA LIMITED (COMPANY) FOR CASH AT A PRICE OF [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF [●] PER EQUITY SHARE) (OFFER PRICE) AGGREGATING UP TO [●] MILLION (OFFER) COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 2,060.00 MILLION BY OUR COMPANY (FRESH ISSUE) AND AN OFFER FOR SALE OF UP TO 8,500,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY THE SELLING SHAREHOLDERS (OFFER FOR SALE) AS PER DETAILS HEREUNDER. THE OFFER INCLUDES A RESERVATION OF UP TO 20,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING [●]% OF OUR POST-OFFER EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (EMPLOYEE RESERVATION PORTION). OUR COMPANY AND THE SELLING SHAREHOLDERS MAY, IN CONSULTATION WITH THE BRLMS, OFFER A DISCOUNT OF UP TO [●]% OF THE OFFER PRICE (EQUIVALENT OF ₹ 25 PER EQUITY SHARE) TO THE ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION (EMPLOYEE DISCOUNT), SUBJECT TO NECESSARY APPROVALS AS MAY BE REQUIRED. THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE NET OFFER. THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL, RESPECTIVELY.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDERS			
NAMES OF THE SELLING SHAREHOLDERS	TYPE	NO. OF EQUITY SHARES BEING OFFERED/ AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE* (IN ₹)
Sanjay Lodha	Promoter Selling Shareholder	Up to 2,860,000 Equity Shares, aggregating up to ₹ [●] million	0.43
Navin Lodha	Promoter Selling Shareholder	Up to 1,430,000 Equity Shares, aggregating up to ₹ [●] million	0.11
Vivek Lodha	Promoter Selling Shareholder	Up to 1,430,000 Equity Shares, aggregating up to ₹ [●] million	0.35
Niraj Lodha	Promoter Selling Shareholder	Up to 1,430,000 Equity Shares, aggregating up to ₹ [●] million	0.84
Ashoka Bajaj Automobiles LLP (formerly known as Ashoka Bajaj Automobiles Private Limited)	Promoter Group Selling Shareholder	Up to 1,350,000 Equity Shares, aggregating up to ₹ [●] million	1.56

\*As certified by, M/s APT & Co LLP, the Independent Chartered Accountant, pursuant to a certificate dated July 10, 2023.

Netweb Technologies India Limited is one of India’s leading high-end computing solutions (HCS) provider, with fully integrated design and manufacturing capabilities. (Source: F&S Report). Our HCS offerings comprises (i) high performance computing (Supercomputing / HPC) systems; (ii) private cloud and hyperconverged infrastructure (HCI); (iii) AI systems and enterprise workstations; (iv) high performance storage (HPS / Enterprise Storage System) solutions; (v) data centre servers; and (vi) software and services for our HCS offerings. In terms of number of HPC installations, we are one of the most significant OEMs in India amongst others (Source: F&S Report).

The Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations. • QIB Portion: Not more than 50% of the Net Offer • Non-Institutional Portion: Not less than 15% of the Net Offer • Retail Portion: Not less than 35% of the Net Offer.

PRICE BAND: ₹ 475 TO ₹ 500 PER EQUITY SHARE OF FACE VALUE OF ₹ 2 EACH

THE FLOOR PRICE IS 237.50 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 250 TIMES THE FACE VALUE OF THE EQUITY SHARES

THE PRICE TO EARNING RATIO FOR FISCAL 2023 BASED ON DILUTED EPS AT THE FLOOR PRICE IS 52.37 TIMES AND AT THE CAP PRICE IS 55.13 TIMES

BIDS CAN BE MADE FOR A MINIMUM OF 30 EQUITY SHARES AND IN MULTIPLES OF 30 EQUITY SHARES THEREAFTER

A DISCOUNT OF ₹ 25 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION

OUR COMPANY HAS, IN CONSULTATION WITH THE BRLMS, UNDERTAKEN A PRE-IPO PLACEMENT OF 1,020,000 EQUITY SHARES AT AN ISSUE PRICE OF ₹ 500 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 498 PER EQUITY SHARE) AGGREGATING ₹ 510.00 MILLION (PRE-IPO PLACEMENT). THE SIZE OF THE FRESH ISSUE OF UP TO ₹ 2,570.00 MILLION HAS BEEN REDUCED BY ₹ 510.00 MILLION PURSUANT TO THE PRE-IPO PLACEMENT AND THE REVISED SIZE OF THE FRESH ISSUE IS UP TO ₹ 2,060.00 MILLION.

The details of Equity Shares allotted to the investors in the Pre-IPO Placement are set out below:

Date of allotment	Number of Equity Shares allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Relationship of allottees with the Company, Promoter, Promoter Group, Director, KMPs, Subsidiaries, Group Companies and their directors and KMPs
June 30, 2023	1,020,000	Allotment of (i) 20,000 Equity Shares to LG Family Trust; (ii) 100,000 Equity Shares to Anupama Kishor Patil; (iii) 500,000 Equity Shares to 360 ONE Special Opportunities Fund - Series 8; and (iv) 400,000 Equity Shares to 360 ONE Monopolistic Market Intermediaries Fund	2	500	Cash	Private Placement	None

The entire proceeds from the Pre-IPO Placement aggregating ₹ 510.00 million will be utilised for general corporate purposes. For details in relation to general corporate purposes, see '*Objects of the Offer - General corporate purposes*' on page 134 of the RHP.

