



ideaForge®
Create. Inspire

Our Company was incorporated as "ideaForge Technology Private Limited" on February 8, 2007, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated February 8, 2007, issued by the Registrar of Companies, Maharashtra at Mumbai (the "RoC"). Upon the conversion of our Company into a public limited company, pursuant to a resolution passed by our Shareholders on December 20, 2022, the name of our Company was changed to "ideaForge Technology Limited" and a fresh certificate of incorporation dated January 2, 2023 was issued by the RoC. For details in relation to the changes in the registered office of our Company, see 'History and Certain Corporate Matters - Changes in the registered office of our Company' on page 216 of the red herring prospectus dated June 19, 2023 ("RHP" or "Red Herring Prospectus").

Corporate Identity Number: U31401MH2007PLC167669
Registered Office: EL-146, TTC Industrial Area, Electronic Zone MIDC, Mahape, Navi Mumbai, Thane 400 710, Maharashtra, India.
Contact Person: Sonam Gupta, Company Secretary and Compliance Officer; Tel.: +91 22-67875000; E-mail: compliance@ideaforgetech.com; Website: www.ideaforgetech.com

PROMOTERS OF OUR COMPANY: ANKIT MEHTA, RAHUL SINGH AND ASHISH BHAT

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF IDEAFORGE TECHNOLOGY LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 2,400.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 4,869,712 EQUITY SHARES (THE "OFFERED SHARES") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE") AS PER DETAILS HEREUNDER. THE OFFER INCLUDES A RESERVATION OF UP TO 13,112 EQUITY SHARES, AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO [●]% OF THE POST OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY, INDUSAGE AND CELESTA CAPITAL MAY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS"), OFFER A DISCOUNT OF ₹ 32 ON THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"). OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, HAS UNDERTAKEN A PRE-IPO PLACEMENT OF 892,857 EQUITY SHARES AGGREGATING TO ₹ 600.00 MILLION. THE SIZE OF THE FRESH ISSUE OF UPTO ₹ 3,000.00 MILLION HAS BEEN REDUCED BY ₹ 600.00 MILLION PURSUANT TO THE PRE-IPO PLACEMENT AND ACCORDINGLY, THE SIZE OF THE FRESH ISSUE IS UPTO ₹ 2,400.00 MILLION.

DETAILS OF THE OFFER FOR SALE BY SELLING SHAREHOLDERS			
NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF SHARES OFFERED/ AMOUNT (IN ₹)	Weighted Average Cost of Acquisition in ₹ Per Equity Share*
Ashish Bhat	Promoter Selling Shareholder	UP TO 158,200 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	0.04
Amarpreet Singh	Individual Selling Shareholder	UP TO 8,362 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	0.04
Nambirajan Seshadri	Individual Selling Shareholder	UP TO 22,600 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	43.00
Naresh Malhotra	Individual Selling Shareholder	UP TO 22,600 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	Nil
Sujata Vemuri	Individual Selling Shareholder	UP TO 203,400 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	2.63
Sundararajan K Pandaigudi	Individual Selling Shareholder	UP TO 51,980 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	38.48
A&E Investment LLC	Corporate Selling Shareholder	UP TO 135,600 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	43.81
Agarwal Trademart Private Limited	Corporate Selling Shareholder	UP TO 53,200 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	75.22
Celesta Capital II Mauritius	Corporate Selling Shareholder	UP TO 1,106,722 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	97.83
Celesta Capital II-B Mauritius	Corporate Selling Shareholder	UP TO 131,758 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	97.81
Export Import Bank of India	Corporate Selling Shareholder	UP TO 202,044 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	185.71
Indusage Technology Venture Fund I	Corporate Selling Shareholder	UP TO 1,695,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	91.16
Qualcomm Asia Pacific Pte. Ltd.	Corporate Selling Shareholder	UP TO 1,055,646 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	92.96
Society for Innovation and Entrepreneurship	Corporate Selling Shareholder	UP TO 22,600 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION	0.04

*As certified by Ramanand & Associates, Chartered Accountants, by way of their certificate dated June 19, 2023.

Business of our Company: We design, develop, engineer and manufacture Unmanned Aerial Vehicles.

- The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations.
- QIB Portion: Not less than 75% of the Net Offer
- Non-Institutional Portion: Not more than 15% of the Net Offer
- Retail Portion: Not more than 10% of the Net Offer
- Employee Reservation Portion: Upto 13,112 Equity Shares aggregating up to ₹ [●] Million.

- Weighted average cost of acquisition of Selling Shareholders is in the range of ₹ Nil to ₹ 185.71.
- We have undertaken a pre-IPO placement to four investors aggregating 892,857 Equity Shares at ₹ 672 per Equity Share. For further details, please refer to page 83 of the RHP.

