Prospectus
Dated: August 03, 2026
Please read section 26 of the Companies Act, 2013
100% Book Built Issue

(Please scan this QR code to view the Prospectus)

MV Electrosystems Limited

Corporate Identity Number: U31401HR2009PLC140536

REGISTERED & CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
Plot No. 7, Site No 2, 14/3, Mathura Road, Faridabad - 121 003, Haryana, India	Sourabh Bansal, Company Secretary & Compliance Officer	**Tel. No.**: +91 92 1199 9711 **E-mail**: cs@mvelectrosystems.com	www.mvelectrosystems.com

OUR PROMOTERS: MOHIT VOHRA, AMIT DHAWAN, SUMIT DHAWAN, RAHUL DHAWAN, SONALI DHAWAN, RAMENDRA PRATAP SINGH

DETAILS OF THE ISSUE TO PUBLIC

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs
Fresh Issue	68,23,528 Equity Shares of face value ₹ 5 each aggregating to ₹ 2,900.00 million	Not applicable	68,23,528 Equity Shares of face value ₹ 5 each aggregating to ₹ 2,900.00 million	The Issue is being made pursuant to Regulation 6(2) of the SEBI ICDR Regulations, as our Company did not fulfil requirements under Regulation 6(1)(b) of the SEBI ICDR Regulations. For further details, see 'Other Regulatory and Statutory Disclosures - Eligibility for the Issue' on page 435. For details in relation to share reservation among QIBs, NIIs and RIIs, see 'Issue Structure' on page 452.

DETAILS OF THE OFFER FOR SALE

Not Applicable

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Share is ₹ 5 each. The Floor Price, the Cap Price and the Issue Price as determined and justified by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated under 'Basis for the Issue Price' on page 148 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page 22.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Prospectus contains all information with regard to our Company and the Issue which is material in the context of the Issue, that the information contained in the Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make the Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares to be issued through the Prospectus are proposed to be listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE, and along with BSE hereinafter collectively referred to as the "Stock Exchanges"). For the purposes of the Issue, NSE is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

NAME OF LEAD MANAGER AND LOGO	CONTACT PERSON	TEL. NO. AND E-MAIL
Sundae Capital Advisors Private Limited	Chirag Pareek / Vanita Soni	Tel. No.: +91 87 9622 8221 / +91 22 4515 5887 E-mail: mvel.ipo@sundaecapital.com

REGISTRAR TO THE ISSUE					
NAME OF REGISTRAR AND LOGO		**CONTACT PERSON**		**TEL. NO. AND E-MAIL**	
KFin Technologies Limited		M. Murali Krishna		Tel. No.: + 91 40 6717 2222 / 18003094001 E-mail: mvelectrosystems.ipo@kfintech.com	
BID / ISSUE PERIOD					
ANCHOR INVESTOR BIDDING DATE	Wednesday, July 29, 2026	**BID / ISSUE OPENED ON**	Thursday, July 30, 2026	**BID / ISSUE CLOSED ON**	Monday, August 03, 2026

Prospectus
Dated: August 03, 2026
(Please read section 26 of the Companies Act, 2013)
100% Book Built Issue

MV Electrosystems Limited

MV Electrosystems Limited ("**Company**" or "**Issuer**") was originally incorporated as 'MV Electrosystems Private Limited' on July 03, 2009 at Delhi as private limited company under the Companies Act, 1956. Subsequently, our Company was converted into a public limited company, the word 'private' was struck off from the name of our Company and consequently, a fresh certificate of incorporation dated November 26, 2021 was issued by the RoC, recording the change of our Company's name to 'MV Electrosystems Limited'. For details of change in the name of our Company and Registered Office of our Company, see "*History and Certain Corporate Matters*" on page 262 of the Prospectus.

Registered & Corporate Office: Plot No. 7, Site No 2, 14/3, Mathura Road, Faridabad - 121 003, Haryana, India, **Tel. No.:** +91 92 1199 9711
Contact Person: Sourabh Bansal, Company Secretary and Compliance Officer; **E-mail:** cs@mvelectrosystems.com; **Website**: www.mvelectrosystems.com
Corporate Identity Number: U31401HR2009PLC140536

OUR PROMOTERS: MOHIT VOHRA, AMIT DHAWAN, SUMIT DHAWAN, RAHUL DHAWAN, SONALI DHAWAN, RAMENDRA PRATAP SINGH

INITIAL PUBLIC ISSUE OF 68,23,528 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH (EQUITY SHARES) OF MV ELECTROSYSTEMS LIMITED (OUR COMPANY) FOR CASH AT A PRICE OF ₹ 425 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 420 PER EQUITY SHARE) (ISSUE PRICE) AGGREGATING TO ₹ 2,900.00 MILLION (ISSUE). THE ISSUE CONSTITUTED 25.01% OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 5 EACH AND THE ISSUE PRICE IS 85 TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WAS DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WAS ADVERTISED IN ALL EDITIONS OF BUSINESS STANDARD, ENGLISH AND HINDI LANGUAGE (A WIDELY CIRCULATED NATIONAL DAILY NEWSPAPER) (HINDI ALSO BEING THE REGIONAL LANGUAGE OF HARYANA, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 WORKING DAYS PRIOR TO THE BID / ISSUE OPENING DATE AND WAS MADE AVAILABLE TO THE BSE LIMITED (BSE) AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE, AND TOGETHER WITH BSE, THE STOCK EXCHANGES) FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (SEBI ICDR REGULATIONS).

The Issue was made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in accordance with the Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Issue was available for allocation on a proportionate basis to qualified institutional buyers (QIBs) (such portion referred as QIB Portion), provided that our Company, in consultation with the BRLM, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which 40% was reserved as under: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the price at which Equity Shares could have been allocated to the Anchor Investors ("Anchor Investor Allocation Price"), in accordance with the SEBI ICDR Regulations. The under-subscription in the reserved category specified in clause (ii) above, was allocated to domestic Mutual Funds. In the event of under-subscription or non allocation in the Anchor Investor Portion, the balance Equity Shares portion would have been added to the QIB Portion (excluding the Anchor Investor Portion) ("Net QIB Portion"). Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis only to Mutual Funds (Mutual Fund Portion), and the remainder of the Net QIB Portion was 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 Issue 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 could have been added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not more than 15% of the Issue was available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one-third of such portion was reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) two-third of such portion was reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories was allocated to applicants in the other sub-category of Non-Institutional Investors and not more than 10% of the Issue was available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) were mandatorily required to participate in the Issue through the Application Supported by Blocked Amount (ASBA) process by providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidders using UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks (SCSBs) or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, see 'Issue Procedure' on page 456.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Share is ₹ 5 each. The Floor Price, the Cap Price and the Issue Price as determined and justified by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated under 'Basis for the Issue Price' on page 148 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page 22.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Prospectus contains all information with regard to our Company and the Issue which is material in the context of the Issue, that the information contained in the Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make the Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares issued through the Red Herring Prospectus and the 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 the letters LO\IPO\SK\IP\738\2025-26 dated March 04, 2026 and NSE/LIST/6474 dated March 04, 2026, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A copy of the Red Herring Prospectus and the Prospectus has been filed with the RoC in accordance with Sections 32 and 26(4) of the Companies Act. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid / Issue Closing Date, see 'Material Contracts and Documents for Inspection' on page 495.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
Sundae Capital Advisors Private Limited 306-307, 'AT', Mahakali Caves Road Andheri (East), Mumbai - 400 093, Maharashtra, India Tel. No. +91 87 9622 8221 / +91 22 4515 5887 E-mail: mvel.ipo@sundaecapital.com Investor Grievance e-mail: grievances.mb@sundaecapital.com Website: www.sundaecapital.com SEBI Regn. No.: INM000012494 Contact Person: Chirag Pareek / Vanita Soni	**KFin Technologies Limited** Selenium, Tower B, Plot No. 31 and 32, Gachibowli, Financial District Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana, India Tel. No.: + 91 40 6717 2222 / 18003094001 E-mail: mvelectrosystems.ipo@kfintech.com Investor Grievance e-mail: einward.ris@kfintech.com Website: www.kfintech.com SEBI Regn No.: INR000000221 Contact Person: M. Murali Krishna

BID / ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE	Wednesday, July 29, 2026	**BID / ISSUE OPENED ON**	Thursday, July 30, 2026	**BID / ISSUE CLOSED ON**	Monday, August 03, 2026

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

The Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below, and references to any legislation, act, regulation, rules, clarifications, guidelines or policies shall be to such legislation, act, regulation, rules, clarifications, guidelines or policies, as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

Unless the context otherwise indicates, all references to "the Company", and "our Company", are references to MV Electrosystems Limited, a company incorporated in India under the Companies Act 1956. Furthermore, unless the context otherwise indicates, all references to the terms "we", "us" and "our" are to our Company. The words and expressions used in the Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms defined in "Description of Equity Shares and Main Provisions of the Articles of Association", "Statement of Special Tax Benefits", "Industry Overview", "Basis for the Issue Price", "Key Regulations and Policies", "Restated Financial Information", "Government and Other Approvals" and "Outstanding Litigation and Other Material Developments", on pages 478, 157, 159, 148, 251, 295, 425 and 418 will have the meaning ascribed to such terms in those respective sections.

General terms

Term	Description
"Our Company", "the Company" or "the Issuer"	MV Electrosystems Limited, a company incorporated under the Companies Act, 1956 and having its registered and corporate office at Plot No. 7, Site No, 2, 14/3, Mathura Road, Faridabad - 121 003, Haryana, India.
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company

Company related terms

Term	Description
AOA / Articles / Articles of Association	Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations.
Auditors/ Statutory Auditors	The Auditors of the Company, being M/s Sanmarks & Associates, Chartered Accountants.
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled "Our Management" on page 270.
Chairman / Chairperson	The Chairman / Chairperson of Board of Directors of our Company, being Sanjeev Mehta.
Chief Financial Officer / CFO	The Chief Financial Officer of our Company, being Ajay Kumar.
CIN	Corporate Identification Number of our Company, i.e. U31401HR2009PLC140536.
Companies Act	The Companies Act, 2013 and amendments thereto.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Sourabh Bansal.
Corporate Social Responsibility Committee	The Corporate Social Responsibility Committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and as described in 'Our Management - Committees of Our Board' on page 278.

Term	Description
Directors / Our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of face value of ₹ 5 each, post split of face value from ₹ 10 to ₹ 5, unless otherwise specified in the context thereof.
Equity Shareholders	Persons / Entities holding Equity Shares of our Company.
Executive Directors	Executive Directors includes Managing Director and Whole Time Director(s) of our Company.
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Financial Information as covered under the applicable accounting standards, and also other companies as considered material by our Board as disclosed in "Group Companies" on page 430.
Independent Director	An Independent Director as per the Companies Act, 2013 and the SEBI Listing Regulations.
ISIN	International Securities Identification Number of our Company, being INE0OWZ01020.
Key Management Personnel / KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled "Our Management" on page 270.
Key Performance Indicators / KPIs	Key financial and operational performance indicators of our Company, as included in 'Basis for the Issue Price' on page 148.
Managing Director	The Managing Director of our Company, being Pankaj Rastogi.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on November 27, 2025, in accordance with the requirements of the SEBI ICDR Regulations and for the purpose of disclosure in the Prospectus.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations.
Non Executive Director	A Director not being an Executive Director or an Independent Director.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters	The Promoters of our Company i.e. Mohit Vohra, Amit Dhawan, Sumit Dhawan, Rahul Dhawan, Sonali Dhawan and Ramendra Pratap Singh. For further details, please refer to section titled "Our Promoters and Promoter Group" on page 287.
Promoter Group	Includes such persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI ICDR Regulations as enlisted in the section titled "Our Promoter and Promoter Group" on page 287.
Registered & Corporate Office	Plot No. 7, Site No. 2, 14/3, Mathura Road, Faridabad - 121 003, Haryana, India.
Restated Financial Information	The restated financial information of our Company which comprise of the restated balance sheet as at March 31, 2026, March 31, 2025 and March 31, 2024, the restated statement of profit and loss (including other comprehensive income), the restated statement of changes in equity and the restated statement of cash flows for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 and the statement of significant accounting policies, and other explanatory information relating to such financial periods prepared in accordance with Ind AS specified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and restated in accordance with the SEBI ICDR Regulations and included in "Restated Financial Information" on page 295.
RoC / Registrar of Companies	Registrar of Companies, Haryana.
Senior Management	Senior management of our Company in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in 'Our Management' on page 270.
Shareholders	Shareholders of our Company.

Term	Description
Stakeholders' Relationship Committee	Stakeholder's relationship committee of our Company constituted in accordance with Companies Act, 2013.
Stock Exchanges	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited and BSE Limited.
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA & AOA being Mohit Vohra and Vivek Sardana. *Vivek Sardana had sold his equity share of face value of ₹ 10 each on March 31, 2012 and no longer continues to be a shareholders or promoter of our Company. Further, Vivek Sardana is also not key managerial personnel / employee of our Company.*
Unit 1	Our present assembling cum manufacturing operations carried out from leased premises situated at 7/19/1/2/2, 19/2/2/2, Baghola Tatarpur Road, Prithla Industrial Zone, Village Baghola, Palwal - 121 102, Haryana, India from where the present operations for cable protection & interconnected products are proposed to be shifted to Unit 2, as defined hereunder, and installation of new test set up for assembling cum manufacturing of electrical equipment and apparatus and embedded systems for railways rolling stock including 3-Phase Propulsion Equipment. The Unit 1 will continue to carry on the operations related to assembling cum manufacturing of switchgear panels for railway coaches & EMU's and other electrical equipment for railway rolling stock.
Unit 2	Our owned premises situated at Khasra No. 31//19/2, 20, Village Nangla Bhiku, Palwal - 121 102, Haryana, India, wherein the present operations for cable protection & interconnected products are proposed to be shifted from Unit 1, as defined hereinabove, and commissioning of new set up for assembling cum manufacturing of electrical equipment and apparatus and embedded systems for railways rolling stock including 3-Phase Propulsion Equipment.
Whole Time Director(s)	The Whole Time Director(s) of our Company, being Rahul Dhawan.

Issue related terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
Acknowledgment Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allot, Allotment or Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue.
Allotment Advice	A note or advice or intimation of Allotment sent to all the Bidders who have bided in the Issue after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor	A QIB, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Prospectus which has bid for an amount of at least ₹ 100.00 million.
Anchor Investor Allocation Price	The price at which the Equity Shares were allocated to the Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which was decided by our Company, in consultation with the BRLM, during the Anchor Investor Bidding Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid / Issue Opening Date, on which Bids by the Anchor Investors are submitted and allocation to the Anchor Investors was completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price was decided by our Company in consultation with the BRLM.

Term	Description
Anchor Investor Pay-In Date	With respect to the Anchor Investor(s), it is the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, a date not later than two Working Days after the Bid / Issue Closing Date.
Anchor Investor Portion	60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLM, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. 40% of the Anchor Investor Portion was reserved as under: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids having being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. Under-subscription in the reserved category specified in clause (ii) above, was allocated to domestic Mutual Funds.
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI mechanism.
ASBA Bidders	All Bidders except Anchor Investor(s).
ASBA Forms	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism to the extent of the Bid Amount of the ASBA Bidder.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Sponsor Bank and the Public Issue Account Bank(s), as the case may be.
Basis of Allotment	The Basis on which the Equity Shares will be Allotted to successful Bidders under the Issue and which is described in 'Issue Structure' on page 452.
Bid	An indication to make an offer during the Bid / Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application form. The term 'Bidding' shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid.
Bidder / Applicant / Investor	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus, Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bidding Centre	The centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	34 Equity Shares and in multiples of 34 Equity Shares thereof.
Bid / Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being Monday, August 03, 2026, which was published in all editions of Business Standard, English and Hindi language (a widely

Term	Description
	circulated English national daily newspaper) (Hindi also being the regional language of Haryana, where our Registered Office is located). In case of any revisions, the extended Issue Closing Date shall also be notified on the websites and terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid / Issue Opening Date was published, as required under the SEBI ICDR Regulations.
Bid / Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being Thursday, July 30, 2026, which was published in all editions of Business Standard, English and Hindi language (a widely circulated English national daily newspaper) (Hindi also being the regional language of Haryana, where our Registered Office is located).
Bid / Issue Period	Except in relation to the Anchor Investors, the period between the Bid / Issue Opening Date and the Bid / Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations. The Bid/Issue Period will comprise Working Days only.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manager or BRLM	The book running lead manager to the Issue, namely, Sundae Capital Advisors Private Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, only using UPI Mechanism). The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
CareEdge	CARE Analytics and Advisory Private Limited.
CareEdge Report	Report titled 'Industry Research Report on Railway Propulsion Equipment Industry' released on July 23, 2026, prepared and issued by CARE Analytics and Advisory Private Limited, appointed by our Company pursuant to an engagement letter dated August 28, 2025, and exclusively commissioned and paid for by our Company in connection with the Issue. A copy of the CareEdge Report is available on the website of our Company at www.mvelectrosystems.com.
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to the Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, i.e. ₹ 425 per Equity Share of face value ₹ 5 each.
Cash Escrow and Sponsor Bank Agreement	The agreement dated July 23, 2026 entered amongst our Company, the Registrar to the Issue, the BRLM, the Syndicate Member and the Banker(s) to the Issue for the appointment of the Sponsor Bank(s) in accordance with the Circular on Streamlining of Public Issues, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant(s) / CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), as per the list available on the websites of BSE and NSE, as updated from time to time.
Collecting Registrar and Share Transfer Agents / CRTAs	Registrar and share transfer agents registered with the SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the UPI Circulars.
Cut-off Price	Issue Price, finalised by our Company, in consultation with the BRLM which is any price within the Price Band. Only Individual Bidder are entitled to Bid at the Cut-off Price. QIBs

Term	Description
	(including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father / husband, investor status, occupation and bank account details and UPI ID, where applicable.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Issue.
Designated Intermediaries	In relation to ASBA Forms submitted by (i) RIBs, (ii) Non-Institutional Bidders with an application size of up to ₹ 0.50 million (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, SCSBs, Registered Brokers, the CDPs and RTA.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated SCSB Branches	Such branches of the SCSBs, which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	NSE
Draft Red Herring Prospectus / DRHP	The draft red herring prospectus dated November 27, 2025 issued in accordance with the Companies Act, 2013 and SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue including any addenda or corrigenda thereto.
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable laws.
Eligible NRIs	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
Escrow Account(s)	Non-lien and non-interest-bearing accounts to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit / NEFT / RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	Bank(s) which are clearing members and registered with SEBI as banker(s) to an issue, under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Account(s) in relation to the Issue for Bids by Anchor Investors, will be opened, in this case being HDFC Bank Limited.
First Bidder / Sole Bidder	Bidder whose name is mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, i.e. ₹ 400 per Equity Share of face value ₹ 5 each.

Term	Description
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and modified and updated pursuant to the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and the UPI Circulars, as amended from time to time. The General Information Document was available on the websites of the Stock Exchanges and the BRLM.
Gross Proceeds	The gross proceeds of the Issue.
Issue	The initial public issue of 68,23,528 Equity Shares of face value of ₹ 5 each for cash at a price of ₹ 425 each, aggregating to ₹ 2,900.00 million.
Issue Agreement	The agreement dated November 27, 2025 amongst our Company and the BRLM, pursuant to which certain arrangements have been agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors in terms of the Red Herring Prospectus and the Prospectus. The Equity Shares will were Allotted to Anchor Investors at the Anchor Investor Issue Price which was decided by our Company, in consultation with the BRLM in terms of the Red Herring Prospectus and the Prospectus. The Issue Price was determined by our Company in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus.
Issue Proceeds	The proceeds of the Issue shall be available to our Company.
Monitoring Agency	CARE Ratings Limited.
Monitoring Agency Agreement	The agreement dated July 08, 2026 entered into between our Company and the Monitoring Agency.
Mutual Fund Portion	5% of the Net QIB Portion (excluding the Anchor Investor Portion), or 1,02,354 Equity Shares which was available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	Proceeds of the Issue less the Issue related expenses. For further details regarding the use of the Net Proceeds and the Issue expenses, see 'Objects of the Issue' on page 124.
Net QIB Portion	QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non Institutional Bidders / NIBs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Issue being not more than 15% of the Net Issue consisting of 10,23,502 Equity Shares which was available for allocation to Non-Institutional Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price, out of which (i) one-third was reserved for NIBs with the application size exceeding ₹ 0.20 million up to ₹ 1 million; and (ii) two-thirds was reserved for NIBs with the application size exceeding ₹ 1 million. Provided that the unsubscribed portion in either of the sub-categories specified in (i) or (ii) above, may be allocated to applicants in the other sub-category of Non-Institutional Bidders.
Non-Resident	Person resident outside India, as defined under FEMA and includes NRIs, FVCIs, VCFs, and FPIs.
Price Band	Price band of a minimum price of ₹ 400 per Equity Share face value of ₹ 5 (Floor Price) and the maximum price of ₹ 425 per Equity Share face value of ₹ 5 (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Issue was decided by our Company in consultation with the BRLM, and was advertised in all editions of Business Standard, English and Hindi language (a widely circulated English national daily newspaper) (Hindi also being the regional language of Haryana, where our Registered Office is located) with wide circulation at least 2 Working Days prior to the Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and was made available to the Stock Exchanges for the purpose of uploading on their respective websites.

Term	Description
	Provided that the Cap Price was minimum 105% of the Floor Price and does not exceeded more than 120% of the Floor Price.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price.
Prospectus	The prospectus dated August 03, 2026 to be filed with the RoC for this Issue in accordance with the provisions of Section 26 of the Companies Act and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account(s)	Bank account(s) to be opened with the Public Issue Account Bank(s) under Section 40(3) of the Companies Act, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.
Public Issue Account Bank(s)	The bank(s) which are clearing members and registered with the SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, with which the Public Issue Account(s) was opened, being Kotak Mahindra Bank Limited.
QIB Bidders	QIB who Bids in the Issue.
QIB Category / QIB Portion	The portion of the Issue (including the Anchor Investor Portion) being not less than 75% of the Net Issue consisting of 51,17,680 Equity Shares which was available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors was on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Institutional Buyers / QIBs / QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The red herring prospectus dated July 23, 2026 issued in accordance with Section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Issue Price and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus was filed with the RoC at least 3 Working Days before the Bid / Issue Opening Date.
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investor(s) shall be made.
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) was opened, in this case being HDFC Bank Limited.
Registered Brokers	Stockbrokers registered under SEBI (Stockbrokers and Sub-Brokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the BRLM and the Syndicate Member and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012, issued by SEBI.
Registrar Agreement	The agreement dated November 27, 2025 amongst our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), and the UPI Circulars, as per the lists available on the websites of BSE and NSE.
Registrar to the Issue or Registrar	KFin Technologies Limited.
Retail Individual Bidders / Retail Individual Investors / RIBs / RIIs	Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹ 0.20 million in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not more than 10% of the Net Issue comprising 6,82,346 Equity Shares which was available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Term	Description
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Issue Period and withdraw their Bids until Bid / Issue Closing Date.
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with the SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId= 35 or such other websites and updated from time to time.
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders and in case of UPI Bidders, only ASBA Forms with UPI.
Sponsor Bank(s)	The Bankers to the Issue registered with SEBI appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the UPI Mandate Requests and / or payment instructions of the UPI Bidders using the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, in this case being HDFC Bank Limited and Kotak Mahindra Bank Limited.
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Member, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated July 23, 2026 entered into among our Company, the Registrar to the Issue, the BRLM and the Syndicate Member in relation to collection of Bids by Syndicate.
Syndicate or the members of the Syndicate	Together, the BRLM and the Syndicate Member.
Syndicate Member	Arete Securities Limited
Underwriter	Sundae Capital Advisors Private Limited
Underwriting Agreement	The agreement dated August 03, 2026 to be entered between the Underwriter and our Company.
UPI	Unified Payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidder(s)	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non-Institutional Bidders with an application size of more than ₹ 0.20 million and up to ₹ 0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Member, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 05, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the bid cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) along with the Circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the Circular issued by the BSE Limited having reference no. 20220803- 40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard including SEBI Circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, if the Issue is undertaken through the said circular.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.

Term	Description
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application and by way of a SMS directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank(s) to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The mechanism that may be used by UPI Bidder to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or a fraudulent borrower as defined in Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid /Issue Period, 'Working Day' shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, 'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Technical / Industry related terms

Term	Description
3-Phase Propulsion Equipment	IGBT based 3-Phase Drive Propulsion Equipment designed and developed by our Company for which the Final Inspection Certificate (Prototype Clearance) was issued by CLW, Indian Railways on September 15, 2025
AC	Alternating current, an electric current that periodically reverses its direction and changes magnitude over time
Adhesion test	Test to measure the friction coefficient between a train wheel and a rail, ensuring it is sufficient for safe traction and braking, especially under adverse conditions like rain or contamination
AH	Ampere Hour
ALP	Assistant Loco Pilot
Approved Category / Bulk Supplier	In terms of document no. 2001/RS(G)/779/7 Pt 2 dated June 25, 2018 issued by Railway Board, Ministry of Railways, approved vendors mean vendors which have been categorized as approved by RDSO and such vendors can participate for bulk order. (The approved category generally represents the minimum 80% of the tendered quantity given to vendors after successful developmental approval of the product and prototype clearance.)
AR	Air Reservoir
ARM	Advanced RISC Machine (microprocessor architecture)
AQ	Air Quality
BIS	Bureau of Indian Standards
BLW	Banaras Locomotive Works, unit of Indian Railways
BS	British Standards
Bulk Order / Regular Order	Order for minimum 80% of the Net Procurable Quantity in regular tender by Approve Category Vendor and the said term is being used accordingly in the Prospectus.
BUR-2 / BUR-3	Auxiliary Converter-2 Auxiliary Converter-3
CAB-1	Driver Cab 1
CAN	Controller Area Network
CE	Conformité Européenne
CENELEC	European Committee for Electrotechnical Standardization
CFD	Computational Fluid Dynamics
CLW	Chittaranjan Locomotive Works, unit of Indian Railways
DC	Direct Current, an electric current which flows in only one direction
DDU	Driver Display Unit
Developmental Category	In terms of document no. 2001/RS(G)/779/7 Pt 2 dated June 25, 2018 issued by Railway Board, Ministry of Railways, Developmental Vendors shall include vendors found by

Term	Description
	RDSO to develop the item under consideration and such vendors can participate in Developmental Oder. (The developmental category is primarily intended to facilitate prototype development, initial supply, testing and commissioning, field trials, and performance validation of the newly developed product. At this stage, the supplier is required to demonstrate the operational performance, technical compliance and reliability of the product through actual deployment and prescribed field trials. The supply of such products can commence only after the approval for proto type is received by the Company.)
Developmental Order	Developmental Vendors shall be eligible for developmental order of 20% of Net Procurable Quantity in regular tenders. The total quantity to be ordered on developmental source shall be limited upto 20% of the Net Procurable Quantity in regular tenders and the said term is being used accordingly in the Prospectus.
DFC	Dedicated Freight Corridor
DI	Display Input
DIC	Digital Input Card
DIN	Deutsches Institut für Normung
DIN 6701	German Standard for bonding technology in railways
DMU	Diesel Multiple Unit
DMW	Diesel Loco Modernisation Works, unit of Indian Railways, now known as Banaras Locomotive Works
DSP	Digital Signal Processor
Dynamometer car test	Test to measure the power, torque, and speed of a machine or system, such as an engine or motor for control and measurement of performance under different loads and speeds
EMC	Electromagnetic compatibility
EMI	Electromagnetic interference
EMU	Electric Multiple Unit
FEA	Finite Element Analysis
FMECA	Failure Modes, Effects and Criticality Analysis (implied from safety standards, not explicit)
GTO	Gate Turn-off Thyristors
HMI	Human Machine Interface
HP	Horse Power
Hz	Heartz
I/O	Input/Output
ICF	Integral Coach Factory
IEC	International Electrotechnical Commission
IEC 61373	IEC Standard for Railway Applications – Shock and Vibration Tests
IGBT	Insulated Gate Bipolar Transistor
IP	Ingress Protection
IP54/IP65	Ingress Protection (dust and water resistance ratings)
IRIS	International Railway Industry Standard
ISO	International Organization for Standardization
kW	Killo Watt
LBH	Linke Hofmann Busch (coach type)
LED	Light Emitting Diode
LHB	Link Hofman Busch
LP	Loco Pilot
MCF	Modern Coach Factory, unit of Indian Railways
MEMU	Mainline Electric Multiple Unit
MOSFET	Metal Oxide Semiconductor Field Effect Transistor
MPCA	Main Converter Power Assembly
MPH-2	Motor Pump Heat Exchanger-2 / Transformer Oil Circulating Pump/
MR-2	Main Air Reservoir-2
MVB	Multifunction Vehicle Bus
MVM12	Main Voltage Monitor 12
MVMT12	Traction Motor cooling Blower 12
NCRTC	National Capital Region Transport Corporation

Term	Description
Proto type	Proto type means the concept design of the IGBT Based 3-Phase Drive Propulsion Equipment as per the specifications of RDSO to test the efficiency and operability of the said system and Final inspection certificate (prototype clearance) means the approval awarded by CLW, Indian Railways, post successful testing of the proto type designed and developed by our Company.
PLI	Production Linked Incentive
PLW	Patiala Locomotive Works, unit of Indian Railways
R&D	Research and Development
RDSO	Research Designs and Standards Organisation
RoHS	Restriction of Hazardous Substances
RS	Recommended Standard
SC Blower	l Scavenge Blower
SG-Rout DI/DIC/AQ	Signal-Routing Digital Input / Digital Input Card / Analog Quantity
SMPS	Switched-Mode Power Supply
SS	Stainless Steel
SS-304	Stainless Steel Grade 304
TCMS	Train Control and Management System
TCN	Train Communication Network
TFT	Thin Film Test
TI	Texas Instruments
TR Convertor	Traction Converter
UIC	International Union of Railways
UIC 814	International Union of Railways Standard for coupling systems
UL	Underwriters Laboratories
USB	Universal Serial Bus
VA	Volt Ampere
VCU	Vehicle Control Unit
VCU-2	Vehicle Control Unit - 2
VCD Unit	Voltage Control and Distribution Unit
VRLA	Valve Regulated Lead Acid
VVVF	Variable Voltage Variable Frequency
WAG 9	Wide Gauge Alternate current Goods 9
WAG 9H	Wide Gauge Alternate Current Heavy Goods 9
WAP 5	Wide Gauge Alternate Current Passenger locomotive 5
WAP 7	Wide Gauge Alternate Current Passenger locomotive 7
WTB	Wire Train Bus

Conventional and general terms and abbreviation

Term	Description
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
AY	Assessment Year
AOA	Articles of Association
Approx.	Approximately
Book Running Lead Manager / BRLM	Book Running Lead Manager to the Issue
BG / LC	Bank Guarantee / Letter of Credit
BSE Sensex	Sensex in an index; market indicator of the position of stock that is listed in the BSE
Banking Regulation Act	The Banking Regulation Act, 1949
CAGR	Compounded Annual Growth Rate

Term	Description
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category I Foreign Portfolio Investor(s) / Category I FPIs	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
CSR	Corporate social responsibility
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
Companies Act	Companies Act, 2013
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository / Depositories	NSDL and CDSL
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
ECS	Electronic Clearing System
EPS	Earnings Per Share
EGM / EOGM	Extraordinary General Meeting
ESOP / Plan / Stock Incentive Plan	Employee Stock Option Plan
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under
FDI	Foreign Direct Investment
Fis	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Non-debt Instruments) Rules, 2019) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
FV	Face Value
GOI / Government	Government of India
GDP	Gross Domestic Product
GAAP / Indian GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax

Term	Description
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
INR / ₹ / Rupees / Rs.	Indian Rupees, the legal currency of the Republic of India
Ind AS / Indian Accounting Standards	Indian Accounting Standards prescribed under section 133 of the Companies Act, as notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstandingdebt.
IPO	Initial Public Offer / Initial Public Issue
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
i.e.	That is
IT Act	Income Tax Act, 2025, as amended from time to time
IT Rules	Income Tax Rules, 2026, as amended from time to time
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
MCA	Ministry of Corporate Affairs, Government of India
MoF	Ministry of Finance, Government of India
Ministry of Railways	Ministry of Railways, Government of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MOA	Memorandum of Association
NA	Not Applicable
NAV	Net Asset Value
NCLT	National Company Law Tribunal
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.
Net Worth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by the debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NPCI	National Payments Corporation of India
NRI / Non Resident Indian	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Non-debt Instruments) Rules, 2019
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	Per Annum
P/E Ratio	Price / Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
PBT	Profit Before Tax
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act

Term	Description
RoCE	Return on Capital Employed, is calculated as profit before tax plus finance costs divided by total equity plus non-current borrowings plus current borrowings.
ROE	Return on Equity, provides how efficiently our Company generates profits from shareholders' funds.
RONW	Return on Net Worth
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
SEBI LODR Regulations / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
VCF / Venture Capital Fund	Foreign Venture Capital Funds as defined under the SEBI AIF Regulations
WACA	Weighted Average Cost of Acquisition
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(lll) of the SEBI ICDR Regulations

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to 'India' contained in the Prospectus are to the Republic of India. All references to the 'Government', 'Indian Government', 'GoI', 'Central Government' are to the Government of India and all references to the 'State Government' are to the government of the relevant state.

Unless stated otherwise, any time mentioned in the Prospectus is in Indian Standard Time. Unless stated otherwise, all references to page numbers in the Prospectus are to the page numbers of the Prospectus.

In the Prospectus, the terms "we", "us", "our", the "Company", "our Company", "MV Electrosystems Limited" and "MV Electro" refer to the Issuer 'MV Electrosystems Limited". In the Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crore". In the Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Use of Financial Data

Unless stated otherwise, throughout the Prospectus, all figures have been expressed in Rupees and million. Unless stated otherwise, the financial data in the Prospectus is derived from our Restated Financial Information. The restated financial information of our Company comprise of the restated balance sheet as on March 31, 2026, March 31, 2025 and March 31, 2024, the restated statement of profit and loss (including other comprehensive income), the restated statement of changes in equity and the restated statement of cash flows for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 and the statement of significant accounting policies, and other explanatory information relating to such financial periods prepared in accordance with Ind AS specified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and restated in accordance with the SEBI ICDR Regulations and included in "Restated Financial Information" on page 295.

In the Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our financial year commences on April 01 of every year and ends on March 31st of every next year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in the Prospectus are to a calendar year.

Unless the context otherwise indicates, any percentage amounts, as set forth in "Risk Factors", "Our Business" and "Management Discussion and Analysis of Financial Conditions and Results of Operations" on page 22, 213 and 374 respectively, and elsewhere in the Prospectus have been calculated on the basis of the Company's Restated Financial Information prepared in accordance with the applicable provisions of the Companies Act, Ind AS and restated in accordance with SEBI ICDR Regulations, as stated in the report of our Peer Review Auditor, set out in section titled "Restated Financial Information" on page 295.

Non-GAAP Measures

Net Worth, NAV per share, gross profit, gross profit margin/ gross margin, EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA margin, working capital days of sale, invested capital in business, cost of goods sold ("Non-GAAP Measures"), presented in the Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with Ind AS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the period/years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, the Non GAAP Measures are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of

performance calculated in accordance with applicable accounting standards, our management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate an entity's operating performance.

There are significant differences between Ind AS, U.S. GAAP and IFRS. See "*Risk Factor 59 - Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors outside India may be more familiar with and may consider material to their assessment of our business, results of operations, financial condition and cash flows.*" on page 72. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in the Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in the Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in the Prospectus should, accordingly, be limited.

In the Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as stated otherwise, all figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout the Prospectus has been obtained from industry sources (websites, data, and reports) as well as derived from the report titled "Industry Research Report on Railway Propulsion Equipment Industry" released on July 23, 2026 prepared by CareEdge ("Industry Report"), which is exclusively prepared for the purpose of the Issue and paid for by our Company. CareEdge was appointed on August 28, 2025. The Industry Report and its excerpts as used for the Prospectus, has been exclusively commissioned and paid for by our Company specifically in connection with the Issue. The Industry Report is available on the website of our Company at www.mvelectrosystems.com. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. For risks in relation to commissioned reports, see "*Risk Factor 52 - Certain sections of the Prospectus contain information from the CareEdge Report which we commissioned and paid for and any reliance on such information for making an investment decision in the Issue is subject to inherent risks."* on page 68.

There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources. Further, the extent to which the industry and market data presented in the Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

In accordance with the SEBI ICDR Regulations, the section 'Basis for Issue Price' on page 148, includes information relating to our peer group companies and industry averages. Such information has been derived from publicly available sources. Such industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base this information on estimates and assumptions that may prove to be incorrect.

Currency and Units of Financial Presentation

All references to:

i. "Rupees", "Rs." Or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India.
ii. All references to "US$" or "US Dollars" or "USD", if any, are to United States Dollars, the official currency of the United States of America.

Our Company has presented certain numerical information in the Prospectus in 'million' units, or in absolute number where the number have been too small to present in million unless as stated, otherwise, as applicable. 1 million represents '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than million, such figures appear in the Prospectus expressed in such denominations as provided in their respective sources.

Any percentage amounts (excluding certain operational data), as set forth in 'Risk Factors', 'Our Business', and 'Management Discussion and Analysis of Financial Conditions and Results of Operation' on pages 22, 213 and 374 and elsewhere in the Prospectus, unless otherwise indicated, have been calculated based on our Restated Financial Information.

Figures sourced from third-party industry sources may be expressed in denominations other than lakhs or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in the Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Time

All references to time in the Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in the Prospectus are to a calendar year.

NOTICE TO PROSPECTIVE INVESTORS OUTSIDE INDIA

Notice to Prospective Investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved. The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any other applicable law of the United States and, unless so registered, 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 state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in the Prospectus as "U.S. QIBs"), pursuant to Rule 144A of the U.S. Securities Act, and (b) outside of the United States in offshore transactions as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in the Prospectus as "QIBs".

Notice to Prospective Investors in the European Economic Area

The Prospectus has been prepared on the basis that all offers of Equity Shares will be made pursuant to an exemption under the Prospectus Directive (as defined below), as implemented in Member States of the European Economic Area ("EEA"), from the requirement to produce a prospectus for offers of Equity Shares. The expression "Prospectus Directive" means Directive 2003/71/EC of the European Parliament and Council EC (and amendments thereto, including the 2010 PD Amending Directive and Prospectus Regulations (EU) 2017/1129, to the extent applicable and to the extent implemented in the Relevant Member State (as defined below)) and includes any relevant implementing measure in each Member State that has implemented the Prospectus Directive (each a "Relevant Member State"). Accordingly, any person making or intending to make an offer within the EEA of Equity Shares which are the subject of the placement contemplated in the Prospectus should only do so in circumstances in which no obligation arises for our Company or any of the BRLM to produce a prospectus for such offer. None of our Company or the BRLM have authorised, nor do they authorise, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the BRLM which constitute the final placement of Equity Shares contemplated in the Prospectus.

Information to Distributors (as defined below)

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, 'distributors' (for the purposes of the MiFID II Product Governance Requirements) ("Distributors") should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, and the BRLM will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each Distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

Notice to Prospective Investors in the United Kingdom

The Prospectus has been prepared on the basis that all offers of Equity Shares will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to produce a prospectus for offers of Equity Shares. The expression "UK Prospectus Regulation" means Prospectus Regulation (EU) 2017/1129, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. Accordingly, any person making or intending to make an offer within the United Kingdom of Equity Shares which are the subject of the placement contemplated in the Prospectus should only do so in circumstances in which no obligation arises for our Company or any of the BRLM to produce a prospectus for such offer. None of our Company and the BRLM have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the members of the Syndicate which constitute the final placement of Equity Shares contemplated in the Prospectus.

Information to Distributors

Solely for the purposes of the product governance requirements contained within the FCA Handbook Product Intervention and Product Governance Sourcebook ("PROD") (the "UK MiFIR Product Governance Rules"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Rules) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of: (a) investors who meet the criteria of professional clients as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; (b) eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"); and (c) retail clients who do not meet the definition of professional client under (b) or eligible counterparty per (c); and (ii) eligible for distribution through all distribution channels as are permitted by Directive 2014/65/EU (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the BRLM will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of COBS 9A and COBS 10A respectively; or (b) a recommendation to any investor or group of investors to invest in, or purchase or take any other action whatsoever with respect to the Equity Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

FORWARD LOOKING STATEMENT

The Prospectus contains certain "forward-looking statements". All statements in the Prospectus that are not statements of historical fact are 'forward-looking statements'.

These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "objective", "plan", "propose", "project", "seek", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industry in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industry in which we operate.

For discussion regarding factors that could cause actual results to differ from expectations, see "Risk Factors", "Industry Overview", "Our Business" and "Management Discussion and Analysis of Financial Condition and Results of Operations" on pages 22, 159, 213 and 374, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect our current views as of the date of the Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although, the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors or KMPs have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the requirements of SEBI, our Company shall ensure that investors are informed of material developments from the date of the Prospectus in relation to the statements and undertakings made by the Company until the time of the grant of listing and trading permission by the Stock Exchanges for this Issue.

SECTION II: RISK FACTOR

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in the Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described in this section are not the only ones relevant to us or the Equity Shares but also includes the industry and segments in which we currently operate. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks, or a combination of risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our businesses, results of operations, financial condition and cash flows could be adversely affected, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of us, prospective investors should read this section in conjunction with 'Industry Overview', Our Business', 'Financial Indebtedness' and 'Management Discussion and Analysis of Financial Condition and Results of Operations' on pages 159, 213, 413 and 374, respectively, as well as the financial, statistical and other information contained in the Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

Unless stated or, the context requires, otherwise, our financial information has been derived from the Restated Financial Information included in the Prospectus.

Unless otherwise indicated, all financial, operational, industry and other related information derived from the CareEdge Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. CareEdge was appointed by our Company. A copy of the CareEdge Report is available on the website of our Company at www.mvelectrosystems.com.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

INTERNAL RISK FACTORS

1. ***We are dependent on and derive a substantial portion of our revenue from a limited number of customers. Further, Indian Railway, through is various units or workshops, has been the single largest customer of our Company and constituted 76.72%, 72.96% and 67.80% of our revenue from operations during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 respectively. Cancellation of orders, if any, by customers or delay or reduction in their orders could have a material adverse effect on our business, results of operations and financial condition.***

   We are dependent on a limited number of public and private sector customers. Our revenue from operations are concentrated with, and we are dependent on, a limited number of customers. The table set forth below provides our revenue from operations from our top one customer, top three customers, top five customers and our top ten customers and such revenue as a percentage of our revenue from operations during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024.

   (₹ in million)

Particulars	For the Financial Year ended March 31,					
	2026		2025		2024	
	Amount	%age * [1]	Amount	%age * [2]	Amount	%age * [3]
Top one customer ^	379.22	76.72%	457.00	72.96%	338.69	67.80%
Top three customer	408.73	82.69%	502.91	80.29%	382.96	76.66%
Top five customer	428.41	86.67%	532.02	84.94%	402.67	80.60%
Top ten customer	459.86	93.04%	576.35	92.01%	433.30	86.73%

** As %age to revenue from operations.*

^ Indian Railways is the top customer and the invoices raised to multiple units of Indian Railways has been considered as one customer.

[1] Indian Railways, through its multiple units, Quadrant Future Tek Limited, I-Board India Limited, Prme Electronics and Abrol Engineering Company Private Limited constitutes top ten customers. Names of customers from whom consent has not been received are not disclosed.

[2] Indian Railways, through its multiple units, and Abrol Engineering Company Private Limited constitutes top ten customers. Names of customers from whom consent has not been received are not disclosed.

[3] Indian Railways, through its multiple units, Abrol Engineering Company Private Limited and IBoard India Private Limited constitutes top ten customers. Names of customers from whom consent has not been received are not disclosed.

For details of the top 10 customers, refer to "Our Business - Our customers and suppliers" on page 218.

Our Company received the approval for the and supply of 3-Phase Propulsion Equipment from CLW on September 15, 2025. As on June 30, 2026, we have an executable outstanding order book for supply of 564 (five hundred sixty four) 3-Phase Propulsion Equipment to Chittranjan Locomotive Works, Banaras Locomotive Works and Patiala Locomotive Works, all three units of Indian Railways, having an aggregate order value of ₹ 9,216.40 million (excluding GST and AMC). Further, the said orders also contain an aggregate value of annual maintenance contract equivalent to a sum of ₹ 676.78 million (excluding GST) for the maintenance period of 3 years after completion of the warranty period.

Further, for other products being sold by our Company, many of our customers place orders for products only as and when required, since demand for our products is typically requirement based rather than recurring in nature. Any change in the requirement or buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. As a result, the order levels by any particular customer have varied significantly from quarter to quarter in the past and may continue to vary significantly in the future. Therefore, our results of operations in any particular quarterly period may be significantly affected by the orders received and delivered in any given quarterly period. As a result of these quarterly fluctuations, comparisons of our sales and operating results between quarterly periods may not be meaningful and, as such, these comparisons should not be relied upon as indicators of our future performance.

Further, the loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations. Further, even if we were to continue receiving orders from our customers, there can be no assurance that they will be on the same terms, and the new terms may be less favourable to us than those under the present terms.

As on date of the Prospectus, there has been no loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations for the Issuer except to the extent of variation in revenue from operations in the past and tender based business volatility, as disclosed in "*Risk Factor* 5*: Our revenue from operations have been constant in the past as our Company focused on the development of 3-Phase Propulsion Equipment. Our Company has received significant purchase orders aggregating to ₹ 7,376.60 million (excluding GST and AMC) for supply of 450 (four hundred fifty) 3-Phase Propulsion Equipment during the Financial Year ended March 31, 2026. Any inability to execute these orders in accordance with their terms, including with respect to production capacity, working capital requirements, operational execution, delivery schedules, quality standards or warranty and maintenance obligations, may have a material adverse effect on our business, financial condition, results of operations, cash flows and future prospects." and "Risk Factor* 25*: We do business with our customers on purchase order basis or through tenders issued by them from time to time and do not have long-term contracts with most of them. Further, our business tends to vary from quarter to quarter based on the timing of release of various tenders and successful award of purchase orders to us based on the terms of the tender"*.

2. Any delay or failure in obtaining, renewing or maintaining statutory and regulatory approvals, or non-compliance with applicable laws, could adversely affect our business and operations.

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant statutory and regulatory approvals, licenses, permits and registrations for our operations, including but not limited to, a license to operate a factory for our existing Unit 1, proposed Unit 2 and Research, Design & Development Centre, approval to supply, import of electric components, etc. Additionally, we may need to apply for renewal of certain approvals, licenses and permits, which expire or seek fresh approvals / licenses / permits, from time to time, as and when required in the ordinary course of our business.

Except as disclosed below, as on the date of the Prospectus, there are no material approvals applied for, including renewal applications, that have not been received by our Company:

Description	Filed with	Date of fresh / renewal application
For Unit 1		
Application for increase of power load[#]	Dakshin Haryana Bijli Vitran Nigam Limited	March 23, 2026

 # The original application no. F42-825-117 dated August 08, 2025 for increase in power load to 1999 KW was cancelled and thereafter Application No. F42-126-274 dated January 23, 2026 was submitted for increase in power load to 901 KW. The same was approved via Memo No. 660 dated February 18, 2026. Subsequently, current application for further increase in power load from existing to 1999 KW was filled with the Dakshin Haryana Bijli Vitran Nigam Limited.

We cannot give assurance that the relevant authorities will issue or renew such licenses, permits or approvals in the timeframe anticipated by us or at all. Our failure to renew, maintain or obtain the required licenses, permits or approvals within the requisite time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. Further, failure to comply with the terms and conditions under our approvals, licenses, permits and registrations may result in the authorities acting against us. While we have not faced any such regulatory or enforcement proceedings in the current or the past three Financial Years, there remains a possibility of such proceedings being initiated against us in the future.

As of the date of the Prospectus, our Company had made an application for increase of power load at Unit 1 and Consent to Operate for shifting of manufacturing process for cable protection and interconnected products from Unit 1 to Unit 2 and expansion of production capacity for 3-Phase Propulsion Equipment at Unit 2. For details refer to section titled "Government and Other Approvals" on page 425. Further, we may have to incur additional cost, as may be required towards approval as applied by us, if any advised by the authority or for payment of penalty, if any, levied on us for making delayed application for obtaining such registrations.

3. ***Our existing assembling cum manufacturing facility, Research, Design & Development Centre and the location where existing cable protection & interconnected products facility is proposed to be shifted, all are situated in the state of Haryana. Concentration of all the facilities in the state of Haryana, India, may expose us to regional risks that could adversely affect our business, results of operations, financial condition, and cash flows.***

Presently, we have one assembling cum manufacturing facility in Village Baghola, Palwal, Haryana, India, for our operations. We are in the process of shifting the existing cable protection & interconnected products facility from existing Village Baghola facility to Khasra No. 31/19/2, 20, Village Nangla Bhiku, Palwal, Haryana and are in the process of installing machinery for commencement of additional assembling cum manufacturing infrastructure for 3-Phase Propulsion Equipment at this new facility. Further, our Research, Design & Development Centre is also situated Faridabad, Haryana, India. The concentration of all our facilities in Haryana, India, exposes us to regional risks and adverse events specific to the state. These regional risks include disruptions to infrastructure, significant natural disasters, workforce disruptions, changes in general economic conditions, civil unrest, the regulatory environment, and local government policies, among others. While have not faced any such disruptions to our assembling and manufacturing facilities that materially and adversely affected our results of operations during the past three Financial Years, any such disruptions in the future could adversely affect our business, results of operations, financial condition, and cash flows.

The regulatory landscape in Haryana includes state-specific labour laws, safety standards and other local governmental policies which require continuous compliance, and any significant change in such regulations could impact our operations. Amendments or modifications of these regulations could impose additional compliance costs on the Company, restrict our operational flexibility, or require significant modifications to our assembling cum manufacturing processes in order to comply the applicable state laws. While we strive to maintain compliance with all applicable regulations, we cannot assure you that we will be able to adapt to new regulatory requirements in a timely or cost-effective manner. Any failure to comply with these regulations could result in levy of fines, penalties, or other strict conditions, which could materially and adversely affect our business or results of operations.

Furthermore, incidents such as earthquakes, floods, typhoons, or other events that impact the operations of any or all of our assembling and manufacturing facilities in Haryana could significantly disrupt the production of our products. In such circumstances, we may need to rely on alternative facilities to assemble and manufacture our products. However, we may not be able to do so in a timely and cost-efficient manner, or at all. While we have not experienced such disruptions in the present Financial Year and the past three Financial Years, we cannot assure you that we will be able to effectively manage potential losses arising from such events in the future.

4. ***We are in the process of shifting operations for existing cable protection & interconnected products facility from Village Baghola, Palwal, Haryana, India ("Unit 1"), where it is presently situated, to Nangla Bhiku, Pawal, Haryana, India ("Unit 2") and installing new machinery for 3-Phase Propulsion Equipment, and any delays, cost overruns or execution failures may adversely affect our business and financial condition.***

Presently, our entire assembling cum manufacturing operations are carried out from our facility situated at Unit 1. This facility caters to our requirement for assembling and manufacturing of 3-Phase Propulsion Equipment, switchgear & rail coach / EMU panels, cable protection & interconnected products and electrical components, systems & sub-systems. As on June 30, 2026, we have an executable outstanding order book for supply of 564 (five hundred sixty four) 3-Phase Propulsion Equipment to Chittranjan Locomotive Works, Banaras Locomotive Works and Patiala Locomotive Works, all three units of Indian Railways, having an aggregate order value of ₹ 9,216.40 million (excluding GST and AMC). For details of the orders in hand, refer to "Our Business - Order book for 3-Phase Propulsion Equipment" on page 216. To optimise available resources and create additional capacity for 3-Phase Propulsion Equipment at Unit 1, the Management has decided to relocate the cable protection and interconnected products manufacturing operations to Unit 2 and also create additional capacity for production of 3-Phase Propulsion Equipment, the land for which is owned by the Company.

Subsequent to completion of this shifting of operations, Unit 1 will dedicatedly focus on production of power electronics equipment, including 3-Phase Propulsion Equipment. Further, our Company has also installed Surface Mount Technology (SMT) line for PCB board population for in-house production of control electronics assemblies / Vehicle Control Unit, power electronic modules and control interfaces used in propulsion solutions and one test set up facility for the assembly and production of 3-Phase Propulsion Equipment at Unit 1. We plan to install more test set up at out Unit 1 and also additional test set up at Unit 2 to enhance overall production capabilities. Installation of such test setup entails certain risks, including, among others, regulatory, construction, and financing-related risks, which could impact the timeline or cost of implementation.

We may face delays in shifting existing machinery for cable protection & interconnected products, and in the installation of additional machinery at Unit 1 or development/ setting up of new infrastructure at Unit 2, on account of several factors, including cost overruns, delays in receiving governmental, statutory, and other regulatory approvals and permits, (where required), and delays in or non-delivery of construction equipment and materials by suppliers, among others. We may also experience interruptions in the supply of electricity and water required for the completion of construction and establishment of this facility. Further, during this period, we may not be able to undertake production of cable protection & interconnected products. While there have been no material instances of delay or issues in connection with the completion of the construction of this facility to date, any failure to complete the construction of this facility in a timely manner, and within the planned budget, or otherwise as schedules, could have an adverse impact on our business, results of operations, financial condition, and cash flows. See also, "Our Business - Assembling cum Manufacturing Facilities" on page 240.

In addition to our executable order book, we have also received (i) a Letter of Acceptance dated June 27, 2026 from Modern Coach Factory, Raebareli towards Design, Development, Manufacture, Supply, Testing and Commissioning of Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for 6 (six) MEMU (On Board – 12 Car Rakes) for an aggregate value of ₹ 865.46 million and five years comprehensive annual maintenance contract for aggregate value of ₹ 46.86 million, both excluding GST; (ii) developmental order for one IGBT based 3-Phase Drive Propulsion Equipment with Composite Converter for WAP-7 locomotives from CLW, Indian Railways for an aggregate value of ₹ 25.11 million and three years comprehensive annual maintenance contract for aggregate value of ₹ 1.48 million, both excluding GST and (iii) developmental order for one set of 2x500 KVA IGBT based Hotel Load Converter for 3-Phase Electric

Locomotives WAP-7 locos for aggregate value of ₹ 8.00 million and three years comprehensive annual maintenance charges for aggregate value of ₹ 0.30 million, both excluding GST. For increased orders and to cater to the growing business opportunities for existing 3-Phase Propulsion Equipment and the new power electronic equipment under development, we may be required to set up additional assembling cum manufacturing facility(ies) in future, in addition to Unit 1 and Unit 2. Such expansion may require a substantial amount of capital to build and maintain our assembling and manufacturing facilities, purchase of equipment and develop and implement new technologies for manufacturing. There can be no assurance that the actual amount or timing of our future capital requirements will not differ from our current estimates or past investments due to, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, prototype clearance, engineering design changes, technological changes, additional market developments and new opportunities in the railway industry. If our internal accruals of capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, need to seek additional financing from third parties, including banks and financial institutions. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms, we may be forced to delay our expansion plans, downsize or abandon such plans. Such increased costs or time overruns may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects.

5. ***Our revenue from operations have been constant in the past as our Company focused on the development of 3-Phase Propulsion Equipment. Our Company has received significant purchase orders aggregating to ₹ 7,376.60 million (excluding GST and AMC) for supply of 450 (four hundred fifty) 3-Phase Propulsion Equipment during the Financial Year ended March 31, 2026. Any inability to execute these orders in accordance with their terms, including with respect to production capacity, working capital requirements, operational execution, delivery schedules, quality standards or warranty and maintenance obligations, may have a material adverse effect on our business, financial condition, results of operations, cash flows and future prospects.***

During the financial year ended March 31, 2026, our Company has received four purchase order from various locomotive units of Indian Railways aggregating to ₹ 7,376.60 million (excluding GST and AMC) for supply of 450 (four hundred fifty) 3-Phase Propulsion Equipment, details of which are as under:

(₹ in million)

Name of customer	Date of Purchase Order	No. of units	Basic Rate (per propul-sion)	Value of order (excl. 18% GST)	Value of order (incl. 18% GST)	AMC for 3 years (per propul-sion)	Value of AMC (excl. 18% GST)	Value of AMC (incl. 18% GST)	Total order value (excl. GST)	Total order value (incl. GST)
Banaras Locomotive Works, Indian Railways	January 27, 2026	13	16.40	213.20	251.58	1.23	15.99	18.87	229.19	270.44
Patiala Locomotive Works, Indian Railways	January 16, 2026	76	16.50	1,254.00	1,479.72	1.20	91.20	107.62	1,345.20	1,587.34
Banaras Locomotive Works, Indian Railways	January 09, 2026	161	16.40	2,640.40	3,115.67	1.23	198.03	233.68	2,838.43	3,349.35
Chittaranjan Locomotive Works, Indian Railways	December 24, 2025	200	16.40	3,280.00	3,870.40	1.23	246.00	290.28	3,526.00	4,160.68
Total ==>		**450**		**7,387.60**	**8,717.37**		**551.22**	**650.45**	**7,938.82**	**9,367.81**

These purchase orders constitute a significant portion of our current order book outstanding as on June 30, 2026, details of which is available under "Our Business - Order book for 3-Phase Propulsion Equipment" on page 216. The execution of these orders is subject to various operational, technical and commercial risks, including timely availability of raw materials and imported electronic components, uninterrupted supply chain, availability of adequate manufacturing capacity, deployment of skilled personnel, efficient project management, availability of sufficient working capital, compliance with prescribed technical specifications and quality standards, adherence to delivery schedules and fulfilment of warranty, maintenance and other

contractual obligations. While analysing our business and prospects, consideration should also be given to the risks and challenges our Company faces as a new entrant in the power electronic equipment in the railway industry, undertake technological changes in the propulsion equipment over the period as required by Indian Railways, supply domestically and abroad, manufacture reliable propulsion equipment, related components and software and enhance our brand image.

As compared to the above orders received, our revenue from operations have been slightly constant in the past. The following table sets forth our revenue from operations and profit during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(in ₹ million)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Revenue from operations	494.28	626.37	499.57
Net profit after tax	(126.95)	13.84	6.48

As is common in our industry, our business is conducted on purchase order basis or through tenders issued by Indian Railways from time to time. A significant portion of our revenue from operations is derived from Indian Railways, amounting to ₹ 379.22 million, ₹ 457.00 million and ₹ 338.69 million for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 respectively, representing 76.72%, 72.96% and 67.80% of our revenue from operations during the respective periods. For details of tenders participated and revenue generated from Indian Railways, refer to "*Risk Factor 25: We do business with our customers on purchase order basis or through tenders issued by them from time to time and do not have long-term contracts with most of them. Further, our business tends to vary from quarter to quarter based on the timing of release of various tenders and successful award of purchase orders to us based on the terms of the tender.*" on page 52 and "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Quantitative and Qualitative Disclosures about Market Risk - Credit Risk*" on page 405.

Our historical performance is not indicative of our future growth or financial performance. Further, our Company has charged the cost incurred towards research, design and development activities to the profit and loss account in the past. This has resulted in overall reduced profitability of our Company as there has been no corresponding revenue against such expenditure in the past. For details of such charge on statement of profit and loss, refer to "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 374.

There can be no assurance that we will be able to execute these purchase orders within the stipulated timelines or in accordance with all contractual requirements. Any delay or failure in procurement of critical components, manufacturing constraints, production disruptions, quality issues, logistics delays, increase in input costs, working capital constraints or any other unforeseen circumstances may result in delayed deliveries or non-performance under the purchase orders.

Further, any failure to comply with contractual specifications or delivery schedules may expose us to liquidated damages, penalties, invocation or forfeiture of performance security, cancellation or reduction of purchase orders, rejection of supplied products, additional warranty or maintenance costs, customer claims, adverse contractual actions, reputational damage and restrictions on participation in future tenders issued by Indian Railways or other customers.

Since these purchase orders have been awarded by various units of Indian Railways, our ability to execute them successfully will be critical in establishing our execution track record in this product segment. Any failure to satisfactorily perform these contracts may adversely impact our relationship with Indian Railways, affect our eligibility or competitiveness in future tenders, reduce our ability to secure similar high-value contracts and materially and adversely affect our business, financial condition, results of operations, cash flows and future prospects.

6. ***The determination of the Price Band and Issue Price is based on various factors and assumptions and the Issue Price may not be indicative of the Market Price of the Equity Shares after the Issue. Further, there are no listed companies that is of similar size of our operations and also undertake the production of propulsion equipment and therefore qualitative or quantitative peer comparison cannot be undertaken.***

Also, the current market price of securities of one of the company listed pursuant to previous issue managed by the BRLM is below its issue price.

The Issue Price of the Equity Shares is proposed to be determined by us in consultation with the BRLM, through a book-building process. This price is based on numerous factors, including qualitative factors, as described under "Basis for Issue Price" on page 148, and may not be indicative of prices that will prevail in the open market following the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. As a result of these factors, we cannot assure you that investors will be able to resell their Equity Shares at or above the Issue Price.

Further, there are no listed companies of similar size of operations and revenue that holds proprietary ownership for the technical design and in-house developed IGBT based 3-Phase Drive Propulsion Equipment. Only one listed company, namely Hind Rectifiers Limited has developed such propulsion equipment in-house, as per publicly available disclosure, which is pending for requisite approval(s), but with no revenues from this product. Hence, Hind Rectifiers Limited (the "Industry Peers") have been identified as proxy peerset for our Company. Investors should note that such comparative analysis with this proxy set of peers may not reflect the actual competitive assessment of the ratios. Other listed companies and foreign companies, including their Indian subsidiaries, supplying propulsion equipment to Indian Railways have a mix of revenue from multiple products or industries hence said companies are not considered as peer group. In addition to Hind Rectifiers Limited, another unlisted Company, i.e. Medha Servo Drives Private Limited, holds proprietary ownership for the technical design and in-house developed IGBT based 3-Phase Drive Propulsion Equipment and also supplies the same to Indian Railways. Being unlisted, no share price is available for the said company.

Investors should note that the current market price of equity shares of one of the company listed pursuant to previous public issues managed by our Book Running Lead Manager is below its issue price. The trading price of equity shares after listing is influenced by various factors, including, but not limited to, the financial and operating performance of the issuer, industry dynamics, general economic conditions, market sentiment, liquidity in the secondary market, regulatory developments and other factors beyond the control of the Issuer or the Book Running Lead Manager.

Accordingly, the past performance of public issues managed by our Book Running Lead Manager should not be considered indicative of the future performance of this Issue or the post-listing market price of our Equity Shares. There can be no assurance that our Equity Shares will trade at or above the Issue Price after listing, or that investors will be able to realize any gains on their investment. Prospective investors should carefully consider all the information contained in the Prospectus, including the risks described herein, before making an investment decision. The Investors should also refer to the "Basis of Issue Price - Comparison with Listed Industry Peers" & "Basis of Issue Price - Key Performance Indicators" on page 150 and 150 respectively for the peer group comparison.

7. ***Certain Equity Shares have been issued by our Company and transferred by our Promoter and Promoter Group shareholders in the secondary sale (as detailed below) during the preceding one year at prices (as proportionately adjusted for the split of face value of Equity Shares of ₹ 10 each to ₹ 5 each) that may be lower than the Issue Price.***

Our Company has issued and allotted Equity Shares to non promoter investors in the preceding one year from the date of the Prospectus, (i) by way of private placement of 4,56,100 Equity Shares of face value of ₹ 10 each on August 25, 2025; and (ii) by way of private placement of 6,33,500 Equity Shares of face value of ₹ 10 each on October 01, 2025. For further details, see "Capital Structure - Notes to Capital Structure - Issue of Specified Securities at a price lower than the Issue Price in the last one year" on page 107. Subsequent to the above allotments made on August 25, 2025 and October 01, 2025, the face value of equity shares of our Company was sub-divided from ₹ 10 each to ₹ 5 each. The issue price of ₹ 547 (Rupees Five Hundred and Forty Seven only) per Equity Share having face value ₹ 10 each for the above allotments, which proportionately adjusted for the split of the face value of equity shares from ₹ 10 to ₹ 5, represents a discount of 35.65% to the Issue Price, i.e. ₹ 425 per Equity Share of face value ₹ 5 each.

The above issuances were at a price lower than the Issue Price. The price at which equity shares have been issued by our Company in the preceding one year is not indicative of the price at which such equity shares will be traded upon listing. For details on above allotments, see "Capital Structure - Notes to Capital Structure" on page 102 the Prospectus.

Further, our Promoter and Promoter Group shareholders had transferred Equity Shares of face value ₹ 10 each / ₹ 5 each, post split of face value of equity shares of our Company to various transferees (excluding inter-se promoter group transfer by way of gift) in the preceding one year from the date of the Prospectus, summary of which is as under:

Name of Seller	Dates between which equity shares were transferred	Price per equity share of face value ₹ 10 each	No. of equity shares of face value ₹ 10 each transferred	Price per equity share of face value ₹ 5 each @	No. of equity shares of face value ₹ 5 each transferred
Mohit Vohra	September 18, 2025 *	547.00	20,000	-	-
	September 24, 2025 ^	547.00	3,65,700	-	-
	October 17, 2025 *	47.00	20,000	-	-
	November 04, 2025 *	547.00	20,000	-	-
	February 26, 2026	-	-	370.00	2,25,000
	April 10, 2026**	-	-	370.00	1,50,000
Amit Dhawan	September 24, 2025 ^	47.00	81,260	-	-
	February 26, 2026	-	-	370.00	1,50,000
	April 10, 2026**	-	-	370.00	1,00,000
Sumit Dhawan	September 24, 2025 ^	47.00	81,270	-	-
Rahul Dhawan	September 23, 2025 ^	47.00	1,21,900	-	-
Sonali Dhawan	September 24, 2025 ^	47.00	81,270	-	-

** Consideration of ₹ 547 (Rupees five hundred forty seven only) per Equity Share of face value ₹ 10 each, which proportionately adjusted for the split of face value of equity shares from ₹ 10 to ₹ 5 is at a discount of 35.65% to the Issue Price, i.e. ₹ 425.*

^ Transfer (Sale) of 4,57,200 Equity Shares and 2,74,200 Equity Shares of face value ₹ 5 each to Pankaj Rastogi and Sanjay Mann respectively. Towards the contribution of the efforts for the design, development and assisting our Company in procuring approval of Propulsion System, the Promoter Group, in order to aligning long term interest of Pankaj Rastogi and Sanjay Mann towards the overall development and growth of our Company, agreed to transfer the aforesaid Equity Shares. For details, refer to "History and Certain Corporate matters - Details of Shareholders Agreement - Key terms of Agreement for transfer of Equity Shares dated September 19, 2025, with Pankaj Rastogi, then Chief Technical Officer and Sanjay Mann, General Manager - R&D (Software) on page 267. *The consideration of ₹ 47 (Rupees forty seven only) per Equity Share of face value ₹ 10 each, which proportionately adjusted for the split of face value of equity shares from ₹ 10 to ₹ 5 is at a discount of 94.47% to the Issue Price, i.e. ₹ 425 per Equity Share of face value ₹ 5 each.*

*** Inter-se promoter group transfer of 1,50,000 Equity Shares from Mohit Vohra and 1,00,000 Equity Shares from Amit Dhawan, both to Ramendra Pratap Singh is at a discount of 12.94% to the Issue Price, i.e. ₹ 425 per Equity Share of face value ₹ 5 each.*

@ Consideration of ₹ 370.00 (Rupees three hundred seventy only) per Equity Share of face value ₹ 5 each, is at a discount of 12.94% to the Issue Price, i.e. ₹ 425 per Equity Share of face value ₹ 5 each.

For details on the above transfers, see "Capital Structure - Notes to Capital Structure - History of the Equity Share capital held by our Promoter" on page 111.

The Issue Price may exceed the above price at which equity shares were issued or transferred, on account of the (i) approval of our 3-Phase Propulsion Equipment; (ii) receipt of four purchase orders from CLW, BLW and PLW collectively, for supply of total 450 Propulsion Equipment for an aggregate order value of ₹ 7,387.60 million and subsequent AMC for ₹ 554.07 million on such Propulsion Equipments, both excluding GST after the date of the Draft Prospectus; (iii) a Letter of Acceptance dated June 27, 2026 from Modern Coach Factory,

Raebareli towards Design, Development, Manufacture, Supply, Testing and Commissioning of Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for 6 (six) MEMU (On Board – 12 Car Rakes) for an aggregate value of ₹ 865.46 million and five years comprehensive annual maintenance contract for aggregate value of ₹ 46.86 million, both excluding GST; (iv) developmental order for one IGBT based 3-Phase Drive Propulsion Equipment with Composite Converter for WAP-7 locomotives from CLW, Indian Railways for an aggregate value of ₹ 25.11 million and three years comprehensive annual maintenance contract for aggregate value of ₹ 1.48 million, both excluding GST and (v) developmental order for one set of 2x500 KVA IGBT based Hotel Load Converter for 3-Phase Electric Locomotives WAP-7 locos for aggregate value of ₹ 8.00 million and three years comprehensive annual maintenance charges for aggregate value of ₹ 0.30 million, both excluding GST. For details of the purchase order, refer to section titled "Our Business" on page 213. The receipt of such large orders, including development orders, compared to the historical revenue from operations of our Company is expected to result in business growth, expansion plans and our financial performance.

8. We have experienced negative cash flows from operating activities during the Financial Year ended March 31, 2026 and March 31, 2024 and may experience similar earnings declines or operating losses or negative cash flows from operating activities in the future.

The following table sets forth certain information relating to our cash flows for the periods indicated:

(₹ in million)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Net cash flows from / (used in) operating activities	(575.45)	50.39	(52.15)
Net cash flows from / (used in) investing activities	(178.69)	(14.85)	(35.56)
Net cash flows from / (used in) financing activities	755.16	(36.32)	65.74

We had net cash outflow from operating activities of ₹ 575.45 million during the Financial Year ended March 31, 2026 was primarily on account of loss from operations, increase in inventories, advance paid to suppliers following the Proto type approval on September 15, 2025, GST credit on account of capital expenditure undertaken and Issue related expenses not written off. We further had cash outflow of ₹ 52.15 million during the Financial Year ended March 31, 2024 primarily on account of increase in inventories during this period vis-à-vis the previous financial year on account of accumulation of raw material inventory for the propulsion equipment and increase in debtors. The Company has supplied its first 3-Phase Propulsion Equipment to CLW, Indian Railways on February 29, 2024, for which the Company had placed orders for components, including various components where minimum quantities are required to be purchased irrespective of the internal requirement. We have also sustained negative cash flow from investing activities during the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 on account of purchase of fixed assets and machinery. There can be no assurances that cash flows will be positive in the future thereby creating an adverse impact on our ability to meet working capital expenditure, repay loans without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details, see "Management Discussion and Analysis of Financial Condition and Results of Operations - Cash Flows" on page 402.

9. Most of our customer orders generally contains a liquidated damage charges clause for delay or non delivery of the products. In the past, we have incurred additional costs or liquidated damages for an amount of ₹ 4.07 million, ₹ 2.52 million and ₹ 0.47 million during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 respectively and may also incur similar cost in the event of disputes, claims, defects or delays in future, which could adversely affect our business, financial condition, profitability and cash flows.

We are responsible for the quality of our products as the application for the same is very critical and also required to adhere to the specification(s) of the customer with delivery in a stipulated schedule provided under the purchase order. Any failure to adhere to a contractually agreed schedule for reasons other than the agreed force majeure events could result in payment of liquidated damages. The table below shows the liquidated

damage charges paid by our Company during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, respectively:

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Liquidated Damage Charges	4.07	2.52	0.47
Total income	497.91	646.37	505.65
Liquidated Damage Charges as %age to total income	**0.82%**	**0.39%**	**0.09%**

For the 3-Phase Propulsion Equipment tender issued by CLW, extension of delivery period may be considered in deserving cases where genuine reasons exist. Such extensions of delivery period may be considered with liquidated damages as per IRS Conditions of Contract and Denial Clause. Railway shall recover from the contractor as agreed Liquidated Damages and not by way of penalty, a sum equivalent to 1/2% (half percent) of the price of any stores (including elements of taxes, duties, freight, etc) which the contractor has failed to deliver within the period fixed for delivery in the contract or as extended for each week or part of a week during which the delivery of such stores may be in arrears where delivery thereof is accepted after expiry of the aforesaid period, subject to a maximum of 10% (ten percent) of the value of the contract irrespective of delays, unless otherwise provided specifically in the contract.