*In accordance with the recommendation of Independent Directors of our Company, pursuant to their resolution dated July 12, 2023, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for the Offer Price' section of the RHP vis-a-vis the WACA of primary and secondary transactions, as applicable, disclosed in the 'Basis of the Offer Price' section on page 139-147 of the RHP.*

### RISKS TO INVESTORS:

#### Business Risk:

- A significant proportion of our orders are from government related entities which award the contract through a process of tender. Tenders, typically, are awarded to the lower bidder once all other eligibility criteria are met. Our performance could be adversely affected if we are not able to successfully bid for these contracts or required to lower our bid value.

Particulars	Revenue from operations (%)		
	Fiscal 2023*	Fiscal 2022	Fiscal 2021
Government Customers	53.19	61.84	46.57
Non- Government Customers	46.81	38.16	53.43
Total	100.00	100.00	100.00

\*Revenue from operations excludes Other operating revenue

- We have had low-capacity utilisation in Fiscals 2023, 2022 and 2021. The capacity utilisation for Fiscal 2023, 2022 and 2021 of our facility are 51.64%, 53.11% and 52.01% respectively.

#### Concentration risk:

- Our success is dependent on our long-term relationship with our Customers. In particular, we are heavily reliant on our top 10 Customers. We do not, generally, enter into long term contracts with Customers, which exposes us to risks emanating from the inability to retain our established Customers as our clients.

Particulars	Revenue Contribution (%)		
	Fiscal 2023*	Fiscal 2022	Fiscal 2021
Top 10 customers	57.80	49.47	52.26

\*Revenue from operations excludes Other operating revenue.

- Loss of all or a substantial portion of sales to any of our top 10 Customers, for any reason could have a material adverse impact on our business, results of operations, financial condition and cash flows.

- We derive a majority portion of our revenues from operations from a select few of our HCS offerings. Loss or decline in the demand of such offerings may

result in an adverse effect on our business, revenue from manufacturing operations and financial condition.

Business Vertical	Revenue from Operations (%)		
	Fiscal 2023*	Fiscal 2022	Fiscal 2021
Supercomputing systems	39.19	41.70	9.72
Private cloud and HCI	33.13	19.38	28.39
Total	72.32	61.08	38.11

\*Revenue from operations excludes Other operating revenue.

#### Other Risk:

- The companies disclosed as peer set of our Company in the ‘Basis for Offer Price’ section are not in the same line of business as that of our Company i.e providing HCS offering. There is no direct comparison with these listed peers. Therefore, investors must rely on their own examinations of accounting ratios of our Company for the purposes of investment in this Offer.
- While our Promoters and Whole Time Directors possess educational qualifications in management and commerce, they do not possess educational qualifications in the field of information technology. Our future success will depend, on among other factors, the ability of our Company to evolve with the changing landscape of the business verticals in which we operate.
- The Weighted Average Cost of acquisition of all Equity Shares transacted in last three years, 18 months and one year preceding the date of the RHP:

Period	Weighted Average Cost of Acquisition (in ₹)	Upper End of the Price Band (₹ 500) is 'X' times the Weighted Average Cost of Acquisition	Range of Acquisition Lowest Price - Highest Price (in ₹)
Last 1 year	14.84	33.69	0-500
Last 18 Months	14.84	33.69	0-500
Last 3 years	13.77	36.31	0-500

As certified by M/s APT & Co LLP, the Independent Chartered Accountant, vide their certificate dated July 10, 2023.



• **Weighted average cost of acquisition compared to Floor Price and Cap Price:**

Past Transactions	Weighted Average Cost of Acquisition (in ₹)	Floor price of ₹ 475	Cap price of ₹ 500
Past 5 primary issuances / secondary transactions	445.42	1.07 times	1.12 times

As certified by our Statutory Auditors, S S Kothari & Company, pursuant to a certificate dated July 10, 2023.

- Average cost of acquisition of Equity Shares for the selling shareholders namely, Sanjay Lodha is ₹ 0.43, Navin Lodha is ₹ 0.11, Vivek Lodha is ₹ 0.35, Niraj Lodha is ₹ 0.84 and Ashoka Bajaj Automobiles LLP (formerly known as Ashoka Bajaj Automobiles Private Limited) is ₹ 1.56 and Offer Price at upper end of the Price Band is ₹ 500 per Equity Share.

- The Price/Earnings ratio based on diluted EPS for fiscal 2023 for our Company at upper end of the price band is 55.13 times and Price/Earnings

ratio of the average industry peer group as on the date of the RHP is 79.82 times.

- Weighted Average Return on Net Worth for Fiscals 2023, 2022 and 2021 is 64.35%.
- Our market capitalisation at the lower end and higher end of price band to total income for fiscal 2023 is 6.00 times and 6.29 times respectively.
- The two BRLMs associated with the Offer have handled 40 public issues in the past three Fiscal Years, out of which 13 issue closed below the Offer price on the listing date.

Name of the BRLM	Total Issues	Issues closed below IPO price on listing date
Equirus Capital Private Limited*	8	3
IIFL Securities Limited*	31	10
Common Issues of above BRLMs	2	Nil
Total	41	13

\*Issues handled where there were no common BRLMs

**BID/OFFER PROGRAMME**

**ANCHOR INVESTOR BIDDING DATE FRIDAY, JULY 14, 2023\***

**BID/OFFER OPENS ON MONDAY, JULY 17, 2023**

**BID/OFFER CLOSES ON WEDNESDAY, JULY 19, 2023^**

\* Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider participation by the Anchor Investors in accordance with the SEBI/ICDR Regulations. The Anchor Investor Bidding Date shall be 1 Working Day prior to the Bid/Offer Opening Date.

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

**BASIS FOR THE OFFER PRICE**

The Price Band and the Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered in the Offer through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 2 each and the Floor Price is 237.50 times the face value and the Cap Price is 250 times the face value. The Cap Price shall be minimum 105% of the Floor Price and shall not exceed 120% of the Floor Price.