PRICE BAND: ₹ 638 TO ₹ 672 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH
THE FLOOR PRICE IS 63.8 TIMES THE FACE VALUE OF THE EQUITY SHARES
AND THE CAP PRICE IS 67.2 TIMES THE FACE VALUE OF THE EQUITY SHARES
OUR PRICE TO EARNING RATIO AT THE FLOOR PRICE IS 78.57* AND AT CAP PRICE IS 82.76*
A DISCOUNT OF ₹ 32 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION
BIDS CAN BE MADE FOR A MINIMUM OF 22 EQUITY SHARES AND
IN MULTIPLES OF 22 EQUITY SHARES THEREAFTER

*Based on diluted EPS as per the Restated Consolidated Financial Information for the financial year ended on March 31, 2023.

In accordance with the recommendation of Independent Directors of our Company, pursuant to their resolution dated June 20, 2023, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transactions, as applicable, disclosed in the 'Basis of Offer price' section on page 118-127 of the RHP.

RISKS TO INVESTORS:

1. Concentration Risk: We derive a majority portion of our total sales from contracts with central and state government agencies. Revenue from sales to such agencies as % of our total revenue from operations is 69.85%, 89.01%, 76.45% in Fiscal 2023, Fiscal 2022, Fiscal 2021, respectively. Our existing order book and our growth rate may not be indicative of the number of orders we will receive or the rate at which we will grow in the future.
2. Lengthy working capital cycle: We had a lengthy working capital cycle in the past. The net working capital holding days have varied and historically been at 301, 121 and 512 for Fiscals 2023, 2022 and 2021, respectively. This could have an adverse effect on our financial condition by impacting our cash flows and resulting in lower return on capital employed.
3. Negative Cash Flow: We have sustained negative cash flow used in operating Activities of ₹ 532.30 million in Fiscal 2023 and ₹ 308.13 million in Fiscal 2021. This may have an adverse impact on our ability to meet working capital expenditure, repay loans without raising finance from external resources.
4. Product Concentration Risk: We design, develop, engineer and manufacture unmanned aerial vehicles. The drone industry is at a nascent stage and if it does not experience significant growth, or if our products lack multiple use applications, then we will not be able to achieve our anticipated level of growth.
5. Technology Risk: Our products are complex and technologically advanced and could have unknown defects or errors. Our inability to rectify such defects or malfunction could lead to liability claims, damage customer relationships, harm our reputation and result in negative

publicity thereby adversely affecting our business.

6. Our Company will not receive any proceeds from the Offer for Sale and the same will be received by the Selling Shareholders.
7. Weighted average cost of acquisition of all shares transacted in last one year, 18 months and three years preceding the date of the Red Herring Prospectus:

Period	Weighted average cost of acquisition per Equity Share (in ₹)*	Cap Price is 'x' times the weighted average cost of acquisition	Range of acquisition price: lowest price – highest price (in ₹)
Last one year preceding the date of the RHP	71.16	9.44	Nil*- 672
Last 18 months preceding the date of the RHP	71.16	9.44	Nil*- 672
Last three years preceding the date of the RHP	71.16	9.44	Nil*- 672

*As certified by Ramanand & Associates, Chartered Accountants, by way of their certificate dated June 19, 2023.

*Computed based on the Equity Shares acquired/allotted/purchased (including acquisition pursuant to transfer).

However, the Equity Shares disposed off have not been considered while computing number of Equity Shares acquired.

*Represents acquisition price of Equity Shares pursuant to bonus issuance.

8. The details of Earnings per share, Return on Networth and NAV as on and for the period ended March 31, 2023 are as follows:-

Particulars	Basic Earnings per share (₹)	Average Return on Networth (%)	Net Asset Value per share (₹)
Company (ideaForge Technology Limited)*	8.55	9.85	86.81
Average of Industry Peers	21.83	12.72	166.59

*At upper end of price band

9. The details market capitalization and market value to total turnover on the upper end/lower end of the price band are as below:

Particulars	Market Capitalization* (₹ in million)	Market Value/ Total Turnover*
At the Upper end of Price Band	28,002	15.05
At the Lower end of Price Band	26,707	14.36

*Assuming full subscription in employee category

10. The 2 BRLMs associated with the Offer have handled 49 public issues in the past three years, out of which 15 issues closed below the Offer Price on listing date :

Name of the BRLM	Total Issues	Issues closed below IPO price as on listing date
IIFL Securities Limited	20	7
JM Financial Limited	19	5
Common Issues of all BRLMs	10	3
Total	49	15

BID/OFFER PROGRAMME

ANCHOR INVESTOR BID/ OFFER PERIOD: JUNE 23, 2023*

BID/ OFFER OPENS ON: JUNE 26, 2023 | BID/ OFFER CLOSES ON: JUNE 29, 2023**

*Our Company, Indusage and Celesta Capital may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date. **Our Company, Indusage and Celesta Capital may, in consultation with the BRLMs, consider closing the Bid/ Offer Period for QIBs one day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations. * UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

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.	UPI 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. Retail Individual Bidders and Non-Institutional 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 press release dated June 25, 2021 read with press release dated September 17, 2021. ASBA may 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 404 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 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 . 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 Offer, in accordance with the requirements of SEBI circular dated November 1, 2018 as amended. For Offer 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 .
--	--

ADDENDUM TO THE RED HERRING PROSPECTUS DATED JUNE 19, 2023 ("ADDENDUM")

Potential Bidders may note the following:

- The section titled "Outstanding Litigation and Material Developments" on page 372 of the Red Herring Prospectus has been updated to include the following writ petition registered with the Hon'ble High Court of Chhattisgarh on June 22, 2023:

Litigation involving our Company - A. Litigation filed against our Company - Material Civil proceedings

"A public interest litigation ("PIL") has been filed by Ravi Singh ("Petitioner") under Article 226 of the Constitution of India through a writ petition dated June 14, 2023 before the Hon'ble High Court of Chhattisgarh at Bilaspur against Union of India, Ministry of Civil Aviation ("MoCA"), Director General of Civil Aviation ("DGCA"), our Company and others, alleging inter alia that (a) our Company has been involved in tender cartelisation in relation to supply of UAVs, (b) the UAVs manufactured by our Company suffer from defects and are of sub-standard quality, thereby causing accidents, and (c) our Company is involved in sale of UAVs without obtaining requisite certifications under the Drone Rules, 2021. The Petitioner has inter alia prayed (a) for issuance of writ of mandamus directing DGCA to conduct investigation regarding the sale of drones without certifications, (b) for issuance of writ of mandamus directing the MoCA and DGCA to form a committee to prevent accidents in future, and (c) to restrain our Company from engaging in any business activities and selling UAVs to its customers. The matter is currently pending."

Consequently, the litigation summary tables appearing in the sections titled "Summary of the Offer Document – Summary of Outstanding Litigation and Material Developments" on page 22 and "Risk Factors - There are outstanding legal proceedings involving our Company and Directors. Any adverse outcome in such legal proceedings may affect our business, results of operations and financial condition" on page 48 of the Red Herring Prospectus shall be suitably updated to reflect the updated number of material civil proceedings pending against the Company.

The above-mentioned changes are to be read in conjunction with the Red Herring Prospectus and accordingly their references in the Red Herring Prospectus stand updated pursuant to this Addendum. The information in this Addendum supplements the Red Herring Prospectus and updates the information in the Red Herring Prospectus, as applicable. However, this Addendum does not reflect all the changes that have occurred between the date of filing of the Red Herring Prospectus and the date hereof, and accordingly does not include all the changes and/or updates that will be included in the Prospectus. Please note that the information included in the Red Herring Prospectus will be suitably updated, including to the extent stated in this Addendum, as may be applicable, in the Prospectus, and as when filed with the RoC, SEBI and the Stock Exchanges. Investors should read this Addendum along with the Red Herring Prospectus, filed with the RoC, SEBI and the Stock Exchanges before making an investment decision with respect to the Offer.

All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Red Herring Prospectus.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 JM FINANCIAL JM Financial Limited 7 th Floor, Chenergy, Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025 Maharashtra, India Tel.: +91 22 6630 3030; E-mail: ideaforge.ip@jmfml.com Investor grievance email: grievance.ibt@jmfml.com Contact person: Prachee Dhuri; Website: www.jmfml.com SEBI Registration No.: INM000010361	 IIFL SECURITIES IIFL Securities Limited 10 th Floor, IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013 Maharashtra, India Tel: +91 22 4646 4728; E-mail: ideaforge.ip@iiflcap.com Investor grievance e-mail: ig.ibt@iiflcap.com Contact person: Pawan Jain/ Shishik Chikhalge; Website: www.iiflcap.com SEBI Registration No.: INM000010940	 LINKIntime Link Intime India Private Limited C-101, 1 st Floor, 247 Park, L.B.S. Marg, Vikhroli West Mumbai 400 083 Maharashtra, India Tel: +91 810 811 4949; E-mail: ideaforge.ip@linkintime.co.in Website: www.linkintime.co.in Investor grievance e-mail: ideaforge.ip@linkintime.co.in Contact person: Shanti Gopalkrishnan; SEBI Registration No.: INR000004058	Sonam Gupta ideaForge Technology Limited Address: EL-146, TTC Industrial Area, Electronic Zone, MIDC Mahape, Navi Mumbai, Thane 400 710 Maharashtra, India Tel: + 91 226787 5000; E-mail: compliance@ideaforgetech.com ; Website: www.ideaforgetech.com Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including 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, etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs.

For ideaForge Technology Limited
On behalf of the Board of Directors

Sd/-
Sonam Gupta
Company Secretary and Compliance Officer

Place : Mumbai
Date : June 22, 2023

ideaForge Technology Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed a draft red herring prospectus dated February 10, 2023 with SEBI (the "DRHP") and a red herring prospectus dated June 19, 2023 with the RoC. The RHP is made available on the website of the SEBI at www.sebi.gov.in as well as on the website of the BRLMs i.e., JM Financial Limited at www.jmfml.com and IIFL Securities Limited at www.iiflcap.com, the website of the NSE at www.nseindia.com and the website of the BSE at www.bseindia.com. Any potential investor should note that investment in equity shares involves a high degree of risk and for details relating to such risks, please see the section titled "Risk Factors" beginning on page 29 of the RHP. Potential investors should not rely on the DRHP for making any investment decision.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made. There will be no public offering of the Equity Shares in the United States.

CONCEPT