We cannot guarantee that in future we would not default any of the existing terms of the contract resulting in the payment of liquidated damages. In extreme cases, non-performance or other deficiencies on our part could result in a customer terminating our contract due to default. While there have been no instances in the past where our contracts were terminated on account of default, we cannot guarantee that our contracts will not be terminated on grounds of default. A termination for default could expose us to liability, including liability for the costs of manufacturing, could damage our reputation and could hurt our ability to compete for future contracts.

Further, our Company is also required to furnish bank guarantees in the ordinary course of business in relation to the fulfilment of purchase orders, as and when required. The table below shows the outstanding bank guarantees as at March 31, 2026, March 31, 2025 and March 31, 2024:

(₹ in million)

Particulars	As at March 31,		
	2026	2025	2024
Bank guarantee issued	30.62	28.33	34.32
Total	**30.62**	**28.33**	**34.32**

In the event that any such bank guarantees are invoked and if we are unable to meet our guarantee requirements, then legal proceedings may be initiated against us, or we may incur additional costs. While any of our bank guarantee was not invoked in the past, we cannot assure you that such guarantee may not be invoked in future too.

10. ***We rely on imports from certain countries for certain raw material for our present products. Further, for 3-Phase Propulsion Equipment, we will import raw material or electronic components from countries, such as China, UK, Hong Kong & Singapore and also source imported raw material from local suppliers / office of such foreign suppliers. Supplies of such imports / imported materials may be disrupted by changes in government regulations or policies, deterioration in economic conditions or escalation of trade tensions and any changes in the pricing and quality of our raw material / components including Insulated Gate Bipolar Transistors, capacitors, semiconductors, micro processors, thyristor, etc could cause significant disruptions to and adversely impact our business operations.***

Insulated Gate Bipolar Transistors are key components in modern railway propulsion equipment because they efficiently convert electrical power, enabling high-speed, reliable, and energy-efficient control of traction motors, resulting in smoother acceleration and braking, lower maintenance, and reduced energy consumption. Their high power-handling capability, fast switching speeds, and ability to support regenerative braking make them crucial for electric and diesel-electric locomotives, metro trains, and high-speed trains. Similarly DC link capacitors act as an energy buffer to stabilize the switch-mode inverters and filter out high-frequency noise generated by the inverters. Also, our Vehicle Control Unit is developed on high performance

microprocessor based modular systems that provide complete traction and propulsion control of the entire locomotive hauled train with continuous monitoring and extensive fault diagnostics.

Since the propulsion equipment production is commenced after receiving the final inspection certificate granting prototype clearance, we have started to place orders for our raw material / components including, IGBTs, DC Capacitors, semiconductors, micro processors, thyristor, etc from foreign suppliers or their local office or suppliers in India during the financial year ending March 31, 2026. As we will be dependent on foreign suppliers or their local office or suppliers in India for the supply of key components required, and we do not have history of long term agreement / arrangement of trades to be undertaken with them including terms such as price and quantum, therefore we face more pronounced risks relating to the availability and pricing of electric components. These risks include disruptions in the supply of electric components due to a demand surplus for such components or quality issues. Such suppliers also supply to other customers which may limit the quantity of such components available for sale to us.

The growth In IGBT based 3-Phase Drive Propulsion equipment in railways without availability of suppliers of electric components in India could result in shortages and cause suppliers to increase their prices, thereby increasing our production costs. An increase in the cost of, or decrease in the available supply of, raw materials /components used in manufacturing 3-Phase Propulsion Equipment, or the occurrence of natural disasters, logistical interruptions, local disruptions, trade restrictions or labour shortages could also affect our suppliers' manufacturing schedules and supplies.

Further, in relation to the sourcing of electric components through imports, we may experience supply disruptions and increased costs in the event of any changes in the polices, rules and regulations of the Indian or the foreign government relating to imports or exports from India, whether as a result of geopolitical factors or for other reasons, such as the implementation of trade tariffs or a complete halt on imports from the host country. Since we have recently commenced sourcing electric components, there is no assurance that such risks will not arise in the future. We cannot assure you that in the event of such occurrences, we will be able to find alternate suppliers of electric components in a timely manner, to source and procure such electric components in sufficient quantities as per our required specifications and quality levels, or at reasonable prices.

Any of the aforementioned events would impact our projected manufacturing and delivery timelines, and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

During the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, we imported supplies from China, Taiwan, USA and other countries. The table below shows the cost of imported materials consumed by country as a percentage of the total cost of materials consumed for the periods indicated:

(in ₹ million)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Import of raw material for Rolling Stock Electrics and Propulsion Systems			
China	40.47	0.43	2.00
Switzerland	-	0.10	-
Taiwan	0.94	0.05	0.24
USA	5.94	0.07	2.92
Bulgaria	-	-	0.06
UK	16.11	-	0.04
Germany	-	-	-
Hong Kong	17.81	-	-
Singapore	-	-	-
UAE	0.35	-	-
Sub-total (A)	**81.62**	**0.65**	**5.26**
Sale of Rolling Stock Electrics and Propulsion Systems #	**46.98**	**-**	**14.96**

Particulars	Financial year ended March 31,		
	2026	2025	2024
Import of raw material for Cable Protection & interconnected products and Switchgear & Panels			
China	12.89	20.17	13.32
Sub-total (B)	**12.89**	**20.17**	**13.32**
Sale of Cable Protection & interconnected products and Switchgear & Panels	**447.29**	**626.37**	**484.61**
Grand total (C) = (A) + (B)	**94.51**	**20.82**	**18.58**
Total revenue from operations	**494.28**	**626.37**	**499.57**
Value of imports (C) above as percentage to total revenue from operations	19.12%	3.32%	3.72%
Fixed Assets			
China	0.19	0.04	-
Singapore	20.89	-	-
South Korea	7.96	-	-
Sub-total (D)	**29.04**	**0.04**	**-**
Total Imports (C) + (D)	**123.55**	**20.87**	**18.58**

 # The import of raw material to the total revenue from operations cannot be compared as our Company was under the process of development and testing for the 3-Phase Propulsion Equipment and certain of the imports made by the Company were also held as raw material during the financial years ended March 31, 2025 and March 31, 2024. Further, since the commercial supplies have commenced in the financial year ended March 31, 2026, the import of raw material for Rolling Stock Electrics and Propulsion Systems have increased substantially as the dependence on imported raw material for Rolling Stock Electrics and Propulsion Systems is higher.

The Indian Government may take administrative, legislative or regulatory action that could interfere with our ability to purchase supplies from such countries, such as additional new tariffs that increase the cost or feasibility of importing certain products from such countries. Sustained uncertainty about, or worsening of, current global economic and political conditions and escalations of trade tensions could result in a global economic slowdown and long-term changes to global trade, including retaliatory trade restrictions. As a result, we may be required to seek alternative domestic suppliers in place of the foreign suppliers, if available, and there is no assurance that we will be able to find alternative suppliers that meet our requirements. Further, any disruptions to the supply of imported materials could cause delays in our production of propulsion equipment and delivery times, and in turn, adversely affect our results of operations, cash flow and reputation.

As on date of the Prospectus, there has been no material disruption in the import or raw material in the past.

11. ***We depend on third party suppliers for primary requirement of raw materials which are on a purchase order basis. Further, the costs of the raw materials which we use in our assembling cum manufacturing process are subject to volatility in prices in domestic and international market/s. Such suppliers may not perform, or be able to perform their obligations in a timely manner, or at all and any delay, shortage, interruption, reduction in the supply of or volatility in the prices of raw materials on which we rely may have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.***

We are dependent on our suppliers for uninterrupted supply of raw materials which are majorly procured domestically by us. The details of contribution of our top 1, top 3, top 5 and top 10 suppliers to our total cost of materials consumed during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 are as follows:

(₹ in million)

Particulars	For the Financial Year ended March 31,					
	2026		2025		2024	
	Amount #	%age *	Amount #	%age *	Amount #	%age *
Top one supplier	136.86	39.24%	137.09 ^	36.80%	40.90	15.64%
Top three suppliers	205.43	58.90%	190.08	51.02%	92.17	35.24%
Top five suppliers	255.29	73.20%	224.11	60.15%	124.91	47.75%
Top ten suppliers	330.89	94.87%	284.51	76.37%	174.79	66.82%

 # value of purchase of material and consumables during the period

** cost of goods sold (i.e., cost of raw material consumed, adjusted for changes in inventory of finished goods, work in progress and stock in trade)*

^ Includes goods in transit as on March 31, 2025

[1] Pelf Power Electronics Private Limited, Lupin Steels Inc, Quadrant Future Tek Limited, Fabx Engineering LLP, Mahavir Metal Works, SS Electricals, Thakural Electric Works and Rasika International Rail Private Limited constitutes top ten suppliers. Names of suppliers from whom consent has not been received are not disclosed.

[2] Quadrant Future Tek Limited, Lupin Steels Inc, SS Electricals, Fabx Engineering LLP and Rasika International Rail Private Limited constitutes top ten suppliers. Names of suppliers from whom consent has not been received are not disclosed.

[3] Kumra Electric Store, Quadrant Future Tek Limited, Lupin Steels Inc, Fabx Engineering LLP, Ningbo Saishun Plastic Electrical, Rasika International Rail Private Limited and S.B. Syscon Private Limited constitutes top ten suppliers. Names of suppliers from whom consent has not been received are not disclosed.

For details of top ten suppliers, refer to "Our Business - Our customers and suppliers" on page 218.

We rely on such suppliers to perform their conditions and deliver adequate supplies and quality raw materials and other inputs in a timely manner. Our suppliers are associated with us through purchase orders, and we do not enter into definite-term agreements with them. Although, various of our contracts comprises of price escalation clause, and we could find additional suppliers to supply these raw materials in case of shortage or non availability, however, any failure of our suppliers to deliver these raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose a customer or incur contractual penalties or liabilities for failure to perform contracts, which could have a material adverse effect on our business, financial condition and results of operations.

Furthermore, as we typically do not have exclusive arrangements with our suppliers, our suppliers could engage with our competitors and prioritize supplies of their other customers, which could adversely impact our ability to procure a sufficient quantity of raw materials, plant, machinery and components at competitive rates.

Further, our profitability is partly dependent on our ability to anticipate and adapt to changes in the cost of raw materials. The prices of these raw materials are subject to price fluctuation due to various factors beyond our control, including but not limited to international metal prices and governmental regulations, which may reduce supply and lead to increase in supply costs, which may not be covered under the price escalation clause. We do not use financial instruments to hedge our risk against market fluctuations in the price of commodities at this time. If we are unable to anticipate and react to changing raw material costs through our procurement process or adapt to changing supply costs by adjusting our purchasing practices or we are unable to negotiate favourable pricing terms with our suppliers for such raw materials, then our business, profitability and financial performance may be materially and adversely affected.

As on date of the Prospectus the Company has not faced any delay, shortage, interruption, reduction in the supply of or volatility in the prices of raw materials on which it relies in the past.

12. ***There have been certain discrepancies in the past in relation to statutory compliances or filings required to be made by us, as well as there are certain other non-compliances / delays by our Company. Consequently, we may be subject to regulatory actions and penalties for any such non-compliance and our business, financial condition and reputation may be adversely affected.***

There have been certain discrepancies in relation to statutory compliances or filings required to be made by us with the Registrar of Companies under applicable laws, as well as there are certain other non-compliances and delays by our Company under the Companies Act, 2013 in relation to the following:

(a) Irregularities in the Board of Director's report of the Company which do not require any corrective adjustment. However, such discrepancy may attract penalty proceedings against our Company under the provisions of the Companies Act, 2013.

Incorrect disclosure was made in the report of board of directors of the Company inadvertently regarding the Unsecured Loans taken by the Company from its director and such unsecured loan was also not disclosed in form DPT-3 i.e., Return of Deposits (*Particulars of transactions by a company not considered as deposit as per rule 2(1)(c) of the Companies (Acceptance of Deposit) Rules, 2014*) for the financial year 2022-23. In case any action or proceedings initiated by the regulatory authority, we may be subject to penal consequences under the provisions of the Companies Act which may impact the financial position of the Company.

(b) Failure to comply with the requirements of Section 42 and 62(1)(c) of the Companies Act, 2013 and relevant rules made thereunder, including obtaining shareholders approval, opening of separate bank account, valuation report and utilisation of monies thereof prior to allotment.

In order to meet its capital requirements during the financial year 2014-15, the Company has raised funds by issuing equity shares to the Promoter and Promoter Group of the Company through preferential allotment by way of private placement of securities under Section 62(1)(c) read with Section 42 of Companies Act, 2013. The Company had undertaken two different private placements of equity shares (i.e. 47,000 equity shares of face value ₹ 10 each on August 11, 2014 and 7,500 equity shares of face value ₹ 10 each on October 28, 2014) and had raised funds aggregating to ₹ 3.01 million but failed to obtain the requisite approval from members of the Company by way of special resolution, thereby resulting in non-compliance with Section 62(1)(c) of the Companies Act 2013.

Further, the Company failed to open a separate bank account for receipt of the share application money and utilisation thereof prior to the allotment of equity shares and obtain valuation report in this regard, which is a non-compliance under Section 42 and 62 of the Companies Act 2013.

(c) Issue and allotment of compulsorily convertible preference shares and bonus equity shares wherein 36,560 equity shares of face value ₹ 10 each were held by the Promoter Group in physical form and failed to comply with the requirement of Section 29 of the Companies Act 2013, read with Rule 9A (2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

Our Company had issued compulsorily convertible preference shares of face value of ₹ 10 each to Ramendra Pratap Singh and Sangeeta Singh in their meeting held on July 10, 2023. Further, our Company had issued bonus equity shares of face value ₹ 10 each to the shareholders of the Company in their meeting held on November 11, 2023. In terms of the provisions of Section 29 of the Companies Act 2013, read with Rule 9A (2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, every unlisted public company making any offer for the issue of securities shall ensure that, prior to making such offer, the entire holding of securities of its promoters, directors, and key managerial personnel is dematerialised in accordance with the provisions of the Depositories Act, 1996 and the regulations made thereunder. However, two of the Promoter Group shareholder, namely Avinash Mehta and Rahul Dhawan, could not timely open their demat account and get their 36,560 equity shares dematerialised. Due to such shareholding being held in physical form as on the date of issue and allotment of compulsorily convertible preference shares and bonus equity shares, the Company had defaulted with the provisions of Section 29 of the Companies Act 2013, read with Rule 9A (2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

(d) Incorrect mention of the date of allotment in the return of allotment filed by the Company for allotment of 57,025 equity shares upon conversion of CCPS and 17,67,775 Reserved Bonus Equity Shares.

The date of allotment of 57,025 equity shares and 17,67,775 reserved bonus shares was made in the adjourned board meeting on March 18, 2025, which was originally scheduled on March 17, 2025. Since the date of Board Meeting for such adjourned meeting is considered as the date on which it was initially

convened, inadvertently the date of allotment was mentioned as March 17, 2025 in the return of allotment instead of March 18, 2025. The said erroneous mention of date in the form of allotment will not invalidate the allotment made by the Company.

For sub-clauses (a) to (d), our Company has voluntarily filed a composite application for adjudication of the said non compliance before the Registrar of Companies, Delhi & Haryana under section 454 of the Companies Act, 2013 on November 26, 2025 vide SRN AB9310447. In this regard, we have received a communication dated July 01, 2026 from the office of Deputy Registrar of Companies, Registrar of Companies, Haryana, advising our Company to file separate e-form GNL-1 for each default in place of one consolidated application as filed above. The Company is in the process of filing of the adjudication applications in terms of the said communication.

(e) Delayed payments to Micro, Small and Medium Enterprises

The Company, in its ordinary course of its business, deals with MSME vendors for procuring goods and services. There are instances where the Company had made delayed payments to the MSME vendors which attract liability of payment of compound interest with monthly rests to MSME vendors for such delayed payments at three times of the bank rate as prescribed by the Reserve Bank of India. In case the Company is required to pay interest on such delayed payments to MSME vendors, then the same may have an impact on the financial position of the Company. As on date, none of such vendor has claimed such interest from our Company.

(f) There are instances of delayed filings and lapses in various regulatory filings made with the concerned Registrar of Companies and other regulatory authorities under the provisions of the Companies Act. Due to such lapses and delays, the Company may be held liable to penal actions by the regulatory authorities under the Companies Act which may have an impact on its financial position.

There are instances of delayed filings and lapses in various regulatory filings made with the concerned Registrar of Companies and other regulatory authorities under the provisions of the Companies Act. Although, no regulatory action or penalty has been taken / levied on the Company for such delays / defaults, however, it cannot be assured that no such regulatory action or penalty will be taken/ levied in the future. The Company has paid the late filing fees for such delayed filing of the forms with the Registrar of Companies. The details of the late filing during the financial year ended March 31, 2026 and March 31, 2025 is as under:

S. No.	Form No.	Details of E-form	SRN	Period of Delay
1	FORM NO. AOC-4	Form for filing XBRL document in respect of financial statement and other documents with the Registrar for the financial year ending on 2024.	N16741092	20
2	FORM NO MGT-14	To approve the waiver of recovery of remuneration paid to directors during the financial years 2022-23 and 23-24	AB2264968	62
3	FORM NO MGT-14	To fix remuneration payable to directors including managing director or whole time director or manager	AB6871558	475
4	FORM NO. ADT-1	Re-appointment of auditor in AGM (Sanmarks & Associates Chartered Accountants)	N05341995	10
5	FORM NO. DPT-3	Return of deposits (31/03/2024)	AB1412054	108
6	FORM NO. DPT-3	Return of deposits (31/03/2019)	AB6782670	2271
7	FORM NO. DPT-3	Return of deposits (31/03/2020)	AB6782982	1905
8	FORM NO. DPT-3	Return of deposits (31/03/2021)	AB6783333	1540
9	FORM NO. CHG-1	Form for Creation of charge vide credit sanction advice dated 04.05.2024	AA8287727	14

S. No.	Form No.	Details of E-form	SRN	Period of Delay
10	FORM NO. CHG-1	Form for Creation of charge vide Agreement For auto loan. (Proposal No162768434 Rs. 2128999/-	AB4945051	8
11	FORM NO. CHG-1	Form for Modification of Charge ID- 100932242 vide cash credit hypo under engg cluster based (enhancement)	AB6498782	33
12	AOC-5	Form for keeping books of accounts and other relevant books and papers at a place other than the registered office	AB8377064	8
13	FORM No. DIR-12	Form Filed for Appointment of Pankaj Rastogi as Additional Director of the Company w.e.f October 01, 2025	AB8943577	11
14	FORM No. DIR-12	Form Filed for Appointment of Pankaj Rastogi as Managing Director of the Company w.e.f October 01, 2025	AB8952122	12
15	FORM No. DIR-12	Form Filed for Appointment of Sanjeev Mehta as Chairman of the Company w.e.f October 01, 2025	AB8974176	12
16	FORM NO MGT-14	Form Filed for Appointment of Pankaj Rastogi as Managing Director of the Company	AB8945643	11
17	MSME Form I	Form for furnishing half yearly return with the registrar in respect of outstanding payments to Micro or Small Enterprises (01/10/2020-31/03/2021)	AB9124943	1663
18	MSME Form I	Form for furnishing half yearly return with the registrar in respect of outstanding payments to Micro or Small Enterprises (01/04/2021-30/09/2021)	AB9125284	1479
19	MSME Form I	Form for furnishing half yearly return with the registrar in respect of outstanding payments to Micro or Small Enterprises (01/10/2021-31/03/2022)	AB9125533	1298
20	MSME Form I	Form for furnishing half yearly return with the registrar in respect of outstanding payments to Micro or Small Enterprises (01/04/2022-30/09/2022)	AB9125793	1114
21	MSME Form I	Form for furnishing half yearly return with the registrar in respect of outstanding payments to Micro or Small Enterprises (01/10/2022-31-03/2023)	AB9126037	933
22	MSME Form I	Form for furnishing half yearly return with the registrar in respect of outstanding payments to Micro or Small Enterprises (01/04/2025-30/09/2025)	AC1074667	68
23	FORM CHG-1	Form filed for Creation of Charge vide Charge Id-101227536	AC2133662	1

(g) We have delayed in complying with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and may be subject to regulatory action by the governmental authorities, which could affect our business and operations.

The POSH Act mandates employers to implement measures for the prevention, prohibition and redressal of complaints relating to sexual harassment at the workplace, including, inter alia, adopting a written policy on prevention of sexual harassment, constituting an Internal Complaints Committee ("Committee") and filing the prescribed periodic reports. While we have not received any complaint under the POSH Act during the current financial year or in each of the three immediately preceding financial years, our Company had delays in adopting a defined policy on prevention of sexual harassment at the workplace, constituting the Committee and filing the requisite periodic returns in the past. Although

we have since adopted a POSH policy, constituted the Committee and conducted internal training sessions to enhance awareness of the POSH Act and promote a safe and respectful work environment, there can be no assurance that the relevant regulatory authorities will not initiate proceedings or impose penalties in connection with such past delays or any future non-compliance.

(h) We have experienced delays and lapses in complying with applicable fire safety and related regulatory requirements in the past, and any past or future non-compliance may subject us to regulatory action and adversely affect our business and operations.

Our Company has, in the past, experienced certain delays and lapses in complying with fire safety and related regulatory requirements under the Haryana Fire and Emergency Services Act, 2022 and other applicable laws. While we now have obtained valid fire no-objection certificates for our Unit 1 at Baghola, Haryana and our Research, Design and Development Centre at Faridabad, Haryana; however, these units did not hold the requisite fire no-objection certificates/certificates ("Fire Certificates") for certain periods between year 2020 and 2024 and had not undertaken periodic fire safety drills or fire safety audits as mandated. While our Company has implemented corrective actions, including obtaining renewed Fire Certificates for Unit 1 and the R&D Centre for the year 2025, and initiating regular fire safety drills, audits and inspections in accordance with applicable laws, there can be no assurance that the relevant governmental authorities will not initiate regulatory proceedings or impose penalties for any past non-compliance. Any such action, or any future lapses in maintaining required fire safety compliances, could affect our business, operations, financial condition, results of operations or reputation.

The penalty for the delay or discrepancy in compliance / disclosure as mentioned in sub-clause (d) to (h) are discretionary and cannot be quantified. Further, we cannot assure you that such non-compliances will not occur in the future. Therefore, if the concerned authorities impose monetary penalties on us or take certain punitive actions against our Company or its directors / officers in relation to the same, our business and financial condition could be adversely affected.

13. We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialise, may adversely affect our financial condition.

We have created provisions for certain contingent liabilities in our financial statements. As of Financial Years ended on March 31, 2026, March 31, 2025 and March 31, 2024, our contingent liabilities that have not been provided for were as follows:

(in ₹ million)

Particulars	As at March 31,		
	2026	2025	2024
Claims against the company not acknowledged as debts			
Bank guarantee issued	30.62	28.33	34.32
GST Liability	4.80	4.80	-
Total	**35.42**	**33.13**	**34.32**
Total Equity	**625.71**	**179.10**	**165.27**
Contingent liability as percentage of Total Equity	**5.66%**	**18.50%**	**20.77%**

Our contingent liabilities may become actual liabilities and if a significant portion of these liabilities materialise, it could have an adverse effect on our business, financial condition and results of operations. There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current Financial Year or in the future and that our existing contingent liabilities will not have material adverse effects on our business, financial condition and results of operations. For details regarding our contingent liabilities, see "Financial Information - Restated Financial Information - Note 35: Contingent liabilities" on pages 351.

14. ***We do not have certain documents evidencing the biographies and / or educational qualifications of certain of our Promoters, Directors, Key managerial Personnel and Senior Management Personnel and have relied on the statement of marks and provisional certificate / affidavits submitted by such personnel for details of their profile included under the section "Our Management" of the Prospectus.***

We do not have certain documents evidencing the educational qualifications of certain of our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel mentioned in their biographies under the section "Our Management" on page 270, details of which area as under:

Name of Director / Promoter / Key Managerial Personnel / Senior Management Personnel	Experience / Education details not available	Period / Experience
Sanjay Kumar Singh	Degree Certificate for M.A. (Social Work) from Kashi Vidyapith, Varanasi	1996
Sanjeev Mehta	Relieving Letter / Experience Certificate from Sud-Chemie India Private Limited and Appointment Letter from Indofil Chemicals Limited	More than 37 years
Sourabh Bansal	Degree Certificate for LLB from Dr. B. R. Ambedkar University, Agra	2017
Pradeep Bansal	Relieving Letter / Experience Certificate from Technico Industries Limited	2017
Sunil Kumar	Relieving Letter / Experience Certificate from Rockwell Automation India Private Limited	2014-2016

Accordingly, to the extent of disclosures relating to the foregoing, reliance has been placed on the provisional certificates and statement of marks submitted by aforesaid Director Key Managerial Personnel and Senior Management Personnel and certificates / affidavit executed by them certifying the authenticity of the information provided. We cannot assure you that all information relating to our Directors included in the section titled "Our Management" is true and accurate and do not have any inadvertent errors or omissions.

15. ***Anonymous complaints have been received against our Company subsequent to the filing of the Draft Red Herring Prospectus, and any regulatory scrutiny, investigation or adverse outcome arising therefrom may adversely affect our business, reputation, financial condition and results of operations.***

Post filing of the Draft Red Herring Prospectus, anonymous complaints were received by SEBI on February 13, 2026, May 19, 2026 and June 30, 2026. Clarifications and supporting documents were submitted by our Company in response to such anonymous complaints. Although no adverse order or finding has been passed against our Company in connection with such alleged complaints, there can be no assurance that similar complaints or allegations will not be made in the future.

Any such complaints, whether substantiated or otherwise, may result in regulatory scrutiny, require us to incur additional costs, divert management attention and resources, and adversely affect our reputation. Any adverse determination by a regulatory authority in connection with such complaints could adversely affect our business, results of operations, financial condition, cash flows and future prospects.

The summary of the complaints are as under:

Sr. No.	Name of Complainant	Date of complaint	Date of response	Allegations and our response
1.	Anonymous complaint	February 13, 2026	February 23, 2026	**Allegations:** The anonymous complaint alleges that the Pollution Control Certificate submitted by the Company is forged / fabricated **Summary of Response:** The Company has clarified that the products being manufactured / assembled by the Company falls under the white category, for which the "Consent to Establish or Consent to Operate" is not required. The same is also mentioned in the certificate dated August

Sr. No.	Name of Complainant	Date of complaint	Date of response	Allegations and our response
				25, 2018 received from Haryana State Pollution Control Board, based on which it is apparent and clear that the requirement of procurement of "Consent to Establish or Consent to Operate" from Haryana State Pollution Control Board is not applicable to operations of the Company in respect of its plant at Baghola, District Palwal, Haryana. For independent validation, we had sought a re-confirmation from the Haryana State Pollution Control Board that such document dated August 25, 2018 is the true and correct document as issued by them. The Haryana State Pollution Control Board was kind enough to accept that request and has confirmed that the copy of the said document is correct and has been issued by the department.
2.	Anonymous complaint	May 19, 2026	May 26, 2026	The allegation under the complaint was same as above complaint dated February 13, 2026 and the summary of the response of our Company is same as above.
3	Anonymous complaint	No date	July 17, 2026	The allegation under the complaint was same as above complaint dated February 13, 2026 and the summary of the response of our Company is same as above.
4	Anonymous complaint	June 30, 2026	July 17, 2026	**Allegations:** A complaint was filed before the Chief Inspector of Factories, Haryana against the Company's unit located at 7/19/1/2/2, 19/2/2/2, Baghola, Tatarpur, District Palwal, Haryana, alleging violations under the Factories Act, 1948. The complaint alleged that employees were made to work beyond the prescribed working hours, canteen facilities were not provided, and adequate toilet facilities were not available. **Summary of Response:** 1. No employee in the Factory has worked overtime during the last three months 2. The factory has facility for providing food to its employees at the factory premises through a third party vendor ad has segregated canteen area 3. Our factory has proper washroom facilities within the factory premises. **Allegation:** Based on the said complaint, an inspection of the factory was conducted by the Deputy Director, Industrial Health and Safety, Faridabad. The proceedings arising out of such inspection are presently pending before the Chief Inspector of Factories, Haryana. Accordingly, SEBI may obtain records from the concerned department and independently verify the facts. **Summary of Response:** We have not received any complaint alleging such non-compliances in the past. Further, no such inspection has been undertaken for our Unit 1 during the last three financial years. Further, the Deputy Director, Industrial Safety & Health (IS&H), Faridabad has recently conducted a routine inspection of the Company's manufacturing facility on June 10, 2026. Such inspection, in the opinion of the Company, may have been undertaken in view of the recent approval, dated June 05, 2026, granted to the Company for increasing the permissible number of workers engaged at its factory to 400, which have also necessitated the requirement of providing canteen facilities to the employees, and the installation of the new Surface Mount Technology (SMT) machine in March 2026. The requisite approval for the factory building plan was also received by the Company on May 07, 2026.

Sr. No.	Name of Complainant	Date of complaint	Date of response	Allegations and our response
				Following the inspection, the inspecting officer issued a list of routine observations requiring corrective actions by the Company in the ordinary course. The observations demonstrate that they are routine in nature, and no notice alleging any violation of the provisions of the Factories Act, 1948 or any penal action has been issued by the inspecting authority. **Allegation:** To the best of my knowledge, the authenticity of the documents relating to the factory that have been submitted by the Company before SEBI appears to be doubtful. In this regard, SEBI may obtain records from the Chief Inspector of Factories, Haryana and conduct an independent investigation. **Summary of Response:** The allegation is vague, general in nature and unsupported by any documentary evidence. The complaint does not enclose any document, communication, notice or other material to substantiate the allegations made therein. **Allegation:** The Company allegedly does not make timely payment of wages to its employees, raising serious concerns regarding compliance with labour laws. This aspect also requires independent verification. **Summary of Response:** As per the records and information made available to us and also the certificate received from SANMARKS and Associates, the Company has already made the payments to employees for the salary / wages till the month of June 2026 and also necessary payment have been made for the contractual employees till the same period. The PF obligation for the month of June 2026 has also been deposited with the department. **Allegation:** A notice has already been issued by the Uttar Pradesh State Industrial Development Authority (UPSIDA) against the Company's group entity, MV Greentech Limited, which raises serious concerns regarding the compliance framework of the group. **Summary of Response:** At the outset we submit that no such notice has been issued by Uttar Pradesh State Industrial Development Authority (UPSIDA) against MV Greentech Limited. Based on our review of the documents, we submit as under: 1. The said land was allotted to Mohit Vohra, one of the Promoter of the Company and not MV Greentech Limited, as alleged in the complaint. 2. The said document issued by UPSIDA is only an intimation letter / general communication, and not a notice. The said letter does not record any violation or an intimation to initiate any proceedings, or impose any penalty on the allottee, i.e. Mohit Vohra. 3. As informed to us by Mohit Vohra, he has not received any further letter from UPSIDA for buy back of the said industrial land. 4. Further, MV Greentech Limited is a company owned by the Promoter Group and has obtained a GST registration on the said premises, but no manufacturing operations have been commenced. **Allegation:** The authenticity of the White Category Pollution Certificate submitted in respect of the Company's Palwal unit also appears to be doubtful. Therefore, independent verification from the Haryana State Pollution Control Board is necessary.

Sr. No.	Name of Complainant	Date of complaint	Date of response	Allegations and our response
				Summary of Response: This allegation has already been addressed in the Company's replies to SEBI dated February 13, 2026 and May 19, 2026. Further, the Company's Factory Registration Certificate under the Factories Act, 1948 stands duly renewed and is valid up to December 31, 2026, reaffirming the validity of the statutory approvals. **Allegation:** The Company and its group and associate companies, including MV Mobility Limited and IBoard India Limited, are allegedly involved in various matters before the Pollution Control Department, Labour Department, Fire Department, and Goods and Services Tax (GST) Department, in which departmental proceedings may be initiated at any time. Such material facts ought to have been appropriately disclosed in the Draft Red Herring Prospectus (DRHP). **Summary of Response:** The status of registrations obtained by Group Companies, namely MV Mobility Limited and IBoard India Limited has been submitted. Further, MV Mobility Limited and IBoard India Limited, both are separate legal entities and there exists no cross shareholding between both the companies and our Company. Hence, any legal proceeding, if initiated in future, against MV Mobility Limited and / or IBoard India Limited, for any non compliance by such group companies is not expected to impact the business and operations of our Company and therefore no disclosure is required."

The Complaints and the corresponding responses by the Company and BRLM, as applicable, are included in the "Material Contracts and Documents for Inspection" on page 495, for public inspection.

16. ***We are undertaking research, design & development activities to develop and obtain approvals of new propulsion systems / projects required by Indian Railways and require significant expenditure and capital outlay, which may not yield the intended results in a timely manner or at all, and adversely affect our financial condition and results of operations.***

Our success significantly depends on our ability to develop and commercialize new electrical equipment & power electronics systems for usage in railways industry, in India and overseas market. This requires us to design, develop, test, and assemble / manufacture power electronic equipment as per the requirements of Indian Railways / RDSO, and obtain other necessary regulatory approvals, if required, while complying with applicable regulatory and safety standards. Further, in respect of overseas markets, we are required to adapt our product designs and technologies to meet the technical specifications, certification requirements, and safety standards prescribed by the relevant foreign regulatory authorities. Any failure or delay in meeting such country-specific standards, or in adapting to evolving technologies or customer preferences, may adversely affect our ability to successfully commercialize our products in those international markets.

In the past, we have extensively worked on research, design & development of 3-Phase Propulsion Equipment from the year 2020 and has been continuing to incur such expenses, when we received final inspection certificate (prototype clearance) and became eligible to commence bulk supplies to Indian Railways. During the Financial Years ended March 31, 2026, March 31, 2025, and March 31, 2024, our total expenses towards engineering, research, design & development (comprising cost of development, salary and other miscellaneous expenses) aggregated to ₹ 78.95 million, ₹ 54.75 million and ₹ 56.44 million, respectively, comprising 15.97%, 8.47% and 11.30% of our revenue from operations and 57.38%, 57.23% and 61.34% of our employee cost, respectively for the said period(s). In addition to the above, the investment in tangible assets, net of depreciation, and net working capital for design & development of 3-Phase Propulsion Equipment for which we have already received approval was ₹ 654.45million, ₹ 233.69 million and ₹ 189.89 million as at March 31, 2026, March 31, 2025 and March 31, 2024. We have not claimed any special tax

deduction or benefit for such expenditure incurred under the erstwhile Income Tax Act, 1961. For details, refer to "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 295 and 374.

As on May 31, 2026, we had 45 employees in the Research, Design & Development Centre, which is approximately 21.84% of our overall employee strength, and we intend to add more capable and experienced employees in the product development team, in order for us to develop newer products. For further information and risk associated with the attrition rate of our Key Managerial Personnel, Senior Management Personnel and other qualified personnel and also the attrition rate for the last three financial years, refer, *"Risk Factor 30 - Our Key Managerial Personnel, Senior Management Personnel and other qualified personnel, including employees at Research, Design & Development Centre are critical to our continued success and we may experience disruptions to our business if we are unable to retain such personnel or attract new such personnel in the future."* on page 56.

New propulsion equipment, once fully developed, has to undergo various rigorous type and routine tests including dynamometer car test, adhesion test, EMI / EMC test, burn test for electronic cards, wheel slip test under different track conditions, tractive & braking effort, etc and completion of such minimum kms of trail run, as specified by RDSO. If the new propulsion equipment developed by us do not perform as expected under the trial run, the necessary regulatory / RDSO / Indian Railways approvals may not be obtained in a timely manner, or at all. Even if we obtain regulatory approvals, we may not be able to successfully and profitably produce and market this propulsion equipment. Additionally, it may take an extended period for new propulsion equipment to gain acceptance in Indian Railways. See also, "Our Business" on page 213.

Our Company has received developmental orders for (i) one (1) set of IGBT based 3-Phase Drive Propulsion Equipment with Composite Converter (ii) one (1) set of 2x500 KVA IGBT based Hotel Load Converter for 3-Phase Electric Locomotives WAP-7 locos and (iii) letter of acceptance from Modern Coach Factory (MCF) for Design, Development, Manufacture, Supply, Testing and Commissioning of Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes). The prototype developed by us for the above equipments will be inspected by any one of the locomotive units of Indian Railways, alongwith RDSO, upon completion of development. We will continue to focus on innovation, in order to upgrade our products in line with the emerging needs of the railway industry. Our ongoing investments in new power electronics and propulsion equipment launches and design, engineering and development for future products could result in higher costs without a proportionate increase in revenues. The approval for our first 3-Phase Propulsion Equipment was received on September 15, 2025 and hence it will be difficult to predict our business operations and opportunities for our Company for the said equipment and any new developments undertaken by us.

The Government of India aims to promote domestic development, and manufacturing by promoting indigenous development in the field of railway and allied industries. With these measures, India is progressing towards self-reliance in the field of railways including all aspects like EMUs/MEMU's, Vande Bharat trains and metro trains. Reducing import dependence and promoting the growth of domestic manufacturing and service industry in Indian Railways is one of the key emphases of the Government. Under Atma Nirbhar Bharat, the Government also plans to introduce parameters for better quality of output to meet international standards so that Indian products can compete in the global market, see "Our Business - Our Strategies - Make in India and focus on developing in-house intellectual property rights" on page 227, for further details.

Our ability to innovate and deliver high-quality power electronic equipment depends on various factors, including our ability to identify need of railway industry, in India and outside, access the latest technology, secure necessary material in a timely and cost-efficient manner, maintain effective and efficient quality and safety controls at our assembling and manufacturing facilities, and customize, design, assemble and manufacture power electronics equipment that meet our customers' requirements and without defects that require repairs or recalls, among other factors. Our failure to effectively manage any of these factors could adversely affect our brand and reputation, leading to negative impacts on our results of operations. Additionally, any delays or failures in developing newer propulsion equipment and other electric equipment to the market could make us less competitive, adversely impacting our sales volumes and market share. Furthermore, our failure to accurately estimate supply and demand for our power electronics equipment may result in inventory shortages or excesses, hindering our ability to manage assembling and manufacturing requirements effectively and causing production delays. Our inability to achieve intended results from our

investments in research, design & development of power electronics equipment may adversely affect our financial position and results of operations.

We propose to use ₹ 210.00 million out of Net Proceeds of the Issue towards meeting our requirement for investment in research, design and development activities for new power electronic equipment. The management estimate for the same is based upon similar nature of expenditure incurred by our Company in the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024. We cannot assure that the result of such utilisation of funds towards upcoming research, design and development activities will generate positive outcome every time which may have an adverse impact on our results of operation, business and financial condition. For further details, see "Objects of the Issue - Investment in research, design and development activities for new power electronic equipment" on page 139.

17. ***Our Company requires substantial working capital and working capital projections made by our Company are based on our management's assumptions. We may require alternate funding in Financial Year ending March 31, 2027 and March 31, 2028 post utilization of the Net Proceeds and if our Company is unable to raise sufficient working capital, the operations of our Company will be adversely affected.***

Our business requires significant working capital for our business operation, furnishing of bank guarantees for orders awarded or deduction of retention money from amount receivable by us, financing inventory and any change in terms of credit or payment would affect our working capital. The following table shows our net working capital turnover ratio for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 respectively:

(₹ in million)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Net working capital (₹ in million)*	312.78	32.12	30.41
Net working capital turnover ratio *	1.58	19.50	16.43

** based on Restated Financial Information and excludes cash and cash equivalents and current borrowings*

Our Company has been working on the research, design and development of propulsion equipment since 2020. We were required to purchase raw material / components including Insulated Gate Bipolar Transistors, capacitors, semiconductors, micro processors, thyristor, etc for development of the proto type to be offered to CLW for testing and trials. Various of such items have a requirement of purchase of minimum order quantity. Hence our Company has built up inventory for the propulsion equipment related business also, which has been non moving and increasing over the periods in the past. We have also supplied one 3-Phase Propulsion Equipment to CLW on February 29, 2024, which according to the terms of delivery, payment will become due to our Company upon completion of successful trial run of 50,000 kms and receipt of proto type clearance. We received this clearance on September 15, 2025 and hence the said amount was also received during the financial year ended March 31, 2026, post such delivery.

As at March 31, 2026, March 31, 2025 and March 31, 2024, the inventory for propulsion related products was ₹ 513.27 million, ₹ 213.44 million and ₹ 155.63 million out of the total inventory of ₹ 674.85 million, ₹ 317.56 million and ₹ 244.45 million, respectively, which is related to the product for which Proto type approval was received on September 15, 2025 and commercial supplies commenced in March 2026. Similarly, we have outstanding trade payables in relation to propulsion equipment also as at the end of the respective financial year / period, without any corresponding sale. Further, subsequent to the commencement of trial run for our 3-Phase Propulsion Equipment, we have placed bulk quantity order to our vendors / suppliers for purchase of raw material as mentioned above and accordingly advance paid to suppliers is outstanding pending delivery of such raw material, which will further increase the inventory, until the supplies are regularised in short to medium term.

Further, during the financial year ending March 31, 2026, we have received additional purchased orders from CLW, BLW and PLW for supply of 450 propulsion equipment for an aggregate value of ₹ 7,387.60 million, excluding GST and AMC. As on June 30, 2026, our cumulative outstanding executable Order Book stands at ₹ 9,216.40 million (excluding GST and AMC).

We propose to use ₹ 1,800.00 million out of Net Proceeds of the Issue towards meeting our requirement for working capital during the Financial Year ending March 31, 2027 and March 31, 2028. The working capital

projections made by our Company are based on certain key assumptions by our management and we may require alternative means of funding during such financial years even after the utilization of Net Proceeds. Our inability to meet our present working capital requirements or our enhanced working capital requirements will have an adverse impact on our results of operation, business and financial condition. For further details pertaining to our present working capital position, see "Financial Indebtedness" and "Management Discussion and Analysis of Financial Condition and Results of Operation" on pages 413 and 374, respectively.

18. ***Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by any bank or financial institution and may be subject to change based on various factors, some of which are beyond our control.***

We intend to use the Net Proceeds of the Issue towards working capital requirements and general corporate purposes, as described in "Objects of the Issue" on page 124 of the Prospectus. The Objects of the Issue have not been appraised by any bank or financial institution. Our Company is required to appoint a credit rating agency registered with SEBI as the monitoring agency prior to the filing of the Prospectus in accordance with Regulation 41 of SEBI ICDR Regulations. Whilst a monitoring agency has been appointed for monitoring utilization of the Gross Proceeds, the proposed utilization of the proceeds from the Issue is based on current conditions, our business plans and internal management estimates and is subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below. For further information, see "Objects of the Issue" on page 124. Although there are currently a limited number of companies engaged in the same line of business especially on power electronic equipment's as ours, our industry is evolving and may witness increased competition in the future. Given the dynamic nature of the industry, including changes in technology, regulatory environment, and customer requirements (including those of Indian Railways / RDSO), we may be required to revise our business plans and / or management estimates from time to time. Consequently, our funding requirements may also change. Regarding our other products, we are subject to competition, and may have to revise our business plan and / or management estimates from time to time and consequently our funding requirements may also change. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds.

Various risks and uncertainties, such as economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital and including those set forth in this section, may limit or delay our efforts to use the net proceeds to achieve profitable growth in our business. Accordingly, use of the net proceeds for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

Our internal management business estimates have not been independently appraised or verified by any third party appraisers. Any revision in our business plans or assumptions which may require us to reschedule the proposed utilisation of Net Proceeds of the Issue, which could have an adverse impact on our business, financial condition, results of operations and cash flows.

Our Company, in accordance with the applicable law and to attain the Objects of the Issue, will have the flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described above, our Company may temporarily deposit the Net Proceeds with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board.

19. ***Information relating to the installed capacity, actual production and capacity utilization of our assembling and manufacturing facilities included in the Prospectus is based on various assumptions and estimates, and future production and capacity may vary. If we are unable to maintain the existing level of capacity utilization at our assembling and manufacturing facility, our margins and profitability may be adversely affected. Further, a slowdown or shutdown in our assembling and manufacturing operations could have an adverse effect on our business, results of operations, financial condition and cash flows.***

Information relating to the installed capacity, actual production and capacity utilization of our Unit 1, as included in the Prospectus, is based on various assumptions and estimates of our management, including expected operations, availability of raw materials, expected unit utilization levels, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, and expected operational efficiencies, that have been taken into account by an independent chartered engineer in determining the installed capacity, actual

production and capacity utilization of our assembling and manufacturing facilities. Furthermore, our ability to achieve optimal capacity utilization may be impacted by factors such as unexpected disruptions in supply chains, labour shortages, regulatory changes or other operational challenges. These disruptions may lead to unplanned downtime, underutilization of our facility, on increased operating costs.

Accordingly, actual production levels and rates may differ significantly from the installed capacity information of our facilities or historical installed capacity information of our facilities depending on the product type, and may not result in higher revenue generation for us. Additionally, if we are unable to scale production to meet increasing demand, this could limit our growth potential and impact customer satisfaction. Undue reliance should therefore not be placed on our historical installed capacity information for our existing facilities included in the Prospectus.

The table below sets forth our capacity utilization rates for our Unit 1 (with operating capability assessed/calculated on single shift basis) for the Financial Year ended March 31, 2026, March 31, 2025 and March 31, 2024 as per the certificate issued by the Chartered Engineer dated July 07, 2026:

Name of Final Product(s)	Capacity utilisation for the financial year / period ended (in %age)		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
Switch Board Cabinet Panel	100.00%	98.36%	100.00%
Cable Protection Conduit Tubing	46.19%	84.62%	76.92%
Conduits End Fittings	50.95%	93.33%	82.22%
Expandable Cable Jackets	71.52%	86.36%	87.88%
Propulsion System *	2.63%	Nil	Nil

** The assembling cum manufacturing unit of the Company was approved by Centre for Design and Development Chittranjan Locomotive Works w.e.f. October 15, 2020 for production of IGBT based 3-phase drive propulsion equipment. The prototype of the propulsion equipment developed by the Company firstly undergoes trail run with Indian Railways. MV Electrosystems delivered one propulsion equipment to CLW, on February 29, 2024 from its R&D centre, on which the testing and trail run was completed by CLW, Indian Railways, including successful run of 50,000 km. Subsequent to this completion of testing and trial run, CLW, on September 15, 2025, issued its final inspection certificate (prototype clearance). Based on the facility available, the Company possess manufacturing cum assembly capability for production of 114 Propulsion Equipment annually (operating on a single shift basis) at its assembly cum manufacturing facility at Baghola, Palwal, Haryana and the company commenced manufacturing of propulsion systems in March 2026. Since the production has commenced in financial year ended March 31, 2026, the capacity utilization for previous financial years was Nil. Further, the Company is in the process of installation of Test Setup–2 at the same unit.*

In our Board meeting held on October 01, 2025, our Company has approved shifting of cable protection & interconnected products manufacturing operations from Unit 1 to Unit 2, subsequent to completion of which, Unit 1 will be dedicatedly focused for production of power electronics equipment, including 3-Phase Propulsion Equipment. Since the existing machinery for cable protection & interconnected products is proposed to be shifted to Unit 2, there is no change expected in the installed capacity for the said products. For more information, see "*Risk Factor 4 - We are in the process of shifting operations for existing cable protection & interconnected products facility from Village Baghola, Palwal, Haryana, India ("Unit 1"), where it is presently situated, to Nangla Bhiku, Pawal, Haryana, India ("Unit 2") and installing new machinery for 3-Phase Propulsion Equipment, and any delays, cost overruns or execution failures may adversely affect our business and financial condition.*" on page 25.

Historical capacity utilisation of Unit 1 for production of switchgear & rail coach / EMU panels, cable protection conduit tubing, conduits end fittings and meter expandable cable jackets is influenced by several factors, including the availability of materials, tenders participated by us and won, our effectiveness in managing inventory and prevailing industry & market conditions. Capacity utilization is also affected by planned shutdowns of our plants, which are necessary for maintenance and expansion activities. In addition to annual planned shutdowns, we may periodically shut down our plants to enhance our capabilities, which can temporarily reduce our production capacity and impact overall utilization rates. While we have not experienced any disruptions to our assembling and manufacturing facilities that materially and adversely affected our results from operations during the Financial Years ended March 31, 2026, March 31, 2025 and

March 31, 2024, we cannot guarantee that significant disruptions will not occur in the future. If we are unable to fully utilize our available capacity to meet customer demand, we may continue to experience low levels of utilization, which could materially and adversely affect our business, results of operations, financial condition, and cash flows.

Low demand for our power electronics equipment and low-capacity utilization of our assembling and manufacturing facility(ies) may limit our ability to leverage economies of scale. Further, if we are unable to increase our overall production capacity or maintain quality control and standards at our assembling cum manufacturing units for any reason, our business, results of operations, financial condition, and cash flows may be adversely affected.

20. Our Company, its Directors, its Promoters, Key Managerial Personnel and Senior Managerial Personnel are party to certain legal and regulatory proceedings. These legal and regulatory proceedings are pending at different levels of adjudication before various courts and regulatory authorities. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our Company, its Directors, its Promoters, Group Companies, Key Managerial Personnel and Senior Managerial Personnel are parties to certain legal and regulatory proceedings in India, which are pending at different levels of adjudication before the concerned authorities. We cannot assure you that these proceedings will be decided in favour of our Company, its Directors, its Promoters, Group Companies, Key Managerial Personnel and Senior Managerial Personnel, as the case may be. Any adverse decision in such proceedings may render us liable to penalties and may have a material adverse effect on the financials and reputation of our Company, its Directors, its Promoters, Group Companies, Key Managerial Personnel and Senior Managerial Personnel which may in turn have an adverse effect on our business. Additionally, during the course of our business we are subject to risk of litigation in relation to contractual obligations, employment and labour law related, personal injury, damage to property, etc.

A classification of these outstanding proceedings is given in the following table:

Name of entity	Criminal proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Tax proceedings	Others	Aggregate amount involved (₹ in millions)
Company							
By our Company	-	-	-	-	-	1	-*
Against our Company	-	-	-	-	4	-	4.79**
Directors							
By our Directors	-	-	-	-	-		-
Against our Directors	-	1	-	-	-		-
Promoters							
By our Promoters	-	-	-	-	-		-
Against our Promoters	-	-	-	-	-	1	2.40
Group Companies [1]							
By our Group Companies	-	-	-	-	-		-
Against our Group Companies	-	-	-	-	-		-
Key Managerial Personnel							
By our Key Managerial Personnel	-	-	-	-	NA [2]		-
Against our Key Managerial Personnel	-	-	-	-	NA [2]		-
Senior Managerial Personnel							
By our Senior Managerial Personnel	-	-	-	-	NA [2]		-

Name of entity	Criminal proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Tax proceedings	Others	Aggregate amount involved (₹ in millions)
Against our Senior Managerial Personnel	-	-	-	-	NA [2]		-

** Our Company, jointly with Rahul Dhawan, has voluntarily filed an application before the Registrar of Companies, National Capital Territory of Delhi and Haryana for adjudication of certain non-compliances and irregularities under the Companies Act. In this regard, we have received a communication dated July 01, 2026 from the office of Deputy Registrar of Companies, Registrar of Companies, Haryana, advising our Company to file separate e-form GNL-1 for each default in place of one consolidated application as filed above. Our Company is in the process of filing of the adjudication applications in terms of the said communication. The penalty under the said application cannot be ascertained.*

***(a) Our Company has received a communication from Income Tax Department on February 28, 2019 under Section 143(1)(a) of the Income Tax Act for the assessment year 2018-19. The aggregate amount involved is ₹ 1.19 million. No further communication has been received thereafter in this regard.*

(b) In two separate matters, our Company has received communication from Income Tax Department under Section 143(1)(a) of the Income Tax Act for proposed adjustment to the total income. No further communication has been received thereafter in this regard.

(c) Matter pertaining to GST wherein our Company has filed an appeal for aggregate demand of tax, including penalty, for ₹ 4.79 million

[1] There is no litigation against Group Companies which may have a material impact on our Company.

[2] There is no tax proceedings involving our Key Managerial Personnel and Senior Managerial Personnel which may have a material impact on our Company.

However, none of the above litigation(s) are so significant that continuation of operations of our Company is dependent on the outcome of such pending litigation(s).

Further, the above parties may, in future, become subject to claims, disputes, or legal or regulatory proceedings which may arise in the ordinary course of business or otherwise. We cannot assure you that any such future proceedings, if initiated or determined adversely, will not have a material adverse effect on the business, financial condition, results of operations, or reputation of our Company, its Directors, its Promoters, Key Managerial Personnel, or Senior Managerial Personnel

21. Appeal against the adjudication order issued by Registrar of Company in the matter of failure to open a separate bank account for receipt of the share application money and utilisation thereof prior to the allotment of equity shares by Group Company, namely Quadrant Future Tek Limited, which is a non compliance under Section 42 of the Companies Act.

In order to meet the capital needs in the initial years of incorporation, Quadrant Future Tek Limited ("Quadrant"), a Group Company has raised funds by issuing equity shares to the Promoter and Promoter Group of the Company through preferential allotment by way of private placement of securities under Section 62(1)(c) read with Section 42 of Companies Act, 2013. Quadrant Future Tek Limited had undertaken six different private placement of equity shares from time to time (i.e. on March 01, 2016, June 06, 2016, August 10, 2016, November 05, 2016, January 30, 2017 and April 14, 2017) and had raised funds aggregating to ₹ 8,00,00,000/- (Rupees Eight Crores only) but failed to open a separate bank account for receipt of the share application money and utilisation thereof prior to the allotment of equity shares, which is a non compliance under Section 42 of the Companies Act.

To regularize such non-compliance, Quadrant has filed an adjudication application before RoC under Section 454 read with Section 42 of Companies Act, 2013. With respect to the adjudication application submitted by our Company vide SRN AA7833941 dated May 07, 2024, the Registrar of Companies & Adjudication Officer, Punjab and Haryana has passed an order dated August 08, 2024 levying a total penalty of ₹ 15.80 million, including Quadrant, and Mohit Vohra & Amit Dhawan, Directors & Promoters of our Company, for default of Section 42(4) and 42(6) of the Companies Act, 2013 as under:

Name		Penalty levied (₹ in million)
Quadrant Future Tek Limited	:	6.00
Mohit Vohra, Whole Time Director	:	1.20
Amit Dhawan, Whole Time Director	:	1.20
Other directors of Quadrant Future Tek Limited	:	7.20
Company Secretary of Quadrant Future Tek Limited	:	0.20
Total		**15.80**

Pursuant to the above-mentioned order of RoC, Quadrant had filed an appeal against the abovementioned order on October 07, 2024 before the Regional Director, North Region, Ministry of Corporate Affairs, New Delhi pursuant to the provisions of Section 454(5) of the Companies Act, 2013 and rule 4(1) of the Companies (Adjudication of Penalties) Rules, 2014. The said appeal has been disposed off by the office of the Regional Director on January 30, 2026 as under:

- Violation of the proviso to Section 42(6) of the Companies Act and penalty under the order has been upheld
- Violation of the proviso to Section 42(4) of the Companies Act has been set aside and accordingly no penalty is leviable under such Section.

Subsequently, Quadrant and other petitioners, including Mohit Vohra and Amit Dhawan have filed a writ petition with the Hon'ble High Court of Punjab and Haryana, Chandigarh on May 19, 2026 against the aforesaid order dated January 30, 2026 issued by the Regional Director, North Region, Ministry of Corporate Affairs, New Delhi for setting aside the penalties levied. The matter is listed for hearing on September 14, 2026.

The said order does not have any impact on the operations and financial position of our Company.

22. In one instance in the past, our Company has returned raw materials / components imported by us back to the Indian subsidiary of the supplier without giving intimation or obtaining prior approval from the Reserve Bank of India under the provisions of the Foreign Exchange Management Act, 1999 and the applicable rules and regulations issued thereunder. Imposition of penalty for not obtaining such approval may have an adverse effect on our results of operations, financial condition and cash flows.

During the course of development of Propulsion Equipment, the Company had imported goods from HaslerRail Switzerland to be used in design and development of Vehicle Control Unit ("VCU") and Driver Display Unit ("DDU"). However, due to the continuous R&D being undertaken by the Company, the product design was altered by the Company and therefore the said goods were of no use for the Company. To save cost, the Company had offered to return the unused goods to HaslerRail Switzerland.

After discussion with HaslerRail, the Company, in order to mitigate any further losses, entered an arrangement with HaslerRail, whereby the Company, at the request of HaslerRail, agreed to transfer such unused goods to HaslerRail's Indian wholly owned subsidiary namely Secheron Hasler (India) Private Limited in Gurgaon, India.

Our Company made an advance payment of Euro 46,205 to HaslerRail towards import of goods, out which the Company could only utilise goods worth Euro 4,700, and remaining goods, could not be used due to technical issues as described above. The Company, upon request of said supplier transferred the unused goods to the wholly owned subsidiary in India, and in lieu thereof, overseas supplier issued a credit note of the balance amount Euro 33,355 due and payable to the overseas supplier and after adjustment thereof, the outstanding payables of Euro 33,355 to the overseas supplier stands reduced to 'NIL'. Under the FEMA, any alteration to the terms of an import transaction, including return of imported goods or transfer of unused imported goods within India, may require prior permission from the RBI and compliance with prescribed procedures. Although information relating to this transaction was shared with our then authorised dealer bank, the Company inadvertently erred in procuring the requisite approval from RBI under the applicable FEMA provisions. Our Company has now approached its authorised dealer bank to seek guidance and to regularise the transaction, if so directed. If the authorised dealer bank / RBI determines that this instance constitutes a contravention of FEMA, our Company may be subject to monetary penalties and may be required to undertake compounding proceedings. Any such action, or any future inadvertent non-compliance with FEMA

requirements, may adversely affect our business, operations, reputation, and our ability to undertake import or export transactions.

23. ***In the past, our Company had instances involving payments made on behalf of and received from certain Group Companies aggregating to 0.05%, 0.86% and 0.02% of the revenue from operations for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 respectively. Such transactions were appropriately accounted for in the financial statements, which post such adjustment reflect true and fair view of the financial position. This indicated deficiencies in certain internal control processes for which remedial measures have been implemented by our Company, but there can be no assurance that similar instances will not occur in the future.***

    In the past, our Company has, on certain occasions, made payments on behalf of certain of our Group Companies and conversely, certain Group Companies have made payments on behalf of our Company, primarily for administrative or operational convenience. Such practices indicated gaps in certain aspects of our internal control processes relating to segregation of duties, documentation and monitoring of inter-company transactions, which were closely held by the promoters in the past. The summary of such transactions are as under:

(₹ in millions)

Particulars	***Nature of transaction***	***Total number of instances***	***For the Financial Year ended March 31,***		
			2026	***2025***	***2024***
Amount paid on behalf of Related party					
MV Mobility Limited	Amount paid to supplier of material on behalf of MV Mobility Limited	2	-	-	0.02
Prime Electronics	Inspection charges paid on behalf of Prime Electronics	4	0.02	0.16	0.06
Iboard India Limited	Being occupant of the property owned by our Company, electricity charges were paid by us which were later recovered from Iboard India Limited. Additional apparition of certain travel related expense were accounted on actual payment basis	5	0.05	0.23	-
Amount paid by related party on behalf of Company					
Prime Electronics	Ernest money deposit paid by Prime Electronics on behalf of our Company and the same was repaid on the same date	2	0.18	5.00	-
MV Mobility Limited	Aluminium fire wire purchased & Tour & Travelling Expenses	2	0.01	-	-
Assets Purchased					
MV Mobility Limited	Purchase of welding machine	1	-	-	0.02
Total of all of such above transactions in the respective reporting period			***0.26***	***5.39***	***0.10***
Revenue from operations			494.28	626.37	499.57

Particulars	*Nature of transaction*	*Total number of instances*	*For the Financial Year ended March 31,*		
			2026	*2025*	*2024*
Above total as percentage to the revenue from operations			***0.05%***	***0.86%***	***0.02%***

Notwithstanding the foregoing, all such transactions were non-recurring in nature and recorded in the books of accounts in accordance with applicable accounting standards and generally accepted accounting principles in India. Hence there was no impact on our revenue from operations or expenses or profits as recorded in our historical audited financial statements and the financial impact of such payments and corresponding receivables or payables, as applicable, was appropriately recognized and reflected in the financial statements for the relevant periods.

Recognizing the need to strengthen our governance and internal control framework, our Company has undertaken corrective and preventive measures including implementation of enhanced approval and authorization protocols, strengthening of documentation and reconciliation procedures and further evolving our accounting and business processes related to internal controls over financial reporting. Our management believes that these measures have improved the effectiveness of our internal control environment and prevent the likelihood of recurrence of such instances.

We cannot assure you that the measures we have taken to date, and actions we may take in the future, will be sufficient to remediate the deficiencies that led to the aforesaid errors in our financial reporting or that they will prevent or avoid potential future errors. Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our annual or interim financial statements. Further, in the event that any regulatory authority determines that our internal controls or past practices were not adequate or consistent with applicable laws, regulations, or governance expectations, we may be subject to regulatory scrutiny, additional compliance requirements, or other actions, which could adversely affect our reputation, financial condition, results of operations

24. There are certain delays in payment of statutory dues by us. Any further delay / default in payment of statutory dues may attract financial penalties and / interest on delayed payments from the respective government authorities and in turn may have a material adverse impact on our financial condition and cash flows.

We have had instances of delays in the payment of certain statutory dues with respect to provident fund, Employee State Insurance (ESI) contribution, tax deducted at source and advance tax. The details of the same is as under:

(₹ in million)

Particulars	**For the Financial Year ended March 31,**					
	2026		**2025**		**2024**	
	Number of instances	**Interest / Penalty Paid**	**Number of instances**	**Interest / Penalty Paid**	**Number of instances**	**Interest / Penalty Paid**
TDS Returns	2	-	2	-	10	-
Late Deduction of TDS	1	0.11	11	0.09	10	0.08
Traces Default	-	-	2	0.004	-	-
GST*	-	-	1	-	-	-
ESIC	1	0.04	-	-	2	0.01
PF	-	-	-	-	1	0.01
Advance Tax	-	-	-	2.00	-	0.60

There can be no assurance that such delay, or consequent default may not arise in the future. Any delays in future may attract interest for the period of delay and also lead to financial penalties from respective government authorities which may have a material adverse impact on our financial condition and cash flows.

25. We do business with our customers on purchase order basis or through tenders issued by them from time to time and do not have long-term contracts with most of them. Further, our business tends to vary from quarter to quarter based on the timing of release of various tenders and successful award of purchase orders to us based on the terms of the tender.

As is common in our industry, our business is conducted on purchase order basis or through tenders issued by Indian Railways from time to time. We neither have long-term contracts with most of our customers nor have any marketing tie up and there can be no assurance that we will continue to receive repeat orders from any of them, including our long-standing customers. Further, Railway Budget is presented on an annual basis in January and then incorporated into a bill in a few months. Subsequent to this, the tenders are sent out for various works by the different railway boards and zones. However, the timelines followed by the various railway zones for issuing tenders may vary significantly. Accordingly, demand in the railways industry tends to be low in the first quarter of the financial year and expected to pick up only in the second quarter in response to the Railway Budget announcement in the last quarter of the previous financial year.

Once the product specifications required in the tender are technically and commercially evaluated, the tender is granted to lowest bidder or split between the lowest one and second bidder based on the policy of the tender issuing authority. Our Company participates in these tenders and may not always qualify as lowest bidder or match the bid of the lowest bidder and hence, the conversion of participation in the tenders vis-à-vis successful award of order is low, which is as under:

(₹ in millions)

Particulars	For the Financial Year ended March 31,					
	2026		2025		2024	
	No. of Bids / Tenders	Value of Tender	No. of Bids / Tenders	Value of Tender	No. of Bids / Tenders	Value of Tender
Bids / Tenders participated	462	49,960.00	435	46,305.13	233	35,877.46
Bids / Tenders awarded to us	75	10,023.00	115	2,175.16	71	316.31
Bids / Tenders not awarded to us	387	39,937.00	320	44,129.97	162	35,561.15
Bid / Tenders success ratio	16.23%	20.06%	26.44%	4.70%	30.47%	0.88%
EMD deposited by the Company						
Amount during the respective year		5.00		34.31		21.09

We cannot assure you that we will be able to meet the eligibility criteria prescribed under the tenders issued by Indian Railways. If we are not able to qualify for bidding, we may lose the opportunity to procure orders in future, which could affect our growth plans and could result in an adverse effect on our business, financial condition, results of operations, and prospects. We spend considerable time and resources in the preparation and submission of bids. We cannot assure you that we will bid where we have been eligible to submit a bid or that our bids, when submitted or if already submitted, would be accepted. In addition, tender processes are regularly subject to changes in eligibility criteria, unexpected delays and other uncertainties. In case we lose out on bid, there could be adverse effect on our business, financial condition, cash flows, results of operations and growth prospects. Our future results of operations and cash flows can fluctuate materially from period to period depending on the timing of award of order.

26. We have incurred indebtedness and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, any breach of terms under our financing arrangements or our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and financial condition.

We have entered into agreements with HDFC Bank Limited and Indian Overseas Bank for term loan, working capital loan and non fund based facilities. Further, in the current financial year, our Company has also availed equipment financing facility from Bajaj Finance Limited for purchase of certain capital assets. The working

capital facilities are repayable on demand and the term loan are repayment over a period of time. The details of the secured loan outstanding as at March 31, 2026, March 31, 2025 and March 31, 2024 is as under:

(₹ in million)

	As at		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
Secured Borrowings (Non Current)	95.43	49.73	50.65
Secured Borrowings (Current)	403.50	224.29	203.70
Total secured borrowings	498.93	274.02	254.35
Unsecured borrowings	-	1.00	21.50
Total borrowings	498.93	275.02	275.85
Finance Cost	34.90	30.42	24.70
Total Income	497.91	646.37	505.65
Finance costs as a percentage of total income	**7.01%**	**4.71%**	**4.88%**

As of March 31, 2026, we had a total borrowings (inclusive of fund based and non-fund based, but excluding term loan facility from Bajaj Finance Limited with sanctioned limit of ₹ 70 million for purchase of equipment / machinery), which contain restrictive covenants, including requirements that we obtain consent from the lenders prior to undertaking certain matters including altering our capital structure, amending our constitutional documents, further issuance of any shares, effecting any scheme of amalgamation or reconstruction, changing the management and dilution of promoters' shareholding, and creation of security in favour of parties other than our existing lenders. Moreover, our assembling cum manufacturing facilities and some of our plant and machinery at such facilities have been offered as a collateral for some of our loans and our Promoters have also provided personal guarantees in relation to our borrowings. For further information, see "Financial Indebtedness" and "History and Certain Corporate Matters" on pages 413 and 262, respectively. Additionally, we are required to, among others, maintain the prescribed debt coverage ratio, net total debt, and fixed asset coverage ratio. There can be no assurance that we will be able to comply with these financial or other covenants at all times or that we will be able to obtain the consent necessary to take the actions that are required to operate and grow our business.

Our Company has not violated any of the restrictive covenants / events of default or undergone rescheduling for repayment of loans in the past three financial years or the current financial year with respect to the debt financing that the company has availed. Also, there has been no instance in the past three financial years wherein promoters personal guarantee and / or company guarantees have been invoked and / or loan defaults have been made by the Company. However, there is no assurance that we will be in compliance with such covenants in the future.

Further, we are susceptible to changes in interest rates and the risks arising therefrom. A majority of our financing agreements provide for interest at variable rates with a provision for the periodic resetting of interest rates. Further, under all of our working capital financing agreements, the lenders are entitled to charge the applicable rate of interest, which is a combination of a base rate that depends upon the policies of the RBI and a contractually agreed spread, and in the event of an adverse change in our Company's credit risk rating, the applicable rate of interest may be changed by our lenders which may adversely affect our business and financial condition. While we have not had such instances in the present Financial Year and the past three Financial Years, there is a possibility that our lenders may impose penalties, additional interests and/or fees on the loans, or call an event of default, which could lead to acceleration or termination of such borrowings, all of which could adversely affect our business, operations and financial condition. For more information, see "*Risk Factor 48 - We are exposed to interest rate risks because we have borrowed funds at floating interest rates. Any changes in our interest rates could increase our borrowing costs and in turn impact our profitability.*" on page 66.

Under these financing agreements, consent from the lender is required for and in connection with the Issue. Our Company has received "No Objection" from Indian Overseas Bank and HDFC Bank Limited, vide their respective letters dated October 09, 2025 and September 20, 2025, for the proposed IPO by our Company and any other steps that our Company may take in respect thereof.

If our future cash flows from operations and other capital resources are insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt

to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets, our financial condition at such time and the terms of our other outstanding debt instruments. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest or principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms. Any failure to comply with the conditions and covenants in our financing agreements that is not waived by our lenders or guarantors or otherwise cured could lead to a termination of our credit facilities, foreclosure on our assets such as our plants, acceleration of all amounts due under such facilities, trigger cross - default provisions under certain of our other financing agreements, any of which could adversely affect our financial condition and our ability to conduct our business and implement our business plans.

As on the date of the Prospectus, our Company has not breached any terms of its financing arrangements and has not experienced any inability to meet its obligations, including financial and other covenants under its debt financing arrangements.

27. ***Any future acquisitions, strategic investments and entries into new products that are used in conjunction with propulsion equipment could disrupt our business, divert our management's attention and harm our business.***

Until recently, the locomotive manufacturing units of the Indian Railways procured various components from multiple vendors for production of locomotives. However, in March 2025, Indian Railways has issued a directive requiring locomotive production units to procure integrated propulsion kit comprising of various important components used in locomotive manufacturing, including propulsion equipment, traction motors, traction transformer, complete bogies, suspension system, transmission system and any such product as may be included by BLW or CLW. For details refer to "Our Business - Our Strategies - Development and / or acquisition of new products that are used in conjunction with propulsion equipment in line with the newer opportunities under Indian Railways" on page 226.

We may in the future seek to acquire, invest in or develop allied new products that could complement or expand our propulsion equipment and offer growth opportunities. We may be unable to undertake successful development or find suitable acquisition targets or complete acquisitions on favourable terms, if at all, in the future.

Although, we have not undertaken any acquisition or made strategic investments in the past, however, if despite on getting such an opportunity we could not complete acquisitions, then we may not be ultimately in a position to strengthen our competitive position or achieve our goals and any acquisitions we complete could be viewed negatively by customers or investors. Moreover, an acquisition, investment or business relationship may result in unforeseen operating difficulties and expenditures, including disrupting our ongoing operations, diverting management from their primary responsibilities, subjecting us to additional liabilities, increasing our expenses and adversely impacting our business, results of operations, cash flows and financial condition. We may also be exposed to unknown liabilities and the anticipated benefits of any acquisition, investment or business relationship may not be realized, if, for example, we fail to successfully integrate such acquisitions, or the technologies associated with such acquisitions, into our Company.

Strategic acquisitions and investments involve several risks, including the following: difficulties in arranging adequate financing (whether debt or equity or a combination thereof) on commercially reasonable terms, to complete our planned investments or acquisitions in the budgeted time, cost and manner; difficulties or delays in obtaining lender consents required under our financing agreements, prior to undertaking any planned investments or acquisitions; potential assumption of unanticipated liabilities and contingencies, including claims from current or former creditors, customers, suppliers, employees and other third parties; potential adverse short-term effects on operating results through increased costs or otherwise; unforeseen difficulties in extending disclosure and other internal controls and procedures over financial and other reporting and in performing the required assessment and remediation at the newly acquired business; unforeseen difficulties in assimilating the operations, personnel, management information systems and other administrative systems of acquired businesses and in transitioning existing operations; potential disagreements with strategic partners and collaborators; diversion of management time and focus, and managing the realignment of our

management resources; and possible impairment of relationships with customers, suppliers and employees of acquired businesses as a result of changes in ownership and management.