Investors should also see 'Risk Factors', 'Our Business', 'Management's Discussion and Analysis of Financial Condition and Results of Operations', 'Restated Financial Statements' and 'Summary of Financial Information' on pages 36, 210, 350, 290 and 75 of the RHP, respectively to have an informed view before making an investment decision.

**Qualitative Factors**

We believe the following business strengths allow us to successfully compete in the industry:

- One of India's leading Indian origin owned and controlled OEM for HCS with integrated design and manufacturing capabilities;
- Long standing relationship with a marquee and diverse customer base;
- Significant product development and innovation through R&D;
- We are one of India's leading HCS provider and we operate in a rapidly evolving and technologically advanced industry with high entry barriers;
- Experienced Board and Senior Management; and
- Track record of financial performance and consistent growth.

For further details, see 'Our Business - Strengths' on page 218 of the RHP.

**Quantitative Factors**

Some of the information presented below relating to our Company is based on the Restated Financial Statements prepared in accordance with the SEBI ICDR Regulations. For further details, see 'Restated Financial Statements' on page 290 of the RHP.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

**1. Basic and Diluted Earnings Per Equity Share (EPS), as adjusted for change in capital:**

Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Financial year ended March 31, 2023	9.22	9.07	3
Financial year ended March 31, 2022	4.41	4.41	2
Financial year ended March 31, 2021	1.62	1.62	1
Weighted Average*	6.35	6.28	

Note:

EPS has been calculated in accordance with the Indian Accounting Standard 33 – 'Earning per share' notified under the Companies (Indian Accounting Standards) Rules, 2015. The above statement should be read with significant accounting policies and notes on Restated Financial Statements.

\*Weighted Average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights

The face value of Equity Shares of our Company is ₹ 2.

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of our Company by the weighted average number of equity shares outstanding during the 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.

**2. Price Earning Ratio (P/E) in relation to Offer Price of ₹ [•] per Equity Share:**

Particulars	P/E at lower end of the Price Band (times)	P/E at higher end of the Price Band (times)
Basic EPS as per the Restated Financial Statements for the year ended March 31, 2023	51.52	54.23
Diluted EPS as per the Restated Financial Statements for the year ended March 31, 2023	52.37	55.13

**3. Industry P/E ratio\***

Particulars	P/E Ratio
Highest	102.97
Lowest	59.72
Average	79.82

\*Peer Group includes Syрма SGS Technology Limited, Kaynes Technology India Limited and Dixon Technologies (India) Limited which have been identified by our Company.

P/E Ratio has been computed based on the closing market price of the equity shares of the peer group identified above, as on June 30, 2023, on www.nseindia.com, divided by the Diluted EPS as on March 31, 2023.

**4. Average Return on Net Worth (RoNW):**

As per Restated Financial Statements of our Company:

Period	RoNW* (%)	Weight
Financial year ended March 31, 2023	68.01	3
Financial year ended March 31, 2022	67.85	2
Financial year ended March 31, 2021	46.41	1
Weighted Average**	64.35	

\* RoNW is calculated as Profit for the year, as restated divided by restated net worth calculated on average of opening and closing Net worth of the year. 'Net Worth' means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

\*\*The weighted average is a product of RoNW and respective assigned weight dividing the resultant by total aggregate weight.

**5. Net Asset Value (NAV) per Equity Share:**

- As on March 31, 2023 as per the Restated Financial Statements: ₹ 18.39 per Equity Share
- As on March 31, 2022 as per the Restated Financial Statements: ₹ 8.71 per Equity Share\*
- As on March 31, 2021 as per the Restated Financial Statements: ₹ 4.28 per Equity Share\*
- After the Offer as per Restated Financial Statements:
  - At the Floor Price: ₹ 62.30\*\*
  - At the Cap Price: ₹ 62.54\*\*
  - At the Offer Price: ₹ [•]

\*As adjusted for sub-division of Equity Shares and bonus issuance of the Equity Shares of our Company.

\*\* Share issue expenses are not considered in calculation of NAV per equity Share.

**6. Comparison of accounting ratios with Listed Industry Peers**

There are currently no Indian listed companies which provide HCS offerings. While the end use of the offerings of our Company is not similar to the products of the companies set out in the table below, a proxy set of listed peers i.e., Syрма SGS Technology Limited, Kaynes Technology India Limited and Dixon Technologies (India) Limited, which are technology and design focused companies engaged in electronic manufacturing services have been identified by our Company. Further, while there are a few listed companies internationally who offer some of the products and solutions that we provide as part of our HCS offerings, we do not consider these companies as our peer due to factors such as difference in the scale of operations and market presence, growth trajectories, business models and offerings, market dynamics across industries and jurisdictions in which such companies operate. For further details, see 'Risk Factors - Our Company does not have any comparable listed peer companies in India and internationally which provide HCS offerings for comparison of performance and, therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in this Offer,' on page 38 of the RHP.

Name of the Company	Face Value (₹ per share)	Closing price on June 30, 2023 (₹ per share)	Total Income, for Fiscal 2023 (in ₹ million)	Basic EPS	Diluted EPS	EV/ EBITDA	P/E (times)	NAV (₹ per share)	RONW (%)
Netweb Technologies India Limited	2	N/A	4,456.50	9.22	9.07	N/A	N/A	18.39	68.01%
Peer Group	Face Value (₹ per share)	Closing price on June 30, 2023 (₹ per share)	Total Income, for Fiscal 2023 (in ₹ million)	Basic EPS	Diluted EPS	EV/ EBITDA	P/E	NAV (₹ per share)	RONW (%)
Syрма SGS Technology Limited	10	447.90	20,921.37	7.59	7.50	35.25	59.72	87.28	11.58%
Kaynes Technology India Limited	10	1,505.40	11,375.12	19.84	19.61	46.86	76.77	165.17	16.36%
Dixon Technologies (India) Limited	2	4,388.60	121,976.20	42.92	42.62	50.64	102.97	215.69	22.36%

Source:

- All the financial information for our Company is based on the Restated Financial Statements for the year ended March 31, 2023.
- For Syрма SGS Technology Limited, Kaynes Technology India Limited and Dixon Technologies, financial information is taken from their respective audited consolidated financials for Fiscal 2023 as published on www.nseindia.com.

Notes:

- NAV is computed as the closing net worth (sum of equity share capital, other equity and non-controlling interest) divided by the closing outstanding number of equity shares as on March 31, 2023.
- P/E Ratio has been computed based on the closing market price of the equity shares of the peer group identified above, as on June 30 2023, on www.nseindia.com, divided by the Diluted EPS as on March 31, 2023.
- RoNW is calculated as Profit for the year, divided by net worth calculated on average of opening and closing Net worth of the year. 'Net Worth' means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- EV/EBITDA Ratio has been computed as Enterprise Value = (Closing market price of equity shares on NSE multiplied with number of outstanding shares) plus total borrowings less cash and cash equivalents/other bank balances less investments in marketable securities (eg: liquid/money market mutual funds) and divided by EBITDA.
- Key Performance Indicators**  
The table below sets forth the details of our Key Performance Indicators that our Company considers have a bearing for arriving at the basis for Offer Price. The Key Performance Indicators set forth below have been approved by our Audit Committee pursuant to the resolution at its meeting dated July 1, 2023. Further, our Audit Committee has on July 1, 2023 taken on record that other than the Key Performance Indicators set out below, our Company has not disclosed any other Key Performance Indicators during the 3 years preceding the date of the Red Herring Prospectus to its investors.  
Additionally, the Key Performance Indicators have been certified by the Statutory Auditors of our Company, S S Kothari Mehta & Company, pursuant to a certificate dated July 2, 2023, who hold a valid certificate issued by the Peer Review Board of the ICAI. The Statutory Auditors certificate dated July 2, 2023, has been included in the section 'Material Contracts and Documents for Inspection' of the Red Herring Prospectus.  
The KPIs disclosed below have been used historically by our Company to understand and analyze the operational and the financial performance, which in result, helps it in analyzing the growth of various verticals in comparison to its listed peers, and other relevant and material KPIs of the business of our Company that have a bearing on arriving at the Basis for Offer Price have been disclosed below.  
The Bidders can refer to the below-mentioned Key Performance Indicators, being a combination of financial and operational Key Performance Indicators, to make an assessment of our Company's performances and make an informed decision.

A list of our Key Performance Indicators for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 is set out below:

Particulars	Fiscal		
	2023	2022	2021
Sale of products (in ₹ million)	4,315.36	2,401.78	1,402.90
Sale of services (in ₹ million)	94.66	68.55	24.97
Other operating revenue (in ₹ million)	39.70	-	-
Revenue from operations (in ₹ million)	4,449.72	2,470.33	1,427.87
Cost of goods sold (COGS) (in ₹ million)	3,243.65	1,864.58	1,061.58
Gross margin (in %) <sup>1</sup>	27.10	24.52	25.65
EBITDA (in ₹ million) <sup>2</sup>	706.93	355.07	158.86
EBITDA margin (in %) <sup>2</sup>	15.89	14.37	11.13
Profit for the year (in ₹ million)	469.36	224.53	82.30
Profit margin (in %) <sup>3</sup>	10.55	9.09	5.76
Return on equity (ROE) (in %) <sup>4</sup>	68.01	67.85	46.41
Return on capital employed (ROCE) (in %) <sup>5</sup>	64.42	51.63	35.54
Total borrowings (in ₹ million) <sup>6</sup>	356.03	344.84	305.38
Net debt (in ₹ million) <sup>7</sup>	285.11	324.58	285.14
Net debt - equity ratio (in times) <sup>8</sup>	0.30	0.73	1.31
Net debt - EBITDA (in times) <sup>9</sup>	0.40	0.91	1.79
Asset turnover ratio (in times) <sup>10</sup>	17.69	22.69	21.68

Notes:

- 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.
- 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.
- Profit margin is a percentage of Profit for the year divided by total revenue from operations for the year.
- Return on Equity is calculated as Profit for the year divided by average Equity.
- 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.
- Total borrowings are current and non-current borrowings plus current and non-current lease liabilities.
- Net Debt is total borrowings reduced by Cash & Cash equivalents.
- Net Debt to equity is calculated as Net Debt divided by equity.
- Net Debt to EBITDA is calculated as Net Debt divided by EBITDA for the year.
- Asset Turnover Ratio: Total revenue from operations for the year divided by Total assets, where total assets is 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.