We also may not achieve the anticipated benefits from the acquired businesses due to a number of factors, including difficulties resulting from the integration of technologies, culture or personnel, diversion of management's attention, litigation, use of resources, or other disruption of our operations. Approval constraints, particularly from RDSO or Indian Railways, may also prolong acquisition timelines and affect the extent to which we can maximize the value of our acquisitions or investments. Acquisitions could also result in dilutive issuances of equity securities or the incurrence of debt. In addition, In addition, we may devote substantial management time and financial resources to acquisitions or investments that may not yield commensurate returns or contribute to our revenue growth. We may also be adversely impacted by liabilities that we assume from our acquisitions, including from regulatory authorities, and we may not be able to identify or adequately assess the magnitude of certain liabilities. If an acquired business fails to meet our expectations, or if such acquisition results in the expending significant time and financial resources, our business may be materially and adversely affected.

28. We require a significant amount of capital and our future capital needs may require us to obtain additional loans and borrowings or issue equity or debt securities, which may impose restrictions on our business activities and dilute our shareholders' equity. Further, failure to obtain additional financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability.

We need significant capital to, among other things, working capital, conduct research and design work for newer equipments, invest in technologies and product development including, capital expenditure, construct new factory or research, design & development centre, expand our production capacity and fund organic or inorganic growth initiatives and general corporate purposes. The development and commercialization processes for new power electronics equipment includes approval for setting up new equipment at the existing / complete new research, design & development centre, material costs (which includes expenses incurred for metal, machined parts and electronic components, etc.), overhead cost (which includes expenses incurred for paying rent for the premises, or lease expenses, etc.), team of engineers & other human capital, R&D costs and other tangibles, and is time-consuming, costly, and involves a high degree of risk. For further details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 374.

We expect our capital expenditures to continue to be significant in the foreseeable future as we expand our business. Our limited operating history makes it difficult to accurately forecast our future capital requirements. While we endeavour to achieve new product development in cost efficient way, we may be required to incur additional expenses towards price escalation during the product development phase, increase in salaries, etc which may have to be funded through internal accruals of our Company or by raise of additional funds through debt or equity, which may require us to reschedule or reallocate our other fund flow. We cannot assure you that such expenditure / investment will yield the intended results as anticipated.

We may in the future seek equity or debt financing to finance a portion of our capital expenditures or refinance our debt. Such financing may not be available to us in a timely manner or on commercially acceptable terms, or at all. In addition, for our future capital needs and other business reasons we may require to issue additional equity or debt securities, including convertible securities, or obtain a credit facilities. The issuance of additional equity securities or debt securities convertible into equity could dilute our shareholders' shareholding. Our ability to obtain the necessary financing could be subject to several factors, including general market conditions, business performance and investor acceptance of our business plan. Our outstanding indebtedness may also affect our ability to obtain financing in a timely manner and on reasonable terms. These factors may make the timing, amount, terms and conditions of such financing unattractive or unavailable to us. If we are unable to raise sufficient funds, we will have to significantly reduce our spending, delay or cancel our planned activities. We might not be able to obtain any funding or service any of the debts we incurred, which could mean that we would be forced to curtail or discontinue our operations thus causing our business, financial condition and prospects to be materially and adversely affected.

The incurrence of indebtedness would require us to use a portion of our future cash flows from operations to pay interest and principal on our indebtedness, thereby resulting in an increase in debt service obligations. Our financing arrangements may also impose certain operating and/or financial covenants that restrict our operations, limit our ability to implement our business strategy, heighten our vulnerability to downturns in

our business, the industry, or in the general economy, prevent us from taking advantage of business opportunities as they arise, or prevent us from being able to pay dividends to our shareholders.

As on the date of the Prospectus, there are no restrictive covenants / conditions were implemented by the lenders of the Issuer in the past.

29. ***We are subject to strict quality requirements, customer inspections and audits, and any failure to comply with quality standards or faulty equipment may lead to product recall, corrective actions due to defects in our products or not meeting the specified level of performance / quality, cancellation of existing and future orders and could negatively impact our reputation, our business, results of operations and future prospects.***

We undertake sale and supply of Switchgear & Panels (on board or under slung), Cable Protection & interconnected products and are also commenced supply of 3-Phase Propulsion Equipment in March 2026. Given the nature of our products, and the sector in which we operate, that our customers have high standards for product quality and delivery schedules. As a rail power electronics equipment manufacturer, our products must comply with stringent testing and operational performance of the Indian Railways & RDSO and adherence to quality standards.

We are subject to inherent risks associated to any defect in products supplied by our Company or failure to comply with the specifications of our customers, due to human error or otherwise, we are liable to incur liabilities / penalties including (i) responsible for damages relating to any defective products, (ii) replace, recall or rectify such products or (iii) incur significant costs to defend any such claims. Further, any failure to make timely deliveries of products and solutions as per our customers' requirements could result in cancellation or non-renewal of purchase orders and at certain instances may also result in us bearing additional financial exposure. Such recalls, repairs and replacements involve significant expenses and diversion of management's attention and other resources. Any of the foregoing could harm our reputation and lead to loss of revenue, delivery delays, customer complaints, breach of warranty. During the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, we have not faced any claims related to product recall, however, we cannot assure you that we will not face such instances in the future.

Also, our manufacturing processes and products are also subject to regular inspections conducted by Indian Railways (through Zonal railways / their divisions / production units). We conduct quality inspections and testing for our final products from time to time to meet the stringent requirements of our customers. Further, for 3-Phase Propulsion Equipment, we are also in the process of setting up a testing line for checking the propulsion equipment being dispatch from our facility to ensure that our product meets the specification of the customer.

Our quality control procedures may fail to test for all possible conditions of use or identify all defects in the design or development of the products. Any such failure to identify defects could require us to undertake service actions or recalls of our products or could also result in customer claims for damages. Any negative publicity regarding our Company, or our products could adversely affect our reputation, our operations and our results from operations.

30. ***Our Key Managerial Personnel, Senior Management Personnel and other qualified personnel, including employees at Research, Design & Development Centre are critical to our continued success and we may experience disruptions to our business if we are unable to retain such personnel or attract new such personnel in the future.***

Our success substantially depends on strength of the Promoters of our Company and the ongoing service of Pankaj Rastogi, our Managing Director, and Sanjay Mann, our General Manager - R&D (Software), as well as the efforts of our other qualified personnel employed by us at the Research, Design and Development Centre. As of May 31, 2026, we had 206 permanent employees, including 45 employees at our Research, Design and Development Centre. Such individuals provide strategic and product input that enables us to effectively design and develop electric equipment as required by railways industry, leveraging their experience in various fields, such as research, design, product management, business operations, manufacturing, supply chain management and management. Further, with the Proto type approval in September 2025 for 3-Phase Propulsion Equipment and commencement of commercial supplies of the same to Indian Railways in March 2026, we have expanded our team size be expanding teams for such deliveries, which has also resulted in increase of employee benefit expenses.

The table below sets forth our employee benefits expense for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(in ₹ million)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Employee benefit expenses	137.60	95.66	92.01
Employee benefit expenses as a %age of Total Income	27.64%	14.80%	18.20%

Our success depends substantially on the continued efforts of our senior management team, key managerial personnel and other qualified personnel, including employees at Research, Design & Development Centre. If one or more of our executive officers or key employees are unable or unwilling to continue their services with us, we might not be able to replace them easily, in a timely manner, or at all. The table below provides the attrition rate for our employees, key managerial personnel and senior management for the periods indicated:

(in % unless otherwise indicated)

Particulars	Financial year ended March 31,		
	2025	2024	2023
Key Management Personnel and Senior Management			
Number of Key Managerial Personnel and Senior Management	12	11	9
Attrition Rate (Key Managerial Personnel including Senior Management) (%)	0.00%	0.00%	0.00%
Other employees			
Total staff employed	196	85	96
Attrition Rate (%)	17.79%	27.62%	23.08%

As our Company is relatively young compared to other established players supplying power electronic equipment to Indian Railways, our ability to staff and train new employees in our operations may not meet the growing demands of our business, especially with the expansion of our products. This may materially and adversely affect our ability to grow our business and our results of operations. In addition, because IGBT based 3-Phase Drive Propulsion equipment are based on a different technology than conventional erstwhile Gate Turn-off Thyristors (GTOs) in Indian Railways, individuals with sufficient know how on technology in such electric equipment may not be available to hire. We will therefore need to spend significant time and expenses in hiring and training new employees.

Our industry is characterised by high demand and intense competition for talent. As a result, we cannot assure you that we will be able to attract or retain engineers, qualified staff or other highly skilled employees. Our ability to train and integrate new employees into our operations may not meet the growing demands of our business and may cause employee attrition. Any negative publicity arising from such reduction in turnover may adversely affect our reputation and our ability to attract talent. Further, if any dispute arises between our key managerial personnel and senior management personnel and us, the non-competition provisions contained in their non-compete agreements may not be enforceable. While this has not happened in the past, if any of our key managerial personnel or senior management joins a competitor or forms a competing company, we may lose customers, know-how and key professionals and staff members. If any of our KMPs or Senior Management leave due to death, disability, or other reasons, or if their reputation is harmed, our business may be disrupted, and our financial condition adversely affected. We may incur additional costs to recruit, train, and retain qualified personnel. If any of our KMP or Senior Management join a competitor or start a competing company, we may lose customers, know-how and key staff. Although there are non-compete provisions contained in their letters of appointment or employment agreements, as applicable, these may not be enforceable in disputes. While we have not had any adverse publicity related to this staff turnover in the past, there is no assurance that it would not occur in the future. Such instances could harm our reputation and impede our ability to attract new talent, which may negatively impact our business operations.

31. We are exposed to the risk of loss of confidential technical knowledge which includes trade secrets, assembling and manufacturing processes, and other confidential information critical to our operations.

Our competitive advantage is heavily dependent on our proprietary technical knowledge, which includes trade secrets, assembling and manufacturing processes, and other confidential information critical to our operations. The unauthorized disclosure or misappropriation of this technical knowledge could significantly erode our competitive position in the market. If we fail to adequately protect this information, whether through lapses in internal controls, breaches of confidentiality agreements, or cybersecurity incidents, it could lead to the loss of valuable intellectual property. Competitors or other third parties could potentially use this information to replicate our innovations, reduce our market share, or undercut our pricing, all of which could materially and adversely affect our business, financial condition, and results of operations.

While there have been no instances during the present Financial Year and the last three Financial Years, the loss of confidential technical knowledge, if any in future, could diminish our ability to differentiate our products and services from those of our competitors, leading to reduced customer loyalty and decreased sales. While our employees are bound by confidentiality agreements / contracts, we cannot assure you that such agreements will be successful in protecting our technical and proprietary knowledge to the fullest extent. Safeguarding our proprietary technical knowledge is essential to maintaining our competitive position and ensuring the continued success of our business. Also see "History and Certain Corporate Matters - Details of Shareholders' Agreements - B. Key terms of Agreement for transfer of Equity Shares dated September 19, 2025, with Pankaj Rastogi, then Chief Technical Officer and Sanjay Mann, General Manager - R&D (Software)" on page 267.

Further, as our proprietary technical know-how which is critical to our operation are not protected by any intellectual property rights, we may face legal action from our competitors employing similar technology which are protected by way of patents, trademarks and other intellectual property rights. While there have been no instances of such litigation in the present Financial Year and the last three Financial Years, there can be no assurance that we will not face any litigation in the future, or at all.

32. Certain investors were previously granted special rights under a Shareholders' Agreement and Securities Subscription Agreement, which have since been terminated, and any adverse regulatory interpretation in relation to such arrangements or their subsequent re-classification as Promoter / Promoter Group may impact our Company.

Our Company had entered into a Shareholder's Agreement dated August 09, 2023 between our Company, Ramendra Pratap Singh, Sangeeta Singh, Mohit Vohra, Sumit Dhawan, Rahul Dhawan and other shareholders namely, Anu Vohra, Sonali Dhawan, Amit Dhawan, Ranveer Vohra and Avinash Mehta of the agreement) to govern their mutual rights and obligations inter-se as Shareholders of our Company. Further, a Securities Subscription Agreement dated August 11, 2023 was entered between our Company, Ramendra Pratap Singh, Sangeeta Singh, Mohit Vohra, Sumit Dhawan and Rahul Dhawan for allotment of CCPS and Equity Shares to Ramendra Pratap Singh and Sangeeta Singh.

Subsequently, pursuant to the amendment to the Shareholders' Agreement dated November 10, 2025, all special rights previously granted to certain investors, including Ramendra Pratap Singh and Sangeeta Singh, have been terminated. For details refer to History and Certain Corporate Matters - Details of Shareholders' Agreements - A. Key terms of Shareholders' Agreement and Securities Subscription Agreement entered into by the Company, Promoters, Shareholders and Investors" on page 265. While our Company confirms that no nominee, consent, veto or other control rights survive either contractually or in practice, there can be no assurance that regulatory authorities may not take a different view on the interpretation of such arrangements, including the timing and basis of re-classification of such investors as Promoter and Promoter Group. Any adverse regulatory observation in this regard may have an impact on the perception of our Company's corporate governance practices and could result in regulatory actions or additional compliance requirements.

33. Technological advancements in railway propulsion and power electronics systems could render our existing products less competitive or obsolete which may adversely affect our business, results of operations and ability to participate in new tenders issued by Indian Railways.

Our business operates in a technology-driven environment where developments in railway propulsion systems, power electronics, control systems and energy efficiency standards continue to evolve. We currently

utilize IGBT-based switching technology, which is widely accepted and is more efficient and reliable than older GTO-based technologies. In the railway sector, changes in technology are typically reflected through evolving technical specifications, performance requirements and regulatory standards rather than complete replacement of underlying technologies.

Such technological advancements may not occur rapidly but are subject to uncertainty. There can be no assurance that our research and development efforts will enable us to successfully anticipate, develop or adopt new or enhanced technologies in a timely or cost-effective manner. If we fail to keep pace with such technological changes, we may be unable to meet customer expectations, comply with evolving technical specifications or regulatory requirements, or participate in tenders that mandate advanced propulsion solutions.

Any such failure could result in loss of market opportunities, reduced competitiveness or obsolescence of our existing products, which may have a material adverse effect on our business, results of operations and ability to participate in tenders issued by Indian Railways.

34. Our employees may engage in misconduct or other improper or illegal activities, including misrepresentation, non-compliance with regulatory requirements and breach of contractual obligations.

Our business is exposed to the risk of misconduct by our employees, including but not limited to misconduct and non-compliance with regulatory requirements. As of May 31, 2026, we employed a total of 284 personnel, including 206 permanent employees and 78 contract personnel. Any potential failure of our employees or contract personnel to comply with applicable laws and regulations, comply with contractual obligations, adhere to established assembling, manufacturing and quality-control standards, or engage in misconduct could adversely affect our operations. While we have not encountered any cases of employee misconduct in the present Financial Year and the last three Financial Years, we cannot assure you that we will not face any such instances of misconduct by our employees in the future. In the event that misconduct by our employees materializes, we may be subject to civil / criminal penalties, fines, regulatory approval revocation, and damage to our reputation. Further, any cessation or reduction of our business with us by any of our key clients as a result of any misconduct by our employees could have an adverse effect on our business, results of operations, and financial condition.

35. We depend on the timely availability of labour for our operations including engagement of contract workers for carrying out certain functions of our business operations. In the event of our inability to control the cost of our labour force or non-availability of such contract workers at reasonable cost, any adverse regulatory orders or any default on payments to them by the agencies could lead to disruption of the manufacturing facilities and our business operations.

Our success depends on our ability to attract, hire, train and retain contract labourers who are experienced in railways industry and railways related manufacturing operations. We also engage independent contractors through whom we engage contract workers for performance of certain functions at our assembling cum manufacturing facilities and at our offices. Since, most of our revenues are generated through tenders under competitive bidding process and the uniformity is not there in revenue realisation, we depend on contract workers to manage our manpower cost and resulting overall cost of production. While we have not faced any breach of agreements executed with such independent contractors during the present Financial Year and the last three Financial Years, there is no assurance that such breach will not occur in the future. Further, while we have not encountered such instance in the past, we cannot assure that we will be able to renew the engagement with our independent contractors at commercially viable terms or at all. As of May 31, 2026, we employed a total of 78 contract workers / temporary employees.

Our industry is labour intensive and our dependence on contract labour may result in significant risks for our operations, relating to the cost, availability and skill of such contract labourers in India, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive industries such as ours. There can be no assurance that we will have adequate access to skilled and unskilled workmen at reasonable rates. Any increase in the cost of labour or failure to procure availability of labour due to any other reason, will adversely affect our business, results of operations, financial condition, cash flows and future prospects.

In addition, pursuant to the Contract Labour (Regulation and Abolition) Act, 1970, as amended, the appropriate government may, after consultation with the Central Advisory Contract Labour Board or the State Advisory Contract-Labour Board, as the case may be prohibit, by notification, the employment of contract labour in any process, operation or other work in any establishment. We cannot assure you that such a notification will not be issued by the appropriate government in respect of the locations of our manufacturing facilities. If such a notification prohibiting the employment of contract labour is issued with respect to our operations, it will have an adverse impact on our ability to employ contract labour in our manufacturing and other operations, and may adversely affect our business, results of operations, financial condition, cash flows and future prospects.

36. Any failure of our software and information technology systems could adversely affect our business and operations. An actual or perceived cybersecurity or privacy breach could interrupt our operations, harm our brand and adversely affect our reputation, brand, business, financial condition and results of operations.

We have invested in software and technology systems that forms the core of our proprietary technology for design and development of 3-Phase Propulsion Equipment and such amount incurred has been expensed in the profit and loss account. The table below provides an overview of our software and information technology related expenses incurred during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(in ₹ million)

Particulars	Financial year ended March 31,		
	2026 ^	2025	2024
Employee benefit expenses*	78.95	54.75	56.44
Other expenses			
- Rent (including depreciation on right to use asset on the renewed long term lease agreement for R&D Centre, w.e.f. January 01, 2026)	6.05	5.54	5.19
- Power & Fuel	5.17	3.21	3.44
- Others (testing, professional fees, overheads and administration expenses)	6.32	7.39	9.27
Total amount spent	**96.49**	**70.90**	**74.33**

** Employee Benefit expenses include ₹ 76.28 million, ₹ 52.28 million and ₹ 54.22 million towards Salaries, Wages and Bonus and towards Staff and ₹ 2.67 million, ₹ 2.47 million and ₹ 2.22 million towards Labour welfare for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 respectively.*
^Does not include expenses incurred towards production of 3-Phase Propulsion Equipment, for which supplies were commenced in March 2026.

These systems may also be susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, and similar events. Even with our disaster recovery system in place, effective response to such disruptions will require effort and diligence on the part of our employees to avoid any adverse effect to our systems. In addition, our systems and proprietary data stored electronically may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorised tampering. If such unauthorised use of our systems were to occur, data related to our product design, product development and other proprietary information could be compromised. While such events have not occurred in the past, the future occurrence of any of these events could adversely affect our business, interrupt our operations, subject us to increased operating costs and expose us to litigation.

37. We face significant competition from domestic and international rail power electronics equipment manufacturers, which may lead to a difficulty for us to gain market share or growth, which in turn may adversely affect our business, results of operations, financial condition and cash flows.

We face significant competition from domestic and international rail electric equipment manufacturers, some of whom may benefit from competitive advantages, including longer operating histories, better brand recognition, advanced technology, superior R&D capabilities and more established supply chain relationships. As a result, we may experience difficulties in growing our market share or achieve growth if

these competitors surpass us in terms of product quality, performance or pricing, which could adversely affect our profitability, market share, and results of operations.

Our competitors may innovate faster, employ more efficient technologies, or pursue strategic partnerships or joint ventures, or technology buyouts, achieving economies of scale and increasing competitive pressures. To remain competitive, we must continuously identify market trends and develop, introduce, assemble, manufacture, and upgrade our product portfolio to align with the demand from railways industry, domestic and abroad, at a scalable and profitable level. We must also keep up with technological advancements and effectively integrate new technologies into our product portfolio; secure necessary parts and materials on time; maintain effective and efficient quality and safety controls; and design and manufacture products that minimize the requirement for repairs or recalls. Any failure to develop or enhance our technologies or to respond to advancements in the market could delay product development, erode the competitiveness of our power electronic equipment, adversely impact our ability to meet customer expectations and could lead to decreased sales volumes, negatively impacting our business, profitability, and overall results of operations. See also "*Our Business - Description of Our Business - Competition*" on page 246 and "*Risk Factor 16 - We are undertaking research, design & development activities to develop and obtain approvals of new propulsion systems / projects required by Indian Railways and require significant expenditure and capital outlay, which may not yield the intended results in a timely manner or at all, and adversely affect our financial condition and results of operations.*" on page 42.

38. The threats and challenges in the power electronics equipment and cable protection & interconnect products in railway industry may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Despite the market growth potential, there are certain challenges for the business which our Company undertake:

- Stringent Quality Environmental Standards: Railway propulsion equipment and cable assemblies and propulsion systems must comply with rigorous safety and environmental standards, including fire resistance, halogen-free materials, and electromagnetic compatibility. Failure to meet these standards can result in project delays, increased costs, and reputational damage.
- Intense Competition: The market for railway equipment is highly competitive, with numerous domestic and international players bidding for contracts. Many companies have built strong ties with Indian Railways, making the market more competitive.
- Supply Chain Disruptions: The global supply chain for raw materials and components is susceptible to disruptions due to geopolitical tensions, natural disasters, or pandemics. Such disruptions can lead to delays in production and increased costs.
- Regulatory compliance and bureaucratic hurdles: The railway propulsion equipment industry faces challenges in navigating complex regulations and obtaining timely approvals. Delays in land acquisition and project permissions can affect project schedules. These factors may also increase operational costs if not managed efficiently.

Significant risks and difficulties associated with power electronics and other products manufactured by our Company include fluctuating raw material prices, strict quality and delivery requirements, and intense competition. For details on the threats and challenges for power electronics equipment in railway industry, refer to page 207.

Any adverse impact of such threats and challenges on our Company may have a material adverse effect on our business, financial condition, cash flows and results of operations.

39. In future, we may be required to create warranty reserve and any insufficiency of our warranty reserves to cover future warranty claims could have an adverse impact on our financials.

As on June 30, 2026, we have an outstanding executable Order Book for supply of 564 (five hundred sixty four) 3-Phase Drive Propulsion Equipment and complete supply of 9 (nine) such 3-Phase Propulsion Equipment. Such orders for 3-Phase Drive Propulsion Equipment typically have a warranty clause for seventy-two (72) months from the date of delivery or sixty (60) months from the date of satisfactory commissioning and acceptance test of the item, whichever is earlier and also include a comprehensive annual

maintenance contract for an aggregate period of three years, thereafter. Our warranty will cover all parts to repair defects in manufacturing and assembling process. As we do not have an operating history in terms of responding to warranty claims as per the purchase orders, we do not have a basis upon which we can estimate our future expenses related to warranty claims and the appropriate level of provisions for warranties that we should maintain.

The amount of the warranty reserve, if any created by our Company, may represents an estimate of the projected costs to repair or replace items under warranties, as well as the nature and frequency of future claims, but may not be sufficient to cover the cost during the annual maintenance contract.

While we do not have any warranties underwritten by insurance companies, we cannot guarantee that our warranty reserves as may be created in future will be sufficient to meet such claims. We may, in the future, face significant warranty claims, resulting in substantial expenses that could materially and adversely affect our financial condition, results of operations, and prospects. As we aim to increase sales volumes and expand our product line, we could see a rise in warranty claims, necessitating an increase in our warranty reserves. We cannot guarantee that costs associated with warranty claims will not adversely affect our future results of operations or that our provisions for warranties will be adequate to cover all future claims.

40. We use heavy equipment & machinery and high power load at our assembling cum manufacturing facilities and Research, Design & Development centre which could cause bodily harm and accidents, which in turn could adversely impact our operations.

The use of heavy equipment & machinery and high power load is integral to our assembling cum manufacturing operations and Research, Design & Development centre. However, this carries significant risks, including the risk of industrial accidents, bodily harm, fires, and other unanticipated incidents. Each of these risks may result in disruptions to our business, damage to our assembling and manufacturing facilities, or even injury and death.

Industrial accidents involving heavy machinery can lead to severe injuries or fatalities to our employees, which could result in significant legal liabilities, regulatory penalties, and compensation claims. Fires and explosions can cause extensive damage to our assembling cum manufacturing facilities and Research, Design & Development centre, leading to costly repairs, replacement of damaged equipment, and potential interruptions in production. While we have not experienced such disruptions during the present Financial Year and the last three Financial Years, we could experience such disruption in the future, which may adversely affect employee morale and productivity and may result in increased scrutiny from regulatory authorities, leading to potential operational shutdowns or the imposition of stringent safety measures.

Moreover, any significant accident or incident at our assembling and manufacturing facilities could attract negative media attention, damaging our brand and reputation. This could lead to a loss of customer trust and a decline in sales, further impacting our financial condition and results of operations. To mitigate these risks, we have implemented various safety protocols and procedures, and we conduct safety training and drills for our employees. However, we cannot assure you that these measures will be sufficient to prevent accidents or incidents from occurring. Any failure in our safety measures could result in significant harm to our employees and the environment, and could materially and adversely affect our business, results of operations, financial condition, and cash flows.

41. Our operations may be disrupted to breakdown of machinery at our units, labour unrest, slowdowns and increased wage costs, lead to prolonged outage of operations which may have a material adverse effect on our business, financial condition and results of operations. which may adversely affect our business, results of operations and financial condition.

As of May 31, 2026, we had 206 permanent employees at our assembling cum manufacturing facility, Research, Design & Development centre and corporate function. The success of our operations depends on availability of labour and good relationships with our labour force. As of the date of the Prospectus, our employees are not members of any organised labour unions. Shortage of skilled or unskilled personnel or increased wage demands could have an adverse effect on our business and results of operations. In addition, work stoppages caused by disagreements with employees like strikes and lockouts may adversely affect our operations. Although we have not had instances of strikes and labour disputes in last three years, we may experience strikes or lockouts on account of labour disputes in the future. Such events could disrupt our

operations and may have a material adverse effect on our business, results of operations and financial condition. In addition, we also may face protests from local citizens at our existing facility, which may delay or halt our operations.

Also, our assembling cum manufacturing facility(ies) are subject to various operating risks, such as the breakdown or failure of equipment, shortage of power supply, decrease in performance below expected levels of output or efficiency, obsolescence of equipment, labour disputes, strikes and lockouts, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks and particularly, any significant malfunction or breakdown of our machinery, could significantly affect our operating results. Long periods of business disruption could result in a loss of customers. While we take precautions to minimise the risk of any significant operational problems at our plants, our business, financial condition and results of operations may be adversely affected by any disruption of operations at our plants, including due to any of the factors mentioned above. Although we have not experienced any significant disruptions at our plants or lost customers as a result of that in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to adverse events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shutdown of our operations or the under-utilisation of our plants, which in turn may have an adverse effect on our business, results of operations and financial condition.

42. We depend on adequate and uninterrupted availability of power for our operations, and any failure to do so may have an adverse impact on our operations.

The assembling cum manufacturing process for the 3-Phase Propulsion Equipment to be produced at our facility situated at Unit 1 and proposed Unit 2, is power-intensive, and we require adequate and uninterrupted supply of power for our operations and testing of the 3-Phase Propulsion Equipment before delivering to Indian Railways. We have power facility from Dakshin Haryana Bijli Vitran Nigam Limited, in the name of our lessor for such Unit 1, for 250 KW and we have already made application for increase of the same to 1999 KW. Our Company has also place orders for purchase of transformer and other machinery required for setting up of testing line for 3-Phase Propulsion Equipment.

Given that a majority portion of our power requirements are met through state electricity board, any fluctuation in supply, tariff changes, changes in government policies, regulations, etc can impact our operations. Further the historical usage of power is not an indicator of our power requirement for future for the e-Phase Propulsion Equipment production line.

Given that power requirement will increase significantly, compared to the historical periods, any increase in such costs could impact our profitability and margins. Further, there may be disruptions in power supply due to natural calamities. While we have not faced any such instances in the present Financial Year and the last three Financial Years other than in the ordinary course of business and we have back up diesel generator sets to power our machinery other than transformer for limited periods of time, prolonged disruptions in the availability of power could require us to suspend our test operations in the 3-Phase Propulsion Equipment production process.

43. We may be negatively impacted by any early obsolescence of our assembling cum manufacturing equipment and the spare parts used in such equipment.

We depreciate the cost of our equipment over its expected useful life. However, product cycles or assembling and manufacturing technology may change periodically, and we may decide to update our products or assembling cum manufacturing processes earlier than expected. Moreover, improvements in engineering and assembling cum manufacturing expertise and efficiency may result in our ability to assemble power electronics equipment using less of our currently installed equipment. Alternatively, as we increase our production capabilities, we may discontinue the use of already installed equipment in favour of different or additional equipment. The useful life of any equipment that would be retired early as a result would be shortened, causing asset impairment or accelerated depreciation on such equipment or spare parts to be accelerated.

As on date of the Prospectus there had been no instance of obsolescence of assembling cum manufacturing equipment and the spare parts used in such equipment by the Issuer in the past.

44. We may not be successful in implementing our business strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows.

The success of our business will depend greatly on our ability to effectively implement our growth strategies. We expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our operational, financial and other internal controls. There is no assurance that we will be able to implement our strategies successfully.

Any changes in our strategies may adversely impact our existing relationships with dealers, customers and suppliers, leading to business loss. Further, our business strategies may change over time and we may not be able to execute our current strategies as planned or within the timeframe we currently expect. Such strategy changes can also cause uncertainty in our business operations, key personnel turnover and decreased productivity, negatively affecting our financial condition, operational results, and future prospects. For further details, see "*Our Business - Our Strategies*" on page 225. The said strategies have been adopted by our Board in their meeting held on November 27, 2025.

For over last five years, we have been working on the design and development of 3-Phase Propulsion Equipment and hence, the business opportunities and size have changed completely in the recent past upon successful receipt of Proto type approval from CLW for such equipment. Accordingly, the growth strategies have been adopted by the Board for the first time and hence, there have been no such incidence in the past.

45. We rely on third-party transportation providers for both procurement of our raw materials and delivery of our final products to customers. Disruption in transportation or failure by any of our transportation providers to deliver our raw materials or our products on time, or in good condition, or at all, may adversely affect our business, financial condition and results of operations.

We depend on various forms of transportation to either receive raw materials for our assembling cum manufacturing operations or to deliver the finished products to our customers. We are therefore significantly dependent on transportation and logistics companies that we engage with.

Freight and Transportation cost for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024.

(in ₹ million)

Nature of customers	For the Financial Year ended March 31					
	2026		2025		2024	
	Amount	%age#	Amount	%age#	Amount	%age#
Freight and Transportation	18.21	3.66%	15.27	2.36%	12.54	2.48%

 # as a percentage to Total Income.

The disruption of transportation services due to natural factors such as weather conditions particularly during monsoon or flood seasons, or man-made factors such as strikes, accidents, or other inadequacies in the transportation infrastructure, or any other factor that could impair the ability of our suppliers to deliver raw materials to us and our ability to deliver our products to our customers in a timely manner, which may adversely affect our revenue from operations. Such raw materials and our products may be lost, damaged or deteriorated due to improper handling, negligence, transport strike or accidents or any other *force majeure* events which may not be within our control. Additionally, if we lose one or more of our third-party transportation providers, there can be no assurance that we will be able to find new or alternative third-party transportation providers at all, or at terms as favourable as those which we have in force with our current partners.

Further, our third-party transportation providers may not carry adequate insurance coverage and therefore, any losses that may arise during the transportation process may have to be claimed under our insurance policy. There can be no assurance that we will receive compensation for any such claims in full amount in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition and results of operations.

As on date of the Prospectus, there has been no disruption in transportation or failure by any of the transportation providers of the Issuer in the past.

46. We have entered into, and will continue to enter into, related party transactions that may involve conflict of interest.

We have, in the course of our business, entered into transactions with related parties and the nature of such transactions includes purchase of speciality cables, other sale and purchases of finished goods / raw material, payment of directors' remuneration and extending unsecured loans to our Company. The summary of the transaction entered into with related parties are as under:

(₹ in million)

Nature of transaction	For the Financial Year ended March 31,					
	2026		2025		2024	
	Amount	%age	Amount	%age	Amount	%age
Sale transactions with related parties [(1)]	24.88	5.03%	4.55	0.73%	10.48	2.10%
Purchase transactions with related parties [(2)]	25.61	7.34%	137.09	36.80%	34.58	13.22%
Asset purchased [(3)]	-	-	`-	-	0.02	0.003%
Rent received [(1)]	2.40	0.49%	4.50	0.72%	5.60	1.12%
Rent paid [(1)]	0.40	0.08%	-	-	-	-
Loan received [(3)]	30.10	2.07%	51.00	6.88%	26.00	3.96%
Loan repaid [(3)]	31.10	2.13%	71.50	9.65%	4.50	0.69%
Reimbursement of expenses and amount paid by / on behalf of related party [(1)]	0.26	0.05%	5.39	0.86%	0.08	0.02%
Salary paid to Directors and Key Managerial personnel & Sitting Fees to Director [(1)]	12.85	2.60%	5.20	0.83%	2.02	0.40%

[(1)] As percent of revenue from operations during the respective financial year
[(2)] As percent of cost of goods sold during the respective financial year
[(3)] As percent of total assets of the Company as at the end of the respective financial year

For details of the related party transactions, see "Summary of Related Party Transactions" on page 86 and "Restated Financial Information - Note 34: Related Parties Transactions" on page 348.

If we are unable to continue with such transactions with the above related parties in the future, there may be a negative impact on our business operations.

All related party transactions entered into by company in the last three financial year have been entered into by our Company at arms' length basis. Further, the transactions were entered into by the Company in compliance with the applicable provisions of the Companies Act, 2013, and other relevant regulation. While all such transactions have been conducted on an arm's length basis, we cannot assure you that we could not have achieved more favourable terms had such transactions not been entered into with related parties. It is likely that we may enter into related party transactions in the future. Although related party transactions that we may enter into post-listing would be subject to the Audit Committee, Board or Shareholder approval, as necessary under the Companies Act, 2013, and the SEBI Listing Regulations, we cannot assure you that our existing agreements and any such future transactions, will be in the interest of our Company and minority shareholders and in compliance with the SEBI Listing Regulations and individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. Furthermore, any future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company. There can be no assurance that we will be able to address such conflicts of interest in the future.

47. We may be subject to exchange rate fluctuations, which could materially and adversely impact our business, financial condition and results of operations.

Although our reporting currency is the Indian Rupee, we enter into transactions involving foreign currency for imports of certain raw materials. Further, with the grant of prototype approval from CLW for commencement of supply of 3-Phase Propulsion Equipment, our import of raw materials will increase significantly due to non availability of domestic suppliers for critical electric components like IGBT, capacitors, etc. Also, we are exposed to currency risk and exchange rate fluctuation for such raw material or electronic components which are imported, but sourced by us through local office of the importer or their supplier in India. Accordingly, the historical information for imports made by our Company should not be taken as indication of imports to be made by our Company in future. Volatility in exchange rates affects our costs of imports, primarily in relation to raw materials.

The following are the details of raw materials and fixed assets imported by us during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(in ₹ million)

Particulars (Name of Country of import)	Financial Year ended March 31,		
	2026	2025	2024
China	53.54	20.64	15.32
USA	5.94	0.07	2.92
UK	16.11	-	0.04
Hong Kong	17.81	-	-
Singapore	20.89	-	-
South Korea	7.31	-	-
Other countries	1.28	0.15	0.30
Total	**123.55**	**20.87**	**18.58**

Adverse movements in the exchange rate between the rupee and any relevant foreign currency would result in increase in our overall cost and favourable movements in the exchange rates would conversely result in reduction in our war material prices. Presently, we do not enter into hedging arrangements because of small value of imports.

To the extent we are unable to increase revenues received by us on account of foreign exchange fluctuation in foreign currencies, or there are sharp exchange rate fluctuations between such currencies, it could have a material adverse effect on our liquidity or our ability to efficiently utilise our working capital. While we have been able to manage our foreign currency risk and mitigate our exposure to costs incurred in foreign currency in the past, if we are unable to do so in the future, our results of operations and financial position may be adversely affected.

48. We are exposed to interest rate risks because we have borrowed funds at floating interest rates. Any changes in our interest rates could increase our borrowing costs and in turn impact our profitability.

We are also exposed to interest rate risk because we have borrowed funds at floating interest rates. The table below sets forth the break-up of our fixed and floating rate borrowings:

(in ₹ million)

Particulars	Financial Year ended March 31,		
	2026	2025	2024
Loans (variable rate)			
- Long term borrowings	126.33	65.93	66.04
- Short term borrowings	372.60	208.10	188.31
Total variable rate borrowings	498.93	**274.02**	**254.35**
Impact on Interest Expenses for the year on 1% change in Interest rate	4.99	2.74	2.54

For details, see "Financial Information - Note 32: Financial Risk Management (b)(ii): Interest Rate Risk" on page 347.

Thus, our exposure to interest rates on variable rate borrowings could cause our future profits to decrease if interest rates increase which could adversely affect our financial condition and our ability to conduct our business and implement our business plans.

49. We rely primarily on insurance policies to insure our operations-related risks. If our insurance coverage is inadequate, it may have an adverse effect on our business, financial condition and results of operations.

We maintain insurance policies on an ongoing basis for a variety of risks such as risks related to terrorism, standard fire and special perils, burglary, directors' and officers' liability insurance, marine export-import insurance, comprehensive general commercial insurance. For further details on our insurance arrangements, see "Our Business - Insurance" on page 247.

The table below sets forth our insurance cover as a percentage of total assets for the years indicated:

(in ₹ million)

Particulars	Financial Year ended March 31,		
	2026	2025	2024
Total assets (A)	1,457.37	741.19	655.80
Total book value of assets on which insurance has been taken (B)[#]	1,009.16	494.99	427.38
Insurance coverage (C)	1,622.63	661.36	419.82
% of insurance coverage (%) (C/B)	**160.79%**	**133.61%**	**98.23%**

[#] *Includes Property, plant and equipments, Investment property and Inventories but excluding money insurance and gross block pertaining to leasehold improvement and intangible assets (considered under Property, Plant and Equipment).*

However, such insurance may not be adequate to cover all losses or liabilities that may arise from our operations. Our insurance policies contain exclusions and limitations on coverage, and, accordingly, we may not be able to successfully assert claims for the full amount of any liability or losses. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Furthermore, there can be no assurance that in the future we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. Furthermore, our claim records may affect the premiums which insurance companies may charge us in the future. If we are unable to pass the effects of increased insurance costs on to our customers, the costs of higher insurance premiums could have a material adverse effect on our costs and profitability.

While there have been no insurance claims in the present Financial Year and the past three Financial Years, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time, in future. The occurrence of an event for which we are not insured, where the loss is in excess of insured limits or where we are unable to successfully assert insurance claims from losses, could result in uninsured liabilities. Any uninsured losses or liabilities could result in an adverse effect on our business operations, financial conditions and results of operations.

50. Failure to renew our leases agreements, or secure new leases for our Unit 1, Research, Design & Development centre, Registered cum Corporate office and the proposed new Research, Design & Development centre for which short term agreement has been executed could cause business disruptions.

Our Registered cum Corporate Office, which also houses the existing Research, Design & Development facility and Unit 1 are located on leased properties. We have further taken a new premises on lease in Faridabad, Haryana to build our second R&D Centre for expansion of such activities and development of new products. For details of the developmental orders received by our Company, refer to "Our Business - Order book under developmental category for Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes), Composite Converter and Hotel Load Converter" on page 217. While all lease deeds for the premises are adequately stamped and registered, we cannot assure you that this will continue to be the case in the future. We typically renew these lease agreements and deeds, and service agreements periodically, as part of our regular business practice, but there is no assurance that future renewals will be concluded on commercially acceptable terms. Should any of our leases or service agreements

be terminated or not renewed by the respective lessor or licensor, it could lead to significant disruptions to our business activities.

We cannot assure you that we will be able to find suitable alternative locations on terms that are commercially viable, or at all. Additionally, any regulatory non-compliance by our landlords, or any negative changes to their title or ownership rights to the properties, could cause substantial operational disruptions and reputational harms, particularly if we are compelled to vacate the premises as a result of such issues. An increase in our rent and associated costs, such as set up and interior decoration costs, without a corresponding increase in sales could result in a materially adverse effect on our profitability, cash flow and overall financial performance.

As on date of the Prospectus there had been no instance in the past where the lease deeds for the registered office, Research Design and Development Centre, and Factory premises of the Issuer have not been renewed.

51. Some of our Directors may not have experience as directors of companies listed on recognised stock exchanges in India

Our Directors excluding Mohit Vohra, Amit Dhawan and Kanika Bhutani, do not have experience as directors of companies listed on stock exchange(s) in India.

Directors of companies listed on recognized stock exchanges in India typically have a wide range of responsibilities, including, among others, ensuring compliance with continuing listing obligations, monitoring and overseeing management, operations, financial condition and trajectory of the company. Further, the Independent Directors on the Board of our Company are qualified professionals with substantial experience in their respective domains, due to reasons of them not having any experience of being directors in a listed entity, they have historically not been subject to the compliance requirements and scrutiny of the regulators associated with a listed company. We cannot assure you that our Directors will be able to adequately manage our Company after we become a listed company, due to their lack of prior experience as directors of companies listed on recognized stock exchanges. Accordingly, we may get limited guidance from them and accordingly, may fail to maintain and improve the effectiveness of our disclosure controls, procedures and internal control as required for a listed entity under the applicable law.

52. Certain sections of the Prospectus contain information from the CareEdge Report which we commissioned and paid for and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.

Certain sections of the Prospectus include information based on, or derived from, the CareEdge Report or extracts of the CareEdge Report prepared by CARE Analytics and Advisory Private Limited, which is not related to our Company, Directors or Promoters. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Issue. All such information in the Prospectus indicates the CareEdge Report as its source. Accordingly, any information in the Prospectus derived from, or based on, the CareEdge Report should be read taking into consideration the foregoing. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While we have assumed responsibility for the contents of the report and have taken reasonable care in the reproduction of the information, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Further, the CareEdge Report is not a recommendation to invest / disinvest in any company covered in the CareEdge Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Issue pursuant to reliance on the information in the Prospectus based on, or derived from, the CareEdge Report. You should consult your own advisors and undertake an independent assessment of information in the Prospectus based on, or derived from, the CareEdge Report before making any investment decision regarding the Issue. For the disclaimers associated with the CareEdge Report, see

"Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation" on page 16.

53. After the completion of the Issue, our Promoters along with the Promoter Group will continue to collectively hold substantial shareholding in our Company.

As on the date of the Prospectus, our Promoters and members of the Promoter Group hold 76.92% of the paid-up share capital of our Company. For details of their shareholding pre and post Issue, see "Capital Structure" on page 102. After the completion of the Issue, our Promoters along with the Promoter Group will continue to collectively hold substantial shareholding in our Company, i.e. 57.68%. Our Promoters will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sale of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these shareholders. The interests of the Promoters as our controlling shareholder could conflict with our interests or the interests of its other shareholders. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further information in relation to the interests of our Promoters in the Company, see "Our Promoters and Promoter Group", "Our Management" and "Restated Financial Information" on pages 287, 270 and 295, respectively.

54. Any variation in the amount of the Net Proceeds proposed to be utilised towards the objects as stated in the Prospectus would be subject to certain compliance requirements, including prior Shareholders' approval.

While we intend to utilize a portion of the Net Proceeds for: (i) Funding long-term working capital requirements of our Company; (ii) Investment in research design and development activities for new power electronic equipment; and (iii) General Corporate Purposes, at this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control as disclosed in "Objects of the Issue" on page 124. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the amount proposed to be utilised from the Net Proceeds towards the objects as stated in the Prospectus without obtaining Shareholders' approval through a special resolution, provided however that if actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, (subject to the total amount to be utilised towards general corporate purposes remaining within the permissible limits in accordance with the SEBI ICDR Regulations), without complying with the requirements of Sections 13(8) and 27 of the Companies Act, 2013. In the event any circumstances arise that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations. Furthermore, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the Objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on the Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. There can be no assurance that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in the Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion.

55. We cannot assure payment of dividends on the Equity Shares in the future and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

We have a formal dividend policy as on the date of the Prospectus. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our directors and shareholders. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For details, see "*Dividend Policy*" on page 294.

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on internal factors that our Board deems relevant, including, among others, earning stability, profits earned and available for distribution during the financial year, accumulated reserves, including retained earnings and past dividend trends and current and projected cash balance and cash flows. The external factors on the basis of which our Company may declare the dividend may include, among others, unfavourable market conditions, economic environment, both domestic and global, cost of external financing, inflation rates, government and regulatory provisions, including taxation, inflation rates and cost of raising funds from alternate sources. Accordingly, realization of a gain on the Shareholders' investments will depend on the appreciation of the price of our Equity Shares. We cannot assure you that our Equity Shares will appreciate in value.

56. We track certain operational metrics and non-generally accepted accounting principles, measures with internal systems and tools and do not independently verify such metrics. Certain of our operational metrics are subject to inherent challenges in measurement and any real or perceived inaccuracies in such metrics may adversely affect our business and reputation.

Certain of our operational metrics, including non-GAAP metrics, such as Operating EBITDA, Operating EBITDA Margin, Net Worth, Return on Net Worth, Net Asset Value Per Equity Share, Return on Capital Employed, among others, are prepared with internal systems and tools that are not independently verified by any third party and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. For further details, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation - Non-GAAP Measures" on page 16. Our internal systems and tools have a number of limitations and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics under count or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our platform is used across large populations. Limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition, and results of operations would be adversely affected.

EXTERNAL RISK FACTORS

57. Our business and operations are located in India and as such, we are subject to regulatory, economic, social and political uncertainties in India, many of which are beyond our control.

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. We are incorporated in India, and almost all of our business and all of our personnel are located in India. Consequently, our business, cash flows and results of operations will be affected by a number of macroeconomic and demographic factors in India which are beyond our control. In particular, our total income and profitability are strongly correlated to infrastructure spending in India, which is influenced by general economic and macro conditions. Recessionary economic cycles, a protracted economic slowdown, a worsening economy, increased unemployment, increased energy prices, rising interest rates or other industry-wide cost pressures could lead to a decline in our total income and profitability.

While our results may not necessarily track India's economic growth figures, the Indian economy's performance affects the environment in which we operate. These factors could have an adverse effect on our business, financial condition, cash flows and results of operations.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

58. Changing laws, rules and regulations and legal uncertainties, including any adverse application of corporate and tax laws, may adversely affect our business, cash flows, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, cash flows, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Finance Bill 2026 was passed by the Lok Sabha on March 25, 2026, with over 30 government amendments. The bill was subsequently passed by the Parliament and enacted into law (Finance Act, 2026) around March 30, 2026, following Presidential assent. Further, a new Income Tax Act 2025, has also been passed by the Indian parliament to replace the Income Tax Act, 1961, which has become effective from April 01, 2026 with the objective of consolidating and simplifying the law relating to income tax. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. There is no certainty on the impact that the Finance Act, 2025 and Finance Act, 2026 may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

Further, New laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("Social Security Code"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, respectively, (collectively, the "Labour Codes") have come into force from November 21, 2025. The Labour Codes consolidate, subsume and replace numerous existing central labour legislations. Further, the Ministry of Labour and Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to Labour Codes. In accordance with Ind AS 19 - Employee benefits, changes to employee benefit plans arising from legislative amendments are treated as plan amendments, requiring immediate recognition of past service cost in the statement of profit and loss. We continue to monitor the finalization of central and state rules as well as the Government clarifications on other aspects of the Labour Codes and will incorporate appropriate accounting treatment based on these developments as required. Efforts to seek clarification and compliance from regulatory bodies may be protracted, impacting our operations, business performance and strategic planning. Such risks might not only impact existing businesses but might also extend to any new business ideas that we might look to come up with in the future.

Additionally, the Ministry of Electronics and Information Technology ("Ministry") has brought about a 'new regime' on data protection in India by notifying the Digital Personal Data Protection Act, 2023 ("DPDP Act"), on 11 August 2023, which establishes India's core legal framework for digital personal data processing. The DPDP Act was operationalised through the Digital Personal Data Protection Rules, 2025 ("Rules"), which were released for public consultation on 3 January 2025 and formally notified on 14 November 2025. The DPDP Act read with its Rules, amongst other obligations, prescribes format for obtaining consent and giving notice for processing of personal data, along with certain legitimate uses for which personal data can be processed. Collectively, the Act and Rules require businesses to update their consent frameworks, data-handling practices, security measures, retention and erasure policies, and governance systems in line with the phased compliance timelines.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with new requirements, which may also

require significant management time and other resources, and any failure to comply may adversely affect our business, cash flows, results of operations and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.

59. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors outside India may be more familiar with and may consider material to their assessment of our business, results of operations, financial condition and cash flows.

The summary of Restated Financial Information for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 included in the Prospectus is derived from audited financial statements as of and for the Financial Year ended March 31, 2026 and March 31, 2025 and IndAS converged financials based on audited financial statements for the Financial Years ended March 31, 2024, prepared in accordance with Ind AS and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. Ind AS differs from accounting principles with which prospective investors may be familiar, such as US GAAP and IFRS. If the summary of Restated Financial Information were to be prepared in accordance with such other accounting principles, our business, results of operations, financial condition and cash flows may be substantially different. Prospective investors should review the accounting policies applied in the preparation of the summary of Restated Financial Information and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons unfamiliar with Ind AS on the financial information presented in the Prospectus should accordingly be limited.

60. A downgrade in ratings of India, may affect the trading price of the Equity Shares.

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, all which are outside the control of our Company. Our borrowing costs and our access to the debt capital markets depend significantly on the sovereign credit ratings of India. Any adverse revisions to India's credit ratings for domestic and overseas debt by international rating agencies may adversely impact our ability to raise additional external financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of the Equity Shares.

61. In the past, there have been changes in Indian law related to foreign investments in India. Any such changes or restrictions on foreign investors may adversely affect the trading price of Equity Shares.

Foreign investment in Indian securities is subject to regulation by Indian regulatory authorities including FEMA. Under foreign exchange regulations which are currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions) provided they comply with the pricing guidelines and reporting requirements specified under applicable law. Further, unless specifically restricted, foreign investment is freely permitted in majority of the sectors up to any extent and without any prior approval of Government of India, but the foreign investor is required to follow certain prescribed procedures for making such investment. Under the Consolidated FDI Policy, 100% foreign direct investment is permitted in a company engaged in manufacturing, under the automatic route, subject to certain conditions specified thereunder.

Further, in accordance with the provisions of the FEMA and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 as amended from time to time, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India. We cannot assure investors from such jurisdictions that any required approval from the RBI or any other governmental agency can be obtained on any particular terms and conditions or at all. For further information, see "Restrictions on Foreign Ownership of Indian Securities" on page 476. Our

ability to raise any foreign capital under the FDI route is therefore constrained by Indian law, which may adversely affect our business, cash flows and financial condition.

62. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us.

Furthermore, economic developments globally can have a significant impact on India. In particular, the global economy has been negatively impacted by the conflict between Russia and Ukraine. Governments in the United States, United Kingdom, and European Union have imposed sanctions on certain products, industry sectors, and parties in Russia. The conflict could negatively impact regional and global financial markets and economic conditions, and result in global economic uncertainty and increased costs of various commodities, raw materials, energy and transportation. In addition, recent increases in inflation and interest rates globally, including in India, could adversely affect the Indian economy.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. These factors may also result in a slowdown in India's export growth. Any significant financial disruption could have an adverse effect on our business, financial condition, cash flows and results of operation.

63. If inflation rises in India, increased costs may result in a decline in profits and result of operations may be adversely affected.

Inflation rates in India have been volatile in recent years, and such volatility may continue. Increasing inflation in India could cause a rise in the costs of third party suppliers and contract manufacturers, rents, wages, raw materials and other expenses. In recent years, India has experienced consistently high inflation, especially and increasingly so in recent months, which has increased the price of, among other things, our rent, raw materials and wages. Further, while the Government of India has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not worsen and rise in the future. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

64. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

65. Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. A securities transaction tax ("STT") is levied on equity shares sold on an Indian stock exchange. You may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company

Taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets on or after July 23, 2024, shall be calculated at the rate of 12.50% on such long-term capital gains, where the long-term capital gains exceed ₹125,000 (this exemption shall be available only where the shares are sold on a Stock Exchange), subject to certain exceptions in case of resident individuals and Hindu Undivided Families. Further, the short-term capital gains on transfer of listed shares shall be taxed at 20% where the shares are sold on Stock Exchange and at applicable rates if otherwise (30% in case of foreign institutional investors). Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, subject to any relief available under an applicable tax treaty or under laws of their own jurisdictions, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain realised upon the sale of the Equity Shares. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company on or after April 1, 2020. Consequently, such dividends are taxable in the hands of the shareholders, whether resident as well as non-resident. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action, including dividends.

Additionally, the Government of India announced the Union Budget for the Fiscal 2027 on February 1, 2026. Following which the Finance Bill 2026 was introduced. Subsequently, the Finance Bill 2026 was passed by the Lok Sabha on March 25, 2026. The Finance Bill 2026 was subsequently passed by the Indian Parliament and enacted into law (Finance Act, 2026) on March 30, 2026, following Presidential assent. It proposes certain changes, including a reduction in the rate of minimum alternate tax, a shift from the old to the new regime for minimum alternate tax, a reduction in the rate of tax collected at source and the taxation of consideration received on buy-back of shares as capital gains. Further, a new Income Tax Act 2025, has also been passed by the Indian parliament to replace the Income Tax Act, 1961, which has become effective from April 1, 2026 with the objective of consolidating and simplifying the law relating to income tax. Accordingly, we have not fully determined the effects of these recent and proposed laws and regulations on our business. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. We cannot predict whether any amendments made pursuant to the Finance Act 2026 would have an adverse effect on our business, results of operations, financial condition and cash flows.

Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in our Equity Shares. Any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing

our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

66. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after submitting the Application, and Retail Individual Investors are not permitted to withdraw their Application after Issue Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Application Amount on submission of the Application and are not permitted to withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after submitting the Application. Retail Individual Investors can revise their Application during the Issue Period and withdraw their Application until the Issue Closing Date. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within three Working Days from the Issue Closing Date, events affecting the Investors' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Application and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline upon listing. QIBs and Non-Institutional Applicants will therefore not be able to withdraw following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise, between the dates of submission of their Application Form and Allotment.

67. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Equity Shares is proposed to be determined by us in consultation with the BRLM, through a book-building process. This price is based on numerous factors, as described under "Basis for Issue Price" on page 148, and may not be indicative of prices that will prevail in the open market following the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. As a result of these factors, we cannot assure you that investors will be able to resell their Equity Shares at or above the Issue Price.

68. Investors may have difficulty enforcing foreign judgments against us or our management.

The Company is a limited liability company incorporated under the laws of India. The majority of our directors and executive officers are residents of India. All of our assets and the assets of our Directors are located in India. As a result, it may be difficult for foreign investors to effect service of process upon us or directors to enforce judgments obtained outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 ("**CPC**"), on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the GoI has by notification

declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties. Some jurisdictions including the United Kingdom, United Arab Emirates, Singapore and Hong Kong have been declared by the GoI to be reciprocating countries for the purposes of Section 44A of the CPC.

However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

A judgment of a court of a country which is not a reciprocating territory may be enforced only by a suit upon the judgment and not by proceedings in execution. Such a suit has to be filed in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian law. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

69. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India is required to offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution.

However, if the laws of the jurisdiction where the investors are located, do not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

70. Any future issuance of Equity Shares or convertible securities or other equity linked securities by us may dilute your shareholding and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future issuance of our Equity Shares, convertible securities or securities linked to our Equity Shares by us, including through exercise of employee stock options, if any, may dilute your shareholding in us. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. We cannot assure you that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or encumber the Equity Shares in the future. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

71. Acquisitions or changes in control of our Company are subject to regulatory requirements under Indian law.

Acquisitions of shares, voting rights or control in listed companies in India are governed by applicable laws and regulations, including the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the "Takeover Regulations"). Under the Takeover Regulations, an acquirer includes any person who, directly or indirectly, acquires or agrees to acquire shares, voting rights or control over a company, whether individually or acting in concert with others.

These regulations prescribe certain procedural and disclosure requirements, including open offer obligations, in connection with the acquisition of shares, voting rights or control in a listed company. Accordingly, any transaction involving the acquisition of shares or control of our Company would be required to comply with such regulatory requirements. These regulations are intended to ensure transparency in acquisition of shares and control of listed companies and provide an exit opportunity to public shareholders in specified circumstances. Accordingly, any future acquisition of shares, voting rights or control of our Company following the listing of our Equity Shares will be required to comply with the applicable provisions of the Takeover Regulations and other applicable laws. Compliance with such regulatory requirements may affect the timing, structure or terms of any such acquisition or change in control of our Company.

Prospective investors should be aware that these regulatory requirements may impact the manner in which substantial acquisitions of shares or control in the Company may be undertaken in the future.

72. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as shareholders of an entity in another jurisdiction.

73. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and the Stock Exchanges, in the past, have introduced various pre-emptive surveillance measures with respect to the shares of listed companies in India (the "Listed Securities") in order to enhance market integrity, safeguard the interests of investors and potential market abuses. In addition to various surveillance measures already implemented, and in order to further safeguard the interest of investors, the SEBI and the Stock Exchanges have introduced additional surveillance measures ("ASM") and graded surveillance measures ("GSM").

ASM is conducted by the Stock Exchanges on Listed Securities with surveillance concerns based on certain objective parameters such as share price, price-to-earnings ratio, percentage of delivery, client concentration, variation in volume of shares and volatility of shares, among other things. GSM is conducted by the Stock Exchanges on Listed Securities where their price quoted on the Stock Exchanges is not commensurate with, among other things, the financial performance and financial condition measures such as earnings, book value, fixed assets, net-worth, other measures such as price-to-earnings multiple and market capitalization and overall financial position of the concerned listed company, the Listed Securities of which are subject to GSM.

For further details in relation to the ASM and GSM Surveillance Measures, including criteria for shortlisting and review of Listed Securities, exemptions from shortlisting and frequently asked questions (FAQs), among other details, refer to the websites of the NSE and the BSE.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, and low trading volumes as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing

our securities under the GSM and / or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company. Any such instance may result in a loss of our reputation and diversion of our management's attention and may also decrease the market price of our Equity Shares which could cause you to lose some or all of your investment.

SECTION III: INTRODUCTION

THE ISSUE

The following table summarizes the Issue details:

Issue of Equity Shares [(1)]	68,23,528 Equity Shares of face value ₹ 5 each, aggregating to ₹ 2,900.00 million
The Issue consists of:	
A. QIB Portion [(2) (3)]	Not less than 51,17,680 Equity Shares of face value ₹ 5 each
of which	
(1) Anchor Investor Portion [(2)]	30,70,587 Equity Shares of face value ₹ 5 each
(2) Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming the Anchor Investor Portion is fully subscribed)	20,47,093 Equity Shares of face value ₹ 5 each
Of which	
(a) Available for allocation to Mutual Fund only (5% of the Net QIB Portion)	1,02,354 Equity Shares of face value ₹ 5 each
(b) Balance of the Net QIB Portion for all QIBs, including Mutual Funds	19,44,739 Equity Shares of face value ₹ 5 each
B. Non Institutional Portion [(3) (4) (5)]	Not more than 10,23,502 Equity Shares of face value ₹ 5 each
Of which	
(1) One-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1 million	3,41,167 Equity Shares of face value ₹ 5 each
(2) Two-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹ 1 million	6,82,335 Equity Shares of face value ₹ 5 each
C. Retail Portion [(3) (4)]	Not more than 6,82,346 Equity Shares of face value ₹ 5 each
Pre and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue (as at the date of the Prospectus)	2,04,59,200 Equity Shares of face value ₹ 5 each
Equity Shares outstanding after the Issue	2,72,82,728 Equity Shares of face value ₹ 5 each
Utilization of Net Proceeds	See 'Objects of the Issue' on page 124 for information about the utilization of Net Proceeds

(1) The Issue has been authorized by resolution passed by our Board in their meeting held on December 10, 2024 and November 05, 2025 and by our Shareholders pursuant to a special resolution passed in their meeting held on November 10, 2025.

(2) Our Company, in consultation with the BRLM, allocated 60% of the QIB Portion, in consultation with the BRLM, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations, out of which 40% of the Anchor Investor Portion, within the limits specified under the SEBI ICDR Regulations was reserved - (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for life insurance companies and pension funds at or above the Anchor Investor Allocation Price. Any under-subscription in the reserved category specified for such life insurance companies and pension funds was allocated to other anchor investors at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIBs Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from

Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion could have been added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Issue Procedure" on page 456.

(3) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law. Undersubscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "Issue Procedure" on page 456.

(4) Allocation to Bidders in all categories, except in Anchor Investor Portion, Non-Institutional Portion and Individual Portion, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹ 0.20 million, subject to availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For details, see "Issue Procedure" on page 456.

(5) The Equity Shares available for Allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1 million; and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 1 million , provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders in accordance with the SEBI ICDR Regulations.

For further details, including in relation to grounds for rejection of Bids, see "Issue Structure" and "Issue Procedure" on pages 452 and 456, respectively. For further details of the terms of the Issue, see "Terms of the Issue" on page 445.

SUMMARY OF FINANCIAL INFORMATION

The following table set forth summary financial information derived from the Restated Financial Information. The summary of the financial information presented below should be read in conjunction with "Restated Financial Information" and "Management Discussion and Analysis of Financial Condition and Results of Operations" on pages 295 and 374, respectively.

Restated Information of Assets and Liabilities

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-Current Assets			
Property, plant and equipments	213.52	67.92	68.59
Investment property	105.15	109.51	114.33
Capital WIP	15.65	-	-
Intangible Assets WIP	3.83	1.95	7.48
Intangible Assets	0.35	0.45	0.62
Right of Use Assets	55.91	50.77	60.14
Deferred Tax Assets	58.48	16.56	8.85
Financial assets			
i) Investment	-	-	0.35
ii) Trade Receivables	0.24	0.24	0.24
iii) Other Financial Assets	14.40	9.32	8.38
Other Non-Current Assets	7.17	-	-
Total Non-Current Assets	**474.68**	**256.70**	**268.98**
Current Assets			
Inventories	674.85	317.56	244.45
Financial assets			
i) Trade receivables	104.06	145.74	125.94
ii) Cash and cash equivalents	1.78	0.76	1.53
iii) Other Financial assets	5.08	5.36	1.39
Current Tax Assets	2.31	-	-
Other current assets	194.61	15.07	13.50
Total Current Assets	**982.69**	**484.49**	**386.82**
Total Assets	**1,457.37**	**741.19**	**655.80**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	102.30	91.40	73.72
Other equity	523.41	87.70	91.54
Total equity	**625.71**	**179.10**	**165.27**
LIABILITIES			
Non Current Liabilities			
Financial Liabilities			
i) Borrowings	95.43	50.73	72.15
ii) Lease Liabilities	50.76	48.46	54.81
Provisions	15.55	10.53	7.18
Total Non-Current Liabilities	**161.75**	**109.72**	**134.13**
Current Liabilities			
Financial liabilities			
i) Borrowings	403.50	224.29	203.70
ii) Trade payables			

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
- Total outstanding dues of micro and small enterprises	49.34	53.32	14.30
- Total outstanding dues of creditors other than micro and small enterprises	169.89	131.75	109.81
iii) Other Financial Liabilities	30.76	19.37	13.10
Current tax liabilities	-	16.79	5.48
Provisions	1.46	0.82	0.24
Other current liabilities	14.96	6.02	9.78
Total Current Liabilities	**669.91**	**452.37**	**356.41**
Total Liabilities	**831.66**	**562.09**	**490.54**
Total Equity and Liabilities	**1,457.37**	**741.19**	**655.80**

The Above Statement should be read with Annexure V- Significant Accounting policies and explanatory notes to Restated Financial Information and Annexure VI- Statement of Restatement Adjustment to Audited Financial Statements

Restated Information of Profit and Loss

(₹ in million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	494.28	626.37	499.57
Other income	3.63	19.99	6.08
Total Income	**497.91**	**646.37**	**505.65**
Expenses			
Cost of Raw Material Consumed	383.62	384.83	247.23
Changes in inventories of Finished goods, work-in-progress and stock-in-trade	(34.85)	(12.27)	14.35
Employee Benefit expense	137.60	95.66	92.01
Finance Cost	34.90	30.42	24.70
Depreciation and Amortisation expenses	33.65	34.73	28.39
Other Expenses	110.96	88.98	88.01
Total Expenses	**665.88**	**622.35**	**494.69**
Profit before exceptional items and tax	**(167.97)**	**24.02**	**10.96**
Exceptional items	-	1.63	(0.80)
Profit/(loss) before tax	**(167.97)**	**25.65**	**10.16**
Income Tax expense			
-Current Tax	-	19.24	8.02
-Deferred Tax	(41.69)	(7.63)	(3.43)
Total Tax Expense	**(41.69)**	**11.61**	**4.59**
Profit for the year	**(126.29)**	**14.03**	**5.57**
Other comprehensive income/(loss) for the year, net of tax			
A (i) Item that will not be reclassified to profit or loss	(0.90)	(0.27)	1.26
(ii) Income tax relating to item that will not be reclassified to profit or loss	0.23	0.08	(0.35)
Total comprehensive income for the year	**(126.95)**	**13.84**	**6.48**

Restated statement of cash flows

(₹ in million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before Tax	**(168.87)**	**25.37**	**11.42**
Adjustments for:			
Depreciation and amortisation expense	33.65	34.73	28.39
Finance Costs	34.90	30.42	24.70
(Gain)/Loss on sale of Fixed Assets	-	(1.63)	0.80
FA written off	-	7.48	-
Fair Value (Gain)/Loss on sale of Investment	-	(0.09)	(0.05)
Provision	6.11	4.94	1.73
Interest & Rent Received	(2.93)	(4.72)	(5.84)
Gratuity and leave Encashment Actual Paid	(0.44)	(0.42)	(0.74)
Amount Written off as bad debts	-	(0.23)	-
Operating Profit before working capital change	**(97.57)**	**95.85**	**60.41**
Adjustments for Working Capital Changes:			
(Increase)/Decrease in Inventories	(357.29)	(73.11)	(107.76)
(Increase)/Decrease in Financial-Non-current assets	(12.37)	(0.94)	(1.37)
(Increase)/Decrease in Trade Receivables	41.67	(20.15)	(44.31)
(Increase)/Decrease in Other Financial asset	0.28	(3.97)	0.34
(Increase)/Decrease in Other current assets	(179.54)	(1.56)	(1.10)
Increase/(Decrease) in Trade payables	34.16	60.96	38.55
Increase/(Decrease) in Other-current Liabilities	14.32	1.24	7.89
Cash generated from Operations	**(556.35)**	**58.32**	**(47.37)**
Direct Taxes paid	(19.10)	(7.92)	(4.78)
Net Cash flow from Operating activities (A)	**(575.45)**	**50.39**	**(52.15)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets including Intangible assets & CWIP	(181.63)	(25.49)	(43.60)
Interest & Rent received	2.93	4.72	5.84
Proceeds from sale of property, plant and equipment and disposal of assets	-	5.49	2.20
Proceeds from sale of Investment	-	0.43	-
Net cash used in Investing activities (B)	**(178.69)**	**(14.85)**	**(35.56)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds / (repayment) of Equity Share Capital	10.90	-	-
Proceeds / (repayment) of Preference Share Capital	-	-	0.57
Proceeds / (repayment) of Security Premium	562.66	-	31.99
Proceeds of Borrowings	77.70	32.90	50.71
Repayment of Borrowings	(18.30)	(53.51)	(54.40)
Proceeds / (repayment) of Short Term borrowings	164.50	19.79	69.18
Payment of Lease Liability	(12.51)	(10.32)	(8.79)
Finance Costs	(29.79)	(25.17)	(23.52)
Net cash (outflow)/inflow from financing activities (C)	**755.16**	**(36.32)**	**65.74**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**1.02**	**(0.77)**	**(21.96)**
Cash and cash equivalents at the beginning of the financial year	0.76	1.53	23.50
Cash and cash equivalents at the end of the year	**1.78**	**0.76**	**1.53**

SUMMARY OF CONTINGENT LIABILITIES

The following table sets forth certain information relating to our contingent liabilities and commitments as on March 31, 2026, March 31, 2025 and March 31, 2024 as disclosed in the Restated Financial Information:

(₹ in millions)

	As at		
Particulars	**March 31, 2026**	**March 31, 2025**	**March 31, 2024**
Claims against the company not acknowledged as debts			
Bank guarantee issued	30.62	28.33	34.32
GST Liability	4.80	4.80	-
Total	**35.42**	**33.13**	**34.32**
Total Equity	**625.71**	**179.10**	**165.27**
Contingent liability as percentage of Total Equity	**5.66%**	**18.50%**	**20.77%**

Further, in the past in one instance, our Company had given a corporate guarantee for working capital facilities availed by one of the Group Company, namely MV Mobility Limited from Indian Overseas Bank for its business operations vide sanction letter dated March 03, 2023, and the same was reflecting under contingent liability in the books of MV Electrosystems Limited as on March 31, 2023. Thereafter, the said facility was fully repaid by MV Mobility Limited in the year 2023-24 and consequently the loan amount outstanding by MV Mobility Limited to Indian Overseas Bank was Nil as on March 31, 2024.

For further details in relation to contingent liability as per Ind AS 37 as on March 31, 2026, March 31, 2025 and March 31, 2024 and also the abovementioned previous outstanding corporate guarantee given by our Company as on March 31, 2023, but subsequently closed, please see "Restated Financial Information - Note 35 – Contingent Liabilities" and "Management's Discussion and Analysis of Financial Condition and Results of Operations - Contingent Liabilities and Off-Balance Sheet Arrangements" on page 351 and 402, respectively.

SUMMARY OF RELATED PARTY TRANSACTIONS

The summary of related party transactions entered into by us during the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 respectively, as per Ind AS, read with SEBI ICDR Regulations and as derived from the Restated Financial Information are as set out in the table below:

(₹ in millions)

Particulars	Nature of Relationship	For the financial year ended March 31,		
		2026	2025	2024
Sale (Exclusive of GST)				
MV Mobility Limited	Promoter Group	0.03	-	0.97
Prime Electronics	Promoter Group	6.85	3.13	2.80
Quadrant Future Tek Limited	Promoter Group	18.00	1.42	-
IBoard India Limited	Promoter Group	-	-	6.71
Purchase (Exclusive of GST)				
Quadrant Future Tek Limited	Promoter Group	25.59	137.09	31.99
RR Electrical and Allied Industries	Promoter Group	-	-	1.30
MV Mobility Limited	Promoter Group	-	-	0.86
Prime Electronics	Promoter Group	0.02	-	0.43
Assets Purchased (Exclusive of GST)				
MV Mobility Limited	Promoter Group	-	-	0.02
Rental Income (Exclusive of GST)				
MV Mobility Limited	Promoter Group	-	2.10	4.60
IBoard India Limited	Promoter Group	2.40	2.40	1.00
Rent paid				
MV Mobility Limited	Promoter Group	0.40	-	-
Loan received				
Mohit Vohra	Promoter	2.50	6.00	6.50
Sumit Dhawan	Promoter	1.60	2.50	19.50
Amit Dhawan	Promoter	26.00	7.00	-
MV Mobility Limited	Promoter Group	-	20.50	-
Iboard India Limited	Promoter Group	-	15.00	-
Loan Repaid				
Mohit Vohra	Promoter	3.50	9.50	2.00
Sumit Dhawan	Promoter	1.60	19.50	2.50
Amit Dhawan	Promoter	26.00	7.00	-
MV Mobility Limited	Promoter Group	-	20.50	-
Iboard India Limited	Promoter Group	-	15.00	-
Amount paid on behalf of Related party				
MV Mobility Limited	Promoter Group	-	-	0.02
Prime Electronics	Promoter Group	0.02	0.16	0.06
Iboard India Limited	Promoter Group	0.05	0.23	-
Amount paid by Related Party on behalf of Company				
Prime Electronics	Promoter Group	0.18	5.00	-
MV Mobility Limited	Promoter Group	0.01		

Particulars	Nature of Relationship	For the financial year ended March 31,		
		2026	2025	2024
Director remuneration				
Rahul Dhawan	Promoter & Whole Time Director	0.84	0.84	0.84
Pankaj Rastogi	Managing Director	5.34		
Directors Sitting Fees				
Kanika Bhutani	Independent Director	0.15		
Sanjeev Mehta	Independent Director	0.18		
Vipin Sharma	Independent Director	0.18		
Salary				
Pallavi Dhawan	Relative of Promoter	0.90	0.90	0.90
Ajay Kumar	Key Managerial Personnel	3.60	2.11	-
Sourabh Bansal	Key Managerial Personnel	1.66	1.01	-
Balkrishan	Key Managerial Personnel	-	0.34	0.28

For details of the related party transactions, as per the requirements under Ind AS 24 'Related Party Disclosures' and as reported in the Restated Financial Information, see "Restated Financial Information - Note 34: Related Party Transactions" on page 348.

The nature of the related party transactions undertaken by the Company are as under:

Sale:

Name of related party	Product and nature of transaction
MV Mobility Limited	Conduit fittings, panel lock. These are used as consumable item for their products.
Prime Electronics	Circle plate, conduit & fittings, cable and wire. These are used as consumable item for their products.
Quadrant Future Tek Limited	Conduit fittings, copper wire. These are used as consumable item for their products.
IBoard India Private Limited	Various chassis / body related components. The same were provided as against the ancillary R&D support for its business, equipment fitted with technology support by MV Electrosystems Limited.

The sale transaction with each of the party constituting as a percentage to the revenue from operations is as under:

(₹ in million, including GST)

Particulars	Nature of Relationship	Financial year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount	%age*	Amount	%age*	Amount	%age*
Sale transactions undertaken during the year							
MV Mobility Limited	Promoter Group	0.03	0.01%	-	-	0.97	0.19%
Prime Electronics	Promoter Group	6.85	1.39%	3.13	0.50%	2.8	0.56%
Quadrant Future Tek Limited	Promoter Group	18	3.64%	1.42	0.23%	-	-
Iboard India Private Limited	Promoter Group	-	-	-	-	6.71	1.34%
Total		**24.88**	**5.03%**	**4.55**	**0.73%**	**10.48**	**2.10%**

* %age of Revenue from operations

Purchase:

Name of related party	Product and nature of transaction
Quadrant Future Tek Limited	Specialty cables and cable harness with such specialty cables
RR Electrical and Allied Industries	Resin used for manufacture of cable protection assemblies
MV Mobility Limited	Conduit fittings, panel lock. Special conduit purchased for our R&D activities
Prime Electronics	Cable and wire. Immediate purchase of raw material for our R&D activities, since alternate source was for procurement of cables was not available.

The purchase transaction with each of the party constituting as a percentage to the cost of goods sold is as under:

(₹ in million, including GST)

Particulars	Nature of Relationship	Financial year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount	%age*	Amount	%age*	Amount	%age*
Purchase transactions undertaken during the year							
Quadrant Future Tek Limited	Promoter Group	25.59	7.34%	137.09	36.80%	31.99	12.23%
RR Electrical and Allied Industries	Promoter Group	-	-	-	-	1.30	0.50%
MV Mobility Limited	Promoter Group	-	-	-	-	0.86	0.33%
Prime Electronics	Promoter Group	0.02	0.01%	-	-	0.43	0.16%
Total		**25.61**	**7.34%**	**137.09**	**36.80%**	**34.58**	**13.22%**

* %age of Cost of Goods Sold

Amount paid for purchase of asset:

Name of related party	Nature of transaction
Assets Purchased	
MV Mobility Limited	Purchase of welding machine

The amount paid to related party for purchase of asset as percentage to the total assets is as under:

(₹ in million, including GST)

Particulars	Nature of Relationship	Financial year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount	%age*	Amount	%age*	Amount	%age*
Asset purchased							
MV Mobility Limited	Promoter Group	-	-	`-	-	0.02	0.003%
Total		**-**	**-**	**`-**	**-**	**0.02**	**0.003%**

* %age of total assets

Rental income received from related party:

Name of related party	Nature of transaction
Rent income received	
MV Mobility Limited	Given the industrial premise owned by the Company on lease to Group Company
IBoard India Limited	Given the industrial premise owned by the Company on lease to Group Company

The rental income received as percentage to the revenue from operations is as under:

(₹ in million, including GST)

Particulars	Nature of Relationship	Financial year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount	%age*	Amount	%age*	Amount	%age*
Rent income received							
MV Mobility Limited	Promoter Group	-	-	2.10	0.34%	4.60	0.92%
IBoard India Limited	Promoter Group	2.40	0.49%	2.40	0.38%	1.00	0.20%
Total		**2.40**	**0.49%**	**4.50**	**0.72%**	**5.60**	**1.12%**

* %age of Revenue from operations

Rental paid to related party:

Name of related party	Nature of transaction
Rent paid	
MV Mobility Limited	Temporary shed for storing raw material

The rental paid as percentage to the revenue from operations is as under:

(₹ in million, including GST)

Particulars	Nature of Relationship	Financial year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount	%age*	Amount	%age*	Amount	%age*
Rent paid							
MV Mobility Limited	Promoter Group	0.40	0.08%	-	-	-	-
Total		**0.40**	**0.08%**	**-**	**-**	**-**	**-**

* %age of Revenue from operations

Loan received from related party:

Name of related party	Nature of transaction
Loan received	
Mohit Vohra Sumit Dhawan Amit Dhawan MV Mobility Limited Iboard India Limited	Our Company was engaged in the business of manufacturing switchgear panels for railway coaches and EMUs, cable protection and management products and electrical components, systems and sub-systems. Subsequently, we undertook the design and development of IGBT-based 3-Phase Drive Propulsion Equipment for railway applications. The development of such propulsion technology is capital intensive and involves significant upfront investments in research, engineering, prototyping, testing and certification over an extended period prior to commercialisation and generate revenue. During the development phase of the propulsion platform, a substantial portion of our internal accruals generated from its existing operations was deployed towards product development and associated testing activities. Consequently, we had limited surplus internal accruals available for maintaining the operations for existing products. As a result of constrained revenue growth (since the surplus from operating business was utilised for development of propulsion system) and considering that the propulsion technology was under development and had not yet achieved commercial scale at that stage, we had limited access to institutional credit facilities from banks and financial institutions. Accordingly, in order to support our commercial operational, product development requirements and to bridge short- to medium-term liquidity gaps, our Promoters and Promoter Group extended unsecured loans to our Company from time to time. Such promoter loans were extended primarily as a funding support mechanism during the technology development phase and enabled our Company to continue its operations and product development activities

Name of related party	Nature of transaction
	without material disruption. Further, such loans did not carried any obligation towards payment of interest. Accordingly, being a growing Company, promoter funding was considered an appropriate and expedient source of capital by our Company during the relevant period to support its's business operations and development initiatives.

The loan received as percentage to the total assets is as under:

(₹ in million, including GST)

Particulars	Nature of Relationship	Financial year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount	%age*	Amount	%age*	Amount	%age*
Loan received							
Mohit Vohra	Promoter	2.50	0.17%	6.00	0.81%	6.50	0.99%
Sumit Dhawan	Promoter	1.60	0.11%	2.50	0.34%	19.50	2.97%
Amit Dhawan	Promoter	26.00	1.78%	7.00	0.94%	-	-
MV Mobility Limited	Promoter Group	-	-	20.50	2.77%	-	-
Iboard India Limited	Promoter Group	-	-	15.00	2.02%	-	-
Total		**30.10**	**2.07%**	**51.00**	**6.88%**	**26.00**	**3.96%**

* %age to total assets

Loan repaid to related party:

Name of related party	Nature of transaction
Loan repaid	
Mohit Vohra	Loan received for business purpose repaid during the year
Sumit Dhawan	Loan received for business purpose repaid during the year
Amit Dhawan	Loan received for business purpose repaid during the year
MV Mobility Limited	Loan received for business purpose repaid during the year
Iboard India Limited	Loan received for business purpose repaid during the year

The loan repaid as percentage to the total assets is as under:

(₹ in million, including GST)

Particulars	Nature of Relationship	Financial year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount	%age*	Amount	%age*	Amount	%age*
Loan repaid							
Mohit Vohra	Promoter	3.50	0.24%	9.50	1.28%	2.00	0.30%
Sumit Dhawan	Promoter	1.60	0.11%	19.50	2.63%	2.50	0.38%
Amit Dhawan	Promoter	26.00	1.78%	7.00	0.94%	-	-
MV Mobility Limited	Promoter Group	-	-	20.50	2.77%	-	-
Iboard India Limited	Promoter Group	-	-	15.00	2.02%	-	-
Total		**31.10**	**2.13%**	**71.50**	**9.65%**	**4.50**	**0.69%**

* %age to total assets

Reimbursement of expenses and amount paid by / on behalf of related party:

Name of related party	Nature of transaction
Amount paid by our Company on behalf of Related party	
MV Mobility Limited	Amount paid to supplier for material on behalf of MV Mobility Limited
Prime Electronics	Inspection charges paid on behalf of Prime Electronics

Name of related party	Nature of transaction
Iboard India Limited	Being occupant of the property owned by our Company, electricity charges were paid by us which were later recovered. Further, certain cost appropriation made between both the companies on account of travel undertaken by the Director
Amount paid by related party on behalf of our Company	
Prime Electronics	Earnest money deposit paid by Prime Electronics on behalf of our Company and the same was repaid on the same date
MV Mobility Limited	Aluminium fire wire purchased & Tour & Travelling Expenses

The reimbursement of expenses for each of the party constituting as percentage to the revenue from operations is as under:

(₹ in million, including GST)

Particulars	Nature of Relationship	Financial year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount	%age*	Amount	%age*	Amount	%age*
Amount paid on behalf of Related party							
MV Mobility Limited	Promoter Group	-	-	-	-	0.02	0.00%
Prime Electronics	Promoter Group	0.02	0.00%	0.16	0.03%	0.06	0.01%
Iboard India Private Limited	Promoter Group	0.05	0.01%	0.23	0.04%	-	-
Amount paid by related party on behalf of Company							
Prime Electronics	Promoter Group	0.18	0.04%	5.00	0.80%	-	-
MV Mobility Limited	Promoter Group	0.01	0.00%	-	-	-	-
Total		**0.26**	**0.05%**	**5.39**	**0.86%**	**0.08**	**0.02%**

* %age of Revenue from operations

Salary paid to Directors and Key Managerial personnel & Sitting Fees to Director:

The salaries paid by our Company to Directors and Key Managerial Personnel & the Sitting Fees to Directors as percentage to the revenue from operations is as under:

(₹ in million, including GST)

Particulars	Nature of Relationship	Financial year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount	%age*	Amount	%age*	Amount	%age*
Remuneration							
Rahul Dhawan	Promoter & Whole Time Director	0.84	0.17%	0.84	0.13%	0.84	0.17%
Pankaj Rastogi	Managing Director	5.34	1.08%	-	-	-	-
Pallavi Dhawan	Relative of Promoter	0.90	0.18%	0.90	0.14%	0.90	0.18%
Ajay Kumar	Chief Financial Officer	3.60	0.73%	2.11	0.34%	-	-
Sourabh Bansal	Company Secretary	1.66	0.33%	1.01	0.16%	-	-

Particulars	Nature of Relationship	Financial year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount	%age*	Amount	%age*	Amount	%age*
Balkrishan	Company Secretary	-	-	0.34	0.05%	0.28	0.06%
Sitting Fees							
Kanika Bhutani	Independent Director	0.15	0.03%	-	-	-	-
Sanjeev Mehta	Independent Director	0.18	0.04%	-	-	-	-
Vipin Sharma	Independent Director	0.18	0.04%	-	-	-	-
Total		**12.85**	**2.60%**	**5.20**	**0.83%**	**2.02**	**0.40%**

***** %age of Revenue from operations

The above details of the related party transactions are in accordance with Ind AS 24 - Related Party Disclosures. Also see “Financial Information - Note 34: Related Party Transactions” on page 348.

GENERAL INFORMATION

Our Company was incorporated as 'MV Electrosystems Private Limited' on July 03, 2009 at New Delhi as private limited company under the Companies Act, 1956. Thereafter, our Company was converted into a public limited company, the word 'private' was struck off from the name of our Company and consequently, a fresh certificate of incorporation dated October 26, 2021 was issued by the RoC, recording the change of our Company's name to 'MV Electrosystems Limited'. The Corporate Identification Number of our Company is U31401HR2009PLC140536.

For details of change in the name and registered office of our Company, see "History and Certain Corporate Matters" on page 262.

Registered Office & Corporate Office	**Research, Design and Development Centre ***
Plot No. 7, Site No. 2, 14/3, Mathura Road Faridabad - 121 003, Haryana, India Tel. No.: +91 92 1199 9711 E-mail: cs@mvelectrosystems.com Website: https://www.mvelectrosystems.com	Plot No. 7, Site No. 2, 14/3, Mathura Road Faridabad - 121 003, Haryana, India

Assembling cum manufacturing facility ("Unit 1")	**Assembling cum manufacturing facility ("Unit 2")^**
7/19/1/2/2, 19/2/2/2, Baghola Tatarpur Road Prithla Industrial Zone, Village Baghola Palwal - 121 102, Haryana, India	Khasra No. 31//19/2, 20, Village Nangla Bhiku Palwal - 121 102, Haryana, India

^ For details of approval granted to our Company relating to Unit 2, refer to "Government and Other Approvals" on page 425.

** Our Company has entered into a lease agreement dated April 09, 2026 to take an additional premise on lease w.e.f. June 01, 2026 situated at Industrial Plot & Building No. 5, Site No. 1, 14/3, Mathura Road, Faridabad-121 003, Haryana, India for setting up of second Research, Design and Development Centre. For details, refer to "Our Business - Property" on page 248.*

Address of the RoC

Registrar of Companies, Haryana
Corporate Bhawan
Plot No. 4-B, Sector 27-B
Chandigarh - 160 019, India
Tel No: +91 172 2639 415
E-mail: roc.haryana@mca.gov.in
Website: www.mca.gov.in

Board of Directors of our Company:

The Board of Directors of our Company as on the date of filing of the Prospectus consists of:

Sr. No.	**Name**	**Designation**	**DIN**	**Address**
1.	Sanjeev Mehta	Independent Chairman	10433467	F-603, Tower F, Tulip Ivory, Sector 70, Gurugram - 122 101, Haryana, India
2.	Pankaj Rastogi	Managing Director	11307172	E-302, Elite Estate, C-4, Sector 18, Vasundhra, Ghaziabad - 201 012, Uttar Pradesh, India
3.	Vipin Sharma	Independent Director	07265438	House No. 1967, Sector 9, Faridabad - 121 006, Haryana, India
4.	Kanika Bhutani	Independent Director	08789609	House No. 611, Near Girls Government School, Sector - 22, Faridabad - 121 005, Haryana, India
5.	Mohit Vohra	Promoter / Non Executive Director	02534402	House No. 444, Sector 21C, Faridabad - 121 012, Haryana, India

Sr. No.	Name	Designation	DIN	Address
6.	Amit Dhawan	Promoter / Non Executive Director	03031778	House No. 25, Sector 29, Faridabad - 121 008, Haryana, India
7.	Sumit Dhawan	Promoter / Non Executive Director	08260657	House No. 25, Sector 29, Faridabad - 121 008, Haryana, India
8.	Rahul Dhawan	Promoter / Whole Time Director	08448024	House No. 810, Ground Floor, Sector 21 A, Faridabad - 121 001, Haryana, India
9.	Sanjay Kumar Singh	Non Executive Non Independent Director (Nominee)	09077003	Dheena, Betadih, Chilabali, Chandauli - 232 106, Uttar Pradesh, India

For further details in relation to our Directors, please refer to chapter titled "Our Management" on page 270 of the Prospectus.

Company Secretary & Compliance Officer

Sourabh Bansal
Plot No. 7, Site No. 2
14/3, Mathura Road
Faridabad - 121 003, Haryana, India
Tel. No.: +91 92 1199 9711
E-mail: cs@mvelectrosystems.com

Details of Key Intermediaries pertaining to this Issue and our Company:

Book Running Lead Manager

Sundae Capital Advisors Private Limited
306-307, 'AT', Mahakali Caves Road
Andheri (East) Mumbai - 400 093
Maharashtra, India
Tel. No. +91 87 9622 8221 / +91 22 4515 5887
E-mail: mvel.ipo@sundaecapital.com
Investor Grievance e-mail: grievances.mb@sundaecapital.com
Website: www.sundaecapital.com
SEBI Regn. No.: INM000012494
Contact Person: Chirag Pareek / Vanita Soni

Inter-se Allocation of Responsibilities

Since, Sundae Capital Advisors Private Limited is the sole BRLM to the Issue, a statement of inter se allocation of responsibilities is not applicable.

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post- Issue 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 Issue related queries and for redressal of complaints, investors may also write to the BRLM.

All Issue-related grievances, other than those related to Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and

address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications and grievances of ASBA Bidders.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

Legal Counsel to our Company as to Indian Law

Vaish Associates Advocates
1st, 9th, 11th Floor
Mohan Dev Building
13, Tolstoy Marg
New Delhi - 110 001, India
Tel. No.: +91 11 4249 2525
E-mail: vinay@vaishlaw.com / mtully@vaishlaw.com
Contact person: Vinay Vaish / Manish Tully
Website: www.vaishlaw.com

Registrar to the Issue

KFin Technologies Limited
Selenium, Tower B, Plot No. 31 and 32
Gachibowli, Financial District
Nanakramguda, Serilingampally
Hyderabad - 500 032, Telangana, India
Tel. No.: + 91 40 6717 2222 / 18003094001
E-mail: mvelectrosystems.ipo@kfintech.com
Investor Grievance e-mail: einward.ris@kfintech.com
Website: www.kfintech.com
SEBI Regn No.: INR000000221
Contact Person: M. Murali Krishna

Syndicate Member
Arete Securities Limited
101-A, Mittal Court
Nariman Point, Mumbai - 400 021
Tel. No.: +91 22 4043 9000 / 2284 3434
E-mail: dinesh.agarwal@aretesecurities.com
Website: www.aretesecurities.com
SEBI Regn. No.: INZ000241036
Contact Person: Dinesh Agarwal

Bankers to the Issue

Escrow Collection Bank and Refund Bank

HDFC Bank Limited
FIG-OPS Department, Lodha I Think Techno Campus
O-3 Level, Nextto Kanjurmarg Railway Station
Kanjurmarg (East)
Mumbai - 400 042, Maharashtra, India
Tel. No.: +91 22 3075 2914 / 28 / 29
Fax No.: +91 22 2579 9801
Email: siddharth.jadhav@hdfc.bank.in / sachin.gawade@hdfc.bank.in / eric.bacha@hdfc.bank.in/ tushar.gavankar@hdfc.bank.in / pravin.teli2@hdfc.bank.in; btiops@hdfc.bank.in;
Website: www.hdfcbank.com
Contact Person: Siddharth Jadhav / Sachin Gawade / Eric Bacha / Tushar Gavankar / Pravin Teli
SEBI Regn. No.: INBI00000063
CIN: L65920MH1994PLC080618

Public Issue Account Bank

Kotak Mahindra Bank Limited
Intellion Square, 501, 5th Floor
A Wing, Infinity IT Park
Gen. A.K. Vaidya Marg, Malad East
Mumbai - 400 097, Maharashtra, India
Tel. No.: +91 22 6605 6603
Email: cms.ipo@kotak.com
Website: www.kotak.com
Contact Person: Sumit Panchal
SEBI Regn. No.: INBI00000927
CIN: L65110MH1985PLC038137

Sponsor Bank

HDFC Bank Limited
FIG-OPS Department, Lodha I Think Techno Campus
O-3 Level, Nextto Kanjurmarg Railway Station
Kanjurmarg (East)
Mumbai - 400 042, Maharashtra, India
Tel. No.: +91 22 3075 2914 / 28 / 29
Fax No.: +91 22 2579 9801
Email: siddharth.jadhav@hdfc.bank.in / sachin.gawade@hdfc.bank.in / eric.bacha@hdfc.bank.in/ tushar.gavankar@hdfc.bank.in / pravin.teli2@hdfc.bank.in; btiops@hdfc.bank.in;
Website: www.hdfcbank.com
Contact Person: Siddharth Jadhav / Sachin Gawade / Eric Bacha / Tushar Gavankar / Pravin Teli
SEBI Regn. No.: INBI00000063
CIN: L65920MH1994PLC080618

Kotak Mahindra Bank Limited
Intellion Square, 501, 5th Floor
A Wing, Infinity IT Park
Gen. A.K. Vaidya Marg, Malad East
Mumbai - 400 097, Maharashtra, India
Tel. No.: +91 22 6605 6603
Email: cms.ipo@kotak.com
Website: www.kotak.com
Contact Person: Sumit Panchal
SEBI Regn. No.: INBI00000927
CIN: L65110MH1985PLC038137

Designated Intermediaries

Self-Certified Syndicate Banks (SCSB's)

The list of SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which a Bidder (other than an Anchor Investor), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks and mobile applications enabled for Unified Payments Interface Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated April 5, 2022, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, read with other applicable UPI Circulars, UPI Bidders bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using UPI handles, whose names appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI mechanism is provided in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders (other than RIBs) can submit ASBA Forms in the Issue using the stockbroker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms (other than RIBs) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx and https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx and https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures, respectively, as updated from time to time.

Self-Certified Syndicate Banks' Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Statutory Auditors

Sanmarks & Associates
Chartered Accountants
C-908-909, 9th Floor,
Sector 81, Greater Faridabad - 121 002, Haryana, India
Tel. No.: +91 129 405 8899, +91 98 9107 1122
E-mail: skagrawalfbd@yahoo.co.in
Peer Review Certificate No.: 015653 (valid till July 31, 2029)
Firm Registration No.: 003343N
Contact Person: CA Santosh Kumar Agrawal

Changes In Auditors During Last Three Financial Years

Except as disclosed below, there has been no change in the Statutory Auditors of our Company during the last three years preceding the date of the Prospectus.

Particulars	Nature of Change	Date of Change	Reason of Change
Jugal Arora and Company **Chartered Accountants** 3A/167, 1st Floor, Opp, Chimnibai Dharamshala N.I.T, Faridabad - 121 001, Haryana, India Tel. No.: +91 129 403 7461 E-mail: jugal.ar@gmail.com Firm Registration No.: 016691N	Resignation as the Auditor of the Company	July 07, 2024	To appoint a peer reviewed Statutory Auditor. The new Auditor has also audited the financial statements for the financial year ended March 31, 2026 and the IndAS converged financial year ended March 31, 2025, March 31, 2024.
Sanmarks & Associates **Chartered Accountants** C-908-909, 9th Floor, Sector 81 Greater Faridabad - 121 002, Haryana, India Tel. No.: +91 129 405 8899, +91 98 9107 1122 E-mail: skagrawalfbd@yahoo.co.in Firm Registration No.: 003343N	Appointment as Auditor of the Company	September 27, 2024	

Bankers to the Company

Indian Overseas Bank
1B-205, Neelam Bata Road
Faridabad-121001, Haryana, India
Tel. No.: +91 89 2595 0192
Email: iob0192@iob.in
Contact Person: Ritesh Kumar

HDFC Bank Limited
4th Floor, Plot No. I-5
Sector 101, Alpha, IT City
Mohali - 160 062, Punjab, India
Tel. No.: +91 99 8899 6041
Email: anubhav.saini@hdfcbank.com
Contact Person: Anubhav Saini

Filing of the Red Herring Prospectus

A copy of the Red Herring Prospectus has been filed electronically with SEBI through the SEBI intermediary portal at https://siportal.sebi.gov.in, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, as specified in Regulation 25(8) of SEBI ICDR Regulations and circular (SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by SEBI. A copy of the Red Herring Prospectus has also been filed with SEBI at:

Securities and Exchange Board of India
Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex, Bandra (East)
Mumbai - 400 051 Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act would be filed with the RoC and a copy of the Prospectus has been filed under

Section 26 of the Companies Act through the electronic portal at https://www.mca.gov.in/content/mca/global/en/foportal/fologin.html.

Registrar of Companies, Haryana
Corporate Bhawan
Plot No. 4-B, Sector 27-B
Chandigarh - 160 019, India
Tel No: +91 172 263 9415
Email id: roc.haryana@mca.gov.in
Website: www.mca.gov.in

Expert Opinion

Except as disclosed below, our Company has not obtained any expert opinions:

Our Company has received a written consent dated July 23, 2026, from M/s Sanmarks & Associates, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in the Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (a) examination report dated July 23, 2026 on the Restated Financial Information, and (b) report dated July 07, 2026, on the statement of possible special tax benefits available to the Company. Such consent has not been withdrawn as on the date of the Prospectus. However, the term "expert" and "consent" shall not be construed to mean an "expert" and "consent" as defined under the U.S. Securities Act.

Our Company has received written consent dated July 06, 2026, from Sapient Services Private Limited, Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in the Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer, in relation to the report dated July 07, 2026, certifying, inter alia, the details of the installed and production capacity of our manufacturing facility**.**

IPO Grading

No credit rating agency registered with SEBI has been appointed for grading the Issue.

Monitoring Agency

As the size of the Issue exceeds ₹ 1,000.00 million, our Company has appointed CARE Ratings Limited, a credit rating agency registered with SEBI as a monitoring agency to monitor the utilisation of the Gross Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations, prior to the filing of the Prospectus with the RoC. For details in relation to the proposed utilisation of the Gross Proceeds, see "Objects of the Issue" on page 124. The details of the Monitoring Agency are as follows:

CARE Ratings Limited
4th Floor, Godrej Coliseum, Somaiya Hospital Road
Off Eastern Express Highway, Sion (East)
Mumbai - 400 002
Tel. No.: +91 99 9951 0596
E-mail: saurabh.vaish@careedge.in
Website: www.careratings.com
Contact Person: Saurabh Vaish
SEBI Regn. No.: IN/CRA/004/1999

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As this is an issue of Equity Shares, there is no credit rating for the Issue.

Debenture Trustees

As this is an issue of Equity Shares, the appointment of trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Issue.

Book Building Process

Book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms. The Price Band and minimum Bid Lot was decided by our Company, in consultation with the BRLM, and if not disclosed in the Red Herring Prospectus, was advertised in all editions of Business Standard, English and Hindi language (a widely circulated English national daily newspaper) (Hindi also being the regional language of Haryana, where our Registered Office is located), at least two Working Days prior to the Bid / Issue Opening Date and was made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Issue Price shall be determined by our Company, in consultation with the BRLM after the Bid / Issue Closing Date.

All investors, other than Anchor Investors, shall only participate in the Issue through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor bank, as the case may be. Anchor Investors are not permitted to participate in the Issue through the ASBA process. Retail Individual Investors shall participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or using the UPI Mechanism.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Individual Investors can revise their Bids during the Bid / Issue Period and withdraw their Bids until the Bid / Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Investors will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. Pursuant to SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 05, 2022, all individual investors applying in initial public offerings whose application amount is up to ₹ 0.50 million shall use UPI Mechanism. and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 0.20 million and up to ₹ 0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. For further details, see "Issue Procedure" on page 456.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company have appointed the BRLM to manage this Issue and procure Bids for this Issue.

The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about investment through the aforesaid processes prior to submitting a Bid in the Issue.

Bidder should note the Issue is also subject to (i) final approval of the ROC after the Prospectus is filed with the ROC and (ii) obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment within three Working Days of the Bid / Issue Closing Date or such other time period as prescribed under applicable law.

Each Bidder, by submitting a Bid in the Issue, will be deemed to have acknowledge the above restrictions and the terms of the Issue.

For further details on method and process of Bidding, see "Issue Procedure" and "Issue Structure" on page 456 and 452, respectively.

The process of Book Building under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Issue.

UNDERWRITING

After the determination of the Issue Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company intend to enter into an Underwriting Agreement with the Underwriter for the Equity Shares proposed to be offered through the Issue. The extent of underwriting obligations and the Bids to be underwritten by BRLM shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter will be several and will be subject to certain conditions to closing, as specified therein.

Pursuant to the terms of the Underwriting Agreement dated August 03, 2026 entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in million)	% of Total Issue Size Underwritten
Sundae Capital Advisors Private Limited 306-307, 'AT', Mahakali Caves Road Andheri (East) Mumbai - 400 093 Maharashtra, India Tel. No. +91 87 9622 8221 / +91 22 4515 5887 E-mail: mvel.ipo@sundaecapital.com Investor Grievance e-mail: grievances.mb@sundaecapital.com Website: www.sundaecapital.com SEBI Regn. No.: INM000012494 Contact Person: Chirag Pareek / Vanita Soni	17,05,848	724.99	25.00
Total	**17,05,848**	**724.99**	**25.00**

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriter), the resources of the Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriter are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

Allocation among the Underwriter may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriter shall be severally responsible for ensuring payment with respect to Equity Shares allocated to Investors procured by them in accordance with the Underwriting Agreement.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLM will be responsible for bringing in the amount devolved, if any, in the Issue.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of the Prospectus, is set forth below:

(₹ in million, except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A	**Authorised Share Capital**		
	2,98,80,000 Equity Shares of face value ₹ 5 each	149.40	
	60,000 (0.01%) Compulsorily Convertible Preference Shares of face value ₹ 10 each	0.60	
B	**Issued, Subscribed and Paid-up Share Capital before the Issue**		
	2,04,59,200 Equity Shares of face value of ₹ 5 each	102.30	
C	**Present Issue in terms of Prospectus[(1)]**		
	Fresh Issue of 68,23,528 Equity Shares of Face Value of ₹ 5 each	34.12	2,900.00
D	**Issued, Subscribed and Paid up Share Capital after the Issue**		
	2,72,82,728 Equity Shares having Face Value of ₹ 5 each *	136.41	
E	**Securities Premium Account**		
	Before the Issue (in ₹ million)		603.69
	After the Issue* (in ₹ million)		3,469.57[#]

* Subject to the Basis of Allotment

Before adjustment of expenses towards the Issue

(1) The Issue has been authorized by resolution passed by our Board in their meeting held on December 10, 2024 and November 05, 2025 and by our Shareholders pursuant to a special resolution passed in their meeting held on November 10, 2025. For further information, see "The Issue" and "Other Regulatory and Statutory Disclosures" on pages 79 and 435, respectively.

Changes in the authorised share capital of our Company

For details in relation to the changes in the authorised share capital of our Company since incorporation, see 'History and Certain Corporate Matters - Changes in Memorandum of Association' on page 263.

Notes to the Capital Structure

1. **History of Share Capital of our Company**

(a) History of Equity Share Capital of Our Company

The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment / Fully Paid up	No of equity shares allotted	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consid-eration	Nature of allotment	Cumulative number of equity shares	Name of allottees
On Incorporation	10,000	10.00	10.00	Cash	Incorporation	10,000	Total 2 subscribers / Subscribers to Memorandum of Association [(i)]

Date of allotment / Fully Paid up	No of equity shares allotted	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consid-eration	Nature of allotment	Cumulative number of equity shares	Name of allottees
March 31, 2012	1,64,000	10.00	50.00	Cash	Private Placement	1,74,000	Total 3 allottees / Allotment of Equity Shares to Promoter and Promoter Group [(ii)]
August 11, 2014	47,000	10.00	55.00	Cash	Private Placement	2,21,000	Total 2 allottees / Allotment of Equity Shares to Promoter and Promoter Group [(iii)]
October 28, 2014	7,500	10.00	58.40	Cash	Private Placement	2,28,500	Total 1 allottee / Allotment of Equity Shares to Promoter and Promoter Group [(iv)]
September 06, 2023	100	10.00	570.00	Cash	Private Placement	2,28,600	Total 1 allottees / Allotment of Equity Shares to Non promoter [(v)]
December 09, 2023	70,86,600	10.00	Nil	Nil	Bonus	73,15,200	Issue of bonus shares in the ratio of 31:1 (i.e. thirty-one new Equity Share for every one Equity Share held) [(vi)^]
March 18, 2025	57,025	10.00	Nil	Cash	Conversion of CCPS	73,72,225	Allotted pursuant to conversion of CCPS in the ratio of 1:1 (Non promoter) [(vii)]
March 18, 2025	17,67,775	10.00	Nil	Nil	Bonus	91,40,000	Allotment of Reserved Bonus Equity Shares to the CCPS Holders (Non promoter) [(viii)^]
August 25, 2025	4,56,100	10.00	547.00	Cash	Private Placement	95,96,100	Total 9 allottees / Allotment of Equity Shares to Non promoter [(ix)]
October 01, 2025	6,33,500	10.00	547.00	Cash	Private Placement	1,02,29,600	Total 13 allottees / Allotment of Equity Shares to Non promoter [(x)]
November 10, 2025	2,04,59,200	5.00	Nil	Nil	Split of face value	2,04,59,200	Split of face value of Equity Share of the Company from ₹ 10 each to ₹ 5 each

^ Pursuant to the Shareholders resolution passed at the Extra Ordinary General Meeting held on November 30, 2023, our Company has issued bonus shares in the ratio of 31:1, i.e. 31 (Thirty One) Bonus Equity Shares of face value of ₹ 10 each for 1 (One) fully paid up Equity Shares of face value of ₹ 10 each held in the meeting of the Board of Directors held on December 09, 2023. Further, 57,025 CCPS, convertible into equivalent number of Equity Shares of face value ₹ 10 each, were outstanding as on the date of issue of Bonus Equity Shares by our Company. In order to maintain proportionate shareholding of Ramendra Pratap Singh and Sangeeta Singh, collectively, in our Company, on fully diluted basis, our Board of Directors and Shareholders vide their respective meetings held on November 25, 2023 and November 30, 2023 resolved to set aside a necessary reserve for issue of bonus shares to them upon conversion of CCPS held by them in the same ratio, i.e. 31:1, i.e. 31 (Thirty One) Bonus Equity Shares of ₹ 10 each for 1 (One) fully paid up Equity Shares of ₹ 10 each ("Reserved Bonus Equity Shares"). Accordingly, after receipt of letter for conversion of outstanding CCPS from Ramendra Pratap Singh and Sangeeta Singh, our Board of Directors and Shareholders vide their respective meetings held on March 17, 2025 and March 18, 2025 approved the issuance of Equity Shares upon conversion of CCPS, and thereafter, Reserved Bonus Equity Shares. Accordingly, our Company allotted 57,025 Equity Shares of face value ₹ 10 each upon conversion of CCPS and 17,67,775 Reserved Bonus Equity Shares of face value ₹ 10 each at the adjourned Board Meeting held on March 18, 2025.

(i) **Subscribers to the Memorandum of Association:**

Name of the Shareholder	Number of Shares
Mohit Vohra	5,000
Vivek Sardana #	5,000
Total	**10,000**

 # Vivek Sardana had sold his equity share on March 31, 2012 and no longer continues to be a shareholder or promoter of our Company.

(ii) **Preferential Issue made on March 31, 2012**

Name of Shareholder	Number of Shares
Mohit Vohra	1,34,200
Amit Dhawan	17,000
Avinash Mehta	12,800
Total	**1,64,000**

(iii) **Private placement made on August 11, 2014**

Name of Shareholder	Number of Shares
Mohit Vohra	46,500
Anu Vohra	500
Total	**47,000**

(iv) **Private placement made on October 28, 2014**

Name of Shareholder	Number of Shares
Mohit Vohra	7,500

(v) **Private placement made on September 06, 2023**

Name of Shareholder	Number of Shares
Ramendra Pratap Singh	100

(vi) **Bonus issue of Shares made on December 09, 2023**

Name of Shareholder	Number of Shares
Amit Dhawan	620
Anu Vohra	17,94,280
Mohit Vohra	17,93,660
Ranveer Vohra	620
Sonali Dhawan	23,60,960
Rahul Dhawan	11,32,740
Avinash Mehta	620
Ramendra Pratap Singh *	3,100
Total	**70,86,600**

The bonus issue was authorised by the resolutions passed by our Board of Directors and Shareholders at their meeting held on November 25, 2023 and November 30, 2023, respectively. The bonus issue has been done by way of capitalisation of Reserves.

** Ramendra Pratap Singh has been reclassified as Promoter of our Company w.e.f. November 10, 2025 subsequent to the approval of the shareholders in their Extra Ordinary General Meeting held on November 10, 2025.*

(vii) **Allotment pursuant to conversion of CCPS:**

Name of the Shareholder	Number of Shares
Ramendra Pratap Singh *	28,513
Sangeeta Singh *	28,512
Total	**57,025**

** Ramendra Pratap Singh has been reclassified as Promoter and Sangeeta Singh as Promoter Group of our Company w.e.f. November 10, 2025 subsequent to the approval of the shareholders in their Extra Ordinary General Meeting held on November 10, 2025.*

(viii) **Allotment pursuant to issuance of Reserved Bonus Equity Shares:**

Name of the Shareholder	Number of Shares
Ramendra Pratap Singh *	8,83,903
Sangeeta Singh *	8,83,872
Total	**17,67,775**

** 57,025 CCPS, convertible into equivalent number of Equity Shares of face value ₹ 10 each, were outstanding as on the date of issue of Bonus Equity Shares by our Company, i.e. December 09, 2023. In order to maintain proportionate shareholding of Ramendra Pratap Singh and Sangeeta Singh, collectively, in our Company, on fully diluted basis, our Board of Directors and Shareholders vide their respective meetings held on November 25, 2023 and November 30, 2023 resolved to set aside a necessary reserve for issue of bonus shares to them upon conversion of CCPS held by them in the same ratio, i.e. 31:1, i.e. 31 (Thirty One) Bonus Equity Shares of ₹ 10 each for 1 (One) fully paid up Equity Shares of ₹ 10 each ("Reserved Bonus Equity Shares"). Accordingly, after receipt of letter for conversion of outstanding CCPS from Ramendra Pratap Singh and Sangeeta Singh, our Board of Directors and Shareholders vide their respective meetings held on March 17, 2025 and March 18, 2025 approved the issuance of Equity Shares upon conversion of CCPS, and thereafter, Reserved Bonus Equity Shares. Accordingly, our Company allotted 57,025 Equity Shares of face value ₹ 10 each upon conversion of CCPS and 17,67,775 Reserved Bonus Equity Shares of face value ₹ 10 each at the adjourned Board Meeting held on March 18, 2025.*

Further, Ramendra Pratap Singh has been reclassified as Promoter and Sangeeta Singh as Promoter Group shareholder of our Company w.e.f. November 10, 2025 subsequent to the approval of the shareholders in their Extra Ordinary General Meeting held on November 10, 2025.

(ix) **Private placement made on August 25, 2025**

Name of Shareholder	Number of Shares
Raghav Investment Private Limited	2,75,000
Lalitha Jain	1,00,000
Pradeepkumar MG	20,200
Bhavana Mishra	20,200
Arpit Gupta	18,300
Manish Ramniwas Goyal	9,200
Vishal Ashok Mehta	9,200
Sourabh Bansal *	2,000
Ajay Kumar *	2,000
Total	**4,56,100**

* KMP of our Company

(x) **Private placement made on October 01, 2025**

Name of Shareholder	Number of Shares
Madhuri Madhusudan Kela	5,75,000
Bhavini Ajay Shah	5,000
Tushar Pradeep Bohra	5,000
Samar Radheshyam Sarda	5,000
Anant Mohta	5,000
Pallavi Dhoot	5,000
Shyam Sundar Jaju	5,000
Sunny Bharat Gosar	5,000
Sumit Bhalotia	5,000
Siddharth Shah	5,000
Ramanan Venkateswaran / Kala Ramanan	5,000
Anantroop Financial Advisory Services Private Limited	5,000
Ashish Govind Nathani	3,500
Total	**6,33,500**

(b) History of Preference Share Capital of our Company

Our Company had allotted 0.01% Compulsory Convertible Preference Shares on September 06, 2023. The following table sets forth the detailed history of the Compulsorily Convertible Preference Share capital of our Company:

Date of allotment	No of Compulsory Convertible Preference Shares allotted	Face Value per Compulsory Convertible Preference Shares (₹)	Issue price per Compulsory Convertible Preference Shares (₹)	Form of consider -ation	Nature of allotment	Cumulative number of Compulsory Convertible Preference Shares	Name of allottees
September 06, 2023	57,025	10	570	Cash	Preferential allotment	57,025	Non promoter (convertible in the ratio of 1:1 (i.e. one Equity Share for every one CCPS)) [(i)]
March 18, 2025	(57,025)	NA	NA	NA	NA	Nil	Extinguishment of CCPS upon allotment of Equity Shares against the same

(i) Names of allottee

Name of Shareholder	Number of Shares
Ramendra Pratap Singh *	28,513
Sangeeta Singh *	28,512

** Ramendra Pratap Singh has been reclassified as Promoter and Sangeeta Singh as Promoter Group of our Company w.e.f. November 10, 2025 subsequent to the approval of the shareholders in their Extra Ordinary General Meeting held on November 10, 2025.*

The following table sets forth the detailed breakup of the receipt of the application and call money(ies) for Compulsorily Convertible Preference Share capital of our Company. As on the date of Prospectus, entire 0.01% CCPS are fully paid up. The details of the payment received by our Company is as under:

Date of payment	Nature of Call	Amount called up (per CCPS in ₹)			Cumulative amount paid up (per CCPS in ₹)			Cumulative value (on 57,025 CCPS) (₹ in millions)		
		Face value	Securities Premium	Total	Face value	Securities Premium	Total	Face value	Securities Premium	Total
September 05, 2023	Application Money	2.00	112.00	114.00	2.00	112.00	114.00	0.11	6.39	6.50
September 30, 2023	First Call Money	2.00	112.00	114.00	4.00	224.00	228.00	0.23	12.77	13.00
November 24, 2023	Second Call Money	2.00	112.00	114.00	6.00	336.00	342.00	0.34	19.16	19.50
February 16, 2024	Third Call Money	2.00	112.00	114.00	8.00	448.00	456.00	0.46	25.55	26.00
March 22, 2024	Final Call	2.00	112.00	114.00	10.00	560.00	570.00	0.57	31.93	32.50

2. **Shares issued for consideration other than cash or by way of bonus issue or out of revaluation reserves**

Our Company has not issued Equity Shares out of revaluation reserves since its incorporation. Further, except as disclosed below, our Company has not issued Equity Shares through bonus issue or for consideration other than cash:

Date of allotment	No. of Shares allotted	Face value per Share (in ₹)	Issue price per Share (in ₹)	Nature of allotment	Benefits accrued to our Company
December 09, 2023	70,86,600	10	Nil	Issue of bonus shares in the ratio of 31:1 (i.e. thirty-one new Equity Share for every one Equity Share held) *	Nil, except for expansion of capital base of our Company

Date of allotment	No. of Shares allotted	Face value per Share (in ₹)	Issue price per Share (in ₹)	Nature of allotment	Benefits accrued to our Company
March 18, 2025	17,67,775	10	Nil	Issue of Reserved Bonus Equity Shares to the CCPS Holders in the ratio of 31:1 (i.e. thirty-one new Equity Share for every one Equity Share held) *	Nil, except for expansion of capital base of our Company

** 57,025 CCPS, convertible into equivalent number of Equity Shares of face value ₹ 10 each, were outstanding as on the date of issue of Bonus Equity Shares by our Company, i.e. December 09, 2023. In order to maintain proportionate shareholding of Ramendra Pratap Singh and Sangeeta Singh, collectively, in our Company, on fully diluted basis, our Board of Directors and Shareholders vide their respective meetings held on November 25, 2023 and November 30, 2023 resolved to set aside a necessary reserve for issue of bonus shares to them upon conversion of CCPS held by them in the same ratio, i.e. 31:1, i.e. 31 (Thirty One) Bonus Equity Shares of ₹ 10 each for 1 (One) fully paid up Equity Shares of ₹ 10 each ("Reserved Bonus Equity Shares"). Accordingly, after receipt of letter for conversion of outstanding CCPS from Ramendra Pratap Singh and Sangeeta Singh, our Board of Directors and Shareholders vide their respective meetings held on March 17, 2025 and March 18, 2025 approved the issuance of Equity Shares upon conversion of CCPS, and thereafter, Reserved Bonus Equity Shares. Accordingly, our Company allotted 57,025 Equity Shares of face value ₹ 10 each upon conversion of CCPS and 17,67,775 Reserved Bonus Equity Shares of face value ₹ 10 each at the adjourned Board Meeting held on March 18, 2025.*

3. **Issue of Equity Shares pursuant to scheme of arrangement**

Our Company has not allotted any Equity Shares pursuant to any scheme of arrangement approved under Sections 230-234 of the Companies Act, 2013.

4. **Issue of Equity Shares pursuant to Employee Stock Option Scheme**

As on date of the Prospectus, our Company does not have any employee stock option schemes or stock appreciation rights scheme. Our Company had earlier approved "MV Electrosystems Limited - Stock Incentive Plan, 2023", which was later terminated subsequent to the approval of the members in their Extra Ordinary General Meeting held on March 18, 2025. All the options granted under the said Plan were surrendered and none of the stock options are outstanding as on present date.

5. **Issue of Specified Securities at a price lower than the Issue Price in the last one year**

Except for allotment of the following shares, and as disclosed in "Capital Structure - Notes to the Capital Structure - History of Share Capital of our Company" above, our Company has not issued any equity shares at a price which is lower than the Issue Price during a period of one year preceding the date of the Prospectus:

Date of allotment	No. of Equity Shares allotted	Face Value per Equity Share (in ₹)	Issue Price per Equity Share (in ₹)	Form of consider -ation	Nature of allotment	Benefits accrued to our Company
March 18, 2025	57,025	10	Nil	Cash	Conversion of CCPS	Funds were received in 2023-24 which were utilized by our Company for business purpose
March 18, 2025	17,67,775	10	Nil	Nil	Bonus	Nil, except for expansion of capital base of our Company. Resulted in proportionate increase of paid up share capital, which did not have any impact on any individual shareholder / Company
August 25, 2025	4,56,100	10	547	Cash	Private Placement	Funds were received in 2025-26 which are put to use by our Company for business purpose
October 01, 2025	6,33,500	10	547	Cash	Private Placement	Funds were received in 2025-26 which are put to use by our Company for business purpose

6. **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on the date of the Prospectus:

Cate-gory	Category of shareholders	No. of share-holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities				No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerial-ised form
							(as a % of (A+B+C)	No. of voting rights			Total as % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class (Equity)	Class Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	8	1,57,37,200	-	-	1,57,37,200	76.92	1,57,37,200	-	1,57,37,200	76.92	-	76.92	1,57,37,200	100.00	-	-	1,57,37,200
(B)	Public	54	47,22,000	-	-	47,22,000	23.08	47,22,000	-	47,22,000	23.08	-	23.08	47,22,000	100.00	-	-	47,22,000
(C)	Non promoter non public	-	-			-	-	-	-	-	-		-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**62**	**2,04,59,200**	**-**	**-**	**2,04,59,200**	**100.00**	**2,04,59,200**	**-**	**2,04,59,200**	**100.00**	**-**	**100.00**	**2,04,59,200**	**100.00**	**-**	**-**	**2,04,59,200**

7. **Details of equity shareholding of the major shareholders of our Company:**

(a) As on the date of filing of the Prospectus, the total number of Shareholders of our Company is 62 (Sixty Two).

(b) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up equity share capital of our Company, as on the date of the Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held #	Percentage (%) of the pre-Issue equity share capital *
1	Mohit Vohra	58,86,108	28.77%
2	Ramendra Pratap Singh	20,81,232	10.17%
3	Rahul Dhawan	20,01,160	9.78%
4	Sangeeta Singh	18,24,768	8.92%
5	Sonali Dhawan	14,62,632	7.15%
6	Sumit Dhawan	14,13,934	6.91%
7	Madhuri Madhusudan Kela	11,50,000	5.62%
8	Amit Dhawan	10,66,086	5.21%
9	Raghav Investment Private Limited	9,25,000	4.52%
10	Pankaj Rastogi	9,14,400	4.47%
11	Sanjay Mann	5,48,400	2.68%
	Total	**1,92,73,720**	**94.21%**

 # Our Company has sub-divided each of its Equity Shares bearing face value of ₹ 10 each into Equity Shares bearing face value of ₹ 5 each pursuant to a resolution of our Board and Shareholders each dated November 05, 2025 and November 10, 2025, respectively. The above disclosure of number of Equity Shares is for face value ₹ 5 each.

** Calculated on the basis of total Equity Shares issued as on date of Prospectus. There are no vested outstanding options or warrant, option or right to convert a debenture, loan or other instrument.*

(c) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up equity share capital of our Company, as of 10 days prior to the date of the Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held #	Percentage (%) of the pre-Issue equity share capital *
1	Mohit Vohra	58,86,108	28.77%
2	Ramendra Pratap Singh	20,81,232	10.17%
3	Rahul Dhawan	20,01,160	9.78%
4	Singh Sangeeta	18,24,768	8.92%
5	Sonali Dhawan	14,62,632	7.15%
6	Sumit Dhawan	14,13,934	6.91%
7	Madhuri Madhusudan Kela	11,50,000	5.62%
8	Amit Dhawan	10,66,086	5.21%
9	Raghav Investment Private Limited	9,25,000	4.52%
10	Pankaj Rastogi	9,14,400	4.47%
11	Sanjay Mann	5,48,400	2.68%
	Total	**1,92,73,720**	**94.21%**

 # Our Company has sub-divided each of its Equity Shares bearing face value of ₹ 10 each into Equity Shares bearing face value of ₹ 5 each pursuant to a resolution of our Board and Shareholders each dated November 05, 2025 and November 10, 2025, respectively. The above disclosure of number of Equity Shares is for face value ₹ 5 each.

** Calculated on the basis of total Equity Shares issued as on date of Prospectus. There are no vested outstanding options or warrant, option or right to convert a debenture, loan or other instrument.*

(d) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up equity share capital of our Company, as of one year prior to the date of the Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held #*	Percentage (%) *
1	Anu Vohra	18,52,160	20.26%
2	Mohit Vohra	17,03,454	18.64%
3	Rahul Dhawan	11,22,480	12.28%
4	Ramendra Pratap Singh	9,15,616	10.02%
5	Sangeeta Singh	9,12,384	9.98%
6	Sonali Dhawan	8,12,586	8.89%
7	Sumit Dhawan	7,88,237	8.62%
8	Amit Dhawan	7,39,303	8.09%
	Total	**88,46,220**	**96.79%**

 # Our Company has sub-divided each of its Equity Shares bearing face value of ₹ 10 each into Equity Shares bearing face value of ₹ 5 each pursuant to a resolution of our Board and Shareholders each dated November 05, 2025 and November 10, 2025, respectively. The above disclosure of number of Equity Shares is for face value ₹ 10 each.

** Calculated on the basis of total fully diluted Equity Shares outstanding one year prior to the Prospectus, after taking into effect the allotment of Reserved Bonus Equity Shares on March 18, 2025 and Equity Shares against conversion of CCPS on March 18, 2025. Except as mentioned herein, there were no vested outstanding options or warrant, option or right to convert a debenture, loan or other instrument convertible into Equity Shares.*

(e) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up equity share capital of our Company, as of two years prior to the date of the Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held *#	Percentage (%) *
1	Sonali Dhawan	24,37,120	26.66%
2	Anu Vohra	18,52,160	20.26%
3	Mohit Vohra	18,51,520	20.26%
4	Rahul Dhawan	11,69,280	12.79%
5	Ramendra Pratap Singh	9,15,616	10.02%
6	Sangeeta Singh	9,12,384	9.98%
	Total	**91,38,080**	**99.98%**

** Calculated on the basis of total fully diluted Equity Shares outstanding one year prior to the Prospectus, after taking into effect the allotment of Bonus Equity Shares on December 09, 2023, Reserved Bonus Equity Shares on March 18, 2025 and Equity Shares against conversion of CCPS on March 18, 2025. Except as mentioned herein, there were no vested outstanding options or warrant, option or right to convert a debenture, loan or other instrument convertible into Equity Shares.*

 # Our Company has sub-divided each of its Equity Shares bearing face value of ₹ 10 each into Equity Shares bearing face value of ₹ 5 each pursuant to a resolution of our Board and Shareholders each dated November 05, 2025 and November 10, 2025, respectively. The above disclosure of number of Equity Shares is for face value ₹ 10 each.

8. **Except as disclosed below, none of our Directors or Key Managerial Personnel hold any Equity Shares in our Company:**

Sr. No.	Name of the shareholder	Designation	No. of Equity Shares held	Percentage (%) of the pre-Issue equity share capital*
1	Mohit Vohra	Director	58,86,108	28.77%
2	Amit Dhawan	Director	10,66,086	5.21%
3	Sumit Dhawan	Director	14,13,934	6.91%
4	Rahul Dhawan	Director	20,01,160	9.78%
5	Pankaj Rastogi	Managing Director	9,14,400	4.47%
6	Ajay Kumar	Chief Financial Officer	4,000	0.02%
7	Sourabh Bansal	Company Secretary & Compliance Officer	4,000	0.02%
	Total		**1,12,89,688**	**55.18%**

9. **History of the Equity Share capital held by our Promoter**

As on the date of the Prospectus, our Promoters hold 1,39,11,152 Equity Shares constituting 67.99% of the Pre-Issue paid-up Equity Share capital of our Company. Further, our Promoter Group shareholders hold 18,26,048 Equity Shares constituting 8.93% of the pre-Issue paid-up Equity Share capital of our Company. The total shares held by our Promoters and Promoter Group is 1,57,37,200 Equity Shares constituting 76.92% of the pre-Issue paid-up Equity Share capital of our Company. The details regarding our Promoters' shareholding are set out below.

Set forth in the table below along with details of the Equity Shares held by our Promoters and our members of the Promoter Group:

Sr. No.	Name of Shareholder	Pre-Issue Equity Share capital		Post-Issue Equity Share capital*	
		No. of Equity Shares	% of total shareholding	No. of Equity Shares	% of total shareholding
	Promoters				
1.	Mohit Vohra	58,86,108	28.77%	58,86,108	21.57%
2.	Amit Dhawan	10,66,086	5.21%	10,66,086	3.91%
3.	Sumit Dhawan	14,13,934	6.91%	14,13,934	5.18%
4.	Rahul Dhawan	20,01,160	9.78%	20,01,160	7.33%
5.	Sonali Dhawan	14,62,632	7.15%	14,62,632	5.36%
6.	Ramendra Pratap Singh	20,81,232	10.17%	20,81,232	7.63%
	Promotor Total	**1,39,11,152**	**67.99%**	**1,39,11,152**	**50.99%**
	Promoter Group				
7.	Sangeeta Singh	18,24,768	8.92%	18,24,768	6.69%
8.	Avinash Mehta	1,280	0.01%	1,280	0.00%
	Promotor Group Total	**18,26,048**	**8.93%**	**18,26,048**	**6.69%**
	Grand Total	**1,57,37,200**	**76.92%**	**1,57,37,200**	**57.68%**

** Subject to finalisation of Basis of Allotment*

(a) **Built up of our Promoters' shareholding in our Company**

The following table sets forth details of the build-up of the shareholding of our Promoters since incorporation of our Company (All allotments and transfer of Equity Shares detailed in the below table (i) to (v) are equity shares of face value ₹ 10 each.

(i) Mohit Vohra

Date of Allotment	Nature of Transaction	Nature of consideration	No. of Equity Shares allotted / transferred	Face value per equity share (₹)	Issue / Transfer Price per equity share (₹)	Percentage of pre-Issue capital (%)	Percentage of post-Issue capital (%)	Equity Shares eligibility for Promoter Contribution as on date of Draft Red Herring Prospectus		Cumulative number of Equity Shares held being eligible for Promoters Contribution
								Eligible	Ineligible	
On incorporation	Subscriber to the MOA	Cash	5,000	10.00	10.00	0.05%	0.04%	5,000	-	5,000
March 31, 2012	Private Placement	Cash	1,34,200	10.00	50.00	1.31%	0.98%	1,34,200	-	1,39,200
March 31, 2014	Transfer [1]	Gift	17,000	10.00	Nil	0.17%	0.12%	17,000	-	1,56,200
March 31, 2014	Transfer [2]	Gift	12,800	10.00	Nil	0.13%	0.09%	12,800	-	1,69,000
August 11, 2014	Private Placement	Cash	46,500	10.00	55.00	0.45%	0.34%	46,500	-	2,15,500
October 28, 2014	Private Placement	Cash	7,500	10.00	58.40	0.07%	0.05%	7,500	-	2,23,000
April 18, 2017	Transfer [3]	Gift	(52,380)	10.00	Nil	(0.51%)	(0.38%)	(52,380)	-	1,70,620
April 18, 2017	Transfer [4]	Gift	(1,12,740)	10.00	Nil	(1.10%)	(0.83%)	(1,12,740)	-	57,880
November 17, 2021	Transfer [5]	Gift	(20)	10.00	Nil	(0.00%)	(0.00%)	(20)	-	57,860
December 09, 2023	Bonus Issue	Bonus	17,93,660	10.00	Nil	17.53%	13.15%	17,93,660	-	18,51,520
April 21, 2025	Transfer [6]	Cash	(37,464)	10.00	547.00	(0.37%)	(0.27%)	(37,464)	-	18,14,056
April 24, 2025	Transfer [7]	Cash	(37,000)	10.00	547.00	(0.36%)	(0.27%)	(37,000)	-	17,77,056
May 15, 2025	Transfer [8]	Cash	(4,570)	10.00	547.00	(0.04%)	(0.03%)	(4,570)	-	17,72,486
June 06, 2025	Transfer [9]	Cash	(42,408)	10.00	547.00	(0.41%)	(0.31%)	(42,408)	-	17,30,078
June 16, 2025	Transfer [10]	Cash	(26,624)	10.00	547.00	(0.26%)	(0.20%)	(26,624)	-	17,03,454
August 08, 2025	Transfer [11]	Gift	18,52,160	10.00	Nil	18.11%	13.58%	-	18,52,160	17,03,454
August 08, 2025	Transfer [12]	Gift	640	10.00	Nil	0.01%	0.00%	-	640	17,03,454
September 18, 2025	Transfer [13]	Cash	(20,000)	10.00	547.00	(0.20%)	(0.15%)	(20,000)	-	16,83,454
September 24, 2025	Transfer [14]	Cash	(3,65,700)	10.00	47.00	(3.57%)	(2.68%)	(3,65,700)	-	13,17,754
October 17, 2025	Transfer [15]	Cash	(20,000)	10.00	547.00	(0.20%)	(0.15%)	(20,000)	-	12,97,754

Date of Allotment	Nature of Transaction	Nature of consideration	No. of Equity Shares allotted / transferred	Face value per equity share (₹)	Issue / Transfer Price per equity share (₹)	Percentage of pre-Issue capital (%)	Percentage of post-Issue capital (%)	Equity Shares eligibility for Promoter Contribution as on date of Draft Red Herring Prospectus		Cumulative number of Equity Shares held being eligible for Promoters Contribution
								Eligible	Ineligible	
November 04, 2025	Transfer [16]	Cash	(20,000)	10.00	547.00	(0.20%)	(0.15%)	(20,000)	-	12,77,754
Total (of face value ₹ 10 each)			**31,30,554**			**30.60%**	**22.95%**	**12,77,754**	**18,52,800**	
Total Equity Shares, post split of face value from ₹ 10 each to ₹ 5 each			**62,61,108**			**30.60%**	**22.95%**	**25,55,508**	**37,05,600**	**25,55,508**
February 26, 2026	Transfer [17]	Cash	(2,25,000)	5.00	370.00	(1.10%)	(0.82%)	(2,25,000)	37,05,600	23,30,508
April 10, 2026	Transfer [18]	Cash	(1,50,000)	5.00	370.00	(0.73%)	(0.55%)	(1,50,000)	37,05,600	21,80,508
Total shares held (of face value ₹ 5 each)			**58,86,108**			**28.77%**	**21.57%**	**21,80,508**	**37,05,600**	**21,80,508**

[1] Transfer (Gift) from Amit Dhawan
[2] Transfer (Gift) from Avinash Mehta
[3] Transfer (Gift) to Anu Vohra
[4] Transfer (Gift) to Meena Vohra
[5] Transfer (Gift) to Ranveer Vohra
[6] Transfer (Sale) of 4,570 Equity Shares, 2,742 Equity Shares, 9,141 Equity Shares, 9,141 Equity Shares, 7,300 Equity Shares and 4,570 Equity Shares to Anu Agarwal, Deepa Guglani, Dharmendra Kumar Srivastava, Seema Srivastava, Nisha Jain and Anubhav Guglani respectively.
[7] Transfer (Sale) of 37,000 Equity Shares to Venture X Fund I
[8] Transfer (Sale) of 4,570 Equity Shares to Sudhir Kumar Rai
[9] Transfer (Sale) of 42,408 Equity Shares to Kamal Kishore Somani
[10] Transfer (Sale) of 26,624 Equity Shares to Lalitkumar B Jain
[11] Transfer (Gift) from Anu Vohra
[12] Transfer (Gift) from Ranveer Vohra
[13] Transfer (Sale) of 10,000 Equity Shares and 10,000 Equity Shares to Neeru Gambhir and Pallavi Arora respectively
[14] Transfer (Sale) of 2,28,600 Equity Shares and 1,37,100 Equity Shares to Pankaj Rastogi and Sanjay Mann respectively. Towards the contribution of the efforts for the design, development and assisting our Company in procuring approval of Propulsion System, the Promoter Group, in order to aligning long term interest of Pankaj Rastogi and Sanjay Mann towards the overall development and growth of our Company, agreed to transfer the aforesaid Equity Shares. For details, refer to "History and Certain Corporate matters - Details of Shareholders Agreement - Key terms of Agreement for transfer of Equity Shares dated September 19, 2025, with Pankaj Rastogi, then Chief Technical Officer and Sanjay Mann, General Manager - R&D (Software) on page 267*.*
[15] Transfer (Sale) of 20,000 Equity Shares to Vineeth Kumar Anchalia
[16] Transfer (Sale) of 20,000 Equity Shares to Bhim Sain Bassi

(17) Transfer (Sale) of 2,25,000 Equity Shares to Raghav Investment Private Limited
(18) Promoter Group Inter-se Transfer (Sale) of 1,50,000 Equity Shares to Ramendra Pratap Singh

(ii) Amit Dhawan

Date of Allotment	Nature of Transaction	Nature of consideration	No. of Equity Shares allotted / transferred	Face value per equity share (₹)	Issue / Transfer Price per equity share (₹)	Percentage of pre-Issue capital (%)	Percentage of post-Issue capital (%)	Equity Shares eligibility for Promoter Contribution as on date of Draft Red Herring Prospectus		Cumulative number of Equity Shares held being eligible for Promoters Contribution
								Eligible	Ineligible	
March 31, 2012	Private Placement	Cash	17,000	10.00	50.00	0.17%	0.12%	17,000	-	17,000
March 31, 2014	Transfer [1]	Gift	(17,000)	10.00	Nil	(0.17%)	(0.12%)	(17,000)	-	-
April 18, 2017	Transfer [2]	Gift	76,180	10.00	Nil	0.74%	0.56%	76,180	-	76,180
April 18, 2017	Transfer [3]	Gift	(76,180)	10.00	Nil	(0.74%)	(0.56%)	(76,180)	-	-
November 17, 2021	Transfer [4]	Gift	20	10.00	Nil	0.00%	0.00%	20	-	20
December 09, 2023	Bonus Issue	Bonus	620	10.00	Nil	0.01%	0.00%	620	-	640
April 08, 2025	Transfer [5]	Gift	8,11,947	10.00	Nil	7.94%	5.95%	-	8,11,947	640
April 21, 2025	Transfer [6]	Cash	(20,108)	10.00	547.00	(0.20%)	(0.15%)	(640)	(19,468)	-
May 09, 2025	Transfer [7]	Cash	(36,600)	10.00	547.00	(0.36%)	(0.27%)	-	(36,600)	-
May 19, 2025	Transfer [8]	Cash	(9,000)	10.00	547.00	(0.09%)	(0.07%)	-	(9,000)	-
June 04, 2025	Transfer [9]	Cash	(5,200)	10.00	547.00	(0.05%)	(0.04%)	-	(5,200)	-
June 10, 2025	Transfer [10]	Cash	(2,376)	10.00	547.00	(0.02%)	(0.02%)	-	(2,376)	-
September 24, 2025	Transfer [11]	Cash	(81,260)	10.00	47.00	(0.79%)	(0.60%)	-	(81,260)	-
Total (of face value ₹ 10 each)			**6,58,043**			**6.43%**	**4.82%**	**-**	**6,58,043**	
Total Equity Shares, post split of face value from ₹ 10 each to ₹ 5 each			**13,16,086**			**6.43%**	**4.82%**	**-**	**13,16,086**	**-**
February 26, 2026	Transfer [12]	Cash	(1,50,000)	5.00	370.00	(0.73%)	(0.55%)	-	(1,50,000)	-
April 10, 2026	Transfer [13]	Cash	(1,00,000)	5.00	370.00	(0.49%)	(0.37%)	-	(1,00,000)	-
Total shares held (of face value ₹ 5 each)			**10,66,086**			**5.21%**	**3.91%**	**-**	**10,66,086**	**-**

(1) Transfer (Gift) to Mohit Vohra
(2) Transfer (Gift) from Meena Vohra
(3) Transfer (Gift) to Sonali Dhawan

(4) Transfer (Gift) from Sonali Dhawan
(5) Transfer (Gift) from Sonali Dhawan
(6) Transfer (Sale) of 2,742 Equity Shares, 1,828 Equity Shares, 4,570 Equity Shares, 5,484 Equity Shares, 3,656 Equity Shares, 914 Equity Shares and 914 Equity Shares to Esha Aggarwal, Swaraj Pal Sehgal, Jyoti Banga, Shyam Sunder Munjal, Anil Kumar, Rajesh Sehgal and Rajesh Sehgal respectively.
(7) Transfer (Sale) of 36,600 Equity Shares to Bhim Sain Bassi
(8) Transfer (Sale) of 9,000 Equity Shares to Veena Setia
(9) Transfer (Sale) of 5,200 Equity Shares to Neha Jain
(10) Transfer (Sale) of 2,376 Equity Shares to Lalitkumar B Jain
(11) Transfer (Sale) of 50,800 Equity Shares and 30,460 Equity Shares to Pankaj Rastogi and Sanjay Mann respectively. Towards the contribution of the efforts for the design, development and assisting our Company in procuring approval of Propulsion System, the Promoter Group, in order to aligning long term interest of Pankaj Rastogi and Sanjay Mann towards the overall development and growth of our Company, agreed to transfer the aforesaid Equity Shares. For details, refer to "History and Certain Corporate matters - Details of Shareholders Agreement - Key terms of Agreement for transfer of Equity Shares dated September 19, 2025, with Pankaj Rastogi, then Chief Technical Officer and Sanjay Mann, General Manager - R&D (Software) on page 267.
(12) Transfer (Sale) of 1,50,000 Equity Shares to Raghav Investment Private Limited
(13) Promoter Group Inter-se Transfer (Sale) of 1,00,000 Equity Shares to Ramendra Pratap Singh

(iii) Sumit Dhawan

Date of Allotment	Nature of Transaction	Nature of consideration	No. of Equity Shares allotted / transferred	Face value per equity share (₹)	Issue / Transfer Price per equity share (₹)	Percentage of pre-Issue capital (%)	Percentage of post-Issue capital (%)	Equity Shares eligibility for Promoter Contribution as on date of Draft Red Herring Prospectus		Cumulative number of Equity Shares held being eligible for Promoters Contribution
								Eligible	Ineligible	
March 31, 2012	Transfer (1)	Cash	5,000	10.00	21.10	0.05%	0.04%	5,000	-	5,000
October 01, 2024	Transfer (2)	Cash	(5,000)	10.00	54.57	(0.05%)	(0.04%)	(5,000)	-	-
April 18, 2017	Transfer (3)	Gift	36,560	10.00	Nil	0.36%	0.27%	36,560	-	36,560
April 18, 2017	Transfer (4)	Gift	(36,560)	10.00	Nil	(0.36%)	(0.27%)	(36,560)	-	-
April 08, 2025	Transfer (5)	Gift	8,12,587	10.00	Nil	7.94%	5.96%	-	8,12,587	-
April 16, 2025	Transfer (6)	Cash	(13,710)	10.00	547.00	(0.13%)	(0.10%)	-	(13,710)	-
April 17, 2025	Transfer (7)	Cash	(4,570)	10.00	547.00	(0.04%)	(0.03%)	-	(4,570)	-
April 22, 2025	Transfer (8)	Cash	(1,500)	10.00	547.00	(0.01%)	(0.01%)	-	(1,500)	-
May 03, 2025	Transfer (9)	Cash	(4,570)	10.00	547.00	(0.04%)	(0.03%)	-	(4,570)	-
September 24, 2025	Transfer (10)	Cash	(81,270)	10.00	47.00	(0.79%)	(0.60%)	-	(81,270)	-
Total (of face value ₹ 10 each)			**7,06,967**			**6.91%**	**5.18%**	**-**	**7,06,967**	

Date of Allotment	Nature of Transaction	Nature of consideration	No. of Equity Shares allotted / transferred	Face value per equity share (₹)	Issue / Transfer Price per equity share (₹)	Percentage of pre-Issue capital (%)	Percentage of post-Issue capital (%)	Equity Shares eligibility for Promoter Contribution as on date of Draft Red Herring Prospectus		Cumulative number of Equity Shares held being eligible for Promoters Contribution
								Eligible	Ineligible	
Total Equity Shares, post split of face value from ₹ 10 each to ₹ 5 each			**14,13,934**			**6.91%**	**5.18%**	**-**	**14,13,934**	**-**

(1) *Transfer from Vivek Sardana*
(2) *Transfer to Anu Vohra*
(3) *Transfer (Gift) from Meena Vohra*
(4) *Transfer (Gift) to Rahul Dhawan*
(5) *Transfer (Gift) from Sonali Dhawan*
(6) *Transfer (Sale) of 5,484 Equity Shares, 3,656 Equity Shares and 4,570 Equity Shares to Ashoo Kapila, Rajesh Loona and Shilpa Sethi respectively.*
(7) *Transfer (Sale) of 4,570 Equity Shares to Vijay Kumar Gupta*
(8) *Transfer (Sale) of 1,500 Equity Shares to Manoj Kumar Agarwal*
(9) *Transfer (Sale) of 4,570 Equity Shares to Rajiv Kumar Arya*
(10) *Transfer (Sale) of 50,800 Equity Shares and 30,470 Equity Shares to Pankaj Rastogi and Sanjay Mann respectively. Towards the contribution of the efforts for the design, development and assisting our Company in procuring approval of Propulsion System, the Promoter Group, in order to aligning long term interest of Pankaj Rastogi and Sanjay Mann towards the overall development and growth of our Company, agreed to transfer the aforesaid Equity Shares. For details, refer to "History and Certain Corporate matters - Details of Shareholders Agreement - Key terms of Agreement for transfer of Equity Shares dated September 19, 2025, with Pankaj Rastogi, then Chief Technical Officer and Sanjay Mann, General Manager - R&D (Software) on page 267.*

(iv) Rahul Dhawan

Date of Allotment	Nature of Transaction	Nature of consideration	No. of Equity Shares allotted / transferred	Face value per equity share (₹)	Issue / Transfer Price per equity share (₹)	Percentage of pre-Issue capital (%)	Percentage of post-Issue capital (%)	Equity Shares eligibility for Promoter Contribution as on date of Draft Red Herring Prospectus		Cumulative number of Equity Shares held being eligible for Promoters Contribution
								Eligible	Ineligible	
April 18, 2017	Transfer (1)	Gift	36,560	10.00	Nil	0.36%	0.27%	36,560	-	36,560
November 17, 2021	Transfer (2)	Gift	(20)	10.00	Nil	(0.00%)	0.00%	(20)	-	36,540
December 09, 2023	Bonus	Bonus	11,32,740	10.00	Nil	11.07%	8.30%	11,32,740	-	11,69,280
June 04, 2025	Transfer (3)	Cash	(46,800)	10.00	547.00	(0.46%)	(0.34%)	(46,800)	-	11,22,480
September 23, 2025	Transfer (4)	Cash	(1,21,900)	10.00	47.00	(1.19%)	(0.89%)	(1,21,900)	-	10,00,580

Date of Allotment	Nature of Transaction	Nature of consideration	No. of Equity Shares allotted / transferred	Face value per equity share (₹)	Issue / Transfer Price per equity share (₹)	Percentage of pre-Issue capital (%)	Percentage of post-Issue capital (%)	Equity Shares eligibility for Promoter Contribution as on date of Draft Red Herring Prospectus		Cumulative number of Equity Shares held being eligible for Promoters Contribution
								Eligible	Ineligible	
Total (of face value ₹ 10 each)			**10,00,580**			**9.78%**	**7.33%**	**10,00,580**	**-**	
Total Equity Shares, post split of face value from ₹ 10 each to ₹ 5 each			**20,01,160**			**9.78%**	**7.33%**	**20,01,160**	**-**	**20,01,160**

(1) Transfer from Sumit Dhawan

(2) Transfer to Avinash Mehta

(3) Transfer of 37,000 Equity Shares and 9,800 Equity Shares to Shankh Gupta and Neha Jain respectively.