Explanation for the Key Performance Indicators metrics

The list of our Key Performance Indicators along with brief explanation of the relevance of the Key Performance Indicators for the business operations of our Company is set out below:

Sr. No.	KPI	Explanation
1.	Revenue from operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business.
2.	Gross Profit Margin	Gross Profit Margin is an indicator of the profitability on sale of products manufactured and services sold by the Company.
3.	EBITDA (₹ million)	EBITDA provides information regarding the operational profitability of the business.
4.	EBITDA Margin (%)	EBITDA Margin is an indicator of the operational efficiency before the depreciation and amortization expenses.
5.	Profit after tax (₹ million)	Profit after tax provides information regarding the overall profitability of the business after all the non-tax expenses and tax expenses.
6.	Profit after tax Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of the business.
7.	Return on Equity ("RoE") (%)	RoE provides how efficiently the Company generates profits from shareholders' funds.
8.	Return on Capital Employed ("RoCE") (%)	ROCE provides how efficiently the Company generates earnings from the capital employed in the business.
9.	Sale of products (₹ million)	Sale from products is critical since it demonstrates our scale of operations, capability to serve customers and successful track record of acquiring and scaling of business operations
10.	Sale of services (₹ million)	Sale of services is important to measure the scale at which revenue from services is increasing and successful track record of acquiring and scaling of service operations
11.	Other Operating Revenue (₹ million)	To track the incentive available to the Company under various schemes
12.	Cost of Goods Sold (COGS) (₹ million)	COGS directly impacts a company's profitability and is the direct cost associated with producing or acquiring the goods by the Company
13.	Total Borrowings (₹ million)	Total borrowings provides an insight to the management of the quantum of outside fund that has been utilized in the business operations
14.	Net Debts (₹ million)	This metric enables our Company to track the net amount of funds taken by and utilized in the business operations
15.	Net Debt - Equity Ratio (times)	Our Management track the net outside debt vis-à-vis equity employed by them in the business to access the amount of leverage and financial stability
16.	Net Debt – EBITDA Ratio (times)	This indicator provides our Company with a measurement of the number years it will take for the Company to pay back its debt if net debt and EBITDA are held constants
17.	Asset Turnover Ratio (times)	The Asset Turnover Ratio provides how efficiently the Company generates revenue from its assets

Our Company shall continue to disclose the Key Performance Indicators disclosed above, on a periodic basis, at least once in a year (or for any lesser period as determined by our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these Key Performance Indicators, during the aforementioned period, will be explained by our Company. The ongoing Key Performance Indicators will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

For further information in relation to the historical use of such Key Performance Indicators of our Company to monitor the operational and, or financial performance of our Company, see 'Our Business – Key Performance Indicators' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators' on pages 216 and 357 of the RHP, respectively.

**8. Comparison of the Key Performance Indicators with Listed Industry Peers**

(in ₹ million, other than the percentage and the ratios mentioned below)

Particulars	Netweb Technologies India Limited	Syрма SGS Technology Limited	Kaynes Technology India Limited	Dixon Technologies (India) Limited
	Financial Year ended March 31, 2023			
Revenue from operations <sup>11</sup>	4,449.72	20,483.88	11,261.14	121,920.10
Cost of Goods Sold (COGS) <sup>1</sup>	3,243.65	15,404.85	7,800.77	110,207.40
Gross Margin <sup>1</sup>	27.10%	24.80%	30.73%	9.61%
EBITDA <sup>2</sup>	706.93	2,314.85	1,797.16	5,199.80
EBITDA Margin <sup>2</sup>	15.89%	11.30%	15.96%	4.26%
Profit for the year	469.36	1,230.76	951.96	2,550.80
Profit Margin <sup>3</sup>	10.55%	6.01%	8.45%	2.09%
Return On Equity (ROE) <sup>4</sup>	68.01%	11.58%	16.36%	22.36%
Return on Capital Employed (ROCE) <sup>5</sup>	64.42	14.59	21.15	23.54
Total borrowings <sup>6</sup>	356.03	3,747.24	1,547.42	4,530.90
Net Debt <sup>7</sup>	285.11	3,282.34	1,267.11	2,360.50
Net Debt - Equity Ratio (in times) <sup>8</sup>	0.30	0.21	0.13	0.18
Net Debt – EBITDA (in times) <sup>9</sup>	0.40	1.42	0.71	0.45
Asset Turnover Ratio (in times) <sup>10</sup>	17.69	4.76	7.10	9.15

Notes:

- 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.
- 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.
- Profit margin is a percentage of Profit for the year divided by total revenue from operations for the year.
- Return on Equity is calculated as Profit for the year divided by average Equity.
- 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 and amortisation for the year and capital employed is sum of equity, total borrowings and deferred tax liabilities.
- Total Borrowings is Current and Non-Current borrowings plus current and non-current lease liabilities.
- Net Debt is Total Borrowings reduced by Cash & Cash Equivalents.
- Net Debt to Equity is calculated as Net Debt divided by equity.
- Net Debt to EBITDA is calculated as Net Debt divided by EBITDA for the year.
- Asset Turnover Ratio: Total revenue from operations for the year divided by Total Assets, where Total assets is 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.
- Revenue from operations includes Other operating revenue.



9. Weighted average cost of acquisition (WACA), Floor Price and Cap Price

a. The price per share of our Company based on the primary/new issue of shares (equity/convertible securities)

Our Company has not issued any Equity Shares (excluding Equity Shares issued pursuant to a bonus issue undertaken on February 20, 2023) or convertible securities or employee stock options (excluding employee stock options granted under the ESOP Plan but not vested) during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted under the ESOP Plan but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

b. The price per share of our Company based on secondary sale/acquisitions of shares (equity/convertible securities)

There have been no secondary sale/acquisitions of Equity Shares or any convertible securities, where the Promoter, the members of our Promoter Group or the Selling Shareholders are a party to the transaction (excluding gifts\*), during the 18 months preceding the date of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted under the ESOP Plan but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

\*There were transfer of Equity Shares pursuant to dissolution of HUFs which have not been considered as these transfers were for no consideration.

Since there are no such transaction to report to under (a) and (b), the following are the details based on the last 5 primary or secondary transactions (secondary transactions where Promoter or the members of our Promoter Group or Selling Shareholders are a party to the transaction), not older than 3 years prior to the date of the Red Herring Prospectus irrespective of the size of transactions:

Last 5 Primary issuances/secondary transactions:

Date of transaction	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Nature of transaction	Nature of consideration	Total consideration (in ₹ million)
June 30, 2023	1,020,000 <sup>(1)</sup>	2	500.00	Private Placement	Cash	510.00
March 14, 2023	11,360 <sup>(2)</sup>	2	Nil	Transfer by way of gift	N.A.	Nil
March 13, 2023	45,450 <sup>(3)</sup>	2	Nil	Transfer by way of gift	N.A.	Nil
March 13, 2023	11,360 <sup>(4)</sup>	2	Nil	Transfer by way of gift	N.A.	Nil
March 13, 2023	56,810 <sup>(5)</sup>	2	Nil	Transfer by way of gift	N.A.	Nil
Total						510.00
Weighted average cost of acquisition per Equity Share						₹ 445.42

<sup>(1)</sup> Our Company has undertaken a private placement of 1,020,000 equity shares at an issue price of ₹ 500 per equity share aggregating ₹ 510.00 million as approved by the Board of Directors of the Company at its meeting held on June 28, 2023 and by the shareholders of the Company at its meeting held on June 28, 2023. The equity shares were allotted to the investors in the private placement on June 30, 2023.

<sup>(2)</sup> Secondary transaction on March 14, 2023 comprises transfer from Niraj Lodha of 11,360 Equity Shares to Latesh Kumar Garg.

<sup>(3)</sup> Secondary transaction on March 13, 2023 comprises transfer from Niraj Lodha of 45,450 Equity Shares to Pramod Shikhan.

<sup>(4)</sup> Secondary transaction on March 13, 2023 comprises transfer from Sanjay Lodha of 11,360 Equity Shares to Rana Sudarshan Biswas.

<sup>(5)</sup> Secondary transactions on March 13, 2023 comprises transfers from Vivek Lodha of (i) 11,360 Equity Shares to Sudharkar Yashwant Tilve, and (ii) 45,450 Equity Shares to Nand Kishore Bajoria

For further details in relation to the share capital history of our Company, see 'Capital Structure' on page 91 of the RHP.

Based on the above transactions, below are the details of the weighted average cost of acquisition, as compared to the Floor Price and the Cap Price:

Past Transactions	Weighted average cost of acquisition (in ₹)	Floor Price (in ₹ 475)	Cap Price (₹ 500)
Past 5 primary issuances /secondary transactions, as disclosed above	₹ 445.42	1.07 times	1.12 times

10. Justification for Basis for the Offer Price

Detailed explanation for Offer Price/Cap Price being 1.12 times of WACA of past 5 primary issuances /secondary transactions of Equity Shares (as disclosed above)

For further details, please see the chapter titled "BASIS FOR THE OFFER PRICE" beginning on page 139 of the RHP.

## THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least 3 additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and Selling Shareholders may, in consultation with BRLMs for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of 3 Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLMs and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Banks, as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 (SCRR), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (QIBs) (such portion referred to as QIB Portion), provided that our Company and the Selling Shareholders, in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (Anchor Investor Portion), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors (Anchor Investor Allocation Price), in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 1 million; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily use the Application Supported by Blocked Amount (ASBA) process providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Banks under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see 'Offer Procedure' on page 440 of the RHP.

Bidders/Applicants should ensure that DP ID, PAN and the Client ID and UPI ID (for UPI Bidders bidding through UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID and UPI ID available (for UPI Bidders bidding through the UPI Mechanism) in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

## ASBA\* | Simple, Safe, Smart way of Application!!!

\*Applications Supported by Blocked Amount ("ASBA") is a better way of applying to offers by simply blocking the fund in the bank account. For further details, check section on ASBA.

Mandatory in public issues.  
No cheque will be accepted.



UNIFIED PAYMENTS INTERFACE

UPI-Now available in ASBA for all individual investors applying in public issues where the application amount is up to ₹ 500,000, applying through Registered Brokers, Syndicate, CDPs & RTAs. UPI Bidders also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and the subsequent press releases, including press release dated June 25, 2021.

ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by (i) Retail Individual Bidders in the Retail Portion; (ii) Non-Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion and the (iii) Eligible Employees, under the Employee Reservation Portion. For details on the ASBA and UPI process, please refer to the details given in the Bid Cum Application Form and abridged prospectus and also please refer to the section "Offer Procedure" on page 440 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges") and can be obtained from the list of banks that is displayed on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=35) and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=43>, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: [www.sebi.gov.in](http://www.sebi.gov.in). UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. Axis Bank Limited and HDFC Bank Limited have been appointed as the Sponsor Banks for the Issue, in accordance with the requirements of SEBI circular dated November 1, 2018 as amended. For Issue related queries, please contact the Book Running Lead Managers ("BRLMs") on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail Id: [ipo.upi@npci.org.in](mailto:ipo.upi@npci.org.in).

along with our Company's Key Performance Indicators and financial ratios for the Fiscals 2023, 2022 and 2021 and in view of the external factors which may have influenced the pricing of the issue, if any.

Set out below is the explanation for Offer Price/Cap Price being 1.12 times of WACA of past 5 primary issuances /secondary transactions of Equity Shares (as disclosed above) along with our Company's Key Performance Indicators and financial ratios for the Fiscals 2023, 2022 and 2021 and in view of the external factors which may have influenced the pricing of the issue: For details of our Company's KPIs, see " - Key financial and operational metrics ("KPIs")" above.