(4) Transfer of 76,200 Equity Shares and 45,700 Equity Shares to Pankaj Rastogi and Sanjay Mann respectively. Towards the contribution of the efforts for the design, development and assisting our Company in procuring approval of Propulsion System, the Promoter Group, in order to aligning long term interest of Pankaj Rastogi and Sanjay Mann towards the overall development and growth of our Company, agreed to transfer the aforesaid Equity Shares. For details, refer to "History and Certain Corporate matters - Details of Shareholders Agreement - Key terms of Agreement for transfer of Equity Shares dated September 19, 2025, with Pankaj Rastogi, then Chief Technical Officer and Sanjay Mann, General Manager - R&D (Software) on page 267.

(v) Sonali Dhawan

Date of Allotment	Nature of Transaction	Nature of consideration	No. of Equity Shares allotted / transferred	Face value per equity share (₹)	Issue / Transfer Price per equity share (₹)	Percentage of pre-Issue capital (%)	Percentage of post-Issue capital (%)	Equity Shares eligibility for Promoter Contribution as on date of Draft Red Herring Prospectus		Cumulative number of Equity Shares held being eligible for Promoters Contribution
								Eligible	In-eligible	
April 18, 2017	Transfer (1)	Gift	76,180	10.00	Nil	0.74%	0.56%	76,180	-	76,180
November 17, 2021	Transfer (2)	Gift	(20)	10.00	Nil	(0.00%)	(0.00%)	(20)	-	76,160
December 09, 2023	Bonus	Bonus	23,60,960	10.00	Nil	23.08%	17.31%	23,60,960	-	24,37,120
April 08, 2025	Transfer (3)	Gift	(8,11,947)	10.00	Nil	(7.94%)	(5.95%)	(8,11,947)	-	16,25,173
April 08, 2025	Transfer (4)	Gift	(8,12,587)	10.00	Nil	(7.94%)	(5.96%)	(8,12,587)	-	8,12,586
September 24, 2025	Transfer (5)	Cash	(81,270)	10.00	47.00	(0.79%)	(0.60%)	(81,270)	-	7,31,316
Total (of face value ₹ 10 each)			**7,31,316**			**7.15%**	**5.36%**	**7,31,316**	**-**	

Date of Allotment	Nature of Transaction	Nature of consideration	No. of Equity Shares allotted / transferred	Face value per equity share (₹)	Issue / Transfer Price per equity share (₹)	Percentage of pre-Issue capital (%)	Percentage of post-Issue capital (%)	Equity Shares eligibility for Promoter Contribution as on date of Draft Red Herring Prospectus		Cumulative number of Equity Shares held being eligible for Promoters Contribution
								Eligible	In-eligible	
Total Equity Shares, post split of face value from ₹ 10 each to ₹ 5 each			**14,62,632**			**7.15%**	**5.36%**	**14,62,632**	**-**	**14,62,632**

(1) Transfer (Gift) from Amit Dhawan

(2) Transfer (Gift) to Amit Dhawan

(3) Transfer (Gift) of 8,11,947 Equity Shares to Amit Dhawan

(3) Transfer (Gift) of 8,12,587 Equity Shares to Sumit Dhawan

(4) Transfer (Sale) of 50,800 Equity Shares and 30,470 Equity Shares to Pankaj Rastogi and Sanjay Mann respectively. Towards the contribution of the efforts for the design, development and assisting our Company in procuring approval of Propulsion System, the Promoter Group, in order to aligning long term interest of Pankaj Rastogi and Sanjay Mann towards the overall development and growth of our Company, agreed to transfer the aforesaid Equity Shares. For details, refer to "History and Certain Corporate matters - Details of Shareholders Agreement - Key terms of Agreement for transfer of Equity Shares dated September 19, 2025, with Pankaj Rastogi, then Chief Technical Officer and Sanjay Mann, General Manager - R&D (Software) on page 267.

(vi) Ramendra Pratap Singh

Date of Allotment	Nature of Transaction	Nature of consideration	No. of Equity Shares allotted / transferred	Face value per equity share (₹)	Issue / Transfer Price per equity share (₹)	Percentage of pre-Issue capital (%)	Percentage of post-Issue capital (%)	Equity Shares eligibility for Promoter Contribution as on date of Draft Red Herring Prospectus		Cumulative number of Equity Shares held being eligible for Promoters Contribution
								Eligible	In-eligible	
September 06, 2023	Private Placement (1)	Cash	100	10.00	570.00	0.00%	0.00%	100	-	100
December 09, 2023	Bonus Issue	Bonus	3,100	10.00	Nil	0.03%	0.02%	3,100	-	3,200
March 18, 2025	Conversion of CCPS (2)	Cash	28,513	10.00	Conversion	0.28%	0.21%	28,513	-	31,713
March 18, 2025	Bonus Issue (3)	Bonus	8,83,903	10.00	Nil	8.64%	6.48%	8,83,903	-	9,15,616
Total (of face value ₹ 10 each)			**9,15,616**			**8.95%**	**6.71%**	**9,15,616**	**-**	

Date of Allotment	Nature of Transaction	Nature of consideration	No. of Equity Shares allotted / transferred	Face value per equity share (₹)	Issue / Transfer Price per equity share (₹)	Percentage of pre-Issue capital (%)	Percentage of post-Issue capital (%)	Equity Shares eligibility for Promoter Contribution as on date of Draft Red Herring Prospectus		Cumulative number of Equity Shares held being eligible for Promoters Contribution
								Eligible	In-eligible	
Total Equity Shares, post split of face value from ₹ 10 each to ₹ 5 each			**18,31,232**			**8.95%**	**6.71%**	**18,31,232**	**-**	**18,31,232**
April 10, 2026	Transfer [4]	Cash	1,50,000	5.00	370.00	(0.73%)	0.55%	-	1,50,000	18,31,232
April 10, 2026	Transfer [5]	Cash	1,00,000	5.00	370.00	(0.49%)	0.37%	-	1,00,000	18,31,232
Total shares held (of face value ₹ 5 each)			**20,81,232**			**10.17%**	**7.63%**	**18,31,232**	**2,50,000**	**18,31,232**

[1] Alongwith the allotment of 100 Equity Shares, as mentioned above, our Company also issued and allotted 28,513 CCPS at an Issue Price of ₹ 570 per CCPS convertible into equity shares of face value ₹ 10 each in the ratio of 1:1 (i.e. one Equity Share for every on CCPS held)

[2] Since CCPS were issued on September 06, 2025 and the last and final call was paid by the Company on March 22, 2024, the Equity Shares allotted by our Company pursuant to Conversion for CCPS shall be eligible for lock in as part of Promoters; Contribution

[3] 57,025 CCPS, convertible into equivalent number of Equity Shares of face value ₹ 10 each, were outstanding as on the date of issue of Bonus Equity Shares by our Company, i.e. December 09, 2023. In order to maintain proportionate shareholding of Ramendra Pratap Singh and Sangeeta Singh, collectively, in our Company, on fully diluted basis, our Board of Directors and Shareholders vide their respective meetings held on November 25, 2023 and November 30, 2023 resolved to set aside a necessary reserve for issue of bonus shares to them upon conversion of CCPS held by them in the same ratio, i.e. 31:1, i.e. 31 (Thirty One) Bonus Equity Shares of ₹ 10 each for 1 (One) fully paid up Equity Shares of ₹ 10 each ("Reserved Bonus Equity Shares"). Accordingly, after receipt of letter for conversion of outstanding CCPS from Ramendra Pratap Singh and Sangeeta Singh, our Board of Directors and Shareholders vide their separate meetings held on March 18, 2025 approved the issuance of Equity Shares upon conversion of CCPS, and thereafter, Reserved Bonus Equity Shares. Accordingly, our Company allotted 57,025 Equity Shares of face value ₹ 10 each upon conversion of CCPS and 17,67,775 Reserved Bonus Equity Shares of face value ₹ 10 each at the adjourned Board Meeting held on March 18, 2025.

[4] Transfer (Sale) of 1,50,000 Equity Shares from Mohit Vohra

[5] Transfer (Sale) of 1,00,000 Equity Shares from Amit Dhawan

All the Equity Shares held by our Promoter were fully paid-up on the respective dates of acquisition of such Equity Shares.

As on the date of the Prospectus, none of the Equity Shares held by our Promoters and Promoter Group are pledged or are otherwise encumbered.

(b) **Details of minimum Promoters' contribution locked in for eighteen months or any other period as may be prescribed under applicable law**

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters shall be considered as minimum promoters' contribution and locked-in for a period of eighteen months or any other period as may be prescribed under applicable law, from the date of Allotment ("Promoter's Contribution"). Our Promoter's shareholding in excess of 20% shall be locked in for a period of six months from the Allotment. As on the date of the Prospectus, our Promoters hold 1,39,11,152 Equity Shares, which constitute 67.99% of our Company's issued, subscribed and paid-up Equity Share capital prior to the Issue. Of this, an aggregate of 74,75,532 Equity Shares are eligible for Promoters' Contribution.

Our Promoters have given consent to include such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Promoter's Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of the Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations. Details of Promoters' Contribution are as provided below:

Name of the Promoter	Date of allotment/ acquisition of the Equity Shares	Nature of transaction	Face Value (in ₹)	Issue/ acquisition price per Equity (in ₹)	No. of Equity Shares Locked in	Percentage of the pre-Issue paid up capital (%)	Percentage of the post-Issue paid-up capital (%)*	Date up to which the Equity Shares are subject to lock-in*
Mohit Vohra	December 09, 2023	Bonus	5	Nil	21,00,000	10.26%	7.70%	February 05, 2028
Rahul Dhawan	December 09, 2023	Bonus	5	Nil	19,00,000	9.29%	6.96%	February 05, 2028
Sonali Dhawan	December 09, 2023	Bonus	5	Nil	14,57,000	7.12%	5.34%	February 05, 2028
Ramendra Pratap Singh	September 06, 2023	Allotment	5	Nil	100	0.00%	0.00%	February 05, 2028
Total					**54,57,100**	**26.67%**	**20.00%**	

** Subject to finalisation of Basis of Allotment*

The Equity Shares that are being locked-in for computation of Promoters' Contribution are not and will not be in-eligible under Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoter, see "Capital Structure - Built up of our Promoters' shareholding in our Company" on page 112.

In this connection, we confirm that the Equity Shares considered as Promoter Contribution:

(i) have not been acquired during the immediately preceding three years from the date of the Draft Red Herring Prospectus for consideration other than cash, involving any revaluation of assets or capitalisation of intangible assets;

(ii) did not result from a bonus issue of Equity Shares during the immediately preceding three years from the date of the Draft Red Herring Prospectus, by utilisation of revaluation reserves or unrealised profits of the Company, or from bonus issue against Equity Shares which are otherwise ineligible for Promoter Contribution;

(iii) are not acquired or subscribed to during the immediately preceding year from the date of the Draft Red Herring Prospectus at a price lower than the price at which the Equity Shares were offered to the public in the Issue; and

(iv) are not subject to any pledge or any other encumbrance.

All Equity Shares held by our Promoter are held in dematerialized form.

Further, our Company has not been formed by conversion of a partnership firm or a limited liability partnership firm into a company and hence no Equity Shares have been issued in the one year immediately preceding the date of the Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm.

(c) **Details of share capital locked in for six months or any other period as may be prescribed under applicable law**

In terms of the SEBI ICDR Regulations, except for the Promoters' Contribution which shall be locked in as above the entire pre-Issue Equity Share capital of our Company (including those Equity Shares held by our Promoters in excess of Promoter's Contribution), shall, unless otherwise permitted under the SEBI ICDR Regulations, be locked in for a period of six months from the date of Allotment or any other period as may be prescribed under applicable law.

In terms of Regulation 17(c) of the SEBI ICDR Regulations, Equity Shares held by a venture capital fund or alternative investment fund of category I or category II or a foreign venture capital investor shall not be locked-in for a period of six months from the date of Allotment, provided that such Equity Shares shall be locked-in for a period of at least one year from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor. As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in, may be transferred to Promoters or members of the Promoter Group or to any new Promoters, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the SEBI SAST Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Promoters and locked-in for a period of six months from the date of Allotment in the Issue or any other period as may be prescribed under applicable law, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in the hands of the transferee for the remaining period and compliance with the provisions of the SEBI SAST Regulations.

In terms of Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public financial institutions or systemically important non-banking finance companies or deposit taking housing finance companies as collateral security for loans granted by such entity, provided that: (i) in case of Equity Shares locked-in for eighteen months, such Equity Shares may be pledged only if the loan has been granted to our Company, for the purpose of financing one or more of the objects of the Issue, and pledge of the Equity Shares is a term of sanction of such loans; and (ii) in case of Equity Shares locked-in for a period of one year or any other period as may be prescribed under applicable law, the pledge of the Equity Shares is one of the terms of the sanctioned loan. Provided that the lock-in of Equity Shares shall continue for the remaining period with the transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated in these regulations has expired.

(d) **Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors**

50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

(e) **Sales or purchases of Equity Shares or other specified securities of our Company by our Promoter, the members of our Promoter Group and/or our Directors and their relatives or Key Managerial Personnel during the six months immediately preceding the date of the Prospectus.**

Except as disclosed hereunder, none of our Promoter, members of our Promoter Group, and / or our Directors and their relatives or Key Managerial Personnel have sold or purchased or acquired any Equity Shares or

other specified securities of our Company during the six months immediately preceding the date of the Prospectus:

Sr. No.	Name of the Transferee / Acquirer	Name of the Transferor / Seller	Details of Transferor (Promoter / Promoter Group)	Date of transaction	No. of equity shares (face value ₹ 5 each)	Nature of consider -ation	Price per equity share (face value of ₹ 5 each)	Transactio n as a %age of Pre Issue paid up share capital
1	Ramendra Pratap Singh*	Mohit Vohra	Yes	April 10, 2026	1,50,000	Cash	370.00	0.73%
2	Ramendra Pratap Singh*	Amit Dhawan	Yes	April 10, 2026	1,00,000	Cash	370.00	0.49%
3	Raghav Investment Private Limited	Mohit Vohra	Yes	February 26, 2026	2,25,000	Cash	370.00	1.10%
4	Raghav Investment Private Limited	Amit Dhawan	Yes	February 26, 2026	1,50,000	Cash	370.00	0.73%

* *Promoter Group inter-se transfer of shares for cash consideration.*

11. There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives, have financed the purchase by any other person of securities of our Company, other than the normal course of business, during a period of six months immediately preceding the date of filing of the Prospectus.

12. Except for the allotment of Equity Shares pursuant to the Issue, there will be no further issue of securities whether by way of a split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly, for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, undersubscription etc., as the case may be. Further, other than as set out hereinabove, our Company presently does not intend or propose or is under negotiation or consideration to alter its capital structure in such manner until a period of six months from the Bid / Issue Opening Date.

13. As on the date of the Prospectus, all Equity Shares held by our Promoters are held in dematerialized form.

14. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of the Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions and details of such transaction shall also be included in the Price Band Advertisement.

15. Our Company, any of our Directors and the BRLM have not entered into any buy back arrangements for purchase of Equity Shares from any person.

16. The Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of the Prospectus.

17. None of our Promoters or members of our Promoter Group will participate in the Issue nor will receive any proceeds from the Issue.

18. No person connected with the Issue, including, but not limited to, the BRLM, the members of the Syndicate, our Company, our Promoters, our Directors, the members of our Promoter Group or our Group Companies shall offer any incentive, whether direct or indirect, in any manner whatsoever, whether in cash or kind or service or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.

19. As on the date of the Prospectus, the BRLM and their respective associates (as defined in the SEBI Merchant Bankers Regulations) do not hold any Equity Shares of our Company, However, relative of one of the key managerial personnel (namely, Rajiv Sharma) of the BRLM has acquired Equity Shares of our Company, details of which are as under:

Name of shareholder	Relationship	Date of transfer of Equity Shares	No. of Equity Shares acquired (face value of ₹ 5 each)	Acquisition price (in ₹ per Equity Share)	%age of Pre Issue share holding	%age of Post Issue share holding
Om Prakash Sharma	Father of Rajiv Sharma	December 17, 2025	10,000	273.50	0.05%	0.04%

Further, the BRLM and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in future receive customary compensation.

20. Neither the (i) BRLM or any associate of the BRLM (other than mutual funds sponsored entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or AIFs sponsored by the entities which are associates of the BRLM or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLM); nor (ii) any person related to our Promoter or the members of our Promoter Group can apply under the Anchor Investor Portion.

21. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares as on the date of the Prospectus.

22. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

SECTION IV: PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue comprises of fresh Issue of Equity Shares by our Company.

Objects of the Issue

Our Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Funding long-term working capital requirements of our Company;
2. Investment in research design and development activities for new power electronic equipment;
3. General corporate purposes.

(collectively, referred to herein as 'Objects')

In addition, our Company expects to receive the benefits of listing of Equity Shares on the Stock Exchanges including enhancing our Company's visibility and brand image among our existing and potential customers and creating a public market for our Company's Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects, as set out in our Company's Memorandum of Association, enable our Company to undertake our existing business activities and the activities proposed to be funded from the Net Proceeds.

Net Proceeds

The details of the proceeds from the Issue are set forth in the table below:

Particulars	Amount (₹ in millions)
Gross Proceeds from the Issue	2,900.00
(Less) Issue related expenses in relation to the Issue *	355.41
Net Proceeds	**2,544.59**

** To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.*

Requirement of funds and utilisation of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(₹ in millions)

Sr. No.	Particulars	Estimated utilisation from Net Proceeds
1.	Funding long-term working capital requirements of our Company	1,800.00
2.	Investment in research design and development activities for new power electronic equipment	210.00
3.	General Corporate Purpose *	534.59
	Net Proceeds	**2,544.59**

** To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Proposed schedule of implementation and deployment of Net Proceeds

The following table sets forth the details of the schedule of the expected deployment of the Net Proceeds:

(₹ in millions)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated deployment, during the Financial Year ending March 31,			
			2027	2028	2029	2030 [(2)]
1	Funding long-term working capital requirements of our Company	1,800.00	550.00	1,250.00	-	-

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated deployment, during the Financial Year ending March 31,			
			2027	2028	2029	2030 [2]
2	Investment in research design and development activities for new power electronic equipment	210.00	52.50 [1]	70.00	70.00	17.50 [2]
3	General Corporate Purpose *	534.59	534.59	-	-	-
	Total	**2,544.59**	**1,137.09**	**1,320.00**	**70.00**	**17.50**

** To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds*

[1] Proportionate expenditure for nine months period for the financial year ending March 31, 2027

[2] Proportionate expenditure for three months period to be spilled over in the financial year ending March 31, 2030 (so that the total expenditure is incurred over 36 months period). Such deployment is proposed to complete by June 30, 2029.

The fund requirement, deployment of funds and intended use of the Net Proceeds as described herein are based on our Company's current business plan, management estimates, prevailing market conditions and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. See "*Risk Factor 18 - Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by any bank or financial institution and may be subject to change based on various factors, some of which are beyond our control."* on page 45. Our Company may have to revise its funding requirements and deployment on account of a variety of factors such as financial and market conditions, macro-economic factors, change in government policy, changes in business and strategy, competition, and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our Company's management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our Company's management, subject to compliance with applicable laws.

In the event that the estimated utilisation of the Net Proceeds in a scheduled fiscal year is not completely met, such unutilised amounts shall be utilised (in part or full) in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. We may, however, utilize the proceeds prior to the specific periods mentioned in the schedule of deployment, in accordance with the requirements of our Company. Further, Gross Proceeds of the Issue shall not be utilized towards repayment of any loan received by our Company from the Promoter / Promoter Group or towards any bank guarantee / etc. availed. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of funding means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations.

Means of finance

Our Company proposes to fund the requirements of the entire Objects of the Issue from the Net Proceeds. Accordingly, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue and existing identifiable internal accruals and / or existing borrowings, as required under Regulation 7(1)(e) of the SEBI ICDR Regulations. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders.

Details of objects of the Issue

Our Audit Committee and the Board of Directors at their respective meetings held on November 27, 2025 and subsequently July 23, 2026 approved the proposed Objects and the respective amounts proposed to be utilized from the Net Proceeds for each Object.

1. Funding long-term working capital requirements of our Company

We are a technology-driven company engaged in the design, development assembly and manufacturing of power electronic equipment for railway rolling stock including IGBT based 3-Phase Drive Propulsion Equipment for electric locomotives in railway sector, switchgear & rail coach / EMU panels and cable protection & management products. Our 3-Phase Propulsion Equipment includes traction converter inverter system, auxiliary converter, vehicle control units / train control management system and driver display units - all designed and developed to meet international safety and performance standards. Our Train Control Management Systems Vehicle Control Unit is developed on high performance microprocessor based modular systems that provide complete traction and propulsion control of the entire locomotive hauled train with continuous monitoring and extensive fault diagnostics.

As the country will see the need of increased speed and efficiency of the trains / locomotives, the need for the development of the new generation propulsion equipment will continue to be there. The in-house expertise of this domain is thus extremely important to cater to the new age requirements of the country & other regions as well. Our team comprises of members with experience in various disciplines including power hardware, control hardware, traction power software and mechanical design, that is collectively capable to design such complex systems without any dependency on external design houses. This will enable us to develop new generation power electronics systems indigenously that requires expertise in multiple domains including: Electrical Engineering, Embedded Design, Software Development, Mechanical Engineering, Thermal Design & Instrumentation.

For the details on the industry outlook for Propulsion equipment, refer to chapter titled "Industry Overview" on page 159.

Our Company commenced development of Propulsion Equipment in the year 2020. During this development phase, our Company had participated in various tenders issued by production units of Indian Railways, namely, CLW, BLW and PLW. In such tenders our Company was eligible to participate under Developmental Category as per Indian Railways policy for upto 20% of the total tender quantity. Based on such participations at various times, our Company received executable purchase orders for supply of 123 Propulsion Equipment for an aggregate order value of ₹ 1,964.79 million, subject to Proto type approval from Indian Railways. Thereafter, post completion of product development, 1 (one) Propulsion Equipment was supplied by us to CLW on February 29, 2024 for undergoing proto type testing and field trail for upto 50,000 kms as specified by RDSO, which was successfully completed and the final Proto type approval was received by our Company on September 15, 2025. Subsequent to such Proto type approval, our Company has become eligible to:

- Commence bulk supplies for the orders in hand received under Developmental Category and thereafter; and
- participate in similar tenders issued by Indian Railways on regular intervals, under Approved Category / Bulk Supplier (i.e. for minimum 80% of the total tender quantity).

For the tenders issued by Indian Railways through its production units, namely, CLW, BLW and PLW, during the financial year 2025-26, our Company has received orders for 27.12% of the net procurable quantity under the said tenders. The details of the tenders participated by our Company in the financial year ending March 31, 2026 and the orders won by all the workshop of Indian Railways are as under:

(₹ in million)

Name of locomotive workshop	No. of locomotives to be manufactured as per the locomotive production program	No. of locomotives for tender issued	No. of propulsion for which tender won by our Company	%age of market share for this period	Value of propulsion PO received (excluding GST and AMC)
CLW	775	742	200	26.95%	3,280.00
BLW	600	572	174	30.42%	2,853.60
PLW	325	354	76	21.47%	1,254.00
Total	**1700**	**1659**	**450**	**27.12%**	**7,387.60**

As on June 30, 2026, our Company has executable purchase orders outstanding for supply of 564 Propulsion Equipment, including the above 450 Propulsion Equipment, for an aggregate order value of ₹ 9,216.40 million (excluding GST and AMC), including new orders received in the financial year 2025-26. For details of order book, refer to "Our Business - Order Book for 3-Phase Propulsion Equipment" on page 216.

Our Company's working capital requirement will be dependent on multiple factors including the current orders, expected orders procured by us and the resultant requirement of margin money for bank guarantees / retention money retained by the clients in terms of the tenders awarding such orders.

We fund a majority of our working capital requirements in the ordinary course of business from banks and internal accruals. As of June 30, 2026, the aggregate amount sanctioned to our Company was ₹ 581.31 million. These includes ₹ 180.00 million from Indian Overseas Bank is (including non fund based sub-limit) and a separate Term Loan – Emergency credit line guarantee scheme 5.0 of ₹ 66.20 million and HDFC Bank Limited is ₹ 265.11 million (including non fund based sub-limit and a separate main limit of ₹ 31.00 million as bank guarantee). Further, our Company has also equipment financing from Bajaj Finance Limited for an overall limit of ₹ 70.00 million for installation of test setup at our assembling cum manufacturing facility at Village Baghola, Palwal, Haryana, India ("Unit 1"). For details of the working capital facilities availed by us, see "Financial Indebtedness" on page 413.

We had a relatively low net worth and capital base as on March 31, 2026 compared to the scale of our outstanding executed order book and planned production expansion. Our historical revenue from operations has been relatively modest, primarily due to the developmental and testing phase of its Propulsion Equipment in prior periods. With the transition to commercial production and execution of the order book in the year 2025-26, we anticipate a material increase in revenue generation in the coming year with execution of deliveries against the Order Book. Further, this will necessitate significant upfront investment in raw materials, inventory, trade receivable realisation cycle and manpower prior to realization of revenues. While debt funding remains an available source of capital, reliance on additional borrowings may lead to an increase in our current leverage levels, finance costs and repayment obligations, which may not be optimal at the present stage and scale of business expansion. Hence, we have adopted a conservative approach to capital structure management by balancing growth requirements with financial stability considerations and raising equity capital through the proposed public issue. The same is considered a prudent and risk mitigated approach to strengthen our capital base, support execution of the large order book and maintain a sustainable capital structure during the ongoing scale-up of operations.

Rationale for requirement of additional funds

For our 3-Phase Propulsion Equipment:

- We require working capital for the raw material and inventory comprising of hardware and electronic components, including imports by our Company, namely, IGBTs, semi conductors, micro processors, capacitors, etc. Being import of goods, our Company is required to pay in advance to the supplier. Also, the delivery time of the goods and other clearances for bringing the goods to our factory will take considerable time. Hence the estimated inventory holding period for the execution of orders for 3-Phase Propulsion Equipment is estimated to be comparatively higher. Our procurement planning for raw materials is directly linked to the receipt of purchase orders, execution timelines and commercial terms prevailing at the relevant time. Further, the absence of long-term purchase contracts with suppliers is inherent to the tender-based nature of this business and does not adversely impact our ability to procure raw materials or execute orders in the ordinary course of business. Procurement from these suppliers is undertaken on a purchase order / requirement basis in the ordinary course of business. Certain of the key suppliers for the components procured by us for undertaking production of Propulsion Equipment are Hitachi & Mitsubishi (supplied through Pelf Power Electronics Private Limited), Vishay Components India Private Limited, Unified Electrotech Private Limited, Avnet Asia Pte, Anhui Tongfeng Electronics Company Limited, API Capacitors Limited, Knorr Bremse India Private Limited, Iresco Electricals Private Limited, Flow Oil Pumps Private Limited, Beijing Victory Electric Company Limited, Praggya Enterprises, Kontact Consortium India Private Limited and Apar Industries Limited.

- Credit cycle for realisation of receivables: Our Company primarily caters to customers in the railway sectors, including production units of Indian Railways, where payments are generally received in accordance with contractual milestones, inspection and certification processes. While these customers are generally considered creditworthy, the period between dispatch of products, submission of invoices, completion of documentation and actual receipt of payment may be comparatively longer due to the procedural and administrative processes involved. As a result, a significant amount of funds remains blocked in trade receivables during the execution and completion cycle of projects. Further, with the anticipated increase in the scale of operations and execution of higher-value orders, the absolute level of trade receivables is expected to increase correspondingly. Further, for certain of the products, the amount pay become due on

commissioning which may further stretch the payment timelines. Accordingly, our Company requires additional working capital to bridge the timing gap between expenditure incurred for procurement, manufacturing and execution of orders and the eventual realisation of receivables from customers, thereby ensuring uninterrupted business operations and timely execution of existing and future orders.

- With the increased thrust on make in India and introduction of concept of Integrated Propulsion kit in Indian Railways, our Company will require additional working capital. The increase in business opportunities will result in higher level of inventory, finished goods and receivables. Accordingly, our working capital requirements are expected to increase substantially to support procurement of raw materials, manufacturing activities, inventory holding and funding of receivables.

- The existing assembling cum manufacturing facility situated at Unit 1 has hydraulic press brake machine and laser cutting machines installed for production of power electronics equipment. Based on the space available, our Company can undertake assembling cum manufacturing of upto 114 (one hundred fourteen) 3-Phase Propulsion Equipment annually (single shift of 8 hours per day and 26 working days per month). For details of production capacity, refer to "Our Business - Production Capacity and Capacity Utilisation" on page 244. Further, 3-Phase propulsion Equipment being critical component in loco manufacturing, we are also required to undertake test of each of such propulsion set before dispatch. Accordingly, our Company has installed one test set up at our Unit 1 and placed orders for installation of second test set up at Unit 1. Our Company has also installed a fully functional Surface Mount Technology ("SMT") line for in-house production of control electronics assemblies / Vehicle Control Unit, power electronic modules and control interfaces used in propulsion solutions. With dedicated focus on production of 3-Phase Propulsion Equipment in Unit 1, our Board of Directors in its meeting held on August 05, 2026 approved the proposal to shift the manufacturing operations for cable protection & interconnected products facility from Unit 1 to the Unit 2 to be set up at the investment property owned by our Company at Nangla Bhiku, Tehsil Palwal, District Palwal, Haryana (admeasuring 47,100 sq. ft. approx.) (proposed "Unit 2"). In the same meeting of the Board of Directors, our Company also approved to install three test setups at Unit 2, funding for which will be met through internal accruals or specific equipment financing facility. We do not intend to use any proceeds from the Issue for establishing Unit 2. For the shifting of partial manufacturing operations from Unit 1, we have received Consent to Operate, Factory Registration Certificate and Fire Safety Certificate for Unit 2.

- Our Company is required to provide performance bank guarantees to its customers i.e. Indian Railways upon receipt of the purchase order, which is based on a specific value of the order, and which is valid until completion of the period as provided in the tender based on which order is awarded. Our Company have given bank guarantees for business operations for an amount aggregating to ₹ 30.62 million, ₹ 28.33 million and ₹ 34.32 million during the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 respectively.

Basis of estimation of incremental working capital requirement of our Company

(a) Existing working capital

The revenue from operations for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 are as under:

(₹ in million)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Revenue from propulsion business			
- For supply of 3-Phase Propulsion Equipment	46.98	-	14.96*
Total (A)	**46.98**	**-**	**14.96**
Revenue from non-propulsion business			
- Switchgear / Rail Coach / EMU panels	263.62	185.87	240.18
- Cable Protection and Management Products	171.24	433.65	226.24
- Others	12.43	6.85	18.19
Total (B)	**447.29**	**626.37**	**484.61**
Total revenue from operations (A + B)	**494.28**	**626.37**	**499.57**

** One equipment was supplied to Indian Railways for field trial and Proto Type approval.*

The following are the details of the working capital of our Company based on the audited IndAS financial statements for the Financial Year ended March 31, 2026 and March 31, 2025 and the IndAS converged financial statements based on audited financials for the Financial Year ended March 31, 2024:

(₹ in million)

Particulars	Audited IndAS financials for the financial year ended		IndAS converged financials based on audited financial statements for the financial year ended
	March 31, 2026	March 31, 2025	March 31, 2024
Current assets (non cash)			
Inventories	674.85	317.56	244.45
Trade receivables	104.06	145.74	125.94
Other financial assets	5.08	5.36	1.39
Other current assets	194.61	15.07	13.50
Total Current Assets (A)	**978.60**	**483.73**	**385.28**
Current Liabilities (excluding working capital limits and current maturities of long term borrowings)			
Trade payables	219.23	185.07	124.11
Other financial liabilities	30.76	19.37	13.10
Other current liabilities, including provision	16.42	6.84	10.02
Current tax liabilities (Net)	-2.31	16.79	5.48
Total Current Liabilities (B)	**264.10**	**228.07**	**152.71**
Working Capital (C = A – B)	**714.50**	**255.65**	**232.57**
Means of finance			
Short term secured borrowings (including current maturities of short term borrowings)	403.50	224.29	203.70
Internal accruals / net worth	311.00	31.36	28.87

The table below contains the details of the holding levels (in number of days) considered and is derived from the audited IndAS financial statements for the Financial Years ended March 31, 2026 and March 31, 2025 and IndAS converged financial statements based on audited financials for the Financial Year ended March 31, 2024, for our Company:

Particulars	Audited IndAS financials for the financial year ended		IndAS converged financials based on audited financial statements for the financial year ended
	March 31, 2026	March 31, 2025	March 31, 2024
Current Assets (non cash)			
Inventories	520	276	266
Trade receivables	93	80	76
Other financial assets	4	2	2
Other current assets	78	9	10
Current Liabilities (excluding working capital limits and current maturities of long term borrowings)			
Trade payables	212	152	147
Other financial liabilities	19	13	10

Particulars	Audited IndAS financials for the financial year ended		IndAS converged financials based on audited financial statements for the financial year ended
	March 31, 2026	March 31, 2025	March 31, 2024
Other current liabilities	39	35	26
Other current tax liability	6	7	3

 # The average of opening and closing balances have been considered for calculation of the above holding period.

Our Company has been working on the research, design and development of propulsion equipment since 2020. We were required to purchase raw material / components including Insulated Gate Bipolar Transistors, capacitors, semiconductors, micro processors, thyristor, etc for development of the proto type to be offered to CLW for testing and trials. Various of such items have a requirement of purchase of minimum order quantity. Hence our Company has built up inventory for the propulsion equipment related business also, which has been non moving and increasing over the periods in the past. We have also supplied one 3-Phase Propulsion Equipment to CLW on February 29, 2024, which according to the terms of delivery, payment will become due to our Company upon completion of successful trial run of 50,000 kms and receipt of proto type clearance. We received this clearance on September 15, 2025 and hence the said amount is also due and outstanding in the balance sheet under "Trade Receivables" at the end of the respective financial year / period, post such delivery.

Similarly, we have outstanding trade payables in relation to propulsion equipment also as at the end of the respective financial year / period, without any corresponding sale. Further, subsequent to the commencement of trial run for our 3-Phase Propulsion Equipment, we have placed bulk quantity order to our vendors / suppliers for purchase of certain raw material as mentioned above and accordingly advance paid to suppliers is outstanding pending delivery of such raw material.

(b) Future working capital

Out of the proceeds of the Net Issue, we propose to utilise ₹ 1,800 million in the Financial Year ended March 31, 2027 and March 31, 2028 towards our Company's long term working capital requirements. Any additional working capital requirement of our Company shall be met through internal accruals.

The estimates of the working capital requirements for the Financial Year ended March 31, 2027 and March 31, 2028 have been undertaken based on our projected operating cycle, inventory holding levels, receivables cycle and other relevant business parameters including the delivery of the orders in hand for Propulsion Equipment, after considering the normal production cycle and expected order execution cycle. The estimates have been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur.

Our outstanding executable order book as at June 30, 2026 stands at ₹ 9,216.40 million (excluding GST and AMC charges) for supply of 564 Propulsion Equipment to Indian Railways. For details of Order Book, refer to "Our Business - Order Book for 3 Phase Propulsion Equipment" on page 216. The funds to be used towards the long term working capital will be applied for both, the Developmental Orders received in the past and the fresh orders received in the financial year ended March 31, 2026. The production process for Propulsion Equipment is as under:

Process description	Key activities	Time involved
Engineering Design & Configuration	As per the prototype approval received by our Company from CLW / as per RDSO specifications	Already received (one time approval)
Placing purchase orders for material	Most of the process involved is assembling of various electrical components, for which our Company places purchase orders for raw material / electrical components, depending on the lead time for each such electrical component / material	Identification of right suppliers and putting in place purchase orders in advance to ensure timely receipt of raw material. Generally, a lead time of 1-3 months, depending on criticality of the raw material / electrical component.

Process description	Key activities	Time involved
Inspection of incoming material	Receipt of raw material / electrical components, including critical components like, IGBT modules, capacitors, PCBs, sensors, cooling assemblies, etc	Routine process
Fabrication	Fabrication of propulsion equipment enclosures using aluminium or stainless steel as per design requirements.	25-30 days
Power Stack / Traction converter - inverter assembly	Mounting of IGBT modules on heat sinks or cooling plates, assembly of DC link capacitors, bus bars, snubber circuits, protection devices and compliance with prescribed creepage, clearance and vibration norms	
Control Electronics Assembly	Assembly and installation of propulsion control units, gate driver boards, sensing circuits and communication interfaces used for train control and diagnostics	
Mechanical Integration & Enclosure Assembly	Installation of power and control assemblies into traction-grade enclosures; fitting of cooling systems; wiring harness routing, earthing, EMC shielding and vibration isolation	
Software Loading and Configuration	Loading of propulsion control firmware, configuration of traction, regenerative braking and activation of safety interlocks and diagnostics	
Testing & Inspection	Routine Tests: • Insulation resistance and high-voltage tests • Functional testing of IGBT switching and gate drive circuits • Verification of protections, alarms and interlocks Performance & Reliability Tests: • No-load and simulated load tests • Thermal performance checks • Endurance / burn-in tests	
Dispatch	Preparation of routine test certificates, inspection reports and compliance records prior to packing and delivery	
Vehicle integration and commissioning (on locomotive)	Scope is limited to post-supply system integration, testing, trials and on-site engineering support and is therefore distinct from our assembling-cum-manufacturing operations and is carried out at the locomotive manufacturing unit or designated loco shed in coordination with the locomotive works unit of Indian Railways and inspecting authorities.	Completion of commissioning is dependent on locomotive readiness, site conditions and approvals by the customer and inspecting authorities and timelines may vary accordingly.

Details of assembling cum manufacturing capacity available with our Company:

a) Existing Installed Capacity: Unit 1 (Baghola, Palwal, Haryana)

The existing manufacturing facility situated at Baghola has an installed production cum assembling capacity of 114 propulsion equipment units per annum, calculated on the basis of a single shift of 8 hours per day and 26 working days per month. Based on above, the core processes for production of Propulsion Equipment are as under:

- Fabrication of Propulsion Equipment body: Machines available at Unit 1 is sufficient to support the fabrication requirement of additional Propulsion Equipment as such machines have limited purpose and have option to utilise for higher number of equipments
- Production of control electronics assemblies / Vehicle Control Unit, power electronics modules and control interfaces used in propulsion solutions: Fully functional SMT line have been installed at Unit 1. For the Propulsion Equipment already supplied to Indian Railways, such requirement had been met from third party EMS facilities.

- Assembling: Unit 1 at Baghola has sufficient space to undertake assembly of Propulsion Equipment in phased manner during the entire year
- Testing and inspection before dispatch: One test set up is already established and operational at Unit 1 and Company is in the process of installation of second test set up at Unit 1 (having multiple test set ups will increase the final testing speed, before completion of dispatch of the Propulsion Equipment). Additionally testing facility is also available at the Research, Design and Development Centre of our Company to support such test function and which can be utilised by our Company to complete testing phase.

b) Proposed Expansion: Unit 2 (Nangla Bhiku, Palwal, Haryana)

Our Company is in the process of expanding its manufacturing capacity through a second facility located at Nangla Bhiku. Based on above, the core processes for production of Propulsion Equipment are as under:

- Fabrication of Propulsion Equipment body: Machines already available at Unit 1
- Production of control electronics assemblies / Vehicle Control Unit: Fully functional SMT line and one test set up have been installed at Unit 1. The SMT line is sufficient to support the production requirement of additional Propulsion Equipment as the SMT line will remain idle as they do not have any further purpose
- Assembling: Unit 2 at Nangla Bhiku has sufficient space to undertake assembly of Propulsion Equipment in phased manner during the entire year
- Testing and inspection before dispatch: Once the Consent to Operate is received for Unit 2, Company plans to establish upto three test set ups at Unit 2 to increase the speed for completion of testing after completion of production but before dispatch.

For details of the approvals received by our Company and the application submitted for obtaining further registration / approvals for Unit 2, refer to "Government and Other Approvals" on page 425.

The existing manufacturing facility at Baghola, Palwal, Haryana ("Unit 1") and the upcoming facility at Nangla Bhiku, Palwal, Haryana ("Unit 2") operate on an integrated production model with fabrication process and electronics manufacturing capabilities at Unit 1 support assembly and testing activities across both units. Also, our Company has the operational flexibility to enhance production capacity by introducing additional shifts, subject to demand requirements, manpower availability and regulatory approvals, without significant modification to existing infrastructure. Based on the above operational framework, management believes that our Company is adequately positioned to scale production capacity in a timely and cost-efficient manner to support the execution of its current order book and anticipated future demand, subject to normal business, regulatory and market conditions.

Production Plan

Following the approval of the product in September 2025, our Company has received orders in hand that are materially higher than its historical scale of operations. In order to execute such orders at large scale and maintain operational continuity, we require additional long term working capital to support procurement of raw materials, production activities and fulfilment of delivery obligations on long run basis.

With the currently available funds and internal resources, our Company is capable of undertaking production up to a certain level, however, in order to scale production to meet the delivery requirements of the existing orders in hand, additional funds will be required to finance the incremental working capital associated with higher production volumes and will also be required for future scaling of business.

Funds raised from IPO towards funding long-term working capital requirements of our Company shall be utilized strictly for meeting the incremental working capital requirements arising from the scale-up of propulsion equipment production. The deployment of such funds will be undertaken in a phased and need-based manner, in line with actual business requirements and internal approvals. Initially, the Company proposes to prioritize strengthening execution capabilities at Unit 1, including procurement of raw materials for orders in hand. Since production of Propulsion Equipment is undertaken by the Issuer on commercial scale for the first time, two to three delivery cycles for 8-10 Propulsion Equipment each will have to be completed for stabilising the inventory management process.

Thereafter, procurement of raw materials may be progressively scaled up in line with the execution schedule and order pipeline, including for Unit 2, to effectively optimise the working capital available with our Company and the proceeds earmarked for working capital shall be deployed accordingly in the Financial Year ending March 31, 2027 and March 31, 2028. The utilization of proceeds will be monitored through internal control systems,

including periodic management review, appointment of monitoring agency and shall be aligned with our Company's working capital cycle and underlying business requirements.

Further, there exists a direct operational linkage between installed capacity, capacity utilization, production planning and the projected working capital requirement. Higher order volumes and expected revenues necessitate higher levels of capacity utilization, which in turn require increased procurement of raw materials, higher work-in-progress and finished goods inventory and correspondingly higher receivable balances. Such increases in operating levels directly influence the working capital requirement of our Company.

Accordingly, the working capital requirement has been derived from the projected level of operations and the associated operating cycle, taking into account inventory holding periods, production lead times, customer credit terms, supplier credit arrangements and other relevant business parameters including the delivery of the orders in hand for Propulsion Equipment, based on assumptions considered reasonable and prudent by the management.

Estimation of the future business trend for Propulsion Equipment requirement in Indian Railways

The estimation of the projections and the working capital requirement is supported with executed purchase orders received by our Company and is not purely based on the anticipated opportunities in the Industry. The Management of our Company has assessed the business projections and future revenue based on the following and the said projections was approved by the Audit Committee in their meeting held on July 23, 2026:

- Executable outstanding order book as on June 30, 2026 for supply of 564 (five hundred sixty four) 3-Phase Propulsion Equipment to Chittranjan Locomotive Works, Banaras Locomotive Works and Patiala Locomotive Works, all three units of Indian Railways, having an aggregate order value of ₹ 9,216.40 million (excluding GST and AMC).
- Basis of visibility of the procurement of Propulsion Equipment by Indian Railways for the 5 years plan is available on the IREPS website (GeM portal, www.ireps.gov.in), which helps the railway market participants to keep them ready with the desired infrastructure. The summary of the total estimation as available on GeM portal for the 5 years for Propulsion Equipment is as under:

Production Unit of Indian Railways	PL Number	No. of Propulsion Equipment	Value (₹ in million)
Chittranjan Locomotive Works	29741075	6,000	118,498.14
Banaras Locomotive Works	29740230	2,500	48,806.67
Patiala Locomotive Works	29741075	1,500	30,665.25
Total		**10,000**	**197,970.10**

The copies of such reference from IREPS website are disclosed as material documents available for inspection. Refer to "Material Contracts and Documents for Inspection - 20. Copies of reference from IREPS website (GeM portal, www.ireps.gov.in) w.r.t. the visibility of the procurement of Propulsion Equipment by Indian Railways for the 5 years plan which forms one of the basis for estimation of the working capital requirement." for Inspection on page 495.

On the basis of existing trends and estimated working capital requirement of our Company based on audited financial statements, and Company's projected operating cycle, inventory holding levels, receivables cycle and other relevant business parameters including the delivery of the orders in hand for Propulsion Equipment, after considering the normal production cycle and expected order execution cycle, our Board pursuant to the resolution passed in its meeting held on July 23, 2026 has approved the estimated working capital requirements for the Financial Year ended March 31, 2027 and March 31, 2028 which as set forth below:

(₹ in million)

Working Capital	Estimated as at March 31, 2028	Estimated as at March 31, 2027
Current assets (non cash)		
Inventories	2,419.39	1,211.44
Trade receivables	1,713.45	818.21
Other financial assets	142.79	68.18
Other current assets	142.79	68.18
Total Current assets (non cash) (A)	**4,418.41**	**2,166.02**

Working Capital	Estimated as at March 31, 2028	Estimated as at March 31, 2027
Current Liabilities (excluding working capital limits and current maturities of long term borrowings)		
Trade payables	1,036.88	519.19
Other financial liabilities	356.54	179.36
Other current liabilities, including provision	23.38	14.45
Current tax liabilities (Net)	142.79	68.18
Total Current Liabilities (excluding working capital limits and current maturities of long term borrowings) (B)	**1,559.58**	**781.19**
Working Capital (C = A – B)	**2,858.83**	**1,384.83**
Less: Short term secured borrowings & internal accruals	480.00	480.00
Less: Internal Accruals	1,128.83	354.83
Amount proposed to be utilised from Net Proceeds	**1,250.00**	**550.00**
Aggregate amount proposed to be utilised from Net Proceeds during the financial year ending March 31, 2027 and March 31, 2028		**1,800.00**

Note: Pursuant to the certificate dated July 23, 2026, M/s SANMARKS and Associates, Statutory Auditors of our Company, have compiled and confirmed the working capital estimates, as approved by the Board pursuant to the resolution passed by our Company in its separate Board Meeting and Audit Committee meeting held on July 23, 2026.

The assumptions for the financial years ended March 31, 2027 and March 31, 2028 are based on the estimates of the management of our Company since our Company has commenced supplies for 3-Phase Propulsion Equipment in March 2026 only and the orders for the same are significantly large vis-à-vis the past revenue from operations. Further, the inventory for raw material / electrical components for commercial production will also build up for the first time and therefore inventory turnaround and stabilisation will take some months to get reflected in the financial statements / estimates.

Assumptions for our estimated working (in days)
The net working capital requirement has been computed as:

Net Working Capital = Current Assets – Current Liabilities

Where:

- Inventory has been estimated based on projected consumption/production levels and holding period assumptions *(Inventory = Annual Cost ÷ 365 × Holding Days as above, i.e. 105 days)*
- Trade Receivables have been estimated based on projected credit sales and average collection period *(Receivables = Annual Credit Sales ÷ 365 × Collection Days as above, i.e. 60 days)*
- Trade Payables have been estimated based on projected purchases and supplier credit period *(Payables = Annual Purchases ÷ 365 × Credit Days as above, i.e. 45 days)*
- Other current assets and liabilities have been considered based on historical trends and projected operational requirements, as disclosed in the table above

The incremental working capital requirement proposed to be funded from the Net Proceeds is estimated to be long term in nature as it represents the additional requirement of capital over and above existing working capital facilities and internal accruals, based on our estimated level of operations. Also, such working capital is estimated to be long term since the Issuer is now an approved vendor with RDSO for supply of Propulsion Equipment and can participate in Approved Category in tenders issued by Indian Railways in future.

The table below contains the details of the holding levels (in number of days or relevant matrix as applicable) considered and is derived from the audited IndAS financial statements for the Financial Year ended March 31, 2026 and March 31, 2025 and IndAS converged financial statements based on audited financials for Financial Year ended March 31, 2024 and the assumptions based on which the working plan estimates for Financial Year ended March 31, 2027 and Financial Year ended March 31, 2028 has been made and approved by our Board of Directors:

Particulars #	Financial year ended March 31, 2028	Financial year ended March 31, 2027	Financial year ended March 31, 2026	Financial year ended March 31, 2025	Financial year ended March 31, 2024
	Projected	Projected	Based on Audited IndAS financials	Based on Audited IndAS financials	Based on IndAS converged financials based on audited financials
Current Assets (non cash)					
Inventories	105	105	520	276	266
Trade receivables	60	60	93	80	76
Other financial assets	5	5	4	2	2
Other current assets	5	5	78	9	10
Current Liabilities (excluding working capital limits and current maturities of long term borrowings)					
Trade payables	45	45	212	152	147
Other financial liabilities	15	15	19	13	10
Other current liabilities, including provision	30	30	39	35	26
Current tax liabilities (Net)	5	5	6	7	3

 # The average of open and closing balances have been considered for calculation of the above holding period.
Note: Pursuant to the certificate dated July 23, 2026, M/s SANMARKS and Associates, Statutory Auditors of our Company, have compiled and confirmed the working capital estimates, as approved by the Board pursuant to the resolution passed by our Company in its separate Board Meeting and Audit Committee meeting held on July 23, 2026.

The assumptions for the financial year ended March 31, 2027 and March 31, 2028 may not be comparable vis-à-vis the historical trends of working capital operating cycle for the following reasons:

- our Company is commencing the production for 3-Phase Electric Propulsions for the first time, and there is no historical trend available for this product
- the purchase orders for Propulsion Equipment in hand are significantly higher than the past revenue from operations
- We were required to purchase raw material / components including Insulated Gate Bipolar Transistors, capacitors, semiconductors, micro processors, thyristor, etc for development of the Propulsion Equipment proto type during product development phase. Various of such items have a requirement of purchase of minimum order quantity. Our Company has built up inventory for the propulsion equipment related business in the past, which has been non moving and increasing over the periods, details as disclosed in the below table for "Key justification for holding levels".
- The inventory for raw materials / electrical components for commercial production will also build up for the first time and therefore inventory turnaround and stabilization will take some months to get reflected in the financial statements / projections.

Further, the estimation of long term working capital requirements of our Company is based on the projected level of operations and the associated operating cycle, taking into account the following key parameters:

- Executed Orders in hand, which provide near-term visibility of production.
- Expected recurring business from Indian Railways for the supply of propulsion equipment, considering that the production of locomotives by Indian Railways is undertaken on a periodic and program-based basis. Such recurring procurement programs have historically resulted in repeat business opportunities for the players in this Industry, subject to successful participation in competitive bidding processes and compliance with applicable tender conditions.
- Expected procurement cycles for key raw materials and consumables, including lead times, inventory norms and supplier credit terms.

While the existing order book and participation in tenders provide a degree of medium term business visibility and assist in production planning, the working capital requirement for the projected period is not solely dependent on the quantum of orders outstanding at a specific date. Instead, the working capital requirement is primarily guided by the locomotive production program of Indian Railways, 5 years procurement plan of Indian Railways and the estimated level of operations of our Company including the expected working capital cycle of the business, e.g. inventory holding periods, receivable cycles and payable terms. Further, the realization of future orders from Indian Railways, remains subject to competitive tender processes, budgetary allocations, operational requirements of Indian Railways and other external factors. For more information, see "*Risk Factor 25: We do business with our customers on purchase order basis or through tenders issued by them from time to time and do not have long-term contracts with most of them. Further, our business tends to vary from quarter to quarter based on the timing of release of various tenders and successful award of purchase orders to us based on the terms of the tender.*" on page 52.

Key justification for holding levels

Key assumptions for working capital estimates made by our Company (based on number of days for the estimated financial performance of our Company):

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Assumptions</th></tr>
<tr><td colspan="3">Current Assets</td></tr>
<tr><td>1</td><td>Inventories</td><td>Our Company has been working on the research, design and development of propulsion equipment since 2020. We were required to purchase raw material / components including Insulated Gate Bipolar Transistors, capacitors, semiconductors, micro processors, thyristor, etc for development of the proto type to be offered to CLW for testing and trials. Various of such items have a requirement of purchase of minimum order quantity, long lead times and limited / specified supplier availability as our Company have to use such raw material components only based on which proto type approval is received. Hence our Company has built up inventory for the propulsion equipment related business also, which has been non moving and increasing over the periods in the past, which is not commensurate to the sale for 3-Phase Propulsion Equipment undertaken by our Company during this period. The bifurcated details are as under:
(₹ in million)
<table>
<tr><th rowspan="2">Inventory</th><th colspan="3">Financial year ended March 31,</th></tr>
<tr><th>2026</th><th>2025</th><th>2024</th></tr>
<tr><td>Total Inventory</td><td>674.85</td><td>317.56</td><td>244.45</td></tr>
<tr><td>Less: Inventory held for 3-Phase Propulsion Equipment (since commercial supplies commenced in March 2026)</td><td>513.27</td><td>213.44</td><td>155.63</td></tr>
<tr><td>Inventory for remaining business</td><td>161.58</td><td>104.12</td><td>88.82</td></tr>
<tr><td></td><td></td><td></td><td></td></tr>
<tr><td>Total Inventory (No. of days)</td><td>520</td><td>276</td><td>266</td></tr>
<tr><td>Inventory for remaining business (after reducing outstanding for 3-Phase Propulsion Equipment) (No. of days)</td><td>162</td><td>93</td><td>75</td></tr>
</table>
Our outstanding executable order book stands at Rs. 9,216.40 million (excluding GST and AMC charges) for supply of 564 Propulsion Equipment to Indian Railways as on date which is significantly higher than the historical revenues.

In view of the same, it is expected by our Management that sale and supply of propulsion equipment will be the major contributor for the revenue in future and hence the historical trend may not be comparable with the holding period in forward years. Hence the inventory holding period of 105 days of the cost of goods sold has been considered by the Management on over all basis, for the financial year ended March 31, 2027 and March 31, 2028, based on the concentration of the revenue from single product.</td></tr>
</table>

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Assumptions</th></tr>
<tr><td>2</td><td>Trade receivables</td><td>We had supplied one 3-Phase Propulsion Equipment to CLW on February 29, 2024, which according to the terms of delivery, payment will become due to our Company upon completion of successful trial run of 50,000 kms and receipt of proto type clearance. We received this clearance on September 15, 2025 and hence the said amount is also due and outstanding in the balance sheet under “Trade Receivables” at the end of the respective financial year / period, post such delivery. Further, the bulk supplied were commenced by our Company for this 3-Phase Propulsion Equipment on March 30, 2026. The bifurcated details are as under:
(₹ in million)
<table><tr><th rowspan="2">Inventory</th><th colspan="3">Financial year ended March 31,</th></tr><tr><th>2026</th><th>2025</th><th>2024</th></tr><tr><td>Total Trade Receivables</td><td>104.06</td><td>145.98</td><td>125.94</td></tr><tr><td>Less: Trade receivables outstanding towards sale of 3-Phase Propulsion Equipment</td><td>55.44</td><td>17.66</td><td>17.66</td></tr><tr><td>Trade receivables outstanding for remaining business</td><td>48.62</td><td>128.09</td><td>108.28</td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td>Total Trade Receivables (No. of days)</td><td>93</td><td>80</td><td>76</td></tr><tr><td>Trade receivables for remaining business (after reducing outstanding for 3-Phase Propulsion Equipment) (No. of days)</td><td>73</td><td>69</td><td>72</td></tr></table>
In view of the same, it is expected by our Management that sale and supply of propulsion equipment will be the major contributor for the revenue in future and hence the historical trend may not be comparable with the holding period in forward years. Hence the trade receivable period of 60 days of the revenue from operations has been considered by the Management on over all basis, for the financial year ended March 31, 2027 and March 31, 2028, based on the concentration of the revenue from single product.</td></tr>
<tr><td>3</td><td>Other financial assets</td><td>Other financial assets comprise of deposit, advance to employees, interest payable an earnest money. The same is estimated at 5 days of the revenue from operations for the Financial Year ended March 31, 2027 and March 31, 2028 (estimated) and is expected to be commensurate with the increased business operations.</td></tr>
<tr><td>4</td><td>Other current assets</td><td>Other assets mainly include GST recoverable, advance to suppliers and goods in transit and Issue related expenses, which shall be written off against securities premium account, in compliance with the provisions of Companies Act, once the fund raise is complete. The same is estimated at 5 days of the revenue from operations for the Financial Year ended March 31, 2027 and March 31, 2028 (estimated) and is expected to be commensurate with the increased business operations.</td></tr>
<tr><td colspan="3">Current Liabilities</td></tr>
<tr><td>1</td><td>Trade payables</td><td>Our outstanding executable order book stands at Rs. 9,216.40 million (excluding GST and AMC charges) for supply of 564 Propulsion Equipment to Indian Railways as on date which is significantly higher than the historical revenues. Various critical components relating to IGBTs, DC Capacitors, semiconductors, micro processors, thyristor, etc are sourced from foreign suppliers or their local office or suppliers in India, which may require advance payments but also have a long lead time for delivery of products. Hence the trade payables are higher for the past periods as reported above.

The bifurcated details are as under:</td></tr>
</table>

Sr. No.	Particulars	Assumptions

(₹ in million)

Inventory	Financial year ended March 31,		
	2026	2025	2024
Total Trade Payables	219.23	185.07	124.11
Less: Trade payables outstanding towards sale of 3-Phase Propulsion Equipment	80.92	50.05	19.19
Trade payables outstanding for remaining business	138.31	135.02	104.92
Total Trade Payables (No. of days)	212	152	147
Trade payables for remaining business (after reducing outstanding for 3-Phase Propulsion Equipment) (No. of days)	167	116	132

There have delays in making payment to suppliers in the past owning to the fact that the internal accruals and capital of our Company was invested more in the research, design and development activities as the same was critical to the business where we stand today. With the additional working capital, it is proposed to improve.

Accordingly, our Company's trade payable days is considered at 45 days of total cost of goods sold for the Financial Year ended March 31, 2027 and March 31, 2028 (estimated) which a lower than the previous year.

2	Other financial liabilities	Other financial liabilities include outstanding amount for employee benefit expenses, accrued interest and advance from customers. The same is considered at 15 days of total cost of goods sold and employee benefit expenses for the Financial Year ended March 31, 2027 and March 31, 2028 (estimated).
3	Other current liabilities, including provision	Other current liabilities include advance from customers and statutory dues and other expenses payable. There have delays in making such payment in the past owning to the fact that the internal accruals and capital of our Company was invested more in the research, design and development activities as the same was critical to the business where we stand today. With the additional working capital, it is proposed to improve. Accordingly, our Company's other current liabilities outstanding days is considered at 30 days of other expenses for the Financial Year ended March 31, 2027 and March 31, 2028 (estimated) which a lower than the previous year.
4	Current tax liabilities (net)	Current tax liabilities (net of advance tax or TDS / TCS deducted) is considered at 5 days of revenue from operations for the Financial Year ended March 31, 2027 and March 31, 2028 (estimated).

Our Company has installed one test set up at Unit 1 and to complete testing of Propulsion Equipment at faster pace and augment delivery timelines in line with the executable order book will install second test set up at Unit 1 for undertaking the testing of 3-Phase Propulsion Equipment manufactured, and no installation of any new machinery will be required. Further, our Company has also made applications for shifting of its present operations relating to production of Cable Protection & interconnected products and assembly cum manufacturing facility for Propulsion Equipment at Unit 2. For details of the status of applications made by our Company, refer to "Government and other Approvals" on page 425.

Further, our actual working capital requirements may eventually vary from the aforementioned estimated working capital requirements. The aforementioned estimates for our working capital requirements for Financial Year ending March 31, 2027 and March 31, 2028, on the audited IndAS Financial statements for the Financial Year ended March 31, 2026 and March 31, 2025 and IndAS converged financials for Financial Year ended March 31, 2024 and are also provided after taking into consideration various factors, including, market opportunities, our expected order awarded and uncertainty pertaining to the exact timing of the launch of the Issue (on account of

market conditions). Further, if required, the Board may decide to accelerate the utilisation of working capital, based on the business growth.

Our Statutory Auditors have provided no assurance or services related to any prospective financial information in the Prospectus.

2. Investment in research, design and development activities for new power electronic equipment

Our Research Design & Development centre has been critical to shape business in the form it stands today. Since 2020, we have been undertaking design and development for IGBT based 3-Phase drive propulsion system for Indian Railways, for which Indian Railways is dependent on a limited number of OEM suppliers, including international players. We have developed in-house engineering designs, systems, diagram, etc including software, for 3-Phase Propulsion Equipment and undertook testing of various types including simulations, for which we received approval from CLW, Indian Railways on September 15, 2025.

We have made significant investments in research, design and development for power electronics in the past and will continue to undertake such efforts to improve our existing propulsion system, as per requirement of Indian Railways and newer markets & opportunities, hardware and software for controlling such power electronics and design and develop new power electronics equipment. Our R&D efforts have a crucial role in enabling us to cater to evolving market preferences in the Indian Railways and our investment in such activities will further increase as our product lines expand.

Our in-house Research, Design & Development Centre based at Plot No. 7, Site No. 2, 14/3, Mathura Road, Faridabad - 121 003, Haryana, India is the technological backbone of our operations, dedicated to innovation, engineering and advancement of complex and high-performance power electronics and other railway systems. It plays a pivotal role in enabling in-house product development capabilities complying with international standards that align with the evolving needs of Indian Railways and international customers including End-to-end product engineering, Compliance-Driven Development, Indigenous Design Capability and Test and Validation Infrastructure. We use multiple design support software in our Research, Design & Development Centre including Mat-lab Software, Solid Works Software for Mechanical design, Cadence (ORCAD) software for PCB Design and ANSYS software for CFD analysis & FEA analysis. These software help us in the design & development of hardware / software products, mechanical systems & overall system engineering, simulate the test conditions & performance of systems and sub-systems. The said R&D Centre has been recognised by Department of Scientific and Industrial Research under Ministry of Science and Technology on June 12, 2026.

Further, our Company has entered into a lease agreement dated April 09, 2026 to take an additional premise on lease w.e.f. June 01, 2026 situated at Industrial Plot & Building No. 5, Site No. 1, 14/3, Mathura Road, Faridabad-121 003, Haryana, India for setting up of second Research, Design and Development Centre.

Our R&D expenditure, including employee benefit expenses, rent, power & fuel, and others for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 was ₹ 90.44 million, ₹ 70.90 million and ₹ 74.34 million, respectively, which constituted 18.29%, 11.32% and 14.88% of our revenue from operations for the respective periods as above.

Investment in research, design and development and building team

Our team's expertise is distributed across core technologies, including power & control hardware, mechanical design, traction power & system software, thermodynamics and others, and consists of 35 engineers, including 2 Ph.D. holders in Product Design & Development and Electronics & Instrumentation, 9 with M.Tech. degrees in Electronics & Communication Engineering, Electronics & Instrumentation, Electrical Engineering, and Mechanical Engineering (including Manufacturing Technology & Automation) and 1 with an M.E. in Mechanical Engineering, 7 with B.Tech. degrees in Electronics & Communication, Electrical, Electronics & Instrumentation, and Mechanical Engineering, and 3 with B.E. degrees in Electronics & Communication and Engineering & Technology, along with 4 diploma engineers in Electrical Engineering, 5 ITI-certified technicians trained in Electrical, Fitting, and Electronics disciplines, 2 software engineer (M.C.A. / B.C.A.) and 2 management professionals (MBA/PGDM in Operations). The components of our research, design and development costs are manpower costs and non-manpower costs, as described in detail below:

Manpower cost

Our manpower costs include payment of salaries and associated statutory dues to our design engineers, engineering trainees, research engineers, designers and other professionals involved in design and development of our power electronics equipment, software, and allied equipments in the verticals of design, engineering, product management and product ownership. For our salary expenditure towards R&D activities for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, refer to table on page 141.

Non manpower cost

Investments into R&D involves non-manpower costs which include testing expenses, prototyping costs, licensing costs for product development activities, development of tools, softwares and expenditure relating to operations of testing facilities and labs. Our testing facilities are equipped with sophisticated instrumentation and testing protocols to evaluate every aspect of vehicle performance, from acceleration, power surges and braking to handling and safety of the locomotive and the entire train. Our power electronics equipment are approved by relevant authorities in Indian Railways as per the RDSO and CENELAC standards. For our non-manpower costs incurred towards R&D during the Financial Year ended March 31, 2026, March 31, 2025 and March 31, 2024, refer to table on page 141. R&D includes internally generated proprietary rights which is written off as revenue expenditure during the period of research activities undertaken by our Company in accordance with IndAS 38.

R&D investments by our Company

The railway propulsion equipment is the product or equipment that makes trains move on tracks. It includes main parts like Converter-Inverter Systems, Vehicle Control System or Train Control Management System, Driver Displays. Propulsion provides the traction power needed to pull coaches and wagons over long distances. The railway propulsion equipment industry in India is witnessing steady growth, supported by large-scale electrification projects, expansion of metro and high-speed rail networks, and the government's focus on modernizing rail infrastructure. Increasing demand for energy-efficient and sustainable technologies is further driving the market.

We propose to continue to undertake sustained investment in R&D activities and expansion of team to stay competitive and increase our product offering. As we seek to foray into more segments of the power electronics, and the increasing need of the Indian Railways for localisation of the products, we will require a wider portfolio of products to penetrate well into the market in India and also explore opportunities in export market. Additionally, we will work on leveraging technological advancements across various trains such as EMU, MEMU, Vande Bharat, Metros, explore opportunities to enter into rolling stock manufacturing capabilities, OHE products, power quality products, and also other potential applications in industries like Renewable Energy Projects, Industrial & Commercial Power Conversion Systems, Energy Storage Systems, Electric Mobility & Charging Infrastructure in India and Globally.

Our on-going work on the design and development is as under:

(i) We have received a Letter of Acceptance dated June 27, 2026 from Modern Coach Factory, Raebareli, Indian Railways to place order with our Company for Design, Development, Manufacture, Supply, Testing and Commissioning of Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes). The said Letter of Acceptance is for 6 (six) MEMU (On Board - 12 Car Rakes) for an aggregate value of ₹ 865.46 million and five years comprehensive annual maintenance contract for aggregate value of ₹ 46.86 million, both excluding GST.

(ii) We have received a developmental order for IGBT based 3-Phase Drive Propulsion Equipment with Composite Converter for WAP-7 locomotives from CLW, Indian Railways on September 10, 2025 for one (1) such equipment for an aggregate value of ₹ 25.11 million (excluding GST) and three years comprehensive annual maintenance contract for an aggregate value of ₹ 1.48 million (excluding GST).

(iii) We have also accepted counter offer of BLW, Indian Railways, for developmental order for one (1) set of 2x500 KVA IGBT based Hotel Load Converter for 3-Phase Electric Locomotives WAP-7 locos for aggregate value of ₹ 8.00 million and three years comprehensive annual maintenance charges for aggregate value of ₹ 0.30 million, both excluding GST and the purchase order is yet to be received by us in this regard.

(iv) We have entered into a Business Cooperation Agreement with PNC Technologies Co. Ltd., South Korea on August 13, 2025 for a period of three years, to collaborate exclusively for the marketing, manufacturing, supply and distribution of Auto Fault Locator system for the Indian market, to fulfil the condition of minimum 51% Indian content under "Make in India" policy and to participate in the tenders and also provide after sales services with support of PNC Technologies.

(v) Ministry of Railways has approved for procurement of integrated propulsion kit for 50 nos each by BLW and CLW respectively, subject to design approval and prototype clearance including by RDSO / Indian Railways.

Procurement of such integrated propulsion kit by locomotive works factories of Indian Railways creates an opportunity for us to further diversify into production of other products required in delivery of such integrated propulsion kit. Such integrated propulsion kit includes propulsion equipment, traction motors, traction transformer, complete bogies, suspension system, transmission system and any such product as may be included by BLW or CLW. Procurement of such integrated propulsion kit by locomotive works factories of Indian Railways creates an opportunity to further diversify into production of other products required in delivery of such integrated propulsion kit.

There are no specified timelines within which the above activities are to be completed. However, with the gaining of knowledge and experience of development of 3-Phase Propulsion Equipment, we believe, we will be able to undertake the above activities in a period of three years. The above estimation of R&D is based on management estimates, and actual R&D spend may vary depending on, among other things, business requirements, availability of external technologies and products and our ability to successfully undertake such R&D activities. If the Net Proceeds are not deployed fully or partially against the R&D focus areas during the respective financial years stated above due to various business and commercial considerations such as delays in releases or launches, longer periods required for development, they may be deployed in the subsequent financial years when the utilization is required. For risks in relation to R&D, please see "*Risk Factor 16 - We are undertaking research, design & development activities to develop and obtain approvals of new propulsion systems / projects required by Indian Railways and require significant expenditure and capital outlay, which may not yield the intended results in a timely manner or at all, and adversely affect our financial condition and results of operations.*" on page 42.

Our Company has historically incurred the following costs towards manpower and non manpower expenditure during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 as under:

(₹ million)

Particulars	Financial Year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Manpower cost *	78.95	54.75	56.44
% of revenue from operations	15.97%	8.74%	11.30%
Non-Manpower cost *	11.49	16.14	17.9
% of revenue from operations	2.32%	2.58%	3.58%

** Towards R&D expenses*

The Company has not claimed any special tax deduction for the R&D expenses under Income Tax law.

The Board of our Company pursuant to its resolution dated July 23, 2026 has estimated that a sum of ₹ 210.00 million out of the total Net Proceeds will be required for investment into research and product development over the next three years. The proposed schedule of deployment of funds is as follows (to be proportionately spread over 36 months period):

(₹ in millions)

Particulars	Financial year ended				Total
	March 31, 2027 [1]	March 31, 2028	March 31, 2029	March 31, 2030 [2]	
Manpower cost	41.25	55.00	55.00	13.75	165.00
Non manpower cost	11.25	15.00	15.00	3.75	45.00
Total	**52.50**	**70.00**	**70.00**	**17.50**	**210.00**

[1] Proportionate expenditure for nine months period for the financial year ending March 31, 2027

[2] Proportionate expenditure for three months period to be spilled over in the financial year ending March 31, 2030 (so that the total expenditure is incurred over 36 months period)

Our Company has historically undertaken research and development activities in order to develop and enhance its product and technology as per the requirements of Indian Railways. The Company has incurred expenditure towards such research and development activities during the last three financial years, details of which are set out on page 141 of the Prospectus. The proposed utilisation of the Net Proceeds of the Issue allocated towards research and development activities has been estimated based on the historical expenditure incurred by the Company, ongoing development initiatives and the expected scale of operations over the next three years. Research and development activities generally involve long gestation periods and continuous investment and may not result in immediate commercialisation or revenue generation. Accordingly, our Company intends to utilise the relevant portion of the Net Proceeds over a period of approximately three years from the date of receipt of the proceeds of the Issue.

The above schedule of deployment is based on our historical trends of our manpower and non-manpower costs incurred in the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, our current R&D focus areas and our outlook towards future R&D investments. Our investment in R&D is subject to multiple internal and external factors, including applicable business requirements, our ability to compete effectively, adapt to changes in preferences and technologies used by railways and upcoming technological advancements.

Except for the extent of salaries payable to our Managing Director (Non Promoter), Pankaj Rastogi, members of Senior Management team working at our Research, Design and Development Centre, Faridabad, Haryana, our Promoters, members of our Promoter Group, Group Company and Key Managerial Personnel do not have any interest in the proposed investment to be made by our Company towards the above-mentioned Object.

3. General Corporate Purpose

We propose to utilise ₹ 534.59 million of the Net Proceeds towards general corporate purposes and the business requirements of our Company as approved by the Board, from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include, without limitation, working capital for execution of purchase orders for routine businesses undertaken by our Company, meeting ongoing general corporate contingencies, funding growth or acquisition opportunities, including funding strategic initiatives, capital expenditure, payment of commission and / or fees to consultants, and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act. In the event our Company is unable to utilise the Net Proceeds towards any of the Objects of the Issue for any of the reasons as aforementioned, our Company may utilise such Net Proceeds towards general corporate purposes, provided that the aggregate amount deployed towards general corporate purposes shall not exceed 25% of the Gross Proceeds.

Further, no part of the proceeds of the Issue earmarked for General Corporate Purpose will be utilised for acquisition or investment in Virtual Digital Assets.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Financial Year, we will utilise such unutilised amount(s) in the subsequent Financial Year.

Issue related expenses

The total expenses of the Issue are estimated to be approximately ₹ 355.41 million. The expenses of this Issue include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLM, fees payable to Legal Counsel, Registrar to the Issue, Banker to the Issue, processing fee to the SCSBs for processing Bid cum Application Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break-up of the estimated Issue expenses is set forth below:

Activity	Estimated Expense * (₹ in million)	As a % of total estimated Issue related expenses	As a % of Issue size
BRLM fees and commission (including underwriting commission)	239.81	67.47%	8.27%
Brokerage, selling commission, bidding charges, processing fees for the Members of the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs **	29.04	8.17%	1.00%
Fees payable to Registrar to the Issue	2.68	0.75%	0.09%
Fees payable to other advisors to the Issue:			

Activity	Estimated Expense * (₹ in million)	As a % of total estimated Issue related expenses	As a % of Issue size
• Fees payable to SANMARKS & Associates, Chartered Accountants, in their capacity as the Statutory Auditor, in respect of the Restated Financial Information and the Statement of Possible Special Tax Benefits and the certificates issued by them in connection with the Issue	1.42	0.40%	0.05%
• Fees payable to Sapient Services Private Limited, Independent Chartered Engineer, in relation to the issuance of the capacity utilisation certificate prepared and issued in connection with the Issue	0.83	0.23%	0.03%
• Fees payable to Bilimoria Mehta & Co., Independent Chartered Accountant, in relation to the issuance of various certificates issued by them in connection with the Issue	1.26	0.36%	0.04%
• Fees payable to CARE Analytics and Advisory Private Limited, in relation to the commissioning and issue of their report on the Industry in which the Company operates	2.36	0.66%	0.08%
Others			
• Listing fees, SEBI Fees, upload fees, NSE and BSE processing fees, book building software fees and other regulatory expenses	49.58	13.95%	1.71%
• Printing and Stationery expenses	5.31	1.49%	0.18%
• Advertising and Marketing expenses	16.42	4.62%	0.57%
• Fees payable to Legal Advisors to the Issue	2.77	0.78%	0.10%
• Miscellaneous	3.95	1.11%	0.14%
Total estimated Issue expenses	**355.41**	**100.00%**	**12.26%**

** Issue expenses include GST, where applicable. Issue expenses will be incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.*

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

*Portion for Retail Individual Bidders^*	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders^*	*0.20% of the Amount Allotted (plus applicable taxes)*

^ Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

Selling Commission payable to SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of NSE or BSE.

No processing fees shall be payable by the Company to the SCSBs on the applications directly procured by them. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

(2) Processing fees payable to the SCSBs for capturing Syndicate Member / Sub-syndicate (broker) / Sub-broker code on the ASBA Form for Non-Institutional Bidders and Qualified Institutional Bidders with bids above ₹ 0.5 million would be ₹10 plus applicable taxes, per valid application.

The total processing fees payable to SCSBs as mentioned above will be subject to a maximum cap of ₹ 0.50 million (plus applicable taxes). In case the total uploading charges / processing fees exceeds ₹ 0.50 million (plus applicable taxes), then amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable do not exceed ₹ 0.50 million (plus applicable taxes).

(3) Brokerage, selling commission and processing / uploading charges on the portion for Retail Individual Bidders (using the UPI mechanism) and Non-Institutional Bidders which are procured by members of the Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts - linked online

trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

*Portion for Retail Individual Bidders^*	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders^*	*0.20% of the Amount Allotted (plus applicable taxes)*

^ Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

The selling commission payable to the Syndicate / Sub-Syndicate Members will be determined as under:

(a) For Retail Individual Bidders and Non-Institutional Bidders (upto ₹ 0.5 million) will be determined on the basis of the application form number / series, provided that the application is also bidded by the respective Syndicate / Sub-Syndicate Members. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Members, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Members.

(b) For Non-Institutional Bidders (above ₹ 0.5 million), Syndicate ASBA Form bearing SM code & Sub-Syndicate code of the application form submitted to SCSBs for blocking of the fund and uploading on the exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the Syndicate / Sub Syndicate members and not the SCSB.

The payment of selling commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

(4) Uploading charges payable to members of the Syndicate, RTAs and CDPs on the applications made by Retail Individual Bidders and using 3-in-1 accounts / Syndicate ASBA mechanism and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts / Syndicate ASBA mechanism, would be as follows: ₹ 10 plus applicable taxes, per valid application bid by the Syndicate, RTAs and CDPs.

Uploading charges payable on the application procured as above will be subject to a maximum cap of ₹ 0.50 million (plus applicable taxes). In case the total processing fees exceeds ₹ 0.50 million (plus applicable taxes) then processing fees will be paid on a pro-rata basis for portion of Retail Individual Bidders and Non-Institutional Bidders, as applicable.

The selling commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

(5) Selling commission / uploading charges payable to the Registered Brokers on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

*Portion for Retail Individual Bidders^*	*₹ 10 per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders^*	*₹ 10 per valid application (plus applicable taxes)*

The total processing / uploading charges payable to Registered Brokers will be subject to a maximum cap of ₹ 0.20 million (plus applicable taxes). In case the total processing fees exceeds ₹ 0.20 million (plus applicable taxes) then processing fees will be paid on a pro-rata basis for portion of Retail Individual Bidders and Non-Institutional Bidders, as applicable.

(6) Uploading charges/ processing fees for applications made by Retail Individual Bidders using the UPI Mechanism (up to ₹ 0.2 million) and Non-Institutional Bidders (from ₹ 0.2 - ₹ 0.5 million) would be as under:

Members of the Syndicate / RTAs / CDPs / Registered Brokers	*₹ 10 per valid application (plus applicable taxes), subject to a maximum of ₹ 1.00 million (plus applicable taxes)*

(7) The total uploading charges / processing fees payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers will be subject to a maximum cap of ₹ 2.20 million (plus applicable taxes). In case the total uploading charges/processing fees payable exceeded 2.20 million (plus applicable taxes), then the amount payable to Members of the Syndicate (including sub-syndicate members), RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹ 2.20 million (plus applicable taxes).

(8) Sponsor Bank Fees

HDFC Bank Limited	*₹ Nil per valid Bid cum Application Form (plus applicable taxes) upto 1,30,000 Applications and ₹ 6.50 plus applicable taxes beyond 1,30,000 Applications.* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement, and other applicable laws.*
Kotak Mahindra Bank Limited	*₹ Nil per valid Bid cum Application Form (plus applicable taxes) upto 2,00,000 Applications and ₹ 6.50 plus applicable taxes beyond 2,00,000 Applications.* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement, and other applicable laws.*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 01, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 0.50 million and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum-application form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for RIB and NIB bids up to ₹ 0.50 million will not be eligible for brokerage.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Deployment of funds

Our Company has paid a sum of ₹ 18.25 million upto June 30, 2026 towards the Objects of the Issue mentioned above and as certified by Aakash Mehta, Partner, Bilimoria Mehta & Co., Chartered Accountant, (Membership No.: 165824; UDIN: 26165824WKDQST4196) vide their certificate dated July 08, 2026. The details of such deployment are as under:

Particulars	Amount (₹ in million)
Deployment of funds	
Expenses for the Issue *	18.25
Total	**18.25**
Sources of funds	
Internal Accruals	18.25

** Only such amount which has been paid has been included in the above.*

The said amount has been paid by the Company from its internal accruals and the same alongwith any other amount spent towards expenses for the Issue will be recouped from the Issue Proceeds.

We confirm that the usage of funds will be as disclosed in this chapter "Objects of the Issue" and any spill over from the intended Objects of the Issue to the General Corporate Purpose is not carried out by the Issuer Company and the same will also be subjected to review by the Monitoring Agency. Further, our Company will take adequate measures to ensure that the relevant metrics indicating its performance against the Object for which funds have

been raised on a quarterly basis along with the financial results atleast till the proceeds of the Objects have been utilised.

Interim use of the Net Proceeds

Our Company, in accordance with the applicable laws, policies established by our Board from time to time and in order to attain the Objects set out above, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described in this section, our Company may temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board and no lien of any nature shall be created on the underline funds. In accordance with Section 27 of the Companies Act, our Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

Appraising entity

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency.

Bridge financing facilities

Our Company has not raised any bridge loans from any bank or financial institution as of the date of the Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of utilisation of funds

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited as the Monitoring Agency for monitoring the utilisation of Gross Proceeds as the Issue size exceeds ₹ 1,000 million.

Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulation, on a quarterly basis, until such time as the Gross Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Gross Proceeds, including interim use under a separate head in its balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds.

Pursuant to Regulation 32(3) and Part C of Schedule II of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in the Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement shall be certified by our Statutory Auditors. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the Gross Proceeds of the Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the Gross Proceeds of the Issue from the Objects as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, and Regulation 59 and Schedule XX of the SEBI ICDR Regulations, any material deviation in the Objects of the Issue will require our Company to obtain the approval of the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details and be published in accordance with the Companies Act. The Postal Ballot Notice shall simultaneously be published

in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Pursuant to the Companies Act, our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such material deviation of the Objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act and provisions of Schedule XX of the SEBI ICDR Regulations.

Other confirmations

No part of the Gross Proceeds will be utilized by our Company as consideration to our Promoters, members of our Promoter Group, our Directors, or Key Managerial Personnel, Senior Management or Group Companies. Our Company has not entered into or is not planning to enter into any arrangement / agreements with our Directors, our Promoters, the members of our Promoter Group, the Key Managerial Personnel or Senior Management in relation to the utilization of the Gross Proceeds of the Issue. Our Company has not entered into nor has planned to enter into any arrangement / agreements with our Directors, our Key Managerial Personnel, our Senior Management or our Group Companies in relation to the utilisation of the Gross Proceeds.

BASIS FOR THE ISSUE PRICE

The Price Band and Issue Price were determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. The face value of the Equity Shares is ₹ 5 each and the Issue Price is 80 times the face value at the lower end of the Price Band and 85 times the face value at the higher end of the Price Band.

Investors should also refer to "Our Business", "Risk Factors", "Restated Financial Information" and "Management Discussion and Analysis of Financial Position and Results of Operations" on pages 213, 22, 295 and 374, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors and strengths which form the basis for computing the Issue Price are:

- Leverage our domain experience and capabilities by continuing to diversify our product base and increase penetration across different global regions & synergetic potential applications like Renewable Energy Projects, Industrial & Commercial Power Conversion Systems, Energy Storage Systems, Electric Mobility & Charging Infrastructure.
- Development and / or acquisition of new products that are used in conjunction with propulsion equipment in line with the newer opportunities under Indian Railways
- Increase our manufacturing capabilities, reduce operating costs and improve operating efficiencies
- Make in India and focus on developing in-house intellectual property rights
- Scalable Business Model with Focus on High-Value Products and opportunity to enter into rolling stock manufacturing capabilities

For further details, see "Our Business - Our Strengths" on page 225.

Quantitative factors

Certain information presented below, relating to us, is based on the Restated Financial Information. For details, see "Restated Financial Information" on page 295.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

1. Basic and diluted earnings per share ("EPS") of face value of ₹ 5 each

Financial Year / Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2026	(6.52)	(6.52)	3
March 31, 2025	0.76	0.76	2
March 31, 2024	0.44	0.39	1
Weighted Average	**(2.93)**	**(2.94)**	

(1) Earnings per Equity Share (Basic) = Restated profit for the period / year attributable to the equity holders of our Company / Weighted average number of equity shares outstanding during the period / year. The weighted average number of Equity Shares outstanding is adjusted for bonus issue and sub-division of face value of Equity Shares as elaborated in note (4) below.

(2) Earnings per Equity Share (Diluted) = Restated profit for the period / year attributable to equity holders of our Company / Weighted average number of equity shares outstanding during the period / year considered for deriving basic earnings per share and the weighted average number of Equity Shares which could have been issued for potential dilution of Equity Shares. The weighted average number of Equity Shares outstanding is adjusted for bonus issue and sub-division of face value of Equity Shares as elaborated in note (4) below.

(3) Basic EPS and Diluted EPS calculations are in accordance with Indian Accounting Standard 33 'Earnings per Share'.

(4) Pursuant to the Shareholders resolution passed at the Extra Ordinary General Meeting of our Company held on November 30, 2023, our Company has issued bonus shares in the ratio of 31:1, i.e. 31 (Thirty One) Bonus Equity Shares of ₹ 10 each for 1 (One) fully paid up Equity Shares of ₹ 10 each held in the meeting of the Board of Directors held on December 09, 2023. The shareholders of the Company in their meeting held on November 30, 2023 also resolved to set aside necessary reserve of equivalent number of equity shares for outstanding 0.01% Compulsorily Convertible Preference Shares ("CCPS") convertible into Equity Shares in the same ratio which is 31:1, i.e. 31 (Thirty One) Bonus Equity Shares of ₹ 10 each for 1 (One) fully paid up Equity Shares of ₹ 10 each held ("Reserved Bonus Equity Shares"). On March 18, 2025 the Board in its meeting had allotted the Reserved Bonus Equity Shares against the equity shares received upon conversion of CCPS into equity shares in the ratio as mentioned above. Accordingly, the earnings per Equity Share have been adjusted retrospectively for the aforementioned bonus issue. Further, the calculation of EPS, Equity Share has also been adjusted retrospectively to give effect to the sub-division of face value of Equity Shares from

₹ 10 per equity share to ₹ 5 per Equity Share approved by the shareholders resolution passed at the Extra Ordinary General meeting of our Company held on November 10, 2025.

2. Price / Earning ("P/E") ratio in relation to Price Band of ₹ 400 to ₹ 425 per Equity Share of face value of ₹ 5 each:

Particulars	P/E at the lower end of the Price Band	P/E at the upper end of the Price Band
Based on Basic EPS as per Restated Financial Information for Financial Year ended March 31, 2026	NA	NA
Based on Diluted EPS as per Restated Financial Information for Financial Year ended March 31, 2026	NA	NA

** Since Basic and Diluted EPS for Fiscal 2026 based on Restated Financial Information is negative, PE cannot be ascertained*

3. Industry P/E ratio

Particulars	P/E Ratio
Highest	88.83
Lowest	88.83
Average	88.83

Notes:
(1) The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.
(2) The industry P/E ratio mentioned above is for the financial year ended March 31, 2026. P/E Ratio has been computed based on the closing market price of equity shares on NSE on June 30, 2026 divided by the Diluted EPS for the year ended March 31, 2026.
(3) All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Financial Year ended March 31, 2026, as available on the websites of the Stock Exchanges.

4. Return on Net Worth

Financial Year / Period	Return on Net Worth (%)	Weight
March 31, 2026	(20.29)	3
March 31, 2025	7.73	2
March 31, 2024	3.92	1
Weighted Average	**(6.92)**	

Notes:
(1) Return on Net Worth (%) = Restated net profit / (loss) after tax attributable to equity shareholders of our Company / restated net worth for Equity Shareholders of our Company as at the end of the respective financial year.
(2) Net Worth is computed as the sum of the aggregate of paid up equity share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account.
(3) The weighted average return on net worth is a product of return on net worth and respective assigned weight dividing the resultant by total aggregate weight. Weights applied have been determined by the management of our Company.
(4) The figures disclosed above are derived from the Restated Financial Information of our Company.

5. Net Asset Value per Equity Share of face value of ₹ 5 each

Net Asset value Per Equity Share	(in ₹)
As at March 31, 2026	30.58
After the Issue	
- At the Floor Price	127.24
- At the Cap Price	129.23
- At the Issue Price	129.23

Notes:
(1) Net Worth is computed as the sum of the aggregate of paid up equity share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account.

(2) Net Asset Value per Equity Share is calculated as net worth attributable to equity shareholders as at the end of period / Financial Year divided by the number of Equity Shares outstanding as on March 31, 2026. There is been no change in the number of Equity Shares outstanding post March 31, 2026.

6. Comparison with Listed Industry Peers

There are no listed companies of similar size of operations and revenue that holds proprietary ownership for the technical design and in-house developed IGBT based 3-Phase Drive Propulsion System. Only one listed company, namely Hind Rectifiers Limited has developed such propulsion system in-house, as per publicly available disclosure, which is pending for requisite approval(s). Hence, Hind Rectifiers Limited (the "Industry Peers") have been identified as peerset for our Company. The said comparison shall be limited to the nature of business activities which are being undertaken by us based on the present product approvals and may not reflect the fair comparison of valuation.

Name of the Company	Face Value (₹)	Share Price (₹)	Revenue from operations (₹ in million)	EPS (Basic) (₹)	EPS (Diluted) (₹)	P/E	Return on Net Worth (%)	Net worth (₹ in million)	Net Asset Value per Equity Share (₹)
MV Electrosystems Limited *	5	425.00	494.28	(6.52)	(6.52)	NA[#]	(20.29)	625.71	30.58
Listed Peers **									
Hind Rectifiers Limited	2	1,159.20	9,991.25	13.10	13.05	88.83	18.33	2,085.72	60.69

** Financial information of the Company has been derived from Restated Financial Information as at or for the financial year ended March 31, 2026.*

*** Sources for listed peers information included above: www.nseindia.com (as on* June 30, 2026*) and Annual Report of the Peer group company identified.*

[#] *Since Basic and Diluted EPS for Fiscal 2026 based on Restated Financial Information is negative, PE cannot be ascertained*

Notes

1. All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports / annual results as available of the respective company for the year ended March 31, 2026 submitted to Stock Exchanges.

2. P/E Ratio has been computed based on the closing market price of equity shares on NSE on June 30, 2026 divided by the Diluted EPS for the year ended March 31, 2026.

3. Net Worth is computed as the sum of the aggregate of paid up equity share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account (excluding Non Controlling Interest).

4. Net Asset Value per Equity Share is calculated as net worth attributable to equity shareholders as at the end of the Financial Year divided by the number of Equity Shares outstanding at the end of March 31, 2026.

5. Earnings per Equity Share (Basic) = Restated profit for the period / year attributable to the equity holders of our Company / Weighted average number of equity shares outstanding during the period / year.

6. Earnings per Equity Share (Diluted) = Restated profit for the period / year attributable to equity holders of our Company / Weighted average number of equity shares outstanding during the period / year considered for deriving basic earnings per share and the weighted average number of Equity Shares which could have been issued for potential dilution of Equity Shares.

7. Return on Net Worth is computed as net profit / (loss) after tax attributable to equity holders of our Company divided by Net Worth.

7. Key Performance Indicators

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Issue Price. The key financial and operational metrics set forth above, have been approved and verified by the Audit Committee pursuant to its resolution dated July 23, 2026. Further, the Audit Committee has on July 23, 2026 taken on record that other than the key financial and operational metrics set out below, our Company has not disclosed any other key performance indicators during the three years preceding the Prospectus with its investors. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to our Company's listed peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for the Issue Price have been disclosed below. Additionally, the KPIs have been certified

by way of certificate dated July 23, 2026 issued by Bilimoria Mehta & Co., Independent Chartered Accountants, who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India and the same has been included in "Material Contracts and Documents for Inspection - Material Documents" on page 495.

In addition to the listed peer, Hind Rectifiers Limited, another unlisted Company, i.e. Medha Servo Drives Private Limited, holds proprietary ownership for the technical design and in-house developed IGBT based 3-Phase Drive Propulsion System and also supplies the same to Indian Railways. Being unlisted, no share price is available for the same. However, we have disclosed the KPIs for the said company too.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to make an assessment of our Company's performances and make an informed decision. Except as disclosed below, we have not disclosed any other KPI pertaining to our Company to any of the investors during the preceding three years prior to the date of filing of the Prospectus.

A list of our KPIs for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 alongwith comparison with peer group is set out below:

(₹ in millions)

Peers	**MV Electrosystems Limited**			**Hind Rectifiers Limited**			**Medha Servo Drives Private Limited #**		
Particulars	**Financial year ended March 31,**			**Financial year ended March 31,**			**Financial year ended March 31,**		
	2026	**2025**	**2024**	**2026**	**2025**	**2024**	**2025**	**2024**	**2023**
Revenue from operations	494.28	626.37	499.57	9,991.25	6,553.67	5,175.53	43,000.50	39,368.30	23,358.00
Total income	497.91	646.37	505.65	10,007.71	6,568.49	5,181.63	43,803.10	40,381.70	23,676.30
EBITDA	(99.42)	89.17	64.05	857.21	717.91	448.54	10,334.90	9,498.00	2,584.00
EBITDA margin (%)	(19.97%)	13.80%	12.67%	8.58%	10.93%	8.66%	24.03%	23.52%	10.91%
Operating EBITDA	(103.05)	69.17	57.97	840.75	703.10	442.44	9,532.30	8,484.60	2,265.70
Operating EBITDA margin (%)	(20.85%)	11.04%	11.60%	8.41%	10.73%	8.55%	22.17%	21.55%	9.70%
Profit after tax (before other comprehensive income)	(126.29)	14.03	5.57	385.97	371.12	125.10	8,530.50	7,962.90	1,201.70
Profit after tax (after other comprehensive income)	(126.95)	13.84	6.48	382.25	371.08	125.52	8,518.70	7,851.50	1,207.90
PAT margin (%)	(25.36%)	2.17%	1.10%	3.83%	5.65%	2.41%	19.81%	19.72%	5.08%
Return on Equity (ROE)(%)	(20.29%)	7.73%	3.92%	18.33%	23.21%	10.08%	22.43%	25.79%	5.27%
Debt to Equity Ratio	0.80	1.54	1.67	1.13	0.99	1.04	5.38%	0.06	0.18
Interest Coverage Ratio	(3.81)	1.79	1.44	4.50	4.80	2.94	63.79	30.58	6.28
Return on Capital Employed (ROCE)(%)	(17.69%)	22.13%	14.11%	16.14%	31.89%	23.73%	24.37%	29.50%	8.68%
Current Ratio	1.47	1.07	1.09	1.12	1.21	1.21	1.25	3.10	2.45
Net Capital Turnover Ratio	1.58	19.50	16.43	21.92	14.46	14.36	1.70	1.78	1.40
Additional KPIs for historical comparative parameters w.r.t. order book, company valuation, fund raised and proto type approval									
Funds raise during the period (including Equity Shares and Compulsorily Convertible Preference Shares)	596.01	Nil	32.56	NA	NA	NA	NA	NA	NA
Company Equity Valuation at which funds raised (before such fund raise) (₹ in million)	4,999.58	NA	130.21	NA	NA	NA	NA	NA	NA
Price per share for issuance of Equity Share (in ₹ per Equity Share) (without considering any adjustment in the Issue Price for bonus or split of equity shares undertaken by the Company)	547.00	NA	570.00 ^	NA	NA	NA	NA	NA	NA

Peers	MV Electrosystems Limited			Hind Rectifiers Limited			Medha Servo Drives Private Limited #		
Particulars	Financial year ended March 31,			Financial year ended March 31,			Financial year ended March 31,		
	2026	2025	2024	2026	2025	2024	2025	2024	2023
Value of outstanding executable purchase orders in hand (for Propulsion Equipment) (₹ in million) @	9,291.90	1,949.60	731.70	NA	NA	NA	NA	NA	NA
Status of proto type approval received *	Received	Not received	Not received	NA	NA	NA	NA	NA	NA

@ # The Value of outstanding executable purchase orders in hand (for Propulsion Equipment) as on the date of making such investment was ₹ 1,949.60 million, which subsequently was higher as on March 31, 2026

 # The financial statements for the year ended March 31, 2026 are not available in the public domain and hence not disclosed above.

** Allotment of 456,100 Equity Shares of face value ₹ 10 each was made on August 25, 2025 and for 6,33,500 Equity Shares of face value ₹ 10 each was made on October 01, 2025. The Proto Type approval was received by our Company on September 15, 2025.*

^ After such allotment, pursuant to the Shareholders resolution passed at the Extra Ordinary General Meeting held on November 30, 2023, our Company has issued bonus shares in the ratio of 31:1, i.e. 31 (Thirty One) Bonus Equity Shares of face value of ₹ 10 each for 1 (One) fully paid up Equity Shares of face value of ₹ 10 each held in the meeting of the Board of Directors held on December 09, 2023. Further, 57,025 CCPS, convertible into equivalent number of Equity Shares of face value ₹ 10 each, were outstanding as on the date of issue of Bonus Equity Shares by our Company. In order to maintain proportionate shareholding of Ramendra Pratap Singh and Sangeeta Singh, collectively, in our Company, on fully diluted basis, our Board of Directors and Shareholders vide their respective meetings held on November 25, 2023 and November 30, 2023 resolved to set aside a necessary reserve for issue of bonus shares to them upon conversion of CCPS held by them in the same ratio, i.e. 31:1, i.e. 31 (Thirty One) Bonus Equity Shares of ₹ 10 each for 1 (One) fully paid up Equity Shares of ₹ 10 each ("Reserved Bonus Equity Shares"). Accordingly, after receipt of letter for conversion of outstanding CCPS from Ramendra Pratap Singh and Sangeeta Singh, our Board of Directors and Shareholders vide their respective meetings held on March 17, 2025 and March 18, 2025 approved the issuance of Equity Shares upon conversion of CCPS, and thereafter, Reserved Bonus Equity Shares. Accordingly, our Company allotted 57,025 Equity Shares of face value ₹ 10 each upon conversion of CCPS and 17,67,775 Reserved Bonus Equity Shares of face value ₹ 10 each at the adjourned Board Meeting held on March 18, 2025.

a) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information.

b) EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations & exceptional items.

c) EBITDA Margin refers to EBITDA during a given period as a percentage of total income during that period.

d) Operating EBITDA refers to EBITDA less other income i.e. only revenue from operations.

e) Operating EBITDA Margin refers to operating EBITDA during a given period as a percentage of revenue from operations during that period.

f) Net Profit Ratio / Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes but before other comprehensive income by our total income.

g) Return on equity (RoE) is equal to profit after tax and after comprehensive income for the year divided by the average shareholder's equity during that period and is expressed as a percentage.

h) Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).

i) Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBITDA by Interest and lease payments & principal repayment due in twelve months.

j) RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by total equity plus non-current debt plus current outstanding of non-current debt.

k) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

l) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by working capital (i.e., current assets less current liabilities).

Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹million)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to tack the total revenue generated by the business including other income.
EBITDA (₹ million)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.

KPI	Explanations
Profit After Tax (₹ million)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstandingdebt.
Return on Capital employed (RoCE) (%)	It is calculated as profit before tax plus finance costs divided by total equity plus non-current borrowings plus current borrowings.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in "Our Business" and "Management Discussion and Analysis of Financial Condition and Results of Operations" on pages 213 and 374. All such KPIs have been defined consistently and precisely in "Definitions and Abbreviations – Conventional and General Terms and Abbreviations" on page 1.

Our Company shall continue to disclose the KPIs disclosed hereinabove in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares, or until the utilization of Issue Proceeds, whichever is later, on the Stock Exchanges pursuant to the Issue, or for such other period as may be required under the SEBI ICDR Regulations.

Weighted average cost of acquisition ("WACA"), floor price and cap price

A. Price per share of our Company (as adjusted for corporate actions, including bonus issuances and split of face value of equity shares) based on primary issuances of Equity Shares (excluding issuance of Equity Shares pursuant to a bonus issue and conversion of CCPS issued prior to 18 months) during the 18 months preceding the date of the 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-Issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

The details of the Equity Shares (excluding issuance of Equity Shares pursuant to a bonus issue and conversion of CCPS issued prior to 18 months) issued during the 18 months preceding the date of the 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-Issue capital before such transaction(s), in a single transaction or multiple transactions combined together over a span of rolling 30 days) is as follows:

Name of allottee	Date of allotment	Nature of specified security	Issue price per specified security for face value ₹ 10 each (in ₹)	Transaction as a %age of the fully diluted paid up capital of our Company	Number of specified securities allotted (face value ₹ 10 each)
Madhuri Madhusudan Kela	October 01, 2025	Equity Shares	547	5.62%	5,75,000
Bhavini Ajay Shah	October 01, 2025	Equity Shares	547	0.05%	5,000
Tushar Pradeep Bohra	October 01, 2025	Equity Shares	547	0.05%	5,000
Samar Radheshyam Sarda	October 01, 2025	Equity Shares	547	0.05%	5,000
Anant Mohta	October 01, 2025	Equity Shares	547	0.05%	5,000
Pallavi Dhoot	October 01, 2025	Equity Shares	547	0.05%	5,000
Shyam Sundar Jaju	October 01, 2025	Equity Shares	547	0.05%	5,000
Sunny Bharat Gosar	October 01, 2025	Equity Shares	547	0.05%	5,000
Sumit Bhalotia	October 01, 2025	Equity Shares	547	0.05%	5,000

Name of allottee	Date of allotment	Nature of specified security	Issue price per specified security for face value ₹ 10 each (in ₹)	Transaction as a %age of the fully diluted paid up capital of our Company	Number of specified securities allotted (face value ₹ 10 each)
Siddharth Shah	October 01, 2025	Equity Shares	547	0.05%	5,000
Ramanan Venkateswaran / Kala Ramanan	October 01, 2025	Equity Shares	547	0.05%	5,000
Anantroop Financial Advisory Services Private Limited	October 01, 2025	Equity Shares	547	0.05%	5,000
Ashish Govind Nathani	October 01, 2025	Equity Shares	547	0.03%	3,500
Total				**6.19%**	**6,33,500**

Post above allotment, the shareholders of the Company in their Extra Ordinary General Meeting held on November 10, 2025 had split the face value of the equity shares of the Company from ₹ 10 each to ₹ 5 each

In addition to above, our Company has made allotment of 4,56,100 Equity Shares to total nine allottees on August 25, 2025 at an issue price of ₹ 547 per Equity Share of face value ₹ 10 each. None of these allottee was given then existing equity shares of face value ₹ 10 each which was equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction(s), in a single transaction or multiple transactions combined together over a span of rolling 30 days).

B. Price per share of our Company (as adjusted for corporate actions, including bonus issuances and split of face value of equity shares) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoters, members of Promoter Group or other shareholders with the right to nominate directors on our Board during the 18 months preceding the date of filing of the Prospectus, where the 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-Issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")

No secondary transaction has been entered into involving our Promoters, members of Promoter Group or other shareholders with the right to nominate directors on our Board during the 18 months preceding the date of filing of the Prospectus, where the 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-Issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

C. If there are no such transactions to report under A and B above, the following are the details of the price per share of our Company basis the last five primary or secondary transactions (secondary transactions where our Promoters, members of the Promoter Group or other Shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of the Prospectus irrespective of the size of transactions:

Since there are no such transactions to report under B above, the following are the details of the price per share of our Company based on the last five secondary transactions (where Promoters, members of the Promoter Group or Shareholder having the right to nominate a Director on our Board, are a party to the transaction), not older than three years prior to the date of the Prospectus irrespective of the size of the transactions:

Date of transfer of shares	Nature of consider-ation	Name of transferor	Name of transferee	No. of equity shares transferred	Face Value	Price per share (in ₹)	Total consideration (₹ in million)
April 10, 2026	Cash	Mohit Vohra	Ramendra Pratap Singh	1,50,000	5	370	55.50
		Amit Dhawan		1,00,000	5	370	37.00
February 26, 2026	Cash	Mohit Vohra	Raghav Investment Private Limited	2,25,000	5	370	83.25
		Amit Dhawan		1,50,000	5	370	55.50
November 04, 2025	Cash	Mohit Vohra	Bhim Sain Bassi	20,000	10	547	10.94

Date of transfer of shares	Nature of consider-ation	Name of transferor	Name of transferee	No. of equity shares transferred	Face Value	Price per share (in ₹)	Total consideration (₹ in million)
October 17, 2025	Cash	Mohit Vohra	Vineeth Kumar Anchalia	20,000	10	547	10.94
September 24, 2025 *	Cash	Mohit Vohra	Pankaj Rastogi	2,28,600	10	47	10.74
		Amit Dhawan		50,800	10	47	2.39
		Sumit Dhawan		50,800	10	47	2.39
		Sonali Dhawan		50,800	10	47	2.39
September 24, 2025 *	Cash	Mohit Vohra	Sanjay Mann	1,37,100	10	47	6.44
		Amit Dhawan		30,460	10	47	1.43
		Sumit Dhawan		30,470	10	47	1.43
		Sonali Dhawan		30,470	10	47	1.43
September 23, 2025 *	Cash	Rahul Dhawan	Pankaj Rastogi	76,200	10	47	3.58
			Sanjay Mann	45,700	10	47	2.15

** The above mentioned equity shares were transferred pursuant to agreement executed on September 19, 2025 wherein above-mentioned Share were transferred by Rahul Dhawan on September 23, 2025 and by Mohit Vohra, Amit Dhawan, Sumit Dhawan and Sonali Dhawan on September 24, 2025. For details of the agreement, refer to "History and Certain Corporate Matters - Details of Shareholders' Agreements - Key terms of Agreement for transfer of Equity Shares dated September 19, 2025, with Pankaj Rastogi, then Chief Technical Officer (presently designated as Managing Director of our Company) and Sanjay Mann, General Manager - R&D (Software)" on page 267.*

Note:
The Promoter Group transferred 4,57,200 Equity Shares and 2,74,200 Equity Shares at ₹ 47 per share to Mr. Pankaj Rastogi, then Chief Technical Officer (now Managing Director), and Mr. Sanjay Mann, General Manager - R&D (Software), pursuant to agreements dated September 19, 2025, with the Company as confirming party. These transfers were undertaken to recognise and reward their significant contributions in the design, development and successful approval of our indigenously developed 3-Phase Propulsion System, and to ensure alignment of their long-term interests with the continued growth and strategic direction of the Company.

The sustained efforts of these individuals have been central to the Company's ability to design and engineer propulsion equipment in line with the technical requirements of Indian Railways and the expectations of the Research Designs and Standards Organisation (RDSO). Their leadership in research, embedded software development, product engineering, manufacturing integration and compliance processes has enabled the Company to obtain key approvals, respond effectively to evolving technical specifications, and introduce proprietary design solutions essential to our competitive positioning in the industry.

Recognising that the Company's future prospects and technological advancement depend meaningfully on the continuity of their expertise, commitment and oversight, the Promoter Group considered it crucial to provide them with meaningful equity participation. These transfers were made solely by the Promoter Group, without any fresh issuance of shares by the Company, and were intended to secure and retain critical managerial and technical talent whose long-term engagement is fundamental to the Company's development.

Weighted average cost of acquisition ("WACA"), floor price and cap price

Type of transactions	WACA (in ₹) *	Floor Price (₹ 400)	Cap Price (₹ 425)
Weighted average cost of acquisition for last 18 (eighteen) months preceding the date of the 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-Issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days *(WACA per Equity Share of face value ₹ 5 each, post adjustment for sub-division of face value)*	273.50	1.46 times	1.55 times
Weighted average cost of acquisition where the Promoter, members of the Promoter Group or Shareholder(s) having the right to nominate director(s) in the board of directors of our Company are a party to	NA ^	NA ^	NA ^

Type of transactions	WACA (in ₹) *	Floor Price (₹ 400)	Cap Price (₹ 425)
the transaction (excluding gifts), during the 18 (eighteen) months preceding the date of the 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-Issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.			
Since there are no secondary transactions to report above, the following are the details weighted average cost of acquisition based on the last five secondary transactions (where Promoters, members of the Promoter Group or Shareholder having the right to nominate a Director on our Board, are a party to the transaction), not older than three years prior to the date of the Prospectus irrespective of the size of the transactions			
Based on secondary transactions (WACA per Equity Share of face value ₹ 5 each, post adjustment for sub-division of face value) (includes inter-se Promoter Group transfer of Equity shares on April 10, 2026, as disclosed above)	132.63	3.02 times	3.20 times

^ *No secondary transaction has been entered into involving our Promoters, members of Promoter Group or other shareholders with the right to nominate directors on our Board during the 18 months preceding the date of filing of the Prospectus, where the 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-Issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.*

** WACA has been adjusted for sub-division of the face value of the equity shares of the Company from ₹ 10 to ₹ 5 approved by the shareholders in their Extra Ordinary General Meeting held on November 10, 2025.*

The Issue Price of ₹ 425 has been determined by our Company, in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company, in consultation with the BRLM, are justified of the Issue Price in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Condition and Revenue from Operations" and "Restated Financial Information" on pages 22, 213, 374 and 295, respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the section titled "Risk Factors" on page 22 and any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors
MV Electrosystems Limited
Plot No. 7, Site No 2, 14/3, Mathura Road,
Faridabad - 121 003, Haryana, India

Dear Sir(s):

Sub: Proposed initial public offering of equity shares of ₹ 5 each (the "Equity Shares") of MV Electrosystems Limited (the "Company" and such offering, the "Issue")

We report that the enclosed statement in Annexure A, states the possible special tax benefits available to the Company and to its shareholders under the applicable direct and indirect tax laws presently in force in India including the Income Act, 2025('Act'), and Income-tax Rules, 2026 ("2026 Rules") (read with applicable circulars and notifications), as amended by the Finance Act 2026 and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. We are neither suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:
(i) the Company or its shareholders will continue to obtain these benefits in future; or
(ii) the conditions prescribed for availing the benefits have been/would be met with and
(iii) the revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Red Herring Prospectus, the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange/ SEBI/ any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Red Herring Prospectus/Prospectus.

Yours sincerely,
For SANMARKS & ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number:003343N

Sd/-
Santosh Kumar Agrawal
Partner
Membership Number: 091127
UDIN: 26091127ILTXRG1389
Place of Signature: Faridabad
Date: 07/07/2026

Annexure-A

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholder under the Income Tax Act 2025 (read with the rules, circulars and notifications issued in connection thereto), presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 2025 (THE "ACT")

The Company is not entitled to any Special tax benefits under the Income Tax Act, 2025 except below

1) Total Income as computed under Section 206 of the Income-tax Act, 2025 (Schedule MAT, if applicable).

There is no benefit claimed under Income Tax 1961 that is required to be carried forward under Income Tax 2025.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 2025 (THE "ACT")

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

Notes:

1. We have not considered the general tax benefits available to the Company, or shareholders of the Company.
2. The above is as per the Tax Laws as on date.
3. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.
4. This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income –tax consequences that apply to them.
5. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, the industry and market data contained in the Prospectus is derived from the CareEdge Report, which has been prepared exclusively for the purpose of understanding the industry in connection with the Issue and commissioned and paid for by our Company, pursuant the engagement letter dated August 28, 2025. The CareEdge Report alongwith the disclaimer by CARE Analytics and Advisory Private Limited will be on the website of our Company at the following web-link: https://www.mvelectrosystems.com/rhp.php from the date of filing the Prospectus until the Bid / Issue Closing Date. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CareEdge Report and included herein with respect to any particular year, refers to such information for the relevant calendar year.

1. Economic Outlook

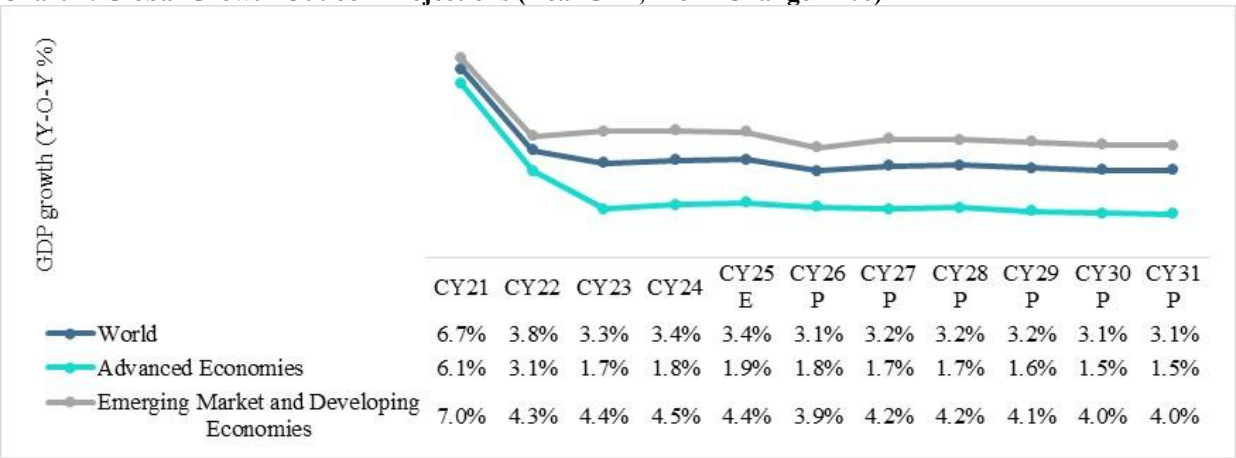
1.1 Global Economy

Global Economic Growth Expected to Sustain at ~3% in Near Term

Global economic growth is projected to moderate to around 3.1% in 2026, reflecting the impact of geopolitical tensions in energy and trade flows. The ongoing Middle East conflict poses downside risks, with prolonged disruptions potentially reducing growth further to 2.5%, or lower.

However, supportive factors such as continued investment momentum and policy support are helping offset some of these pressures.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y Change in %)



Source: IMF – World Economic Outlook, April 2026; Note: E- Estimate, P-Projections

Table 1: GDP Growth Trend Comparison - India v/s Other Economies (Real GDP, Y-o-Y Change in %)

	Real GDP (Y-o-Y Change in %)										
	CY21	CY22	CY23	CY24	CY25E	CY26P	CY27P	CY28P	CY29P	CY30P	CY31P
India	9.7	7.6	7.2	7.1	7.6	6.5	6.5	6.5	6.5	6.5	6.5
China	8.6	3.1	5.4	5.0	5.0	4.4	4.0	4.0	3.7	3.3	3.3
Indonesia	3.7	5.3	5.0	5.0	5.1	5.0	5.1	5.2	5.2	5.2	5.2
Saudi Arabia	6.5	12.0	0.5	2.6	4.5	3.1	4.5	3.6	3.5	3.5	3.6
Middle East and Central Asia	4.7	6.4	2.6	2.8	3.6	1.9	4.6	4.0	4.0	3.8	3.8
Latin America	7.5	4.3	2.3	2.4	2.4	2.3	2.7	2.9	2.9	2.7	2.6
Brazil	4.8	3.0	3.2	3.4	2.3	1.9	2.0	2.4	2.5	2.5	2.5
Euro Area	6.4	3.6	0.4	0.9	1.4	1.1	1.2	1.4	1.2	1.1	1.1
United States	6.2	2.5	2.9	2.8	2.1	2.3	2.1	2.1	1.9	1.8	1.8

Source: IMF- World Economic Outlook Database (April 2026); Note: E- Estimate P- Projections, India's fiscal year (FY) aligns with the IMF's calendar year (CY). For instance, FY24 corresponds to CY23.

1.1.1 Iran Conflict: Delayed Equipment and Construction Materials Thaw Infrastructure Industry

The current geopolitical tensions surrounding the Iran conflict in West Asia are having a direct quantifiable impact on India's consumer industry due to its high dependence on energy imports routed through the Strait of Hormuz. India imports 60% of its LPG demand, of which nearly 90% transits through the Strait of Hormuz route. Given that LPG is a primary cooking fuel for over 300 million Indian households, any disruption in supply chains or increase in freight and insurance costs has an immediate effect on household consumption expenditure and urban demand patterns.

The impact is further amplified by India's crude oil dependence, with over 85% of total crude requirements being imported, a large share of which travels from West Asia and moves through the Strait of Hormuz route. A significant share of India's energy cargo, approximately 40–50% of crude oil imports and most LPG imports is routed through the Strait of Hormuz, making it a critical chokepoint for India's energy security. This has increased fuel prices and shipping costs, directly impacting construction, transportation and logistics expenses for infrastructure projects.

Shipping disruptions have also delayed the movement of equipment and construction materials. Global shipping companies have reported caution and limited operations in the region due to security risks, further increasing freight charges and project delays. These factors can increase project costs and slow infrastructure development timelines in India, although government-led infrastructure spending continues to support long-term growth.

1.2 Indian Economic Outlook

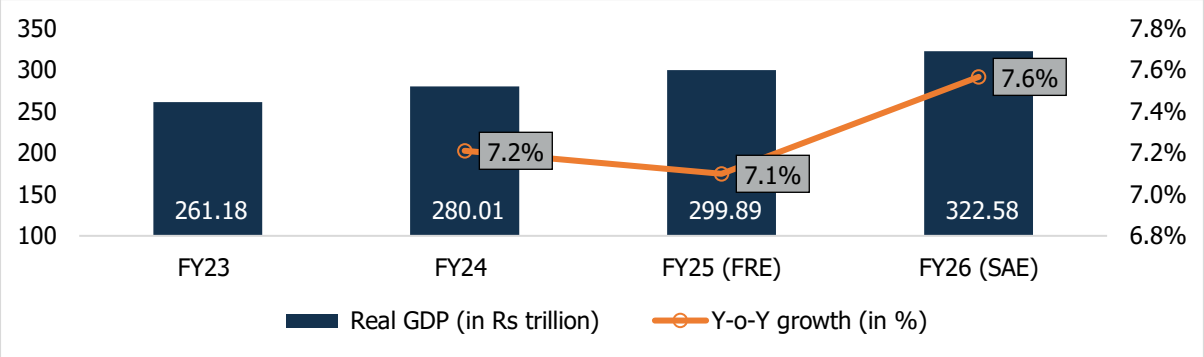
1.2.1 GDP Growth and Outlook

Resilience to External Shocks Remains Critical for Near-term Outlook

India's economy continues to show rapid growth. As per Second Advanced Estimates, GDP in FY26 is expected to have grown by 7.6%, supported by rising rural demand, better job opportunities and favourable business conditions.

For FY25, First Revised Estimates show a growth of 7.1% (Rs 299.89 trillion), led by robust performance in manufacturing, construction and financial services. Consumer spending rose by 7.6%, and government spending increased by 3.8%, both contributing to the overall growth. In FY23, the real GDP stood at Rs 261.18 trillion and registered Y-o-Y growth of 7.2% in FY24 (Rs 280.01 trillion).

Chart 2: Trend in Real Indian GDP Growth Rate



Source: MOSPI; Note: FRE- First Revised Estimates, SAE- Second Advanced Estimates; The trend for FY23-FY26 is based on new series base year 2022-23

GDP Growth Outlook (April 2026)

FY27 GDP Outlook: RBI projects real GDP growth at 6.9% for 2026–27, supported by sustained momentum in the services sector, strong reservoir levels aiding the agricultural sector and private consumption expected to remain uplifted by discretionary spending. The government is also working towards minimising supply chain disruptions in critical sectors to ensure limited interruptions.

However, elevated energy and other commodity prices, as well as the disruptions in the Strait of Hormuz route are likely to affect the growth this year. Nevertheless, the government is working towards minimising the impact of the supply chain towards critical sectors to ensure limited interruptions.

Table 2: GDP Growth Outlook (Y-o-Y %)

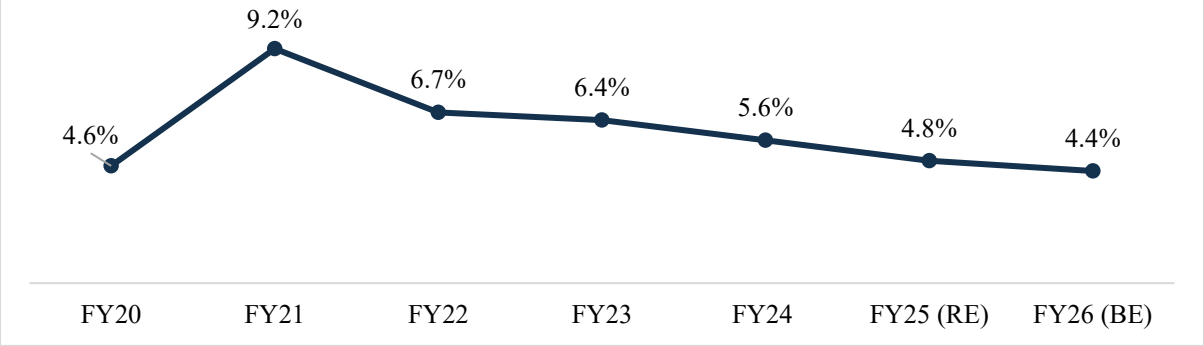
FY27P (Complete Year)	Q1FY27P	Q2FY27P	Q3FY27P	Q4FY27P
6.9%	6.8%	6.7%	7.0%	7.2%

Source: Reserve Bank of India; Note: P-Projected; The trend is based on the old series base year 2022-23

1.2.2 Fiscal Deficit (% of GDP)

In FY21, India's fiscal deficit was 9.2% due to the impact of COVID-19 pandemic, since then it has seen a steady improvement is expected to reduce to 4.8% of GDP FY25 (RE), driven by strong economic growth and higher tax and non-tax revenues. The government aims for further fiscal consolidation, setting a target of 4.4% of GDP for FY26 to maintain fiscal prudence.

Chart 3: Gross Fiscal Deficit (% of GDP)

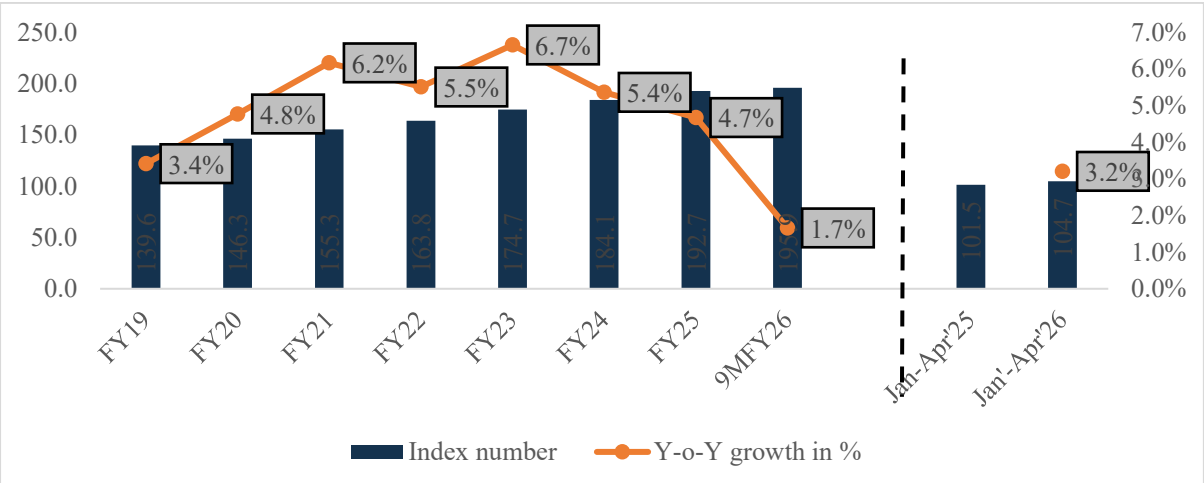


Source: RBI; Note: RE-Revised Estimates, BE-Budget Estimates

1.2.3 Consumer Price Index (CPI) Records Combined Inflation Rate of 3.5% for April 2026

Between January and April 2026, inflation followed a steady yet modest path, averaging 3.2% across the Consumer Price Index. By April, the year-on-year rise sharpened slightly, reaching 3.48% compared to the same month in 2025. Within this, the rural inflation rate stood at 3.8%, while the urban inflation rate was comparatively lower at 3.2%. This indicates a modest overall inflationary trend, with rural areas experiencing relatively higher price pressures than urban regions.

Chart 4: Retail Price Inflation in Terms of Index and Y-o-Y Growth in %
(Base: 2011-12=100, 2023-24=100)

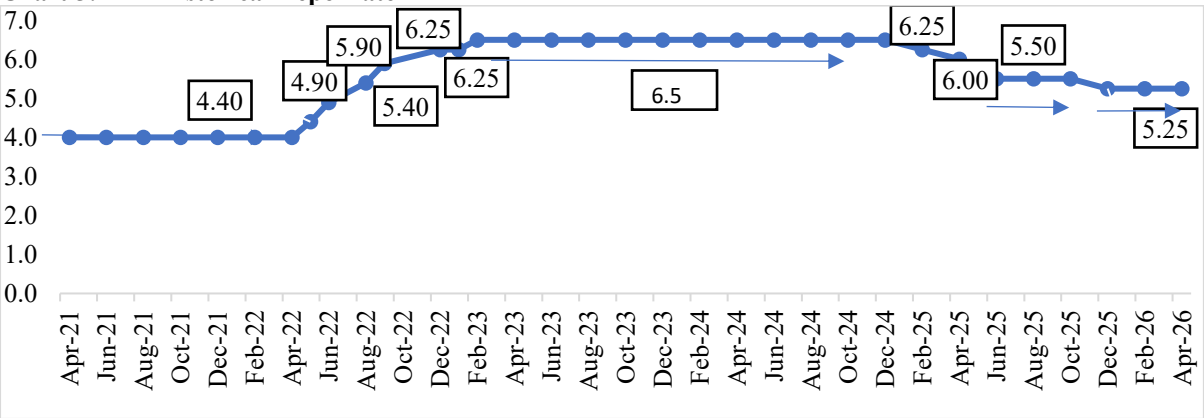


Source: MOSPI; Note: Base year for FY26 YTD has been revised to 2024, while prior years remain on the 2012 base; the January-April 2025 and 2026 figures are also reported on the 2024 base.

The CPI is primarily factored in by the RBI while preparing their bi-monthly monetary policy. At the bi-monthly meeting held in April 2026, RBI projected inflation at 4.6% for FY27 with inflation during Q1FY27 at 4.0%, Q2FY27 at 4.2%, Q3FY27 at 5.2% and Q4FY27 at 4.7%.

Considering the current inflation situation, the RBI maintained the repo rate at 5.25% in the April 2026 meeting of the Monetary Policy Committee (MPC)

Chart 5: RBI Historical Repo Rate



Source: RBI

RBI maintained a 'neutral' monetary policy stance, even as MPC noted an increase in geopolitical tensions. The growth is expected to be supported by robust private consumption and investment demand. RBI has adopted for a non-inflationary growth with the foundations of strong demand and supply with a good macroeconomic balance. With volatile trade conditions in view, the domestic growth and inflation curve requires the policies to be supportive.

The India Meteorological Department (IMD) expects a below normal monsoon, rains in most parts of the country, except in some areas of the northeast, southern peninsula, and northwest India which is likely to affect inflation levels.

The prices of petrol and diesel have increased marginally as the refineries have been absorbing the shocks by reducing the excise duty, despite high global crude oil prices. However, a further hike in prices remains monitorable due to high company losses. The rise in energy prices and weather disturbances affecting food prices are upside risks to inflation.

1.2.4 Gross Value Added (GVA)

GVA is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side whereas GDP represents consumption. GVA in FY25 was powered by a broad-based rebound across sectors.

In FY26 (SAE), real GVA growth of 7.7% is primarily led by manufacturing, Trade, Hotels, Transport, Communication & Services related to Broadcasting, Storage. Industry is estimated at 8.8%, supported by a pickup in manufacturing and construction (11.5% and 7.1% respectively). The gap between GDP and GVA growth stood at 0.1 percentage point in FY26, with GDP growing at 7.7% and GVA at 7.6%.

Table 3: Industrial sector growth (Y-o-Y growth at Constant Prices)

At Constant Prices	FY24	FY25 (FRE)	FY26 (SAE)
Agriculture, Forestry & Fishing	**2.6**	**4.2**	**2.4**
Industry	**10.9**	**8.3**	**8.8**
Mining & Quarrying	2.4	11.7	4.1
Manufacturing	12.7	9.3	11.5
Electricity, Gas, Water Supply & Other Utility Services	10.7	2.9	1.5
Construction	9.9	7.3	7.1
Services	**7.0**	**7.9**	**9.0**
Trade, Hotels, Transport, Communication & Broadcasting	10.1	6.6	10.1
Financial, Real Estate & Professional Services	5.5	10.0	9.9

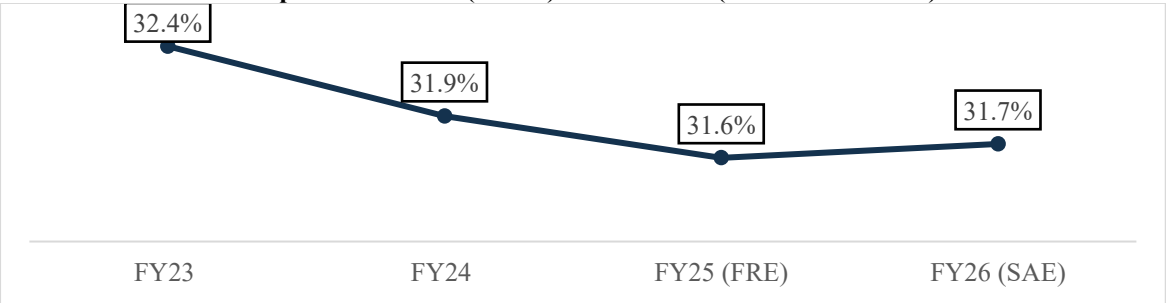
Public Administration, Defence and Other Services	6.8	5.0	5.8
GVA at Basic Price	**7.2**	**7.3**	**7.7**

Source: MOSPI; Note: FRE- First Revised Estimates, SAE – Second Advanced Estimates; The trend for FY24-FY26 is based on new series base year 2022-23.

1.2.5 Investment Trend in Infrastructure

Gross Fixed Capital Formation (GFCF) is a measure of net increase in physical assets. GFCF as a share of GDP eased during FY23-FY25 and is estimated to be broadly stable in FY26. This pattern is aligned with a period in which nominal GDP expanded, while investment growth remained positive, it did not outpace the overall nominal expansion. GFCF rose by 8.9% in FY25 and 8.8% in FY26 in real terms, alongside continued growth in consumption, indicating that the movement in the ratio reflects relative GDP shares rather than a decline in investment activity.

Chart 6: Gross Fixed Capital Formation (GFCF) as % of GDP (At Current Prices)



Source: MOSPI; Note: FRE- First Revised Estimates, SAE- Second Advanced Estimates

Overall, the support of public investment in infrastructure is likely to gain traction due to initiatives such as 'Atmanirbhar Bharat', 'Make-in India', and Production-linked Incentive (PLI) scheme announced across various sectors.

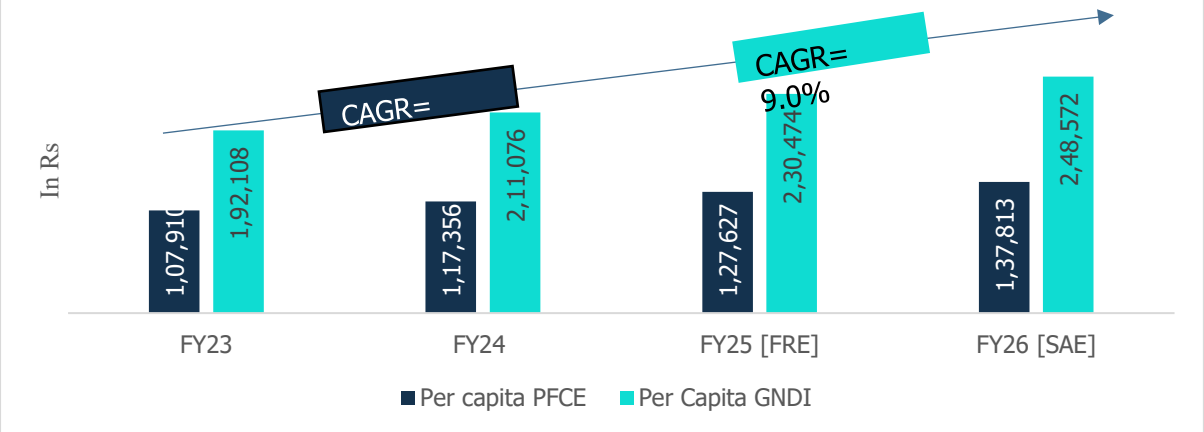
1.2.6 Per capita Private Final Consumption Expenditure (PFCE) and Gross National Disposable Income (GNDI)

- **Increasing Disposable Income and Consumer Spending**

GNDI is a measure of income available to the nation for final consumption and gross savings. Between the period FY23 to FY26, per capita GNDI at current prices registered a CAGR of 9.0%. More disposable income drives more consumption, thereby driving economic growth.

With increase in disposable income, there has been a gradual change in consumer spending behaviour as well. Per capita PFCE, which is measure of consumer spending, has also shown significant growth from FY23 to FY26 at a CAGR of 8.5%.

Chart 7: Trend of Per Capita GNDI and Per Capita PFCE (at Current Prices)

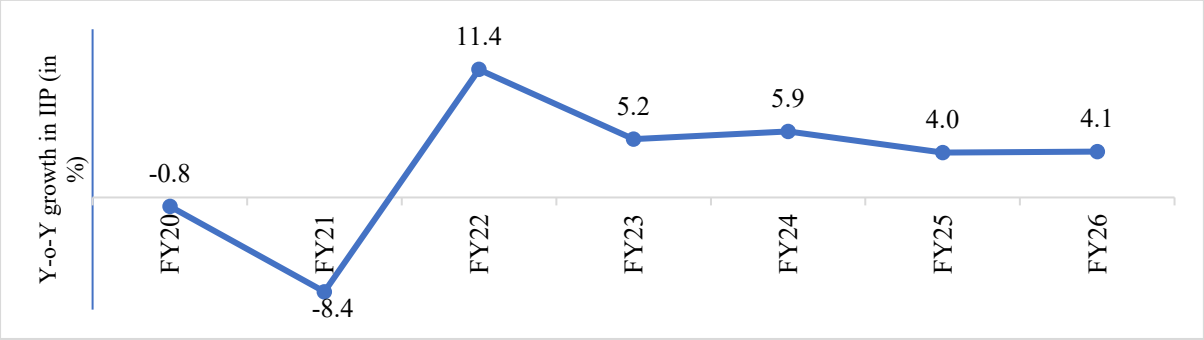


Source: MOSPI; Note: FRE – First Revised Estimates, SAE- Second Advanced Estimates; The trend for FY23-FY26 is based on new series base year 2022-23.

1.2.7 Industrial Growth

The Index of Industrial Production (IIP) in India grew by 4.1% year-on-year in March 2026, showing steady but moderate industrial momentum, with mining (5.5%) and manufacturing (4.3%) driving growth, while electricity lagged at just 0.8%.

Chart 8: Y-o-Y Growth in IIP (in %)

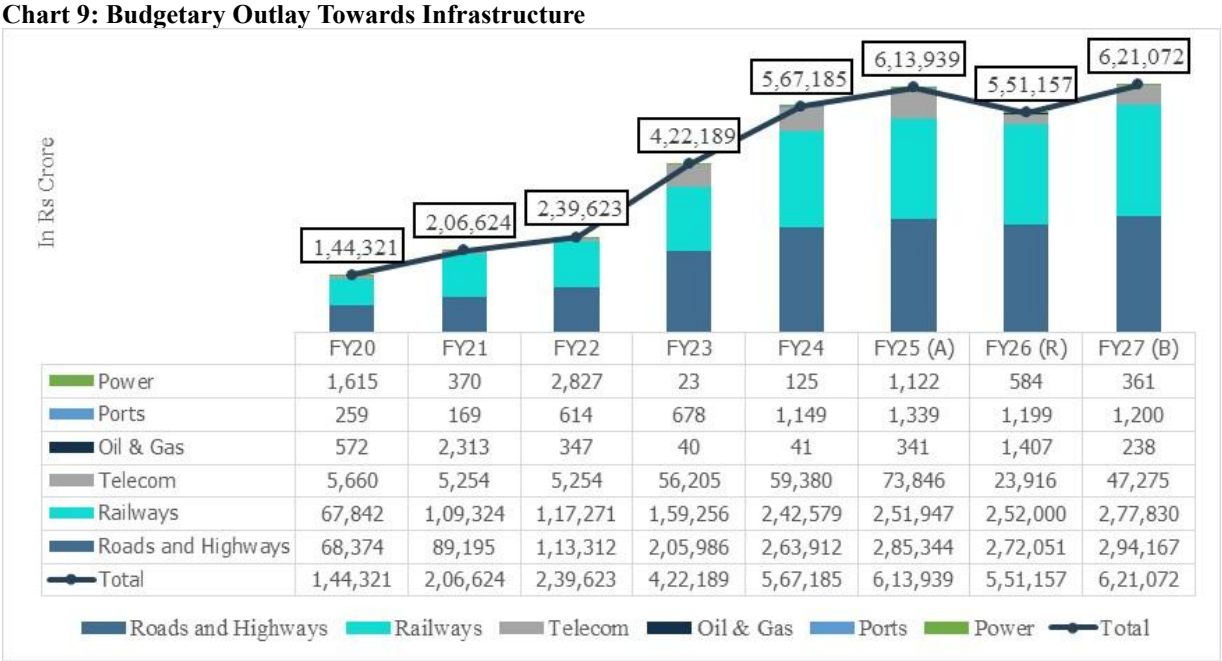


Source: MOSPI

1.2.8 Budgetary Expenditure on Infrastructure

With the growing population, the long-term need for robust infrastructure is necessary for economic development. This generates the need for massive investments in the development and modernisation of infrastructure facilities, which will not only cater to the growing demand but will also ensure competitiveness in the global market.

Chart 9: Budgetary Outlay Towards Infrastructure



	FY20	FY21	FY22	FY23	FY24	FY25 (A)	FY26 (R)	FY27 (B)
Power	1,615	370	2,827	23	125	1,122	584	361
Ports	259	169	614	678	1,149	1,339	1,199	1,200
Oil & Gas	572	2,313	347	40	41	341	1,407	238
Telecom	5,660	5,254	5,254	56,205	59,380	73,846	23,916	47,275
Railways	67,842	1,09,324	1,17,271	1,59,256	2,42,579	2,51,947	2,52,000	2,77,830
Roads and Highways	68,374	89,195	1,13,312	2,05,986	2,63,912	2,85,344	2,72,051	2,94,167
Total	1,44,321	2,06,624	2,39,623	4,22,189	5,67,185	6,13,939	5,51,157	6,21,072

Source: Union Budget FY27 document; Note: A- Actual, R- Revised, B- Budgeted

Some of the key government infrastructure schemes include:

- **Infrastructure financing and asset monetisation (Budget 2026-27)**
  - **Infrastructure Risk Guarantee Fund** announced to strengthen private developer confidence by addressing construction-phase risk.
  - **Dedicated REITs for CPSE assets** announced to accelerate recycling and monetisation of significant CPSE real estate assets, supporting capital redeployment into infrastructure.

- **Public capex push** continues, with higher Central Government capital expenditure for FY 2026-27 to sustain infrastructure-led growth.

- **Urban infrastructure and city development (Budget 2026-27)**
  - **City Economic Regions (CER)** introduced to support competitive, region-based urban infrastructure and economic agglomerations (Tier II and Tier III focus), with multi-year funding support.
  - **Urban Rejuvenation Mission (including AMRUT and Smart Cities)** continues as the principal umbrella for water supply, sewerage and urban infrastructure investments, with FY 2026-27 allocations provided in the Budget documents.
  - **PMAY-Urban 2.0** remains the primary affordable housing programme for urban areas, with FY27 allocations provided in the Budget documents.

1.3 Conclusion

Global economic growth faces headwinds from geopolitical tensions, volatile commodity prices, high interest rates, inflation, financial market volatility, climate change, and rising public debt. The IMF forecasts GDP growth for India at 6.5% in CY26, far outpacing the estimated CY26 global average of 3.1%. Key drivers include strong domestic demand, government capital expenditure and moderating inflation.

Public investment is expected to exhibit healthy growth as the government has allocated a strong capital expenditure of about Rs 12.20 lakh crores for FY27. The private sector's intent to invest is also showing improvement as per the data announced on new project investments and resilience shown by the import of capital goods. Additionally, improvement in rural demand owing to healthy sowing, improving reservoir levels, and progress in south-west monsoon along with government's thrust on capex and other policy support will aid the investment cycle in gaining further traction.

As of May 2026, India–US trade negotiations are ongoing, and the final Bilateral Trade Agreement (BTA) has not yet been concluded. In February 2026, both countries announced a framework for an Interim Agreement aimed at promoting reciprocal and mutually beneficial trade. Under this framework, the United States proposed an 18% reciprocal tariff rate on Indian goods, while also indicating the possible removal of tariffs on sectors such as generic pharmaceuticals, gems and diamonds, aircraft parts and certain engineering products, subject to finalisation of the agreement.

India continues to strengthen its position through diversification of trade partnerships and expansion of FTAs with the EU, UK, EFTA and other economies. This, along with India's growing manufacturing capacity and supply-chain integration, supports its competitiveness in sectors such as electronics, textiles, pharmaceuticals and auto components.

The Iran conflict has disrupted shipping through the Strait of Hormuz route, a critical chokepoint for global oil and LPG trade, handling a significant share of India's energy imports and playing a vital role in maintaining stable supply chains. Any disruption in this region can affect shipping routes, increase freight and insurance costs, and create supply-side uncertainties for energy imports. Prolonged geopolitical tensions or conflict in the region could lead to sustained increases in crude oil and LPG prices, which may translate into higher input costs across industries and contribute to inflationary pressures in the Indian economy.

2. Overview of the Indian Trade Scenario

2.1 Overview

Post-liberalisation, India progressively integrated with the global economy. The pace of foreign trade has expanded over the years with growing trade relationships globally. This has aided the technological and economic developments of the country. In addition, it has facilitated enhanced living standards and disposable incomes.

Some of the key factors that make India a lucrative destination for trade are as below:
- Rich natural resources
- Technological proficiency
- High and semi-skilled labour availability
- Favourable demography
- Continuous government support

Foreign trade broadly comprises merchandise (or goods) and services. India's overall exports, combining merchandise and services in FY26 were valued at around USD 860.1 billion, exhibiting growth of 4.2% on a Y-o-Y basis. Merchandised trade accounted for 51% of total exports and the remaining 49% pertained to exports of services during this period. Imports were valued at USD 979.4 billion in FY26 registering Y-o-Y growth of 6.5%. The United States remained the largest export destination followed by the UAE, China, the Netherlands, UK and Singapore, while the major sources of imports were China, the UAE, Russia, the United States and Saudi Arabia.

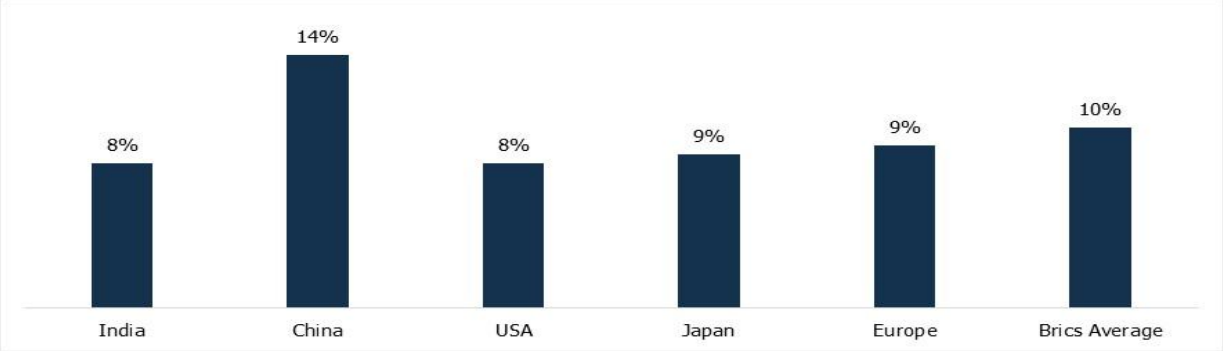
Chart 10: Overall Trade Scenario

Source: Ministry of Commerce and Industry, PIB, CareEdge Research

2.2 Comparison of Logistics Cost

Logistic cost is an important parameter in the globally competitive market. India's current logistics cost as a share of GDP is about 8% which is in line with China. This level is lower than earlier estimates (13% to 14%) and reflects a gradual optimisation in recent years. This is broadly comparable with developed economies such as the USA, Japan, and Europe and lower than China and the BRICS average. The chart below shows the comparison of the share of logistics cost in GPD of India v/s other economies.

Chart 11: Logistics Cost as Share of GDP



Source: Niti Aayog, World Bank, Industry Sources; Note: The year may be different for different countries

The logistics cost in India, while now comparable to global benchmarks, continues to face the following challenges that limit further reduction:

- **High Share of Road in Inter-Modal Mix**

The capacity of Indian railways has been constrained. It faces challenges like rake availability and delays in rake placements. Despite rail being a lower-cost option at Rs 1.96 per tonne-km compared with Rs 3.78 per tonne-km for road, ~71% of freight continues to move by road while rail handles around 18%.

- **Inefficient Transport Vehicles**

India has a fleet of small and inefficient trucks. The highest capacity of trucks in India is 16 tonne and 25 tonnes. In developed countries, the trucks have 26-40T capacity. In addition, heavy-duty trailers can reduce cost to Rs 1.51 per tonne-km, light trucks cost as high as Rs 11 per tonne-km.

- **Road Infrastructure Constraints**

Underdeveloped road infrastructure leads to inefficient movement of freight. Additionally, there is a lack of 4/6 lane roads, which further results in congestion across the key routes leading to an increase in costs.

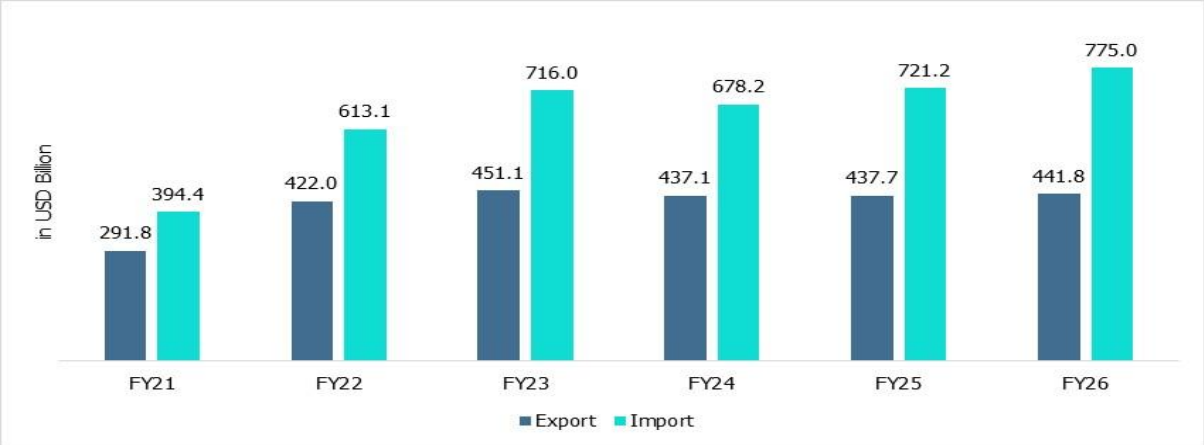
The logistics industry connects other industries to domestic and international markets. High logistics costs affect the efficiency of the manufacturing global value chains and the competitiveness of a country's economy within these value chains. Therefore, it adversely affects the global competitiveness of the industry and consequently hampers the overall economic prosperity of the nation.

2.3 Performance of India's Merchandise Trade

India's merchandise trade surpassed the USD 1 trillion mark in FY22, and this trend has continued in recent fiscal years. The merchandise exports stood at USD 437.1 billion in FY24, declining by 3.1% compared with USD 451.1 billion in FY23. The decline was primarily on account of weak external demand and lower realisations in key sectors such as engineering goods, chemicals and textiles. The declining trend continued in FY25, however in FY26, exports grew by 0.9% Y-o-Y basis. This modest growth reflects ongoing pressure on goods exports, influenced by shifting global demand, commodity price volatility and the impact of continuing geopolitical tensions worldwide.

Merchandise imports were recorded at USD 678.2 billion in FY24, a decline of 5.3% compared with USD 716.0 billion in FY23. The moderation was driven by easing crude oil prices and measures taken to restrict non-essential imports. In FY26, imports increased by 7.5% Y-o-Y basis. This led to a sharp widening of the merchandise trade deficit to USD 333.19 billion, reflecting continued dependence on imports, particularly for energy and industrial inputs.

Chart 12: Performance of India's Merchandise Trade



Source: Ministry of Commerce and Industry, PIB, CareEdge Research

2.4 Overview of Indian Trade Through Rail Mode

The Indian logistic industry has been witnessing rapid growth supported by high economic growth coupled with the rising population and improved standards of living. With rising income levels, higher exports, and rapidly growing e-commerce and retail markets, the demand for goods movement is expected to increase five-fold by FY50. This will spur growth across all the freight modes.

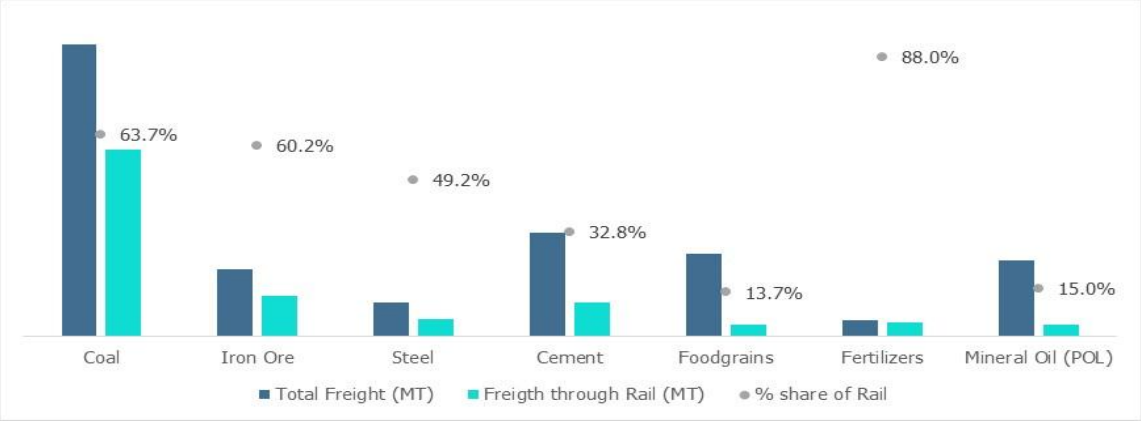
2.5 Share of Rail Mode in Domestic Freight

India being a large subcontinent, efficient and low-cost transportation of minerals, food grains and industrial goods is vital for economic growth. Rail mode is one of such effective freight modes. It offers cost-effectiveness, reliability and faster transit time and supports environmental factors such as carbon emissions.

Over the last seven decades (from 1950-51 to 2021-22), India's logistics market has grown manifold by almost 63 times, whereas in comparison, Rail Cargo has grown only by about 20 times. In FY25, rail market share is about 18%, which showcases substantially slower growth in rail freight. The Indian Railways has made sustained efforts to improve the ease of doing business and enhance service delivery at competitive prices, resulting in new traffic coming to railways from both conventional and non-conventional commodity streams. Additionally, road logistics is significantly shifting towards rail. Major automobile manufacturers, including Maruti Suzuki, are shifting their car logistics to Rail wherever feasible. Many transport operators are investing in car-carrying wagons, while the Indian Railways provides locomotives to facilitate movement over medium and long-distance routes. As a result, trucks are now largely limited to last-mile delivery. Similarly other sectors like white goods,

tea, cement etc are shifting towards rail transportation. The transportation companies are evolving into multi-modal logistics operators, benefiting from greener operations, potential carbon credits, and reduced transportation costs. This is expected to drive consistent growth in locomotive manufacturing in future.

Chart 13: Railway's Current Share in Freight Movement of Select Major Commodities (as of FY25)



Source: Indian Rail Yearbook, Note: Data Excluded loading on Konkan Railway

As of FY25, the Indian Railways has a total route length of about 69,439 km. To improve the share of freight traffic by rail, it is essential to strengthen the rail network and build efficient warehouses. In FY20, the Indian Railways established a 'National Rail Plan (NRP) for India – 2030'. This plan is aimed at formulating strategies based on both operational capacities and commercial policy initiatives to increase the modal share of the railways in freight to 45% by FY30.

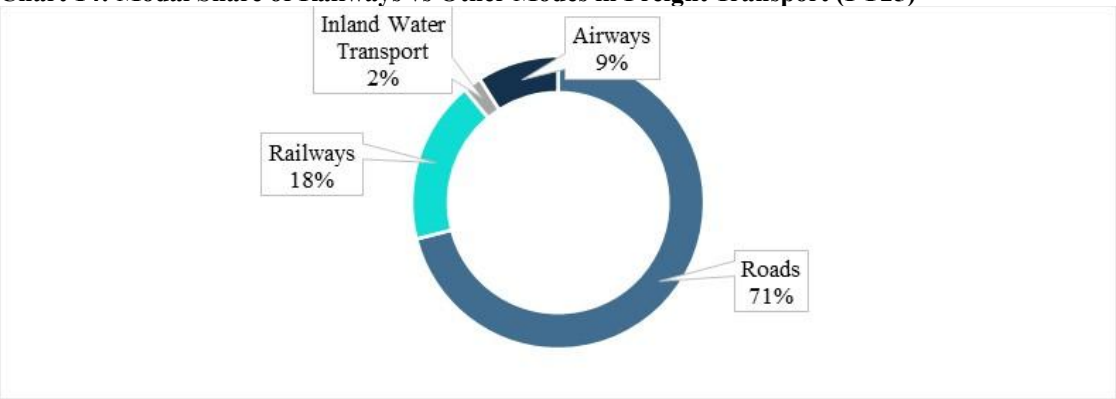
Accordingly, a pipeline of capacity enhancement works was envisaged for easing the bottlenecks/constraints and augmenting the network to make it capable of moving 3600 MT cargo by FY30. For which, 'Mission 3000MT' has been formulated as an intermediate milestone towards achieving the aforesaid ambitious target of NRP.

Through NRP, Indian Railway is striving to achieve a modal share of 45% through a combination of capacity enhancement works and lowering of cost to customers by FY30.

Modal Share and Volume Growth of Railways in Freight Transport

Indian Railways has prepared a National Rail Plan (NRP) for India – 2030 which envisages creation of a 'future ready' railway system by 2030. NRP aims to increase modal share of the Indian Railways in freight to 45% by FY30 from the current 18% by augmenting the freight volumes from 1,617.4 million tonnes in FY25 to 3,600 million tonnes by FY31, implying a CAGR of 14%. The objective of the plan is to create capacity ahead of demand, which in turn would also cater to future growth in demand up to FY50.

Chart 14: Modal Share of Railways vs Other Modes in Freight Transport (FY25)



Source: PIB

2.6 Future Potential for Railways as a Mode of Transport

Under the Foreign Trade Policy 2023 announced in March 2023, the Indian government has set a target to achieve exports worth USD 2 trillion by CY30 compared to USD 860.1 billion in FY26, with merchandise and services exports contributing in broadly comparable proportions. In the previous fiscal, the top 10 Merchandise export destinations for India included the US, UAE, the Netherlands, the UK, China, Singapore, Saudi Arabia, Bangladesh, Germany and Australia. Currently, most of the exports are through either air or sea. However, the share of rail in export logistics is expected to increase driven by the following measures.

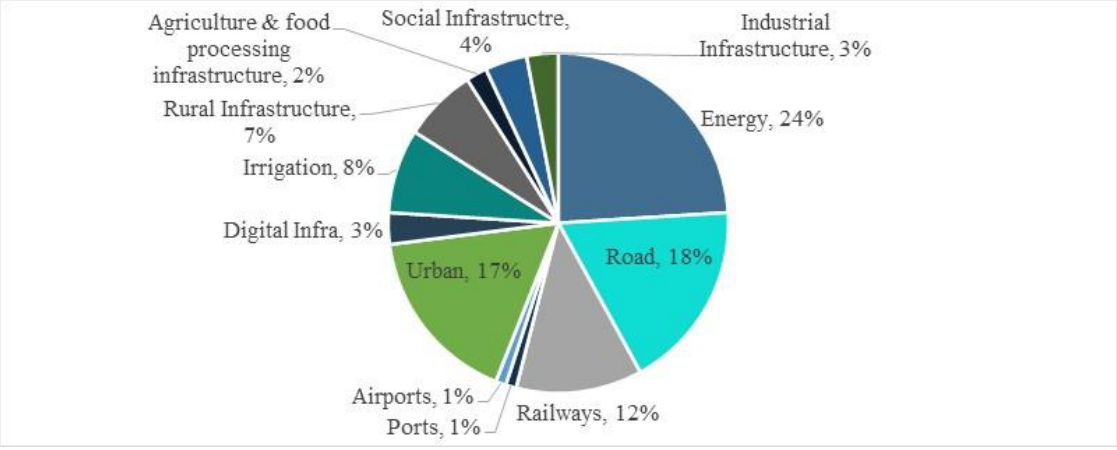
- **India-Middle East Europe-Economic Corridor**: At the G20 Summit held in September 2023, the G20 leaders announced the plan to construct a rail and shipping corridor that would link India with the Middle East and Europe and advance trade between several economies. This project will consist of two corridors, one connecting India to the Arabian Gulf and one connecting the Gulf to Europe. This project is expected to reduce trade costs, generate jobs, lower greenhouse gas emissions, and increase trade efficiency. The MOU on this corridor was signed by India, the USA, Saudi Arabia, UAE, the European Union, Italy, France and Germany.
- **Euro-Asia Rail Route**: India has been exploring opportunities to connect its rail network to the Euro-Asia Rail routes. This involves improving rail infrastructure within India and establishing international rail links to countries like Iran, which can serve as gateways to the broader Euro-Asia Rail network. This can enhance India's trade connectivity with Europe and Central Asia.
- **Along** with this, India has been working on the **Chabahar Port** project in Iran, which aims to provide an alternative trade route to Afghanistan and Central Asia. Rail connectivity will be a crucial component of this project, allowing goods to flow seamlessly between Chabahar Port and India's hinterland. In May 2016, a MoU was signed between IRCON International Limited of India and the Construction, Development of Transport and Infrastructure Company (CDTIC) of Iran for the construction of the Chabahar-Zahedan Railway Project.
- **Domestic Initiatives – DFCs and Port Connectivity**: Within India, the Dedicated Freight Corridors (DFC) and port-connectivity projects are expanding the share of rail in EXIM logistics. The Western and Eastern DFCs, along with planned extensions, are designed to decongest passenger lines, improve cargo turnaround time, and provide seamless connectivity between industrial clusters and ports.

India has significant potential to enhance its trade with other economies by focusing on rail as a mode of transport. Leveraging its extensive rail network, combined with strategic investments and policy reforms, can position India as a major player in the global trade arena, boosting economic growth and prosperity.

2.7 India's Investment in Transport Infrastructure

India has been making significant investments in transport infrastructure to support its growing economy and improve connectivity across the country. Before the onset of the pandemic the Government of India had unveiled the National Infrastructure Policy (NIP) covering various sectors and regions indicating that it is relying on an 'infrastructure creation' led revival of the country's economy. The NIP which covered rural and urban infrastructure entailed investments to the tune of Rs.111 trillion to be undertaken by the central government, state governments and the private sector during FY20-25. The below chart depicts sector-wise break up of capex of Rs 111 trillion:

Chart 15: Sector-wise Break-up of Capital Expenditure Worth Rs 111 trillion During FY20- FY25



Source: National Infrastructure Pipeline

Under NIP, the transport infrastructure promoting trade growth involves the road, railways, port, and airport segments. The capital expenditure plan between FY20 to FY25 for these sectors are depicted in the table below:

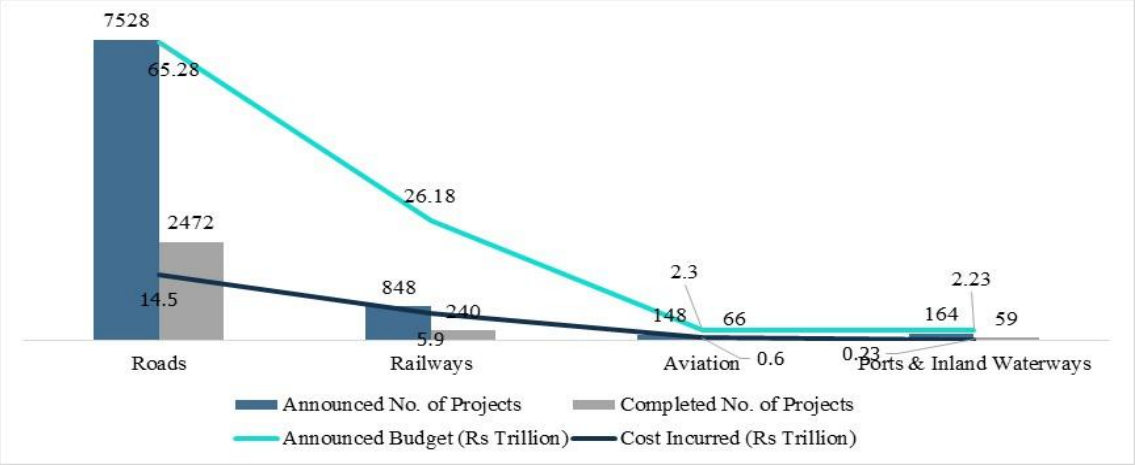
Table 4: Capital Expenditure Plan Between FY20 to FY25

Particulars (in Rs Billion)	FY20	FY21	FY22	FY23	FY24	FY25	Total
Road	3,325.6	3,832.8	3,569.7	2,527.8	2,407.6	3,326.6	20,338.2
Railways	1,333.9	2,624.7	3,088.0	2,738.3	2,212.1	1,678.7	13,675.6
Port	133.6	181.0	206.5	158.6	77.2	100.0	1,211.9
Airport	186.7	216.6	248.2	213.3	253.9	51.4	1,434.5

Source: National Infrastructure Pipeline

The NIP was launched with a projected investment of approximately Rs 111 trillion for the period FY 2020–2025. This initiative aims to provide world-class infrastructure nationwide and enhance the quality of life for all citizens. It also envisages improving project preparation and attracting domestic and foreign investment in infrastructure. NIP was launched with 6,835 projects, which has expanded to over 14,000 projects covering 62 infrastructure sub-sectors. The investment target has since been expanded to Rs 242.2 trillion, reflecting the government's enhanced focus on infrastructure development and wider sectoral coverage. As of now, projects worth Rs 33.4 trillion have been completed, accounting for 32% of the revised target. While the original horizon was set for FY2020–2025, the program will continue beyond FY25, aligning with India's long-term infrastructure and economic growth objectives.

Chart 16: NIP Project Status Within Transport Infrastructure



Source: National Infrastructure Pipeline

2.8 Key Industries in India Depending on Rail Freight

Agriculture, construction, mining and quarrying are some of the key sectors dependent on rail transportation in both output and input terms. Under the agriculture sector, food grains and fertilisers are the key commodities using rail for transportation. As inputs for the construction sector, iron ore, steel and cement are the key commodities that are largely transported through rail. Under mining & quarrying, coal is the primary commodity, which holds the biggest share in the commodity basket of rail mode.

To understand the supply side of these sectors, Gross Value Added (GVA) is an appropriate measure. GVA measures the value of goods and services produced in an economy. The table below depicts the sectoral growth on a value-added basis for some of the key industries:

Table 5: Sector-wise GVA and Growth (Y-o-Y % Growth) (at Constant Prices)

Sector (in Rs Crores)	FY24	FY25 (FRE)	FY26 (SAE)	Change Over Previous Year		
				FY24	FY25 (FRE)	FY26 (SAE)
Agriculture, Livestock, Forestry & Fishing	**4,881,626**	**5,085,532**	**5,208,800**	**2.6%**	**4.2%**	**2.4%**
Industry	**7,413,706**	**8,026,760**	**8,731,334**	**10.9%**	**8.3%**	**8.8%**
Mining & Quarrying	518,002	578,568	602,175	2.4%	11.7%	4.1%

Manufacturing	3,924,673	4,289,237	4,783,866	12.7%	9.3%	11.5%
Electricity, Gas, Water Supply & Other Utility Services	652,765	671,525	681,743	10.7%	2.9%	1.5%
Construction	2,318,266	2,487,430	2,663,550	9.9%	7.3%	7.1%

Source: MOSPI; Note: FRE: First Revised Estimates; SAE: Second Advance Estimate

In FY26, the agriculture, livestock, forestry and fishing sector is estimated to grow by 2.4% Y-o-Y, moderating from 4.2% in FY25. While agricultural growth is expected to remain positive, the pace is likely to moderate due to the high base of FY25 and continued sensitivity to monsoon distribution, crop yields and input cost movement. Going forward, rising institutional credit, improving export opportunities and continued government focus on irrigation, productivity enhancement and rural infrastructure are expected to support medium-term growth in the sector.

The industrial sector is estimated to maintain strong momentum in FY26, with GVA growth of 8.8% Y-o-Y, compared with 8.3% in FY25. Growth is expected to be primarily driven by the manufacturing sector, which is estimated to expand by 11.5% in FY26, supported by improving domestic demand, capacity additions and policy support for industrial production.

3. Railway Infrastructure in India

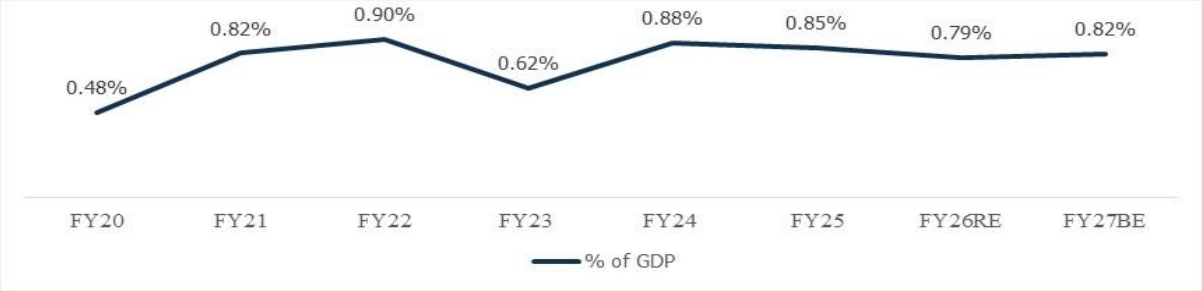
3.1. Contribution of Transport Sector to Indian Economy

Transportation - rail, road, air and maritime – pays a very important role in the economic growth of a country. Expansion of transportation infrastructure enables efficient movement of raw materials, finished goods, labour, equipment etc. and opens new markets. Owing to these factors, transportation infrastructure development has been one of the foremost focus areas of the Indian Government, as evident from the increasing budgetary outlay towards the transportation sector.

Chart 17: Contribution of Transport Sector to GVA

Source: MOSPI, note: The trend for FY23-FY25 is based on new series base year 2022-23

Chart 18: Budget Allocation Towards Railways as a Percentage of GDP



Source: Union Budget, MOSPI, CareEdge Research, Note: RE – Revised Estimate, BE – Budgeted Estimate: The trend for FY23-FY27 is based on new series with base year 2022-23

The budget allocation towards Railway sector has increased over years and have resulted the percentage budget allocation towards railways to GDP ratio increase from 0.48% in FY20 to 0.82% in FY27BE.

3.2 Railway Infrastructure

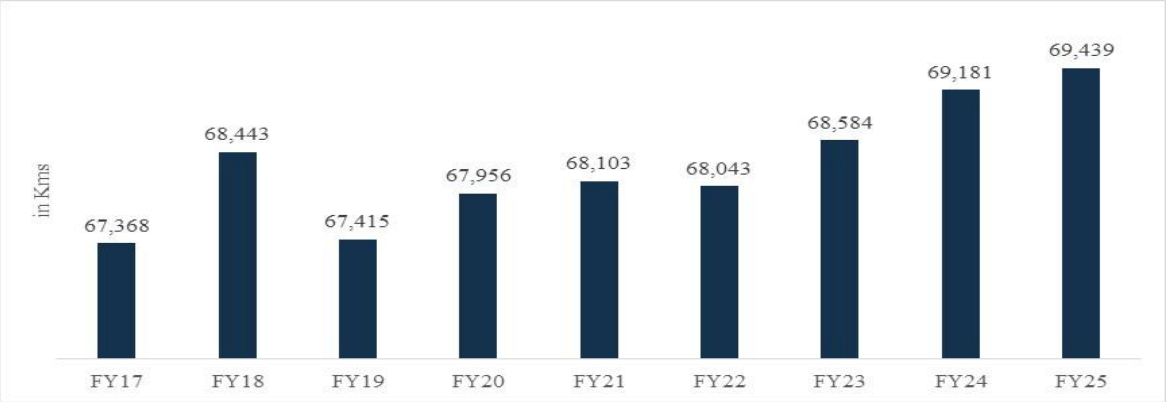
Railways are one of the most efficient and cost-effective modes of transport globally as they can carry higher numbers of passengers and cargo at higher speeds over long distances. It is also the most environment-friendly

mode of land transport with much lower energy consumption and carbon dioxide emission compared to roadways or waterways.

3.2.1 Overview of Indian Rail Track Length

Indian Railways is the fourth-largest railway system in the world behind the US, Russia and China. India has over, 69,400 route km along with 7,469 stations as of FY25. The number of passengers carried, and freight transported has been on the rise over the past few years. Between CY14-CY25, Indian Railways has laid 34,428 Kms of new tracks, at a construction run rate of around 8.57 kms of tracks laid per day which is more than twice the average daily commissioning (4.2 km/day) during the period CY09–CY14. For FY27, Rs 22,853 crores has been estimated for allotment to track renewals, and Rs 36,721 crores have been allocated to construct new lines. The Indian Government is hence focusing on the improvement of the Indian Railway infrastructure and is expected to invest more in the railway's infrastructure in the coming years.

Chart 19: Indian Railway Route Length

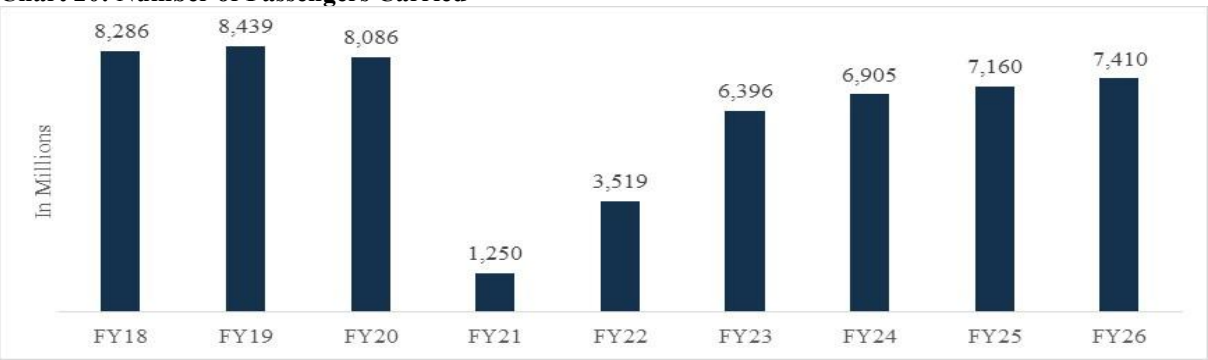


Source: Indian Railway Yearbook

3.2.2 Freight and Passengers Carried by Indian Railways

Passenger and freight traffic were adversely affected in FY21 due to COVID-19 pandemic, associated lockdowns and restricted movement of passengers and cargo. The passenger numbers declined by 85% in FY21, but the tonnage carried remained steady due to the cargo carriages. Whereas in FY22, the passenger traffic rebound with 182% growth over Covid-19 pandemic years while freight traffic remained in the same range. In FY26 the total number of passengers carried rose by 3.54% Y-o-Y, reflecting sustained growth in rail usage across the country, while IR carried a record 1,670 Million Tonnes (MT) of freight, registering a growth of 3.25% over the previous year.

Chart 20: Number of Passengers Carried



Source: Indian Rail Yearbook; PIB, CareEdge Research

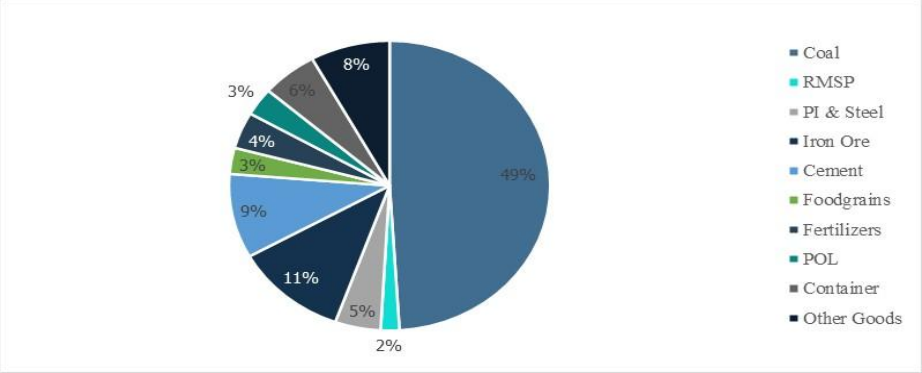
Chart 21: Tonnage Carried over the Years

Source: Indian Rail Yearbook; PIB, CareEdge Research

3.2.3 Split of Rail Freight Across Commodity Basket; Outlook for Split by FY30E in India

In rail freight volumes, there is a significant dependency on coal, iron ore, steel, cement, food grain, POL and fertiliser, contributing almost 80% of total railway freight volume. These commodities have witnessed slower growth in the past few years and are likely to grow at the same pace in the future vis-à-vis overall growth of the logistics sector, owing to factors like the emergence of renewable energy, rise in pithead-based power plants, pipeline-based POL movement, modal shift to the road etc. Railway's share in the transport of other goods such as stone, bauxite, finished metals, zinc, manganese, agricultural produce, fodder, edible oil, ashes, gypsum, sugar, salt, sand, de-oiled cake, chemicals, dolomite, limestone, slag, timber, concrete product etc., was 8% in FY26. This is severely limiting the railways' growth potential in the freight segment.

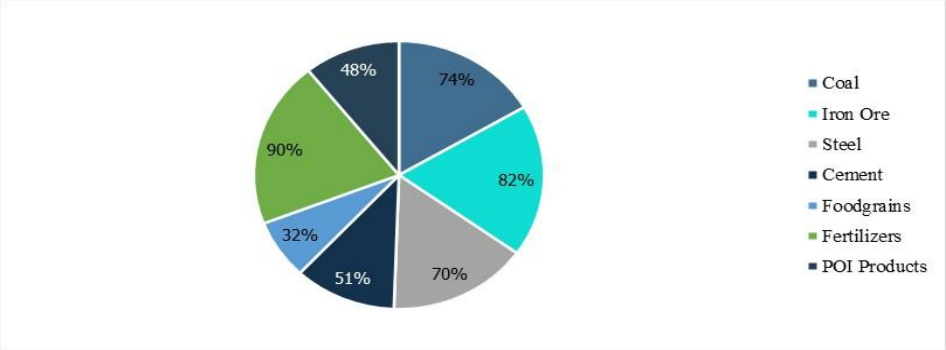
Chart 22: Indian Railways Share Across Commodity Basket in FY26 (Tonnage-1,670 MT)



Source: PIB

Through NRP, Indian Railway is striving to achieve modal share of 45% through a combination of capacity enhancement works and lowering of cost to customer by FY30.

Chart 23: Indian Railways Share Across Commodity Basket in FY30E (Tonnage- 3600 MT)



Source: Ministry of Railways, Report of the Committee on Mission 3000 million tonnes

3.2.4 Budgetary Support

As the infrastructure expenditure to GDP multiplier is estimated to be 2.5-3.5x, the government has identified infrastructure development as a key focus area to become a USD 5 trillion (Rs 419 trillion) economy by FY26-

27. To achieve this objective, the government launched the National Infrastructure Pipeline (NIP) in 2019 which identified a group of social and economic infrastructure projects to be implemented during FY20-25. Railways is one of the key enablers for economic growth and an investment of Rs 50 lakh crores was suggested by the government to improve the railway infrastructure over 2018-2030. The budgetary allocation to Indian Railways has been on a rise.

Chart 24: Budgetary Outlay Towards Railways

Source: Budget Documents. Note: RE – Revised Estimate, BE – Budgeted Estimate, Note: The Budget is calculated on Net Basis

In the Union Budget FY26-27, the government has allocated Rs 2,813.8 billion towards railways. The projects like track doubling, new lines, track renewable, gauge conversion etc. have also seen significant growth in budget allocation over FY20 to FY27.

Table 6: Budgetary Outlay Towards Railway Projects (in Rs Billion)

Railway Projects	FY20 (A)	FY21 (A)	FY22 (A)	FY23 (A)	FY24 (A)	FY25 (R)	FY26 (B)	FY27 (B)
Track Construction								
Doubling	6.8	3.8	86.8	256.2	368.1	327.9	290.3	377.5
New Lines (Construction)	98.7	10.6	207.8	243.8	337	333.6	306.3	367.2
Track Renewals	93.9	0	107	165.6	178.5	234.3	251.7	228.5
Gauge Conversion	33.1	1.2	18	23.4	44.9	52.1	42.8	46.0
Rolling Stock and Wagon Manufacturing								
Rolling Stock	39.6	8.4	68.2	134.9	440.3	478.3	500.1	521.1
Passenger Amenities	19	17.9	28	20	81.2	130.3	121.2	119.7
Safety Infrastructure								
Road Safety Works	48.7	0.2	64	46.8	66.6	76.5	84.3	90.3
Signalling and Telecom	16.2	0.1	24.5	21.5	37.5	55.7	65.0	75.0
Others								
Leased assets - Payment of Capital Component	104.6	119.5	194.6	145.8	207.4	227.0	281.6	396.5
Investments & Others	465.8	305.2	694.7	620.2	318.4	253.6	216.0	172.5
Manufacturing Misc.	398.5	311	401	467.5	512.8	562.3	655.0	741.2
Total	**1,325.1**	**777.8**	**1,894.6**	**2,145.5**	**2,592.7**	**2,731.7**	**2,814.2**	**3,135.5**

Source: Budget Documents. Note: B – Budgeted, A – Actual, R – Revised and Includes Internal and Extra Budgetary Resources (IEBR)

3.3 Other Initiatives

3.3.1 National Rail Plan (NRP)

The NRP envisions a comprehensive transformation of India's railway infrastructure, aiming to enhance both capacity and efficiency. By 2030, the plan targets increasing the rail network's capacity by 100% through significant investments and expansions. This includes doubling 25,000 kilometers of tracks, increasing modal share of freight and electrifying of the rail network. The development of dedicated freight corridors is projected to boost freight handling capacity by 200 million tonnes annually, reducing congestion on passenger lines.

Additionally, the introduction of high-speed rail corridors, such as the Mumbai-Ahmedabad route, aims to cut travel times between major cities by up to 50%, potentially accommodating up to 150,000 passengers per day. Financially, the NRP anticipates an investment of approximately Rs 12,582 billion over the next decade, with 40% expected to come from public-private partnerships. This ambitious plan also includes modernizing 1,200 stations, enhancing passenger amenities, and integrating advanced signaling systems across 40,000 kilometers of track. With these measures, the NRP seeks to significantly improve operational efficiency, safety, and service quality, positioning Indian Railways as a more competitive and sustainable transportation network.

The key objectives of the National Rail Plan are: -
Formulate strategies based on both operational capacities and commercial policy initiatives to increase modal share of the Railways in freight to 45%.

- Reduce transit time of freight substantially by increasing average speed of freight trains to 50Kmph.
- As part of the National Rail Plan, Vision 2024 has been launched for accelerated implementation of certain critical projects by CY24 such as 100% electrification, multi-tracking of congested routes, upgradation of speed to 160 kmph on Delhi-Howrah and Delhi-Mumbai routes, upgradation of speed to 130kmph on all other Golden Quadrilateral-Golden Diagonal (GQ/GD) routes and elimination of all Level Crossings on all GQ/GD route.
- Identify new Dedicated Freight Corridors.
- Identify new High-Speed Rail Corridors.
- Assess rolling stock requirement for passenger traffic as well as wagon requirement for freight.
- Assess Locomotive requirement to meet twin objectives of 100% electrification (Green Energy) and increasing freight modal share.
- Assess the total investment in capital that would be required along with a periodical break up.
- Sustained involvement of the Private Sector in areas like operations and ownership of rolling stock, development of freight and passenger terminals, development/operations of track infrastructure etc.

High Density Network (HDN)

HDN is consist of network that has high traffic density movement. It comprises of 16% that is 11,000 km of the total Indian Railway Network but transport 41% of the total traffic. For the easement of the situation seven high density network routes have been proposed under NRP –

Table 7: Proposed HDN Route in India

HDN	Routes
1	Delhi Howrah Main Route via ALD MGS Gaya
2	Howrah - Mumbai main route via Jalgaon, Nagpur, Bilaspur
3	Delhi-Mumbai Main Route via Kota Ratlam
4	Delhi-Guwahati via Rosa-Gorakhpur-Kumedpur
5	Delhi-Chennai Main Route via BPL-NGP-BPQ-BZA-Gudur
6	Howrah Chennai Main Route
7	Mumbai-Chennai main route

Source: NRP Document

Highly Utilised Network (HUN)

There is a total of 11 routes identified as Highly Utilised Network, which constitute of 23,347 km of total length. The HUN comprises of 35% of the total railway network and is responsible for the transport of 40% of the total traffic moving on Indian Railway Network. Under NRP, the following 11 routes are proposed -

Table 8: Proposed HUN Route in India

	HUN Routes	Total Length (in Kms)
1	Amrit Sagar Sampark Corridor	3,049
2	Bengal Arab Sagar Sampark Corridor	3,035
3	Kathiawar Shivalik Sampark Corridor	1,685
4	Sagar Sutlej Sampark Corridor	1,529
5	Bundelkhand Tarai Sampark Corridor	2,151
6	Sagar Purvodaya Sampark Corridor	1,490

	HUN Routes	Total Length (in Kms)
7	Sagar Chambal Sampark Corridor	2,737
8	Purv Paschim Deccan Sampark Corridor	1,501
9	Aravali Dakshin Sampark Corridor	2,803
10	Satpura Coromandel Sampark Corridor	2,232
11	Konkan Malabar Sampark Corridor	1,134
	Total	**24,230**

Source: NRP Document

3.3.2 Dedicated Freight Corridor (DFC)

DFC is broad-gauge high-capacity railway corridor under construction by the Indian Railways that is exclusively meant for the transportation of goods and commodities. If was conceptualised in around CY05 with an aim to increase share of railways in total domestic freight transportation and Dedicated Freight Corridor Corporation of India (DFCCIL) was set up to undertake planning & development, mobilisation of financial resources, construction, operation & maintenance and business development of the dedicated freight corridors. The main objectives of DFCCIL are as below:

- Decongest the existing Indian Railway network.
- Increase the average speed of goods trains from existing 25 to 70 kmph.
- Run Heavy Haul trains (higher axle load of 25/32.5 Tonne) & overall load of 13,000 Tonne.
- Facilitate the running of longer (1.5km) and double stack container trains.
- Connect the existing ports and industrial areas for faster movement of goods.
- Energy efficient and environment friendly rail transport system as per global standards.
- Increase the rail share for DFC from existing 30% to 45%.
- Reduce the logistic cost of transportation

Key features of the DFCs include double speeds, higher load carrying capacity, and double stacking capability.

Table 9: Railway Infrastructure – by Key Segments

Design Feature	Indian Railway	DFC
Height	4.265m	5.1m/7.1 m
Width	3,200 mm	3,600 mm
Train Length	700 m	700m/1500m
Train Load	5,400 tonnes	12,000 tonnes
Axel Load	22.9 tonnes	25 tonnes track structure; Bridges and formation designed for 32.5 tonnes
Average Speed	25 kmph	>65 kmph
Traction	Electrical (25 Kv)	Electrical (2*25kv)
Signaling	Absolute/automatic with 1 Km spacing	Automatic with 2 Km spacing in automatic territory

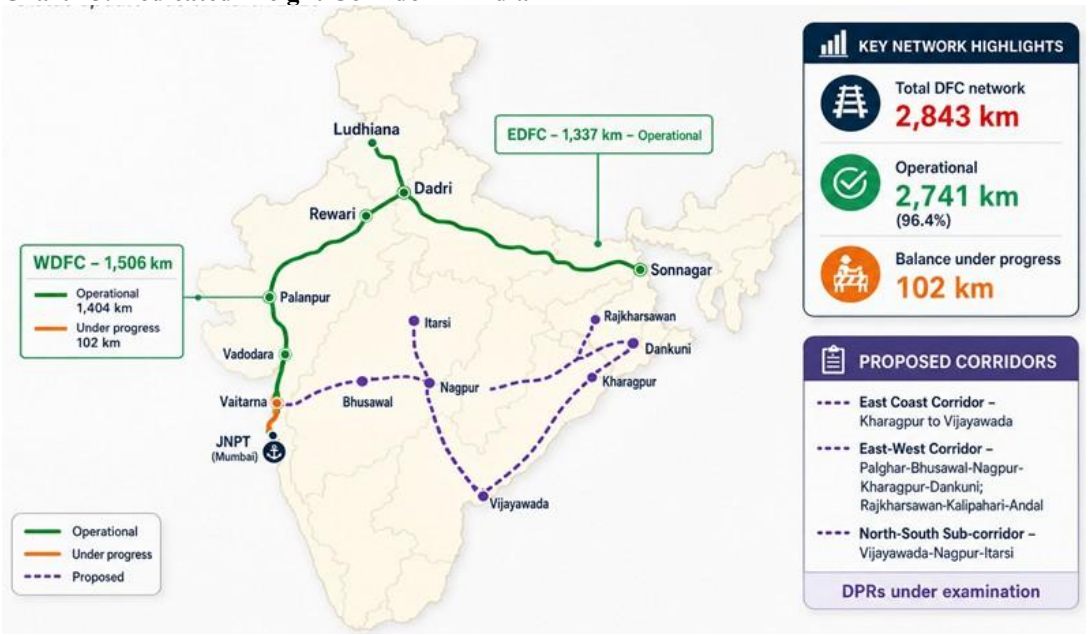
Source: Dedicated Freight Corridor Corporation of India

DFCs are proposed to use state-of-the art technology including the following:

- Heavy and long-Haul train operation of 25 Axle ton with having provision of 32.5 Ton axle load for the First time in India.
- Double stack containers in Western DFC
- Double line electric (2 X 25 KV) track to undertake higher haulage at higher speeds
- Automated New Track Construction (NTC) machine which can lay track at the speed of 1.5 km per day.
- Automated Wiring train for Overhead Equipment Work (OHE) capable of wiring up to 3 km per shift.
- Train Protection and Warning System (TPWS) for safe and efficient operation
- Elimination of road level crossing
- Developing Multi Modal Logistic Hubs and integration with Delhi-Mumbai Industrial Corridor & Amritsar-Kolkata Industrial corridor.

Ministry of Railways has taken up construction of two DFCs viz. Eastern Dedicated Freight Corridor (EDFC) from Ludhiana to Sonnagar (1,337 Kms) and the Western Dedicated Freight Corridor (WDFC) from Jawaharlal Nehru Port Terminal (JNPT) to Dadri (1,506 Kms) at a total cost of Rs 1,24,005 Cr. The work on EDFC has been completed and commissioned. In WDFC, 1,404 RKms out of total 1,506 RKms has been completed and commissioned. The balance work on WDFC from Vaitarna-JNPT section (102 Rkms) has been taken up.

Chart 25: Dedicated Freight Corridor in India



Source: PIB, Ministry of Railways, Note: Data as of FY25.

Table 10: Traffic Flows on Eastern Corridor (MTPA)

Eastern	CY20	CY21	CY22	CY23	CY24
Container	7.2	7.8	8.5	9.2	10.0
Coal	110.5	114.9	119.5	124.3	128.3
Cement	10.8	11.7	12.6	13.6	14.6
Steel	13.7	14.8	15.9	17.2	18.5
MISC	22.6	23.3	24.0	24.7	25.4

Source: Dedicated Freight Corridor Corporation of India

Table 11: Traffic Flows on Western Corridor (MTPA)

Western	CY20	CY21	CY22	CY23	CY24
Container	54.3	59.2	64.6	70.5	76.4
Coal	23.3	24.2	25.2	26.2	27.0
Cement	7.3	7.9	8.5	9.2	9.9
Steel	1.9	2.0	2.2	2.3	2.5
MISC	7.0	7.2	7.4	7.7	7.9

Source: DFCCIL Annual Report

3.3.3 Amrit Bharat Station

The Amrit Bharat Station Scheme was launched in March 2023 for development of railway stations on Indian Railways. The scheme was proposed to improve the station building, multimodal integration, amenities for Divyangjans, provision of ballast less tracks, improvement of station access, improvements of waiting halls, toilets, lifts/escalators, cleanliness, kiosks, Wi-Fi and schemes like 'One Station One Product', landscaping etc. Also, the upgraded stations are expected to have only ballast less tracks.

Currently, 1,337 railway stations have been identified for development. Budgetary funds are being used for the scheme, however some of the stations are developed under Public Private Partnership Model. As of December

2025, 155 stations have been fully modernised. These stations, spread across 27 States and Union Territories, will be redeveloped at a cost of over Rs 190 billion and act as 'city centres' integrating both sides of the city.

Table 12: No. of Stations Identified to be Redeveloped Across States

Sr. No	State	Station Count
1	Andhra Pradesh	73
2	Arunachal Pradesh	1
3	Assam	50
4	Bihar	98
5	Chhattisgarh	32
6	Delhi	13
7	Goa	3
8	Gujarat	87
9	Haryana	34
10	Himachal Pradesh	4
11	Jharkhand	57
12	Karnataka	61
13	Kerala	35
14	Madhya Pradesh	80
15	Maharashtra	132
16	Manipur	1
17	Meghalaya	1
18	Mizoram	1
19	Nagaland	1
20	Odisha	59
21	Punjab	30
22	Rajasthan	85
23	Sikkim	1
24	Tamil Nadu	77
25	Telangana	40
26	Tripura	4
27	UT of Chandigarh	1
28	UT of Jammu & Kashmir	4
29	UT of Puducherry	3
30	Uttar Pradesh	157
31	Uttarakhand	11
32	West Bengal	101
	Total Stations	**1,337**

Source: PIB

3.3.4 Energy, Mineral and Cement Corridor, Port connectivity corridors and High Traffic Density Corridors

India is a strategic initiative aimed at developing a dedicated industrial corridor that leverages the country's vast reserves of energy, metals and cement. This corridor is designed to boost economic growth by attracting investments in these key sectors and enhancing the country's industrial infrastructure.

Three major economic corridor programmes were announced under the PM Gati Shakti for enabling multi-modal connectivity- energy, mineral and cement corridors, port connectivity corridors and high traffic density corridors. This will help decongest the high- traffic corridors and improve operations of passenger trains resulting in higher safety and travel speed for passengers. The three economic corridor programmes along with the dedicated freight corridors are expected to accelerate the GDP growth of the country and reduce logistic costs.

Around 40,000 km rail tracks are expected to be laid under these corridors to enhance the network capacity by FY30-31.

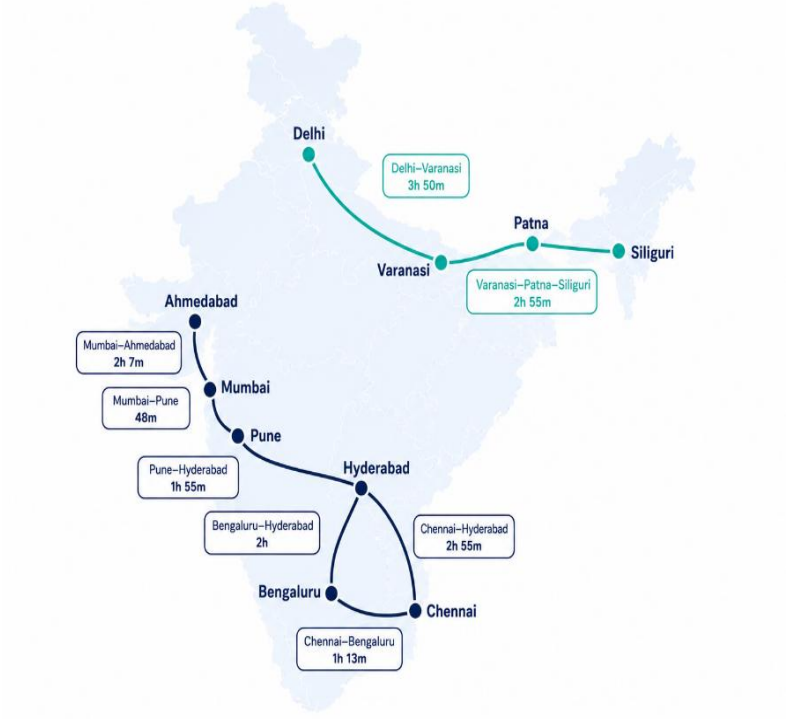
3.3.5 High Speed Projects

High-speed rail (HSR) refers to passenger railway systems designed to operate at speeds significantly higher than those of conventional railways. For operational purposes, high-speed rail is defined as railway systems running trains at speeds more than 250 kilometres per hour.

The Mumbai–Ahmedabad corridor is India's first high-speed rail project, providing institutional and technical experience for future corridors. A total of 12 stations has been planned along the route. It covers a total length of approximately 508 kilometres

The Union Budget for 2026-27 has emerged as a key instrument for articulating India's priorities with the introduction of seven high-speed rail corridors. Together, these corridors span nearly 4,000 kilometres and are expected to attract investments of approximately Rs 16 lakh crore, reflecting the scale and ambition of the Government's high-speed rail agenda.

Chart 26: Proposed High Speed Rail Corridors in India in Union Budget for 2026-27



Source: PIB

3.3.6 Semi-High-Speed Projects

The Government of India has taken various initiative under 'Make-in India' campaign like Semi- High-Speed train, Vande Bharat Express etc. India has embarked on several semi-high-speed rail projects to enhance the speed, efficiency, and connectivity of its railway network. These projects aim to upgrade existing rail lines to support speeds of up to 160-200 km/h, significantly reducing travel times between major cities and boosting economic growth.

Key Semi-High-Speed Rail Projects

- **Gatimaan Express:** Launched in April 2016, Gatimaan Express is India's first semi-high-speed train. It has reduced the travel time between Delhi and Agra significantly.
- **Delhi-Meerut RRTS (Regional Rapid Transit System)**: This project aims to provide a high-speed commuter service, significantly reducing the travel time between Delhi and Meerut. The corridor is expected to be operational in phases, with the full route completion projected by 2025
- **Mumbai-Ahmedabad Corridor:** In addition to the high-speed rail project, there are plans to introduce semi-high-speed trains to improve connectivity and provide a faster alternative to existing services.
- **Delhi-Varanasi Corridor**: Aimed at reducing the travel time between these two significant cities, this project will enhance regional connectivity and boost tourism and economic activities.
- **Ahmedabad - Dholera**: Ahmedabad (Sarkhej)-Dholera semi high-speed double-line railway project at an estimated cost of Rs 20,667 crore, marking the first semi high-speed project of Indian Railways. The project,

covers Ahmedabad district in Gujarat, will add around 134 km to the existing network of Indian Railways and improve connectivity for nearly 284 villages with a population of about five lakh people.

3.4 Other Schemes

NCRTC: NCRTC is a joint venture company of the Government of India and the State governments of Delhi, Haryana, Rajasthan and Uttar Pradesh to implement Regional Rapid Transit System project across the NCR to promote better urban development and connectivity and access.

Vande Bharat Express: Vande Bharat Express are indigenously manufactured semi-high speed, electrical multiple unit trains operated by the Indian Railway. The Vande Bharat Express is equipped with multiple cutting-edge amenities, such as bio-vacuum toilets, Wi-Fi, completely automated doors etc. and are 180 kmph capable air-conditioned chair car services. The railway currently operates seven Vande Bharat Express trains on Delhi-Varanasi, Delhi-Katra, Mumbai Central-Gandhinagar, Delhi-Amb Andaura, Chennai-Mysuru, Nagpur-Bilaspur and Howrah-New Jalpaiguri routes. In Union budget FY22-23, it was announced that 400 Vande Bharat Express will be introduced over the next 3 years. As of August 2025, 144 Vande Bharat train services are operational on the Broad Gauge (B.G.) electrified network of Indian Railways.

Kisan Rail Trains: Indian Railways commenced the Kisan Rail train services since August 2022 to transport perishables and Agri-product, including milk, meat and fish. These trains provide multi-commodity and multi-consignor/consignee services. They run in a time-tabled manner and have stoppages at all major stations. Kisan Rail service has ensured access to bigger and new markets for the farm produce, with quick transportation, zero wastage, 50% freight subsidy.

Automobile Freight Train Operator (ATFO): To increase its share in the vehicle transportation segment, Indian Railway introduced the ATFO policy where-in the automobile manufacturers and logistics providers are permitted to operate their wagons on the Indian Railway network. Several incentives have been provided to the automobile manufacturers including rebate on base freight rates etc.

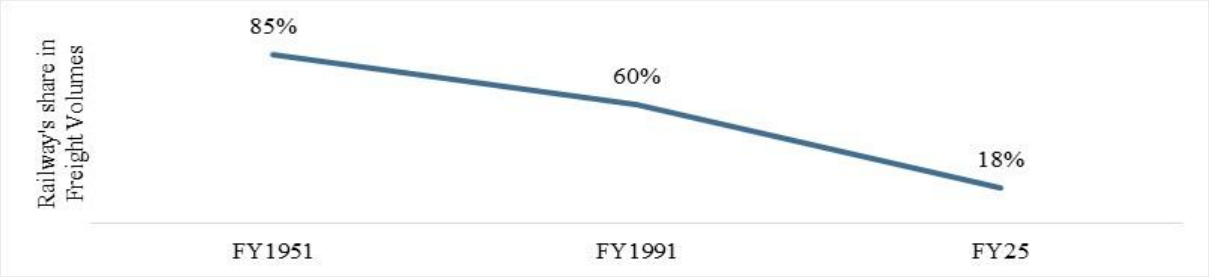
Private Freight Terminal (PFT): Indian Railways has permitted establishment of PFTs on railway land adjacent to stations with a view to increase public-private-partnership (PPP) investments. The main motive behind this is to divert traffic from road to rail and attain increased rail freight volumes by offering integrated, efficient and cost effective logistic and warehousing solutions. Currently there are 74 operational private freight terminals.

Liberalised Wagon Investment Scheme (LWIS): LWIS was introduced to allow private players to own their own wagons as per their own cargo requirements. This initiative was taken to mitigate the shortage of rail wagon with the Indian Railways and to permit private players to maintain specialised wagons for specific products. Based on industry feedback, LWIS amendment was brought in FY19 which permitted the investors to load third party cargo in their rakes in empty directions.

3.5 Historical Trend of Modal Share of Railways in Freight Transport

The rail mode dominated the transport sector in India in the 1950s. Since then, the transport sector in the country has seen decline in the rail mode and moved toward s a more secular method majorly including transport by road more since 1980s. The modal share of railways in freight transport decreased from 85% in FY1951 to 18% in FY25.

Chart 27: Modal Share of Railways in Freight Transport



Source: Ministry of Railways, National Rail Plan

3.6 Key Growth Drivers

- **Amrit Bharat Station Scheme (ABSS)**: Launched in 2023, the scheme aims at the phased redevelopment of 1,337 stations across the country. The programme focuses on improving passenger amenities, multimodal integration and creating facilities for future capacity requirements. Station redevelopment under ABSS is expected to attract private participation and improve service quality across regional and urban hubs.
- **Kavach (Train Collision Avoidance System)**: Kavach is an indigenously developed Automatic Train Protection (ATP) system, certified at Safety Integrity Level 4 (SIL-4). It enforces speed restrictions, applies brakes automatically if signals are missed, and enhances safety under adverse weather conditions. As of FY26 Kavach implementation has gained significant traction, with the system installed on 3,103 route km and work under progress across 24,427 route km, covering high-density and high-utilisation corridors. Under Kavach Version 4.0, 1,638 route km has already been commissioned on key corridors such as Delhi-Mumbai and Delhi-Howrah. Trackside installations are underway across 7,100 route km, while supporting infrastructure includes 8,921 km of optical fibre cable, 1,183 telecom towers and Kavach data centres across 767 stations. Kavach has also been installed on 4,277 locomotives, with work in progress on another 8,979 locomotives. Going forward, Indian Railways plans to expand the Kavach network by around 9,000 route km over the next two years, followed by an annual expansion of nearly 10,000 route km.
- **Regional Station Upgrades**: In addition to flagship redevelopment programmes, regional and suburban stations are being upgraded to handle rising passenger volumes. Investment is being directed towards improving circulation areas, foot overbridges, waiting halls and platform facilities, particularly in Tier-II and Tier-III cities.
- **Workshop and Depot Expansion**: To support growing demand for rolling stock and maintenance, Indian Railways is expanding its network of workshops and depots. New facilities for periodic overhauls and modernisation of coaches, wagons and locomotives are being established, while existing workshops are being equipped with advanced machinery.
- **Dedicated Freight Corridors (DFC)**: The ongoing construction of the Eastern and Western DFCs is a critical driver for freight infrastructure. Once fully operational, the DFCs will reduce congestion on passenger lines, improve freight efficiency, and provide cost competitiveness against road transport.
- **Electrification and Green Initiatives**: Indian Railways has accelerated its electrification programme with the target of achieving 100% electrification by 2030. This is coupled with the adoption of renewable energy, energy-efficient rolling stock, and measures to reduce carbon intensity, aligning railway infrastructure growth with sustainability goals.

3.7 Key Challenges

- **High Debt and Funding Constraints**: Expansion of railway infrastructure requires significant capital outlay. While budgetary allocations have increased, Indian Railways continues to depend on borrowings through institutions such as Indian Railway Finance Corporation (IRFC). Rising debt levels create repayment pressures and limit financial flexibility for future projects.
- **Execution and Project Delays**: Large projects such as Dedicated Freight Corridors (DFC), station redevelopment, and metro/urban rail extensions often face delays due to coordination issues among multiple stakeholders, limited contractor capacity, and slower-than-expected technology adoption. These delays result in cost overruns and postponed benefits from the planned infrastructure.
- **Regulatory Hurdles**: Complex regulatory procedures for approvals, clearances, and safety certifications extend project timelines. Coordination between central ministries, state governments, and regulatory bodies adds to the complexity, particularly for projects involving public-private partnerships.
- **Land Acquisition Issues**: Land acquisition remains a significant bottleneck for track expansion, station redevelopment, and greenfield projects. Disputes overcompensation, rehabilitation, and environmental concerns lead to delays in project execution and escalation in costs.
- **Integration with Other Transport Modes:** Integration with other transport modes is a crucial aspect of enhancing the efficiency and convenience of Indian Railways, yet it remains an area with considerable room for improvement. Seamless connectivity between trains, buses, metros, and other forms of transportation is often lacking, resulting in fragmented travel experiences for passengers. Many railway stations are not well-linked to nearby public transport systems, leading to inefficiencies and extended travel times as passengers navigate separate modes of transport. Additionally, the absence of coordinated scheduling and ticketing systems further complicates transfers. Improving this integration involves developing multimodal transport hubs, implementing synchronized schedules, and creating unified ticketing systems to streamline transfers between different transport services. By addressing these issues, Indian Railways can significantly enhance the overall travel experience, reduce travel time, and provide a more cohesive and user-friendly transportation network.

- **Operational Efficiency Constraints**: Inefficient operational practices and outdated technology can affect the speed and cost-effectiveness of freight handling. A key factor influencing the choice of transportation mode for freight is the time aspect of logistics. Direct feedback from industry stakeholders' highlights concerns about the punctuality of Indian Railways' services, which has contributed to a shift in freight traffic to road transport. Road transit time is significantly shorter compared to a combination of rail and road.

4. Overview of the Railway Wagons Industry

4.1 Overview

Rolling stock includes locomotives, freight wagons, and passenger coaches. Freight wagons are used to transport goods from one place to another whereas passenger coaches are used by people to travel from one place to another.

The Indian Railways has been the largest domestic procurer of rolling stock to meet its expansion and upgradation requirements.

4.1.1 Split of Total Rolling Stock

Break-up of rolling stock owned by the Indian Railways is given below:

Table 13: Indian Railway Rolling Stock

Particulars	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Locomotives	**12,147**	**12,729**	**12,734**	**13,215**	**14,360**	**15,114**	**16,092**
Passenger Coaches							
- EMU	10,439	11,439	10,991	11,984	11,419	13,111	13,935
- Conventional	55,282	57,121	58,778	63,299	64,671	65,518	68,458
- DMU	1,883	1,795	1,965	1,969	1,711	2,522	2,517
- Others	6,406	6,611	7,949	10,159	11,419	13,111	13,935
Total Passenger Coaches	**74,010**	**76,966**	**79,683**	**87,411**	**89,220**	**94,262**	**98,845**
Wagons	**2,93,011**	**2,89,175**	**3,02,624**	**3,18,896**	**3,15,103**	**3,27,991**	**3,46,366**

Source: Indian Rail Yearbook

4.1.2 Past Trend in Wagon Production

Between 2004 and 2014, the average annual wagon production stood at 13,262 units. This figure rose to an average of 15,875 units per year during the FY14–FY24 period and doubled during FY25-FY26 to 33,606 units.

In recent years, Indian Railways has seen a sharp increase: 22,790 wagons were produced in FY23, followed by 37,650 in FY24, and, culminating in a record 41,929 wagons in FY25. For FY26, the Railway Board's revised RSP wagon production plan was only 26,000 wagons, comprising 24,000 from industry and 2,000 from railway workshops. Against this, actual cumulative RSP production was 25,283 wagons, so the fall was also partly because the planned procurement itself was lower than FY25 production.

Chart 28: Average Number of Wagons

Source: PIB

As of FY26 private sector contributed 83.2% in total production followed by public sector 8.0% then by workshops 7.8%.

Table 14: Company-wise Production for FY26

Name of Wagon Builders	FY26
Modern Industries	0
Texmaco Rail & Engineering Ltd	5,919
H.E.I.	3,903
Besco Limited - Wagon Division	591
Titagarh Rail Systems Limited	5,877
Jupiter Wagons Limited	2,402
Oriental Rail Infrastructure Limited	925
Texmaco West Rail JINDAL	357
Besco Limited - Foundry Division	842
Total Private Sector	**20,816**
Braithwaite & Co. Limited	931
SAIL Rites Bengal Wagon Industry Private Limited / SRBWIPL	936
Total Public Sector	**1,867**
Total Industry	**22,683**
Amritsar Railway Workshop / ASR Workshop	728
GOC Workshop	615
Samastipur Railway Workshop / SPJ Workshop	415
Jamalpur Railway Workshop	842
Total Workshops	**2,600**
Grand Total	**25,283**

Source: Indian Railways

4.2 Growth Outlook

The Government of India has identified railways as a key focus area to boost GDP and make India more export competitive by reducing freight costs. Accordingly, the budgetary outlay towards Indian Railways has been on the rise over the past few years and the government has introduced various schemes such as DFC, NLP, GPWIS, PM Gati Shakti & GCT, LWIS, AFTO, multi-modal logistics parks, etc., to boost railway infrastructure and share of railways in freight traffic. The passenger segment has also seen multiple developments through initiatives like the High-Speed Rail Corridor and Vande Bharat Express.

Indian Railways is expected to source additional rolling stock to cater to rising volumes.

Wagons: Under the NRP, the railway's modal share in freight transport is expected to increase to 45% by 2030 from 18% in FY25. This implies that the total freight transported by Indian Railways will increase to 3,000 million tonnes by FY27 and 3,600 million tonnes by FY30 from 1,670 million tonnes in FY26. Further, railway freight traffic measured in Net Tonne Kilometres (NTKM) is expected to nearly double to 1,695 billion NKTM by FY27 from 971 billion NKTM in FY25.

The ordering and procurement of wagons by the Indian Railways is expected to increase significantly as evidenced by the recent tenders which have been awarded. This will be a mix of fresh demand and replacement demand for wagons which have reached economic life of 30-35 years. The wagon requirement is expected to increase to 5.4 lakh wagons by FY31 from 3.5 lakh wagons in FY25 including the replacement demand.

Chart 29: Forecast of Indian Railway Wagon Requirement

Source: Indian Railways, NRP; E-Estimates

Table 15: Forecast of Indian Railway Wagon Requirement (by Type)

Type of Wagon	FY26E	FY31E	FY41E	FY51E
Bogie Covered Wagon (BCN)	1,57,456	2,12,727	2,79,539	3,54,684
Bogie Open High sided with air brakes (BOXN)	1,47,738	1,71,242	2,22,115	2,59,050
Bogie Covered Autorake Double Decker Wagon (BCACBM)	6,523	10,221	14,293	19,754
Bogie Low platform flat wagons (BLC)	48,162	73,525	1,15,135	1,65,333
Bogie Rail Truck with air brakes (BRN)	29,671	35,243	47,895	68,413
Bogie Covered Fly Ash Cement (BCFC)	4,158	7,979	21,074	57,413
Bogie Tank wagon for Petroleum product (BTPN)	14,062	34,288	79,020	1,43,483
Total	**4,07,770**	**5,45,225**	**7,79,071**	**10,68,130**

Source: Indian Railways, NRP

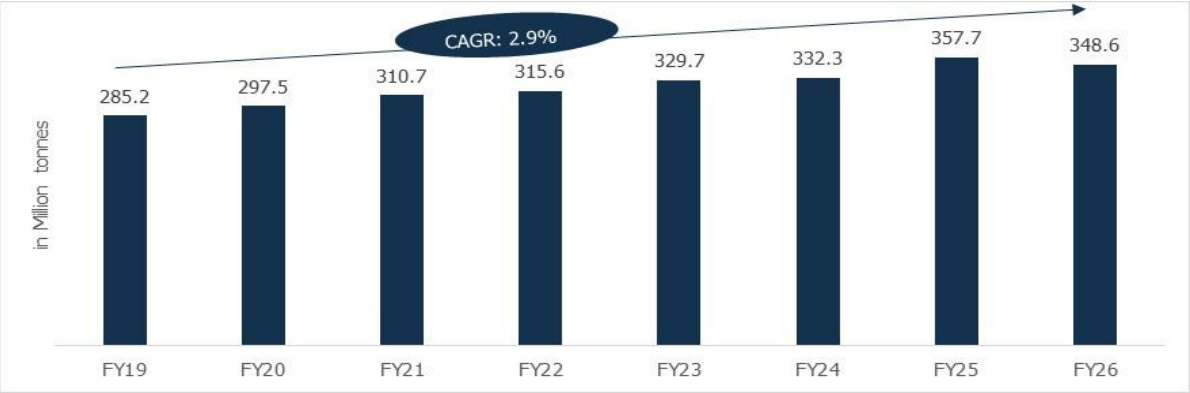
Indian Railways is expected to procure around 2.5 lakh incremental wagons between FY25 and FY30, representing a market opportunity of Rs 85,000-90,000 crores over this period.

4.3 Key Industries and Their Outlook

Agriculture

Food grain production in India has been on the rise. India has witnessed a remarkable surge in the production levels of several key crops, such as rice, wheat, maize, cereals and lentils. It has risen from 285.2 MT in FY19 to 348.6 MT in FY26.

Chart 30: Past Trend in Food Grains Production in India



Source: Department of Agriculture and Farmers Welfare, Note: FY26 data is as per Second Advance Estimates (as on 10th March 2026)

This has been led by the continuous increase in area under cultivation and supported by the government's focus on agro-ecological crop planning, diversification from rice and wheat to oilseeds and pulses.

Further, the agricultural output of the country is expected to continue its upward trajectory in the medium-long term driven by the adoption of technologies to improve crop yields such as soil mapping software, geo-location of crop disease, use of drones, hydroponics, etc. The government support for the sector is also expected to continue.

Mining

Coal

India's coal production crossed 1,000 MT for second consecutive year in FY26, growing at a 7.5% CAGR over past five years, driven by policy reforms like Single Window Clearance, Mine Developer and Operator (MDO) model, 100% FDI allowance, traction in mine auctions, and amendments to Mines & Mineral Development Regulation Act. Coal consumption increased with growing demand from the power sector, which accounted for 79% of the total coal dispatches in FY26.

India is firmly progressing towards self-sufficiency, with domestic coal production set to hit the 1.5 billion Tonnes landmark by FY30.

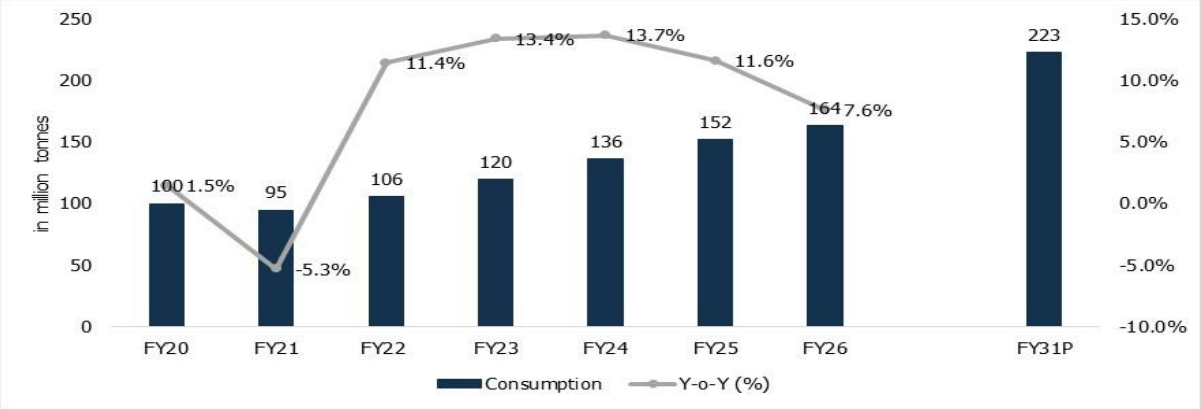
Iron Ore

The iron ore produced in India is primarily used for domestic steel production and India's steel production is likely to increase backed by infrastructure growth in the country. The continuous thrust toward infrastructure projects by the government is majorly contributing to the rise in steel demand in the domestic market.

Finished steel consumption surged, growing at a CAGR of 8.5% to reach 164 MT in FY26 from 100 MT in FY20. In FY26 alone, consumption rose by 11.6% Year-on-Year, driven by strong domestic demand, rise supported by increased activity in infrastructure, construction, railways and manufacturing sectors.

The government's continued focus on large-scale infrastructure development, urbanisation and capital expenditure played a crucial role in boosting steel demand. Additionally, sustained industrial momentum and expansion in end-use sectors ensured stable consumption growth.

Chart 31: Domestic Finished Steel Consumption



Source: CMIE; Note: P-Projected

Limestone

Limestone is widely used in the construction of roads, bridges, airways, highways and railways. In India, the demand for limestone has increased owing to the expansion of the cement industry. The demand for limestone is driven by the cement industry, which projects healthy growth given the rapid increase in urbanisation, construction projects (NHAI, metros, smart cities, etc.) and increased government spending.

Further, the production of limestone is going to rise in the coming years to support the growing demand from end-user industries, mainly construction and real estate. In addition, pick-up in affordable housing & residential and commercial real estate will support the consumption in the domestic market. Moreover, the continued thrust on infrastructure by the government will push the demand for this raw material.

Automobile

Passenger Vehicles: In FY26, domestic passenger vehicle volumes sales increased by 7.9% compared with FY25, supported by improved affordability following the GST rate reduction, higher purchasing power due to personal income tax relief, and lower financing costs resulting from repo rate cuts by the RBI. During the same period, passenger vehicle exports increased by 17.5% compared with FY25, with demand remaining stable across markets including the Middle East, Africa and Latin America.

Two-wheelers & Three-wheelers: In FY26, domestic sales volume for two-wheelers grew healthy by 10.7% compared to FY25. This growth was driven by a recovery in rural demand, supported by improved monsoon and farm income, along with a gradual pickup in urban consumption. The export volume in FY26 increased by 23.4% compared with FY25, supported by expansion in product offerings and increased acceptance of Indian two-wheeler brands in international markets.

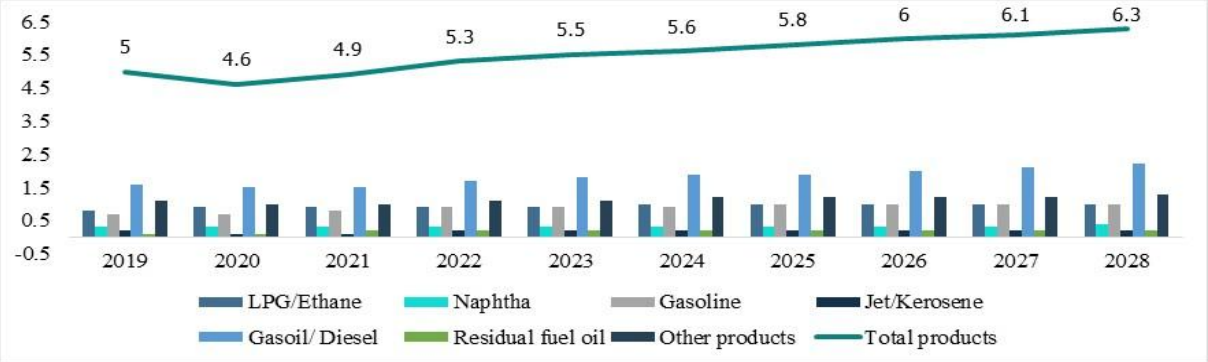
Tractors: In FY26, the tractor industry recorded a strong recovery in domestic sales, which increased by 23.5% compared to FY25. This growth was driven by crop output, demand in rural areas, and farm income levels. The export sales in FY26 increased by 6.9% compared to FY25, driven by recovery in overseas demand after three years, improvement in export logistics and financing and a policy and tax environment supporting farm

mechanisation export. Beyond agriculture, tractor demand will be driven by increased capital expenditure on infrastructure projects, including smart city development and irrigation initiatives. The growing use of tractors in non-agricultural sectors, such as construction haulage and infrastructure projects, will further boost demand. Additionally, higher procurement of Kharif crops is expected to enhance farm income, supporting sustained tractor sales.

Crude Oil

India is expected to overtake China in terms of global y-o-y oil demand growth in 2027, as per the International Energy Agency (IEA). The fastest-growing economy in the world, with GDP growth averaging 6.45% for CY25-CY28, is bound to show a recovery in the oil demand. Whereas the total oil demand in India is expected to grow at a CAGR of around 2.3% from CY25-CY30, as per IEA. This will be supported by robust economic and transportation activities within the air travel, industrial, and agricultural segments. However, as the demand for EVs is on the rise, the transition of fuel can impact the oil demand over the long term.

Chart 32: India's Oil demand by Product (mb/d): CY19-CY28



Source: IEA

As India has been significantly reliant on imports to meet the crude oil demand, the government has been taking initiatives to increase the domestic output such as the development of discoveries in the Krishna Godavari Basin, integrated development of fields, monetization of discoveries in Nomination/New Exploration Licensing Policy (NELP) blocks, induction of improved oil recovery and enhanced oil recovery technologies, etc. In 2022, the government deregulated the sale of domestically produced crude oil w.e.f. 01.10.2022. This will facilitate marketing liberty to oil exploration and producing companies, thus encouraging investments in the oil exploration sector.

Logistics

The logistics industry is expected to be driven by thriving key end-user sectors such as e-commerce, manufacturing, FMCG, and pharmaceuticals and the expanding manufacturing activities. The increasing penetration of online retail across product categories and their expansion to Tier-2 and Tier-3 cities will also provide a fillip to logistics and warehousing demand in India.

The logistics cost in India accounts for about 14% of GDP compared to global averages of 8%-10%. Also, the government is focusing on bringing down the logistics cost in line with global averages to boost domestic consumption. This is to further achieve the GDP target and make Indian products more export competitive.

E-commerce plays an important role in the growth of the logistics and warehousing sector. After the pandemic, consumers have moved their preferences to online shopping over shopping physically from the outlets. This trend is expected to continue, given the convenience of e-commerce and significant discounts being offered by e-commerce players. As a result, the e-commerce sector will play a significant role in driving demand for the logistics and warehousing industry going forward.

4.4 Private Players Participation

The private sector procurement of freight wagons is on the rise driven by government schemes like the Liberalized Wagon Investment Scheme (LWIS), Automobile Freight Train Operator (ATFO), Wagon Leasing Scheme (WLS), etc.

Brief information on these schemes is provided below:

- **Liberalised Wagon Investment Scheme (LWIS)**: LWIS was introduced to allow private players to have their own wagons as per their cargo requirements. This initiative was taken to mitigate the shortage of rail wagons with the Indian Railways and to permit private players to maintain specialized wagons for specific products. Based on industry feedback, the LWIS amendment was brought in FY19, which permitted the investors to load third-party cargo in their rakes in empty directions.
- **Automobile Freight Train Operator (ATFO)**: To increase its share in the vehicle transportation segment, the Indian Railway introduced the ATFO policy where automobile manufacturers and logistics providers are permitted to operate their wagons on the Indian Railway network. A number of incentives have been provided to automobile manufacturers including rebates on base freight rates.
- **Wagon Leasing Scheme (WLS)**: WLS was originally introduced in 2008 and has undergone various amendments since then. The objective of this scheme is to develop a strong wagon leasing market by encouraging third-party leasing of wagons, particularly with a view to bringing wagons of better designs. Under this scheme, a Wagon Leasing Company (WLC) is permitted to procure wagons directly through manufacturers or imports and lease them to end users or operators, subject to certain conditions.

These schemes enabled private sector entities to own wagons to address the issue of timely availability of wagons. Accordingly, the private sector ownership of wagons has increased over the last few years. Companies from the logistics, steel, and mining sectors including Steel Authority of India Ltd, NTPC Ltd, Adani Logistics Ltd, TM International Logistics Ltd (JV of Tata Steel Ltd), Rungta Mines Ltd, etc., have acquired private wagons between 2017-2022.

A few leasing companies have also entered the domestic market. GATX India Private Ltd (a subsidiary of Gatx Corp, USA) is the largest private owner of wagons in India with a fleet of more than 4,200 wagons. Touax Texmaco Railcar Leasing Ltd (a joint venture of Texmaco Rail & Engineering Ltd) and Adani Ports and Special Economic Zones Ltd. are also registered wagon leasing companies with Indian Railways.

Further, logistics players and automobile manufacturers have also acquired private wagons under the AFTO scheme.

Indian Railways continues to restrict fresh induction of General-Purpose Wagon Investment Scheme (GPWIS) rakes, with the original moratorium imposed in March 2023 extended by two more years in February 2025. While this limits near-term private wagon procurement under GPWIS, long-term demand from logistics, metals, mining and bulk commodity players is expected to remain supported by higher freight movement and DFC-led capacity augmentation. However, Indian Railways will continue to remain the dominant procurer and demand driver in the wagon market

4.5 Key Export Destinations

The major importer of rolling stock from India was the USA with a 37% share in FY26. This was followed by Germany, Australia, Austria, China and other countries.

Chart 33: Key Export Destinations of Rolling Stock in FY26

Source: Ministry of Commerce, HS Code: 8607

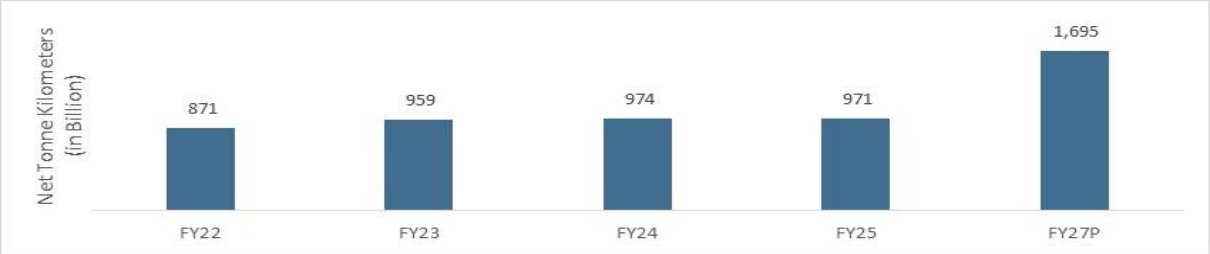
4.6 Key Growth Drivers

Some of the key demand drivers for the rolling stock industry in India include:

- Government Thrust on Rail Infrastructure Improvement

The Government of India has identified railways as a key focus area and the budgetary outlay towards Indian Railways has been on the rise over the past few years and the government has introduced various schemes to boost railway infrastructure and share of railways in freight traffic.

Chart 34: Trend in Indian Railway Freight Traffic



Source: Indian Railways Annual Report, Report of the Committee on Mission 3000 million tonnes

- **Increase in Demand from the Private Sector**

The private sector procurement of wagons was on the rise, driven by government schemes like Liberalized Wagon Investment Scheme (LWIS), Automobile Freight Train Operator (ATFO), Wagon Leasing Scheme (WLS), General Purpose Wagon Investment Scheme (GPWIS) etc., as described in Section 4.5. While the Indian Railways is currently not accepting fresh applications for private-sector wagons, there is significant demand potential in the private sector.

Industries such as cement, coal, steel, automobiles, logistics, etc., with a large freight movement through rail, have been procuring wagons from domestic manufacturers. There is significant scope for increased demand from the cement, coal, and steel industries on the back of growing domestic demand.

At present, the auto industry is using the railways mainly for the transportation of passenger vehicles. There is also potential to transport CV parts and two-wheelers through the railway network, adding to wagon procurement by automobile manufacturers and logistics companies. Further, defence services are also proposing to procure wagons for the transportation of utilities.

- **Impetus from the 'Atmanirbhar Bharat Abhiyan'**

The 'Atmanirbhar Bharat Abhiyan' seeks to promote domestic manufacturing and reduce dependence on imports, and this initiative has implications for the freight transport sector, particularly the railways. By encouraging the domestic production of railway equipment, the Indian government also aims to reduce the reliance on foreign suppliers and stimulate the domestic rolling stock industry. This is beneficial for both the railway industry and the overall goal of self-reliance. This helps on all the fronts especially the quality of engines, coaches, tracks and signalling systems. Accordingly, the 'Atmanirbhar Bharat Abhiyan' augurs well for transformational changes in the quality travelling experience of the citizens of the country. By modernizing and strengthening the railway sector, India aims to bolster its overall economic self-sufficiency and sustainability.

- **Product Linked Incentive Scheme (PLI)**

With the aim to cut down imports and attract foreign manufacturing firms, the Central Government is planning to introduce a PLI scheme for train parts manufacturers. The PLI scheme being considered for the railways is in line with the government's s plan of having only two types of passenger coaches in Indian Railways-Linke Hofmann Busch (LHB) and Vande Bharat. This PLI programme will incentivise the setting up of new manufacturing units or expanding the existing capacity to supply coach and engine parts that are otherwise imported.

- **Automation, Adoption of Technology and Technological Partnerships**

The Indian Railways has continuously been adopting new technologies and automating its systems.

- **Condition Monitoring Systems**: Condition monitoring systems are used to monitor the health and safety of key components including coaches, freight cars, locomotives, tracks, signalling assets, etc., that would finally

result in improved safety, enhanced reliability, higher utilisation, increased up-time, and reduced operation costs of the railway assets by enabling predictive maintenance and reduction in sudden catastrophic failures of these assets.

Some of the advanced conditioning monitoring systems have the provision to capture and log operational data on the various elements of a train for subsequent analysis in a remote, cloud-based control centre using advanced monitoring and analysis tools.

- **GPS Tracking**: GPS has been used in railway systems to track the movement of locomotives, rail cars, maintenance vehicles and wayside equipment in real time. When combined with other sensors, computers and communications systems, GPS improves rail safety, security and operational effectiveness. Further, the technology helps reduce accidents, delays, and operating costs, while increasing track capacity, customer satisfaction, and cost-effectiveness.

Indian Railways proposes to install GPS in wagons for real-time tracking for improved efficiency and effective utilisation. It will also help in the improvement of the turnaround time of the wagons. The railways have already deployed a GPS-based Real-Time Train Information System (RTIS), which has been developed in collaboration with the Indian Space Research Organisation (ISRO), for tracking passenger trains. RTIS device enables the automatic acquisition of the time of train movements at stations, including the time of arrival and departure or run-through. This has facilitated the automatic charting of trains and real-time updates to passengers regarding train running information.

Moreover, the Indian Railways also proposes to use tools such as artificial intelligence and data analytics to reduce delays and downtimes and improve the overall efficiency of its assets and services. Furthermore, multiple domestic manufacturers have forged technological partnerships, resulting in the availability of new rolling stock and accessories technologies in the country.

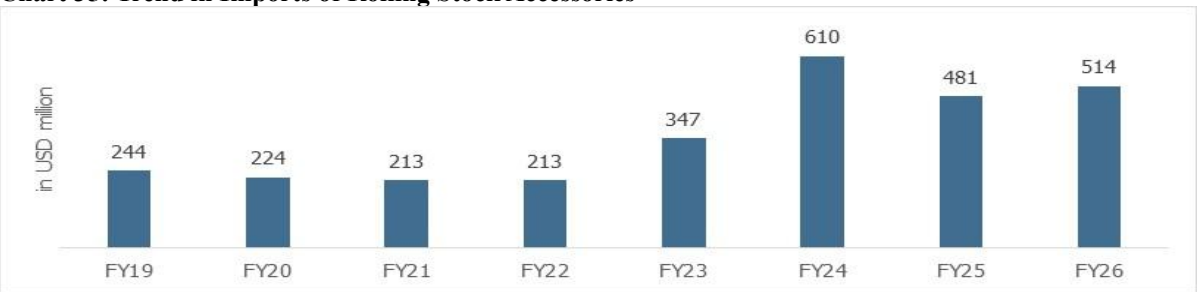
4.7 Key Challenges

- Import Dependence for Major Accessories and Components

Indian manufacturers are dependent on imports for various accessories such as wheels, axel, and brake systems. Wheel and axle systems are imported from China while brake systems are imported mainly from Germany and Hungary.

The below chart depicts the import trend of rolling stock:

Chart 35: Trend in Imports of Rolling Stock Accessories



Source: Ministry of Commerce; HSN Code- 8607

Some of the key components and accessories for rolling stock are Propulsion systems, Traction Motors and Control Systems, Bogies and Wheelsets, Braking Systems, HVAC Systems, Crucial Spare Parts, and Wheel Profiles and Bearings. The import dependence on these components and accessories is attributed to the need for specialised expertise, quality assurance, and adherence to international safety and performance standards. Still, India has a long way to go in terms of such innovations and modernisation.

- **Technological Dependencies**

While India possesses the technological capability for propulsion systems, for certain critical components, domestic manufacturers have formed alliances with global partners or rely on Indian subsidiaries of international companies for supply and technical collaboration.

5. Passenger Coach Industry

The Indian passenger coach industry is undergoing modernisation, with a gradual shift from older ICF-type coaches to safer and faster LHB designs. Annual production has been increasing, supported by facilities such as ICF Chennai, RCF Kapurthala, and MCF Raebareli, alongside private players in metro and urban rail. Demand is driven by both affordability—reflected in the continued emphasis on non-AC/general coaches—and comfort upgrades through AC and premium segments. Policy initiatives under Make in India, coupled with metro and semi-high-speed train expansion, are shaping growth, though challenges remain around cost, capacity and technology adoption.

5.1 Current Situation of Passenger Coaches in Indian Railways

Passenger coaches in India have grown at 4.6% CAGR from FY18-FY25. This growth is primarily driven by rising passenger demand, modernisation programmes replacing older coaches with LHB designs, and increased capacity addition to support new routes and services. Government investment under Make in India and expansion of suburban and semi-high-speed networks have further contributed to the upward trend.

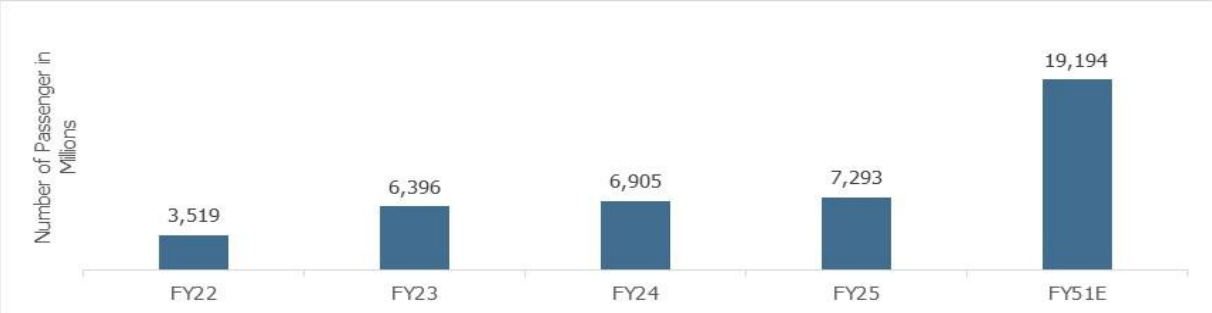
Chart 36: Passenger Coaches in India

Source: Indian Rail Yearbook

5.2 Market Size and Growth Outlook for Passenger Coach

The passenger traffic is expected to grow at a CAGR of ~4% between FY25 and FY51 driven by population growth and growing workforce. Indian Railways is expected to source additional rolling stock to cater to rising volumes.

Chart 37: Projected Growth in Passenger Traffic



Source: Indian Railways, National Railway Plan

5.3 Metro Rail Segment

Historically, majority of the metro coaches were being imported. However, to push the 'Make-in India' initiative, in August 2017, the government mandated that 75% of the metro cars and 25% of critical equipment required for metro construction be procured domestically. Currently there are four operational metro coach manufacturing facilities in India which have been set up either by PSUs or international companies and the ICF is in the process of setting up the facility.

Table 16: Metro Coach Manufacturing Facilities in India

Sr No.	Company	Location	Coaches supplied/contract under execution
1	Bharat Earth Movers Limited	Bangalore, Karnataka	Delhi, Bangalore &, Mumbai Metro Rail

Sr No.	Company	Location	Coaches supplied/contract under execution
2	Alstom Transport	Sricity, Andhra Pradesh	Chennai, Kochi, Lucknow, Agra, Kanpur and Mumbai Metro
3	Bombardier Transportation (acquired by Alstom)	Savli, Gujarat	Bangalore, Ahmedabad, Mumbai & Delhi Metro
4	CRRC India, subsidiary of Chinese rolling stock manufacturer CRRC Nanjing Puzhen Co.	Sricity, Andhra Pradesh	Noida, Mumbai, Kolkata, Nagpur and Navi Mumbai Metro
5	Indian Railways	Integral Coach Factory (ICF)	Nagpur
6	Titagarh Wagons	Uttarpara, West Bengal	Pune
7	Medha Servo Drives Private Ltd	Kondakal	Telangana

Source: Industry Sources

Indian Railway added a metro rail coach manufacturing unit at the Modern Coach Factory at Rae Bareilly, Uttar Pradesh. Maharashtra Metro Rail Corporation Limited, headquartered in Nagpur, is also planning to set up coach manufacturing unit at its proposed plant in Butibori, Nagpur. Hyderabad based Medha Servo Drives Private Limited in a JV with Swiss rolling stock manufacturer Stadler Rail, has set up rail and metro coach factory in outskirts of Hyderabad. Private wagon manufacturers such as Jupiter Wagons and Titagarh Wagons have entered the metro coach manufacturing segment thorough joint ventures and overseas acquisition, respectively.

5.4 Expansion of Metro Rail

India now has the third-largest metro network in the world, with over 1,143 kilometres operational and around 936 kilometres under construction across 29 cities. The metro services were available in only five cities in 2014, while today nearly 11.5 million passengers use metro systems daily.

The pace of commissioning new lines has accelerated ninefold: from 0.68 km/month (pre 2014) to approximately 6 km/month today. Annual metro budget for FY27BE is Rs 30,996 crore, up more than five times from Rs 5,798 crore in FY14.

India's metro expansion continues to gather pace with a wave of new projects in the planning and approval stages. The aim is to improve last-mile connectivity, support urban growth, and offer cleaner, faster, and more inclusive public transport across emerging and established cities.

Table 17: Metro Projects in the Pipeline

Project	Details	Benefits
Pune Metro Rail Project Phase-2	• Two elevated corridors: Vanaz–Chandani Chowk and Ramwadi–Wagholi • Length: 12.75 km with 13 stations • Approved, scheduled completion in 4 years	Improves access to IT hubs, educational institutions, and intercity bus terminals; enhances public transport share
Delhi Metro Extensions	• Aerocity–Tughlakabad to IGI T1: 2.16 km (Underground) • Magenta Line (Line 8) – RK Ashram Marg to Indraprastha: 9.913 km (Underground) • Golden Line (Line 10) – Tughlakabad to Kalindi Kunj: 9 km (Elevated) • Noida Sector-51 to Knowledge Park V: 17.435 km	Expands network capacity, better connectivity to airport, commercial hubs, and NCR growth centres
Ahmedabad Metro Rail Project Phase-2A	• Extension to Sardar Vallabhbhai Patel Airport: 6.032 km	Provides faster and convenient access to airport for commuters, personnel, and residents
Bangalore Metro Phase-3	• 45 km sanctioned at cost of Rs15,600 crore • Current status: 75 km operational, 145 km under construction	Supports rapid urban growth, reduces congestion, strengthens mass transit backbone
Mumbai Metro Line - 6	• Proposed Metro line is 15.31 Km in length & running from Swami Samarth Nagar to Vikhroli Eastern Express Highway passing through Jogeshwari, W Powai.	The main benefit is time saving for travelling in between Andheri to Eastern Express Highway by 30-45 minutes.

Project	Details	Benefits
	• It has 13 stations & most of the alignment is passing on the median of Jogeshwari-Vikhroli link road.	
Expansion of Water Metro	• Feasibility study approved for 24 cities • Example cities: Guwahati, Dibrugarh, Tezpur	Improves urban connectivity, reduces road congestion, promotes sustainable and eco-friendly transit

Source: PIB

Metro Rail Coach Industry Outlook

India's operational metro rail network has crossed 1,143 km, with around 936 km under construction across 29 cities. Separately, industry estimates indicate that the broader metro rail project pipeline, including projects at nascent, planning and under-execution stages, could expand the network opportunity to around 5,124.85 km over the next 6-7 years. This is expected to support procurement of nearly 2,000-2,500 metro rail coaches over the next 3-5 years, translating into an estimated market opportunity of Rs 30,000-35,000 crore.

5.5 Vande Bharat Express

Vande Bharat Express are indigenously manufactured semi-high speed, electrical multiple unit trains operated by the Indian Railway. The train is equipped with multiple cutting-edge amenities, such as bio-vacuum toilets, Wi-Fi, completely automated doors, etc. and are 180 kmph capable air-conditioned chair car services. As of December 2025, 164 Vande Bharat train services are operational on the Broad Gauge (B.G.) electrified network of Indian Railways. This includes routes such as Delhi-Varanasi, Delhi-Katra, Mumbai Central-Gandhinagar, Delhi-Amb Andaura, Chennai-Mysuru, Nagpur-Bilaspur and Howrah-New Jalpaiguri and other routes. Additionally, 16-Car rake formation having AC Sleeper (Rajdhani Exp.) type trains have been conceptualized on Vande Bharat Trainset platform for 160 kmph operation with 17t axle load capacity.

Objective

This train has been introduced to upgrade maintenance technologies and methodologies to improve productivity and performance of all Railway assets and manpower in which inter-alia is to be covered by reliability, availability, utilisation and efficiency.

Vision

The Vande Bharat train is India's first semi high- speed train equipped with world class passenger amenities. It can achieve high speeds due to faster acceleration & deceleration and will reduce journey time by 25% to 45%.

Features and Amenities in Vande Bharat Express

- The Vande Bharat Express train has an intelligent braking system enabling better acceleration and deceleration.
- All coaches in the train are equipped with automatic doors, GPS based audio-visual passenger information system, on-board hotspot Wi-Fi for entertainment purposes, and very comfortable seating. The executive class also has rotating chairs.
- All toilets are bio-vacuum type. The lighting is dual mode i.e. general illumination and personal for every seat.
- Every coach has a pantry with facilities to serve hot meals, hot and cold beverages.
- The Vande Bharat Express has 16 air-conditioned coaches of which two are executive class coaches. The total seating capacity is 1,128 passengers
- It also has provision for Divyang-friendly facilities.
- Adding up the green footprints, the train has a regenerative braking system in the Vande Bharat Express coaches which can save up to 30% of electrical energy.
- The Vande Bharat Express train has fully sealed gangways and censored interconnecting doors for a dust free environment.
- A fire survival cable indoor circuit is also provided on the train. There will also be an improved air conditioning system.
- The train has operational high speed up to 160 KMPH.
- It has a Driver-Guard communication with voice recording facility & Crash hardened memory
- It also has Coach Condition Monitoring System (CCMS) display with remote monitoring
- There are Disaster lights in the train – 4 numbers in each coach in case of Emergency
- The train has 4 platform side cameras including rear view cameras outside the coach.

Vande Bharat coach Industry outlook

In the medium term, the government envisions scaling the fleet to around 800 Vande Bharat trainsets by 2030, subject to infrastructure readiness and manufacturing capacity, with a longer-term vision of around 4,500 trainsets by 2047. The Railway Rolling Stock Programme 2026-27 reflects this scale-up, with sanctioned works including 300 new-generation Vande Bharat rakes at Rs 39,000 crore and 1,000 additional Vande Bharat rakes at Rs 65,000 crore.

5.5.1 Amrit Bharat Trains

The Amrit Bharat Express is a new category of long-distance, non-AC trains introduced to provide affordable and comfortable rail travel for the mass passenger segment. Designed with modern interiors, push-pull technology, and enhanced safety, it is positioned as a 'Janata-friendly modern express'. These trains aim to gradually replace ageing non-AC rakes and reduce overcrowding while maintaining low fares. In Feb-25 Government had announced plan to add 100 Amrit Bharat trains in next 2-3 years. The operations for the same have scaled up from 60 services as of March 2026 to an indicative 68 services by May 2026, after the addition of Banaras-Hadapsar, Ayodhya-Mumbai and Amritsar-New Jalpaiguri services. Accordingly, around 32 Amrit Bharat services remain to be introduced against the 100-service benchmark.

Table 18: Project Data Snapshot

Category	Details
Launch	Dec-23
Coach Composition	11 General, 8 Sleeper, 1 Pantry, 2 SLR with disabled-friendly compartments
Technology	Push-pull locomotives at both ends
Coach Design	LHB platform with improved interiors, bio-toilets, charging points
Operational Trains	68 (as of May'26)
Production Target	100 trains
Initial Routes	Darbhanga–Ayodhya–Anand Vihar, Malda Town–Bengaluru

Source: Press Information Bureau (PIB), CareEdge Research

5.5.2 Bullet Train

The Mumbai–Ahmedabad High Speed Rail project, also known as the Bullet Train, is India's first dedicated high-speed rail corridor. Built with Japanese Shinkansen technology, it aims to cut travel time between Mumbai and Ahmedabad to around 2 hours 7 minutes, while setting new benchmarks for speed, passenger comfort, and safety. The project is designed to modernise India's long-distance travel infrastructure, foster regional economic growth, and serve as a model for future high-speed corridors across the country.

Table 19: Project Data Snapshot as of April 2025

Category	Details
Total Length	508 km (352 km Gujarat & Dadra Nagar Haveli; 156 km Maharashtra)
Stations	12 (Mumbai, Thane, Virar, Boisar, Vapi, Bilimora, Surat, Bharuch, Vadodara, Anand, Ahmedabad, Sabarmati)
Viaduct Completed	343 km
Pier Works Completed	434 km
River Bridges Completed	14
Steel Bridges Completed	13
PSC Bridges Completed	5
Noise Barriers Installed	More than 5.6 lakh noise barriers installed along 280 km of stretch
Track Bed Completed	188 km
Rail Welding (200 m panels)	Ongoing on viaduct
Overhead Equipment (OHE) Masts Installed	More than 6,900 OHE masts installed, covering around 159 route km of the mainline viaduct
Station Works (Gujarat)	6 of 8 structurally complete
Elevated Station Works	Started at 3 locations
Mumbai Station	75% excavation done; base slab casting underway (in-situ batching & chiller plants in use)

Source: National High-Speed Rail Corporation Limited (NHSRCL)

5.5.3 Hydrogen Fuel Trains

Hydrogen fuel trains are being developed as part of Indian Railways' green initiative to decarbonise transport and reduce dependence on diesel on non-electrified routes. Using fuel cells that emit only water as a by-product, they provide a zero-emission alternative for regional and heritage lines, while enhancing sustainability and energy security.

India has developed a 1,200 HP hydrogen train at the Integral Coach Factory (ICF) in Chennai. Indian Railways plans to run 35 hydrogen trains on various heritage/hill routes under the 'Hydrogen for Heritage' program.

Table 20: Project Data Snapshot

Category	Details
Technology	Hydrogen fuel cell ($H_2 + O_2 \rightarrow$ electricity + water)
Objective	Replace diesel trains on non-electrified routes
Capacity	~2,600 passengers
Pilot Route	Jind–Sonipat (Haryana) (infrastructure at the cost of Rs 111.83 crores) (the most powerful and longest hydrogen train in the world.)
Coach Design	Modified DEMU with hydrogen storage, fuel cells, advanced safety systems
Targeted Routes	Tourist & heritage lines (e.g. Kalka–Shimla, Darjeeling Himalayan)
Environmental Impact	Zero CO_2 emissions, quieter operation, water as only by-product
Deployment Status	Retrofit & pilot trials underway

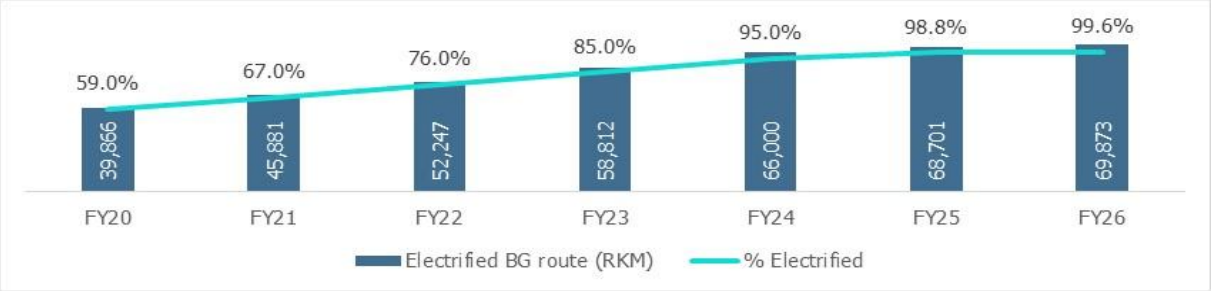
Source: PIB, CareEdge Research

6. Railway Electrification in India

6.1 Overview of Railway Electrification in India

Railway electrification in India has emerged as a central pillar of the government's strategy to modernise transport infrastructure and reduce dependence on imported fossil fuels. The Indian Railways, the world's fourth largest network, has set an ambitious target to achieve 100 per cent electrification of its broad-gauge routes by 2030, aligning with the national objective of achieving net zero carbon emissions. As of FY26 about 99.6% of the Indian Railways (IR) Broad Gauge (BG) network has been electrified and balance sections have been taken up. Significant progress has been made in railway electrification in recent years.

Chart 38: Electrified Routes in India



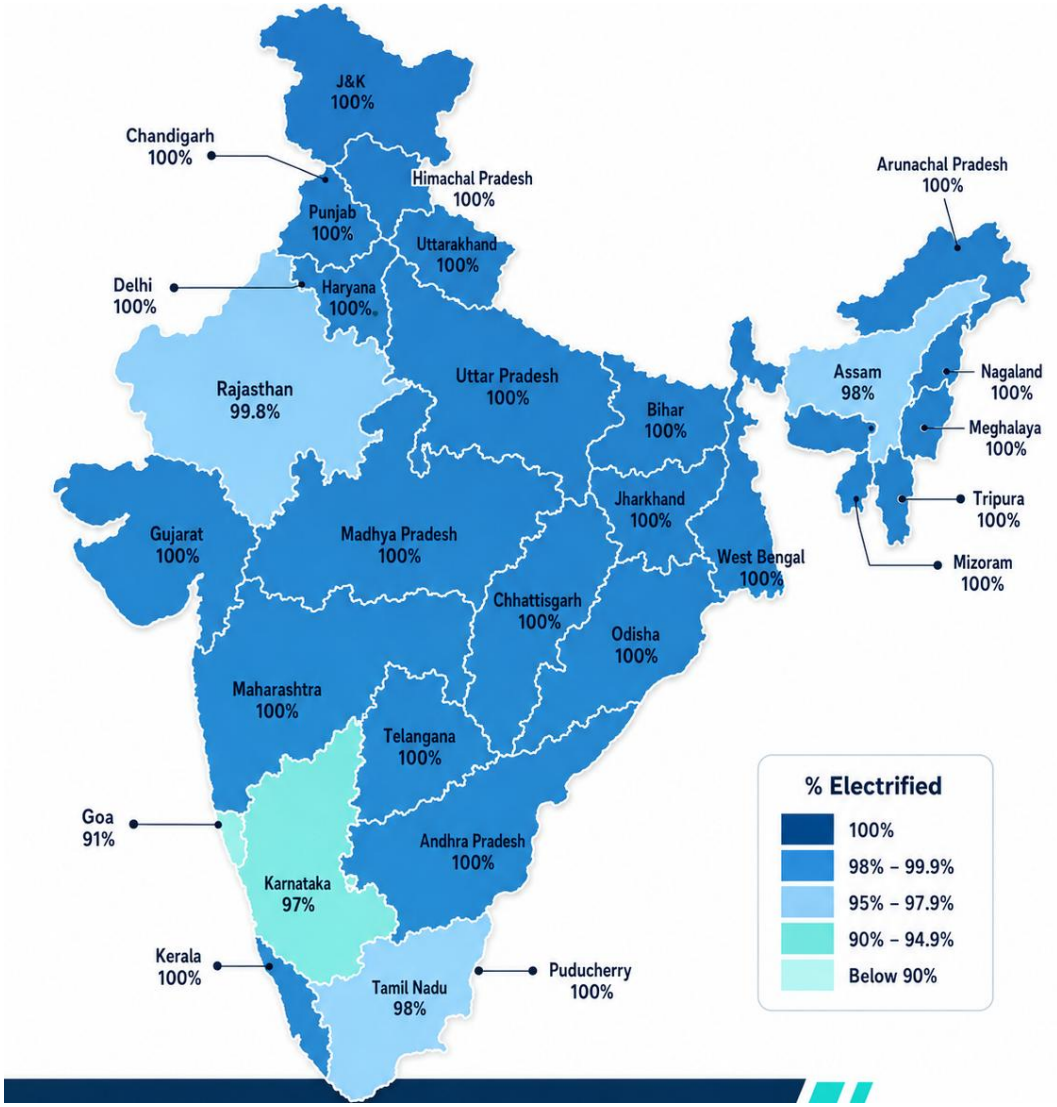
Source: PIB, CareEdge Research

Electrification enhances operational efficiency by enabling faster, more reliable, and cost-effective train operations compared to diesel traction.

The programme is also expected to deliver significant savings in fuel costs while reducing greenhouse gas emissions, thereby supporting India's commitments under international climate agreements. Additionally, it improves energy security by shifting traction towards domestically available electricity, including renewable power sources. From a technical perspective, electrification allows better hauling capacity, higher average speeds and lower maintenance needs.

The pace of implementation has accelerated in recent years, with record electrification achieved annually across different zones. This is supported by increased budget allocations, streamlined contracting processes, and the participation of private players in equipment manufacturing and project execution. The initiative is further complemented by the development of modern substations, advanced signalling and energy-efficient locomotives.

Figure 1: State-wise Percentage of Tracks Already Electrified (as of Apr26)



Source: Indian Railways, CareEdge Research

About 98% of broad-gauge railway lines in Tamil Nadu have been electrified, with 3,858 RKM electrified out of 3,926 RKM as of April 30, 2026. The balance network stands at around 68 RKM, for which electrification work has been taken up.

Beyond environmental and economic benefits, railway electrification is expected to strengthen India's logistics competitiveness by reducing freight costs and improving connectivity. It stands as both a sustainability measure and a growth enabler for the broader transport ecosystem.

6.2 Government Initiatives

Initiative	Description
Green Railways Policy / Net Zero by 2030	India has committed Indian Railways to a "Green Railways" objective targeting net-zero carbon emissions by 2030. Electrification is a core pillar, supported by measures on energy efficiency, regenerative braking and fleet modernisation. The policy is being combined with procurement of renewable power and on-site generation to lower operational carbon intensity. It is framed as a nation-scale decarbonisation programme with milestones and formal reporting to central authorities. Implementation is being aligned with investment plans to synchronise CapEx with the net-zero timetable.

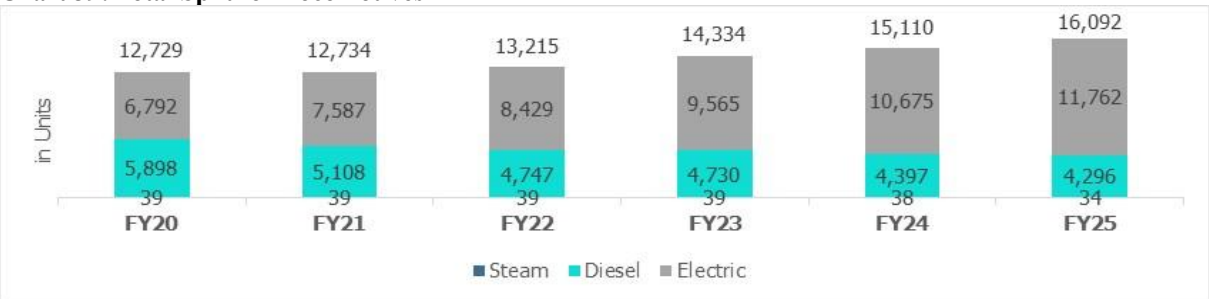
Initiative	Description
Target of 100% Electrification	The Ministry of Railways aims to electrify the entire broad-gauge network, with a concerted push to complete remaining sections by FY30. Official progress metrics show a rapid annual ramp-up in route-kilometres electrified and near-full coverage in most states. Residual work is concentrated in low-density corridors, difficult terrain and sections constrained by clearances or power evacuation. The target is explicitly linked to operational savings from diesel displacement and to the broader net-zero objective.
Use of Head-On-Generation (HOG) Technology	HOG converts electric traction supply to onboard hotel load, replacing diesel generator sets and delivering immediate fuel and emissions savings. Indian Railways has undertaken large-scale HOG conversions which reports significant annual savings on long-distance services. The retrofit pathway requires comparatively low CapEx versus full rolling stock replacement, yielding short payback on high-utilisation routes. Operationalising HOG at scale requires locomotive compatibility, standardised interfaces and maintenance upskilling. Continued rollout of HOG represents a pragmatic, high-impact operational measure within the broader electrification agenda.
Renewable Energy Integration	The government is pursuing renewable PPAs, rooftop and utility solar, and pilots such as removable solar panels between tracks to supply traction and fixed loads. Securing a higher share of renewables in the traction energy mix reduces lifecycle emissions and strengthens energy security as diesel is phased out. Integration requires grid planning, storage solutions or flexible PPAs to manage variability and align generation with demand profiles. Pilot projects demonstrate technical feasibility, but scale-up depends on standardisation, safety approvals and commercial dispatch arrangements. Renewables paired with electrification improve long-term emissions and operating costs if managed prudently.

6.3 Need for Investment

The Indian Railways have taken a target to achieve net zero carbon emission by CY30. Some of the key steps to achieve this target include 100% electrification of broad-gauge railway network and shift from diesel to electric locomotives.

At present, 69,873 Route km on BG network has been electrified, which is about 99.6% of the total Broad Gauge (BG) network of the Indian Railways. The electrification of balance BG network has been taken up. During FY14-FY25, Rs 5,52,252.80 million have been spent on electrification. Further, Rs 50,000 million have been allocated for electrification during FY27BE. Further, the share of electric locomotives in the Indian Railway fleet has went up from 53.4% in FY20 to 73.1% in FY26.

Chart 39: Total Split for Locomotives



Source: Ministry of Railways; CareEdge Research

Apart from reduction in the carbon emission, increase in deployment of electric locomotives will be beneficial because they are faster and more reliable and will help in increasing track capacity and overall efficiency of the railway network. With the Indian Railways achieving 100% electrification and the electricity-based metro rail network also being expanded rapidly, the requirement for electricity by the railways is set to increase significantly. Ramp up of domestic power generation through conventional and alternate fuel sources, expansion of existing transmission network will play a key role in ensuring sufficient availability of electricity for the railway operations.

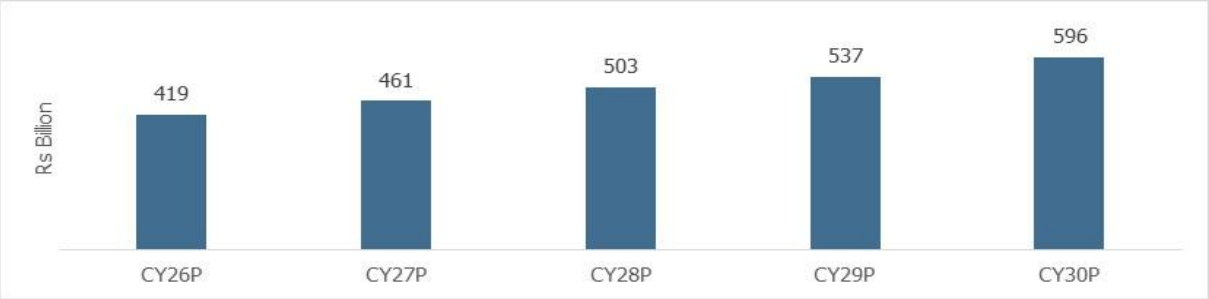
6.3.1 High-Speed Railways

High-speed railways in India represent a significant leap forward in the country's transportation infrastructure, offering faster, more efficient, and comfortable travel options between major cities. These projects are part of India's broader efforts to modernise its rail network and reduce travel times across vast distances, thereby boosting economic growth and improving connectivity. The Union Budget 2026-27 announced seven high-speed rail corridors as 'growth connectors', involving an indicative investment potential of around Rs 16 trillion across nearly 4,000 km.

6.3.2 Semi-High-Speed Railways

Semi-high-speed railways in India represent a significant advancement in the country's railway infrastructure, bridging the gap between conventional rail services N and full high-speed rail systems. Designed to operate at speeds ranging from 160 to 200 km/h, semi-high-speed trains aim to enhance travel efficiency and reduce journey times on key routes, making rail travel a more competitive alternative to air and road transport. The introduction of semi-high-speed railways is part of India's broader strategy to modernise its rail network, improve passenger experience, and support economic growth by boosting connectivity between major cities and industrial hubs. The projected investments in Semi -High Speed Railways is around Rs 2,516 Bn from CY26P-CY30P.

Chart 40: Projected Investments in Semi High- Speed Railways



Source: CareEdge Research, Maia Research

6.4 Development of Metro Rail Infrastructure in India

India's metro rail projects have advanced considerably, transforming the landscape of urban mobility. Designed to ease traffic congestion, lower pollution levels and improve intra-city connectivity, the metro network has expanded across major centres including Delhi, Mumbai, Bengaluru and Chennai. The implementation of these projects relies on careful planning, diversified funding mechanisms, and the adoption of advanced technologies. By providing commuters with a reliable and efficient alternative, metro systems enable seamless travel within densely populated cities. As urbanisation accelerates, the continued expansion of metro rail remains integral to India's strategy for sustainable and modern urban development.

The first metro in India was launched in Kolkata on 24 October 1984, with the inauguration of a 3.4 km stretch between Esplanade and Bhowanipore (now Netaji Bhavan). It was India's earliest urban mass rapid transit system and is still operational as part of the Kolkata Metro network.

Table 21: History of Metro Rail in India

City	Year of Launch
Kolkata	1984
Delhi	2002
Bengaluru	2011
Gurugram	2013
Mumbai	2014
Jaipur	2015
Chennai	2015
Kochi	2017
Lucknow	2017
Hyderabad	2017
Noida	2019
Nagpur	2019
Ahmedabad	2019
Kanpur	2021

City	Year of Launch
Pune	2022

Source: CareEdge Research

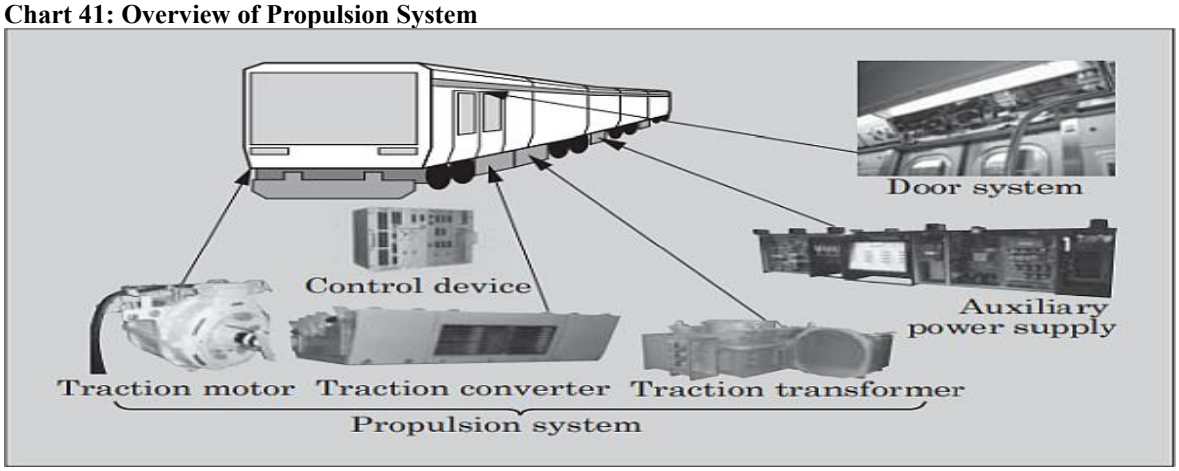
7. Overview of the Railway Propulsion Equipment Industry

7.1 Overview

The railway propulsion equipment is the product or equipment that makes trains move on tracks. It includes main parts like Converter-Inverter Systems, Vehicle Control System or Train Control Management System, Driver Displays. Propulsion provides the traction power needed to pull coaches and wagons over long distances.

Railway propulsion equipment is used across a wide range of applications. These include passenger trains such as metros, suburban rail, intercity trains, and high-speed rail, as well as freight trains that transport coal, steel, cement, containers, and other goods. They are also critical in urban rail systems like metros, monorails, and in specialised rail vehicles used in mining and heavy industries.

Chart 41: Overview of Propulsion System



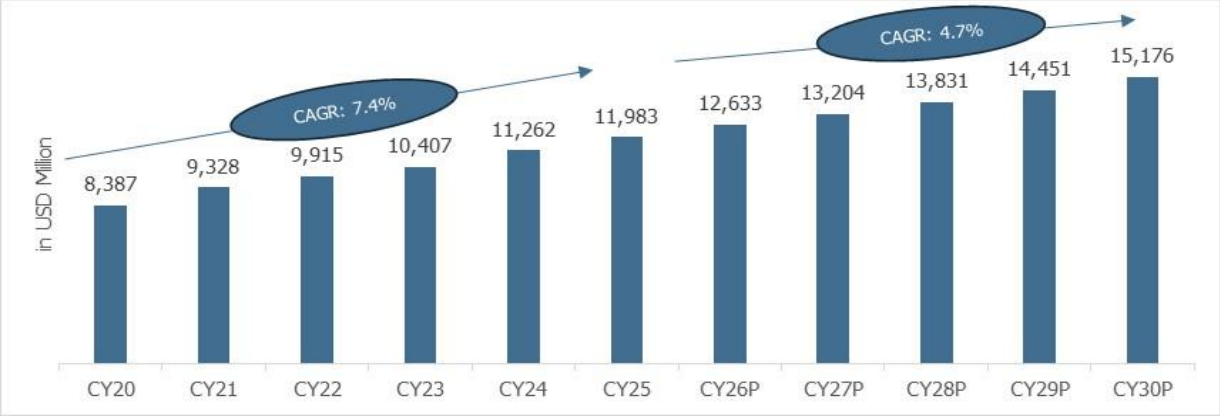
Source: CareEdge Research

Globally, countries are upgrading propulsion technologies to support high-speed trains, metro networks and cleaner mobility initiatives. In India, large-scale investments in dedicated freight corridors, metro rail projects, and the Mumbai–Ahmedabad bullet train are creating significant demand for advanced propulsion equipment.

7.2 Global Market Size of Railway Propulsion Equipment Industry

The global propulsion equipment industry plays a critical role in powering modern transportation system.

Chart 42: Global Market Size of Railway Propulsion Equipment Industry



Source: MAIA Research, CareEdge Research

The global railway propulsion equipment industry has shown consistent growth, rising from USD 8,387.0 million in CY20 to USD 11,983.0 million in CY25, reflecting a CAGR of 7.4%. This strong growth was driven by large-scale investments in railway modernisation, rapid electrification initiatives, and the expansion of urban metro and high-speed rail projects, particularly across Asia-Pacific and Europe. Going forward, the industry is projected to maintain its upward trajectory, reaching USD 15,175.7 million by CY30, however, the pace of growth is expected to moderate to a 4.7% CAGR between CY26P to CY30P. This steady expansion indicates that the market is moving into a more mature phase, with demand increasingly driven by upgrades, replacements and the integration of advanced technologies such as hybrid propulsion, battery-electric systems and hydrogen fuel cells.

7.3 Region-wise Market Size of Railway Propulsion Equipment

The region-wise market for railway propulsion equipment reflects steady growth across all geographies, supported by infrastructure development, modernisation and adoption of advanced technologies.

Chart 43: Region-wise Market Size of Railway Propulsion Equipment

Source: MAIA Research, CareEdge Research

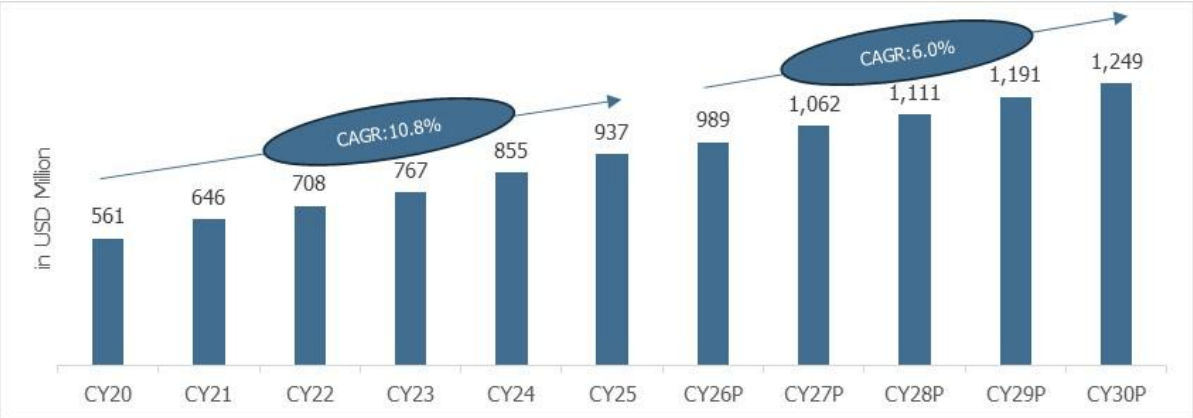
Asia dominates the global railway propulsion equipment market, contributing the largest share throughout the forecast period, growing from USD 2,852.4 million in CY20 to USD 5,095.6 million by CY30. This strong position reflects extensive investments in high-speed rail projects, metro networks and railway electrification programs across major economies like China and India.

Europe remains the second-largest contributor, rising from USD 2,448.3 million in CY20 to USD 4,571.9 million in CY30P, driven by modernisation initiatives, emphasis on sustainable transport, and adoption of green propulsion technologies. North America also demonstrates steady growth, increasing from USD 2,089.4 million in CY20 to USD 3,862.3 million in CY30P, supported by infrastructure upgrades and replacement demand.
MEA (Middle East & Africa) and other regions contribute smaller shares but maintain gradual growth, reflecting incremental adoption of advanced rail systems in select markets. Overall, while Asia leads the market expansion, Europe and North America continue to play significant roles, with all regions contributing to steady global growth.

7.4 Market Size of Railway Propulsion Equipment Industry in India

The railway propulsion equipment industry in India is witnessing steady growth, supported by large-scale electrification projects, expansion of metro and high-speed rail networks, and the government's focus on modernising rail infrastructure. Increasing demand for energy-efficient and sustainable technologies is further driving the market.

Chart 44: Indian Market Size of Railway Propulsion Equipment Industry



Source: MAIA Research, CareEdge Research

The Indian railway propulsion equipment industry has shown robust growth, increasing from USD 561.1 million in CY20 to USD 937.0 million in CY25, reflecting an 10.8% CAGR over this period. This rapid expansion is supported by India's large-scale railway electrification drive, investments in metro networks, and the government's emphasis on modern, efficient transport systems.

From CY26P to CY30P, the market is projected to grow further to USD 1,249.3 million at a CAGR of 6.0%. Although the pace of growth moderates, the expansion is supported by ongoing modernisation, the adoption of advanced propulsion technologies, and rising demand for sustainable and energy-efficient rail solutions. The outlook suggests continued steady growth as India's rail sector evolves into a more technology-driven and sustainability-focused ecosystem.

7.5 Market Size of Railway Propulsion Equipment Industry in India (by Application)

The Indian railway propulsion equipment industry serves to two key applications, locomotives and Metro, Vande Bharat & Amrit Bharat trains. Locomotives form the traditional core part of railway operations, driven by the country's extensive freight and passenger networks. On the other hand, the increasing adoption of Metro systems in urban centres along with the government's focus on high-speed and semi-high-speed trains such as Vande Bharat and Amrit Bharat is creating strong demand for advanced propulsion technologies. Together, these segments reflect both the modernisation of India's existing railway infrastructure and the expansion of next-generation mobility solutions.

Chart 45: Indian Railway Propulsion Equipment Market (by Application)

Source: MAIA Research, CareEdge Research

The Indian railway propulsion equipment market shows a steady upward trajectory across categories. The locomotive segment remains the dominant contributor, increasing from USD 481.1 million in CY20 to USD 794.5 million in CY25, and is projected to reach USD 1,046.6 million by CY30P. This reflects sustained demand for

locomotives in both freight and passenger transport. Over the years, this segment shows consistent growth, reflecting the critical role locomotives play in maintaining the country's rail network efficiency.

Metro segment has been witnessing a sharp upward trajectory, supported by large-scale urbanisation and government-led investments in metro rail projects across major cities. The introduction of modern trains such as Vande Bharat and Amrit Bharat is further accelerating demand in this category, highlighting the shift toward high-speed and energy-efficient rail transport. This segment rising from USD 65.5 million in CY20 to USD 113.9 million in CY25, with projections of USD 158.2 million by CY30P.

7.6 Technological Advancement in Propulsion Equipment

1

Distributed Power Wireless Control System (DPWCS)

The DPWCS is a modern technology designed to improve operational efficiency and safety in railway systems. It enables locomotives positioned at different points within a train to be controlled wirelessly from a single lead locomotive. This distributed arrangement reduces in-train forces, enhances braking efficiency, and allows for smoother acceleration and deceleration. By optimizing load distribution across the entire train, DPWCS increases hauling capacity, reduces wear and tear on rolling stock, and lowers fuel consumption. This system is particularly beneficial for long freight trains, improving reliability and minimizing operational delays.

2

Train Control and Management System (TCMS)

TCMS is a microprocessor-based control platform that serves as the central intelligence for modern locomotives and trainsets. It integrates multiple subsystems including propulsion, braking, lighting, doors, HVAC, & passenger information into a single digital control architecture. TCMS enables real-time monitoring, diagnostics, and predictive maintenance, thereby improving operational efficiency and reducing downtime. Also, it enhances safety by providing advanced fault detection and automated responses. In the context of new-generation trains like Vande Bharat and Amrit Bharat, TCMS plays a critical role in ensuring energy efficiency, operational flexibility, and passenger comfort.

3

Hydrogen and Hybrid Propulsion Systems

Hydrogen-based propulsion, combined with onboard battery systems, is emerging as a promising alternative to diesel-powered trains. The Integral Coach Factory (ICF), Chennai, is working on converting existing rolling stock into hydrogen-battery hybrid models. Indian Railways has also developed a 1,200-horsepower hydrogen-powered engine, which reduces carbon emissions while ensuring high performance. These initiatives highlight the transition toward sustainable and green railway operations.

4

High-Speed and Semi-High-Speed Propulsion Technologies

Advancements in propulsion systems are also being directed toward supporting India's high-speed and semi-high-spee[illegible]ts. Modern locomotives now integrate IGBT-based inverter systems and regenerative braking, whic[illegible]nergy efficiency and operational performance. These technologies are designed to meet the requirements of trains operating at speeds above 250 km/h as well as powerful freight locomotives, aligning with India's vision for rail modernization.

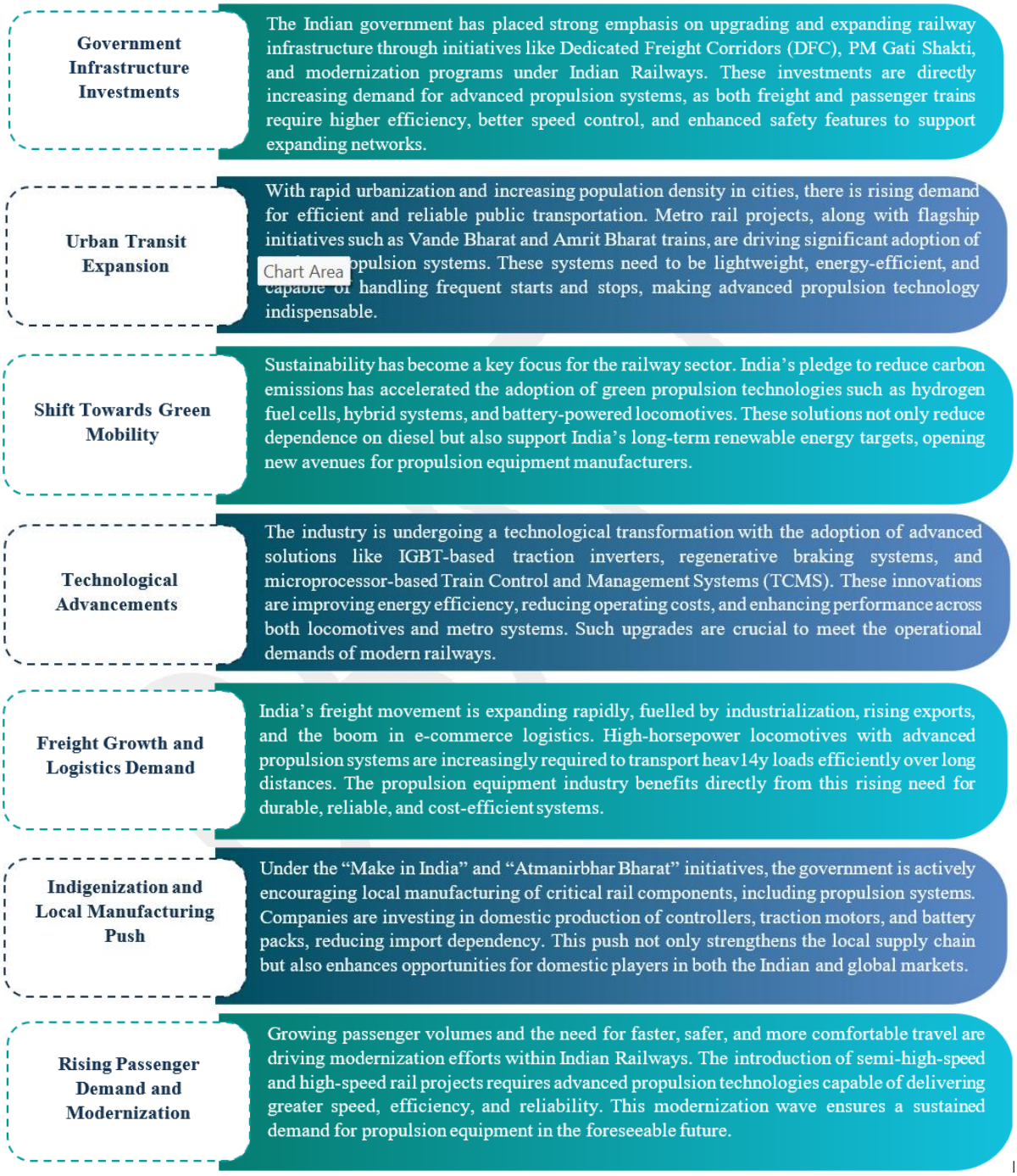
Chart Area

5

Digitalization and Predictive Maintenance

The integration of digital technologies is transforming railway propulsion systems. Modern equipment is increasingly equipped with smart sensors, real-time monitoring, and advanced diagnostic tools. These enable predictive maintenance, reduce downtime, and improve overall system safety and reliability. The shift toward data-driven operations ensures higher efficiency and cost savings in the long run.

7.7 Growth Drivers for the Indian Rail Propulsion Equipment Industry



7.8 Integrated propulsion kit

An Integrated Propulsion Kit (IPK) is a comprehensive, modular solution designed to power and control modern rail systems, including locomotives, metro trains and high-speed rail. Different from conventional propulsion setups that require separate sourcing and integration of components, IPKs offer a pre-engineered, ready-to-install package that ensures seamless compatibility, reduced engineering complexity and enhanced operational efficiency.

Each IPK typically comprises essential components such as transformers, driver desks, and cable assemblies, supported by systems for regenerative braking, cooling and diagnostics. Together, these elements ensure smooth power conversion, traction control and communication across multiple subsystems, resulting in high operational reliability and energy efficiency. The integration of advanced technologies such as IGBT (Insulated Gate Bipolar

Transistor) and SiC (Silicon Carbide)-based converters, combined with intelligent monitoring and control modules, makes IPKs adaptable and efficient across diverse railway applications.

There are many benefits of Integrated Propulsion Kit. It offers seamless integration of components, leading to better system reliability and lower maintenance requirements. Their compact and modular design saves space, making them ideal for metro and regional trains. Additionally, features like regenerative braking and hybrid integration with batteries or hydrogen fuel cells support India's transition toward green and sustainable railway operations. The ready-to-install nature of these kits also reduces project execution time, making them a cost-effective choice for railway operators.

In India, IPKs are gaining traction across multiple platforms. They are extensively deployed in metro systems like Delhi Metro and Mumbai Metro, where frequent acceleration and deceleration cycles demand robust propulsion. High-speed and semi-high-speed trains such as Vande Bharat and Amrit Bharat utilise IPKs to achieve superior acceleration, energy efficiency and passenger comfort. Freight and passenger locomotives under initiatives like the Dedicated Freight Corridors (DFC) also benefit from, particularly those designed for 9000HP electric locomotives, which offer enhanced haulage capacity and long-term reliability.

Recent advancements have further elevated the role of IPKs in modern railways. The adoption of SiC semiconductors has led to lower energy losses and higher thermal efficiency. Hybrid propulsion systems integrating battery storage and hydrogen fuel cells are paving the way for zero-emission operations. Additionally, IoT-enabled diagnostics allow for real-time monitoring and predictive maintenance, minimising downtime and improving asset utilisation. Lightweight designs and modular scalability are making IPKs increasingly suitable for urban mobility and smart city transport frameworks.

Going forward, IPKs are poised to become the standard propulsion architecture for India's evolving railway landscape. With substantial investments in metro rail expansion, semi-high-speed corridors, and electrification initiatives, IPKs will play a pivotal role in delivering efficiency, sustainability and technological resilience to the future of Indian rail transport.

7.9 Ownership of Intellectual Property Rights in Propulsion System Tenders

The recent tender issued by Indian Railways explicitly lays down a requirement that the Bidder must possess ownership of the intellectual property rights related to the propulsion system being offered. Specifically, the lead bidder or consortium member must have designed an IGBT-based propulsion system of electric locomotives of 4,000 horsepower or more and should have manufactured and supplied the same. Importantly, bidders relying on designs procured from third parties (except from their own Associates) are declared ineligible. In cases where the technology was initially acquired from a third party, the Bidder must certify that the rights over the technology are now their own, free of infringement claims, and that no third-party intellectual property rights subsist. If such technology was acquired within the last ten years, a no-claims certificate from the original technology provider must also be submitted. This condition underscores the Railways' emphasis on ensuring that vendors not only demonstrate technical capability but also hold full and undisputed IPR ownership to mitigate risks of legal disputes and dependency on external technology providers.

7.10 'Make-in India' Opportunities

The Indian government's 'Make-in India' initiative has created significant opportunities for the domestic manufacturing of railway propulsion equipment. With Indian Railways undertaking large-scale modernisation, including electrification, the adoption of advanced propulsion technologies such as three-phase IGBT-based converters, regenerative braking and energy-efficient traction systems, there is rising demand for localised production. This push not only reduces dependence on imports but also strengthens indigenous capabilities in critical technologies.

A key opportunity lies in technology transfer and joint ventures between global OEMs and Indian manufacturers. Many recent tenders require bidders to establish local manufacturing and assembly facilities, thereby promoting domestic value addition. Indian companies have the chance to develop integrated propulsion systems covering converters, traction motors, auxiliary converters, and control electronics, under Indian ownership of intellectual property rights. This aligns with the government's focus on 'Atmanirbhar Bharat' (self-reliance) and positions India as a global hub for propulsion system exports.

Moreover, the expansion of metro rail projects across cities, the introduction of semi-high-speed trains like Vande Bharat, and the electrification of freight corridors further expand the market size for propulsion equipment. Indigenous players can leverage these opportunities by investing in R&D, developing cost-efficient solutions, and creating backward integration for critical components such as power semiconductors and control software. Over time, this ecosystem development is expected to not only cater to domestic demand but also make India a competitive exporter of railway propulsion technology.

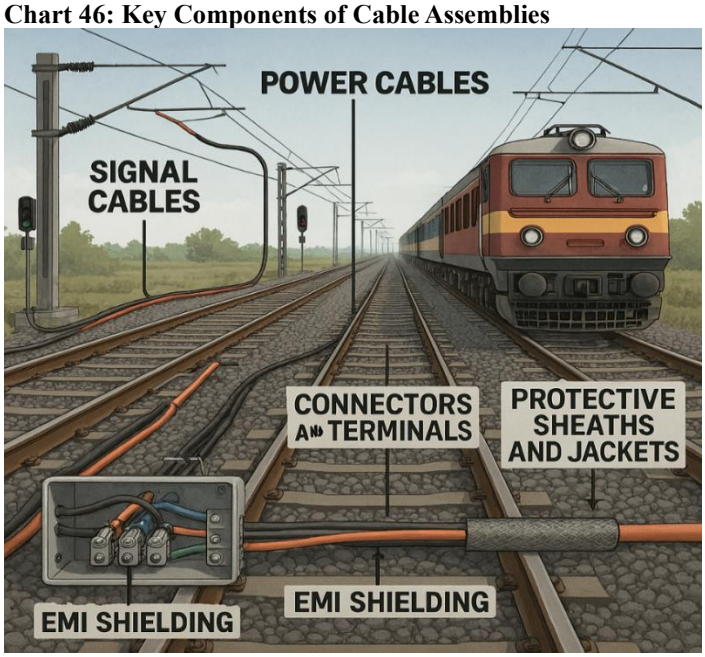
8. Overview of the Railway Cable Assemblies

8.1 Overview

Railway cable assemblies are essential parts of today's rail systems. It helps carry power, signals, and data between different parts of trains, whether it's locomotives, metro coaches, or passenger trains. These assemblies combine cables, connectors, and protective coverings into one system that can handle tough railway conditions like constant shaking, changing temperatures, electrical interference, and exposure to dust and moisture.
These cable assemblies used in many key areas, such as propulsion systems, braking units, communication and signalling devices, passenger information screens, and safety controls. As India moves toward more electric locomotives, metro networks, and high-speed trains, there's a growing need for cable assemblies that are strong, lightweight, fire-resistant, and free from harmful halogen materials. Manufacturers are now focusing on making these assemblies more reliable and safer, while also meeting strict Indian and international railway standards. With Indian Railways pushing for more electrification, rolling out advanced trains like Vande Bharat and Amrit Bharat, and investing in metro and semi-high-speed projects, the demand for modern cable assemblies is set to rise sharply in the coming years.

8.2 Key Components of Cable Assemblies

Chart 46: Key Components of Cable Assemblies



Source: CareEdge Research

Power Cables

Power cables are the key part of railway cable assemblies, responsible for delivering electrical energy to critical systems such as traction motors, lighting, HVAC units, and onboard equipment. These cables are designed to handle high voltage and current loads, often operating under demanding conditions. To ensure safety and durability, they are typically made with flame-retardant materials and engineered to withstand temperature fluctuations, mechanical stress, and long-term exposure to vibration and moisture. Their robust construction ensures uninterrupted power flow, which is essential for train propulsion and auxiliary functions.

Signal Cables

Signal cables play a vital role in transmitting control signals between various subsystems