- We are one of India's leading high-end computing solutions (HCS) provider, with fully integrated design and manufacturing capabilities. (Source: F&S Report). We operate in a rapidly evolving and technologically advanced industry with high entry barriers enabled by our blend of proprietary hardware designs, middleware stack and software solutions. As a result of our continuous R&D in data centre server development, we have the capabilities of manufacturing servers that are suitable for building private cloud solutions, Supercomputing systems clusters, and modern data centres.
- We are one of the few players in India who can offer a full stack of product and solution suites with comprehensive capabilities in designing, developing, implementing and integrating high-performance computing solutions. (Source: F&S Report)
- We are one of India's leading Indian origin, owned and controlled OEM in the space of HCS providing Supercomputing systems, private cloud and HCI, data centre servers, AI systems and enterprise workstations, and HPS solutions under the 'Make in India' initiative of the Government of India. (Source: F&S Report). We are also one of the few OEMs in India eligible to seek production linked incentives in terms of the Government of India's IT Hardware PLI Scheme for the manufacture of servers and the Telecom and Networking PLI Scheme for the manufacture of networking and telecom products. (Source: F&S Report)
- In terms of number of HPC installations, we are one of the most significant OEMs in India amongst others. (Source: F&S Report).
- We design, manufacture and deploy our HCS comprising proprietary middleware solutions, end user utilities and pre-compiled application stack. We develop homegrown compute and storage technologies, deploy supercomputing infrastructure to meet the rising computational demands of businesses, academia, and research organisations, particularly, under India's National Supercomputing Mission. Further, thus far, 3 of our supercomputers have been listed 11 times in the world's top 500 supercomputers. (Source: F&S)
- Since the inception of the erstwhile sole proprietorship, one of our Promoters, Sanjay Lodha, M/s Netweb Technologies, which our Company had acquired in August, 2016, until May 31, 2023, we have undertaken installations of (i) over 300 Supercomputing systems, (ii) over 50 private cloud and HCI installations; (iii) over 4,000 accelerator / GPU based AI systems and enterprise workstations; and (iv) HPS solutions with throughput storage of up to 450 GB/sec.
- We have recently, in Fiscal 2023, forayed into developing new product lines, viz., Network Switches and 5G ORAN Appliances
- We have a long-standing relationship with a marquee and diverse customer base. We cater to 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 and government entities including in the defence sector, education and research development institutions.
- Repeat Customers contributed 90.68 %, 77.73% and 87.90% of our revenue from operations (revenue from operation excludes Other operating revenue) for Fiscal 2023, Fiscal 2022 and Fiscal 2021 respectively. Using Fiscal 2016 as the base year, the average relationship of our top 10 Customers by revenue from operations for the Fiscal 2023 was 4.85 years.
- We have a track record of financial performance and consistent growth. Our revenue from operations have increased from ₹ 1,427.87 million in Fiscal 2021 to ₹ 4,449.72 million in Fiscal 2023, at a CAGR of 76.53%. Also, during the same period our profit before tax has increased from ₹ 111.01 million in Fiscal 2021 to ₹ 629.63 million in Fiscal 2023 at a CAGR of 138.16%. Our EBITDA, increased from ₹ 158.86 million in Fiscal 2021 to ₹ 706.93 million in Fiscal 2023 at a CAGR of 110.95%. Our return on capital employed was 35.54%, 51.63% and 64.42% in Fiscal 2021, Fiscal 2022 and Fiscal 2023, respectively. Our Order Book value as at March 31, 2022, March 31, 2023 and May 31, 2023 was ₹ 485.61 million, ₹ 711.86 million, and ₹ 902.05 million, respectively

11. The Offer Price will be [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. Investors should read the above information along with 'Risk Factors', 'Our Business', 'Restated Financial Statements' and 'Management's Discussion and Analysis of Financial Conditions and Results of Operations' on pages 36, 210, 290 and 350 of the RHP. The trading price of the Equity Shares could decline due to the factors mentioned in 'Risk Factors' or any other factors that may arise in the future and you may lose all or part of your investments.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and the subsequent press releases, including press release dated June 25, 2021.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS: For information on the main objects of our Company, investors are requested to see "History and Certain Corporate Matters" beginning on page 250 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see "Material Contracts and Documents for Inspection" beginning on page 490 of the RHP.

LIABILITY OF THE MEMBERS OF OUR COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF OUR COMPANY AND CAPITAL STRUCTURE: As on the date of the RHP, the authorised share capital of our Company is ₹ 150.00 Million divided into 75,000,000 Equity Shares of ₹ 2 each. The issued, subscribed and paid-up Equity share capital of our Company is ₹ 103.89 Million divided into 51,943,980 Equity Shares of ₹ 2 each. For details of the capital structure of our Company, see "Capital Structure" beginning on page 91 of the RHP.

NAMES OF THE INITIAL SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:

The initial signatories to the Memorandum of Association of our Company are Mr. Sanjay Lodha and Mr. Navin Lodha, who subscribed to 10 Equity Shares each. For details of the share capital history and capital structure of our Company see "Capital Structure" beginning on page 91 of the RHP.

LISTING: The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated June 6, 2023 and June 5, 2023, respectively. For the purposes of the Offer, BSE is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus until the Bid/Offer Closing Date, see 'Material Contracts and Documents for Inspection' on page 490 of the RHP.

DISCLAIMER CLAUSE OF SEBI: SEBI only gives its observations on the offer documents and this does not constitute approval of either the Issue or the specified securities stated in the Offer Document. The investors are advised to refer to pages 413 of the RHP for the full text of the disclaimer clause of SEBI.

DISCLAIMER CLAUSE OF BSE (the Designated Stock Exchange): It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the RHP has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to the pages 416 of the RHP for the full text of the disclaimer clause of BSE.

DISCLAIMER CLAUSE OF NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 416 of the RHP for the full text of the disclaimer clause of NSE.

GENERAL RISKS: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to 'Risk Factors' on page 36 of the RHP.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 <b>Equirus Capital Private Limited</b> 12 <sup>th</sup> Floor, C Wing, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai 400 013, Maharashtra, India. Tel: +91 22 4332 0735; E-mail: <a href="mailto:netweb.ipo@equirus.com">netweb.ipo@equirus.com</a> Website: <a href="http://www.equirus.com">www.equirus.com</a> Investor grievance e-mail: <a href="mailto:investorsgrievance@equirus.com">investorsgrievance@equirus.com</a> Contact person: Malay Shah / Jenny Bagrecha SEBI Registration Number: INM000011286	 <b>IIFL Securities Limited</b> 10 <sup>th</sup> Floor, IIFL Centre, Kamala City Senapati Bapat Marg Lower Parel (West) Mumbai 400 013, Maharashtra, India Tel: +91 22 4646 4728; E-mail: <a href="mailto:netweb.ipo@iiflcap.com">netweb.ipo@iiflcap.com</a> Website: <a href="http://www.iiflcap.com">www.iiflcap.com</a> Investor grievance e-mail: <a href="mailto:ig.ib@iiflcap.com">ig.ib@iiflcap.com</a> Contact Person: Pawan Jain / Devendra Maydeo SEBI Registration Number: INM000010940	 <b>Link Intime India Private Limited</b> C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, India Tel: +91 8108114949 E-mail: <a href="mailto:netwebtechnologies.ipo@linkintime.co.in">netwebtechnologies.ipo@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Investor grievance e-mail: <a href="mailto:netwebtechnologies.ipo@linkintime.co.in">netwebtechnologies.ipo@linkintime.co.in</a> Contact Person: Shanti Gopalkrishnan SEBI Registration Number: INR000004058	<b>Lohit Chhabra</b> <b>NETWEB TECHNOLOGIES INDIA LIMITED</b> Plot No H-1, Pocket 9, Faridabad Industrial Town (FIT), Sector-57, Ballabhgarh, Faridabad, Haryana – 121004 Telephone: +911292310416; E-mail: <a href="mailto:complianceofficer@netwebindia.com">complianceofficer@netwebindia.com</a> Website: <a href="http://www.netwebindia.com">www.netwebindia.com</a> Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode. For all Offer related queries and for redressal of complaints, Investors may also write to the BRLMs.

AVAILABILITY OF THE RHP: Investors are advised to refer to the RHP and the "Risk Factors" beginning on page 36 of the RHP before applying in the Offer. A copy of the RHP will be made available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and is available on the websites of the BRLMs, Equirus Capital Private Limited at [www.equirus.com](http://www.equirus.com) and IIFL Securities Limited at [www.iiflcap.com](http://www.iiflcap.com) and the websites of the Stock Exchanges, for BSE at [www.bseindia.com](http://www.bseindia.com) and for NSE at [www.nseindia.com](http://www.nseindia.com).

AVAILABILITY OF BID CUM APPLICATION FORM: Bid cum Application Form can be obtained from the Registered Office of our Company, **NETWEB TECHNOLOGIES INDIA LIMITED**: Tel: +91 129 2310 416; **BRLMs**: Equirus Capital Private Limited, Tel: +91 22 4332 0735 and IIFL Securities Limited, Tel: +91 22 4646 4728 and **Syndicate Members**: Equirus Securities Private Limited, Telephone: +91 22 4332 0600 and at selected locations of Sub-Syndicate Members (as given below), Registered Brokers, SCSBs, Designated RTA Locations and Designated CDP Locations for participating in the Offer. Bid cum Application Forms will also be available on the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and at all the Designated Branches of SCSBs, the list of which is available on the websites of the Stock Exchanges and SEBI.

SUB-SYNDICATE MEMBERS: Anand Rathi Share & Stock Brokers Ltd.; Asit C Mehta Investment Intermediates Limited; Axis Capital Limited; Bonanza Portfolio Limited; Centrum Broking Limited; Edelweiss Broking Limited; HDFC Securities Ltd.; ICICI Securities Limited; JM Financial Services Limited; JKMC Capital Market Services Limited; Kotak Securities

NETWEB TECHNOLOGIES INDIA LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offer of its Equity Shares and has filed the RHP with the Registrar of Companies, National Capital Territory of Delhi and Haryana at Delhi. The RHP is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) as well as on the websites of the Book Running Lead Managers, Equirus Capital Private Limited at [www.equirus.com](http://www.equirus.com), and IIFL Securities Limited at [www.iiflcap.com](http://www.iiflcap.com). Potential investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, please see the section titled "Risk Factors" on page 36 of the RHP. Potential investors should not rely on the draft red herring prospectus of the Company dated March 28, 2023 read with the corrigendum dated May 15, 2023 and the addendum dated July 4, 2023 filed with SEBI for making any investment decision.

This announcement has been prepared for publication in India and may not be released in the United States. This announcement does not constitute an offer of Equity Shares for sale in any jurisdiction, including the United States, and the Equity Shares offered in the Offer may not be offered or sold in the United States absent registration under the U.S. Securities Act of 1933 or an exemption from registration. Any public offering of the Equity Shares to be made in the United States will be made by means of a prospectus that may be obtained from the Company and that will contain detailed information about the Company and management, as well as financial statements. However, the Equity Shares offered in the Offer are not being offered or sold in the United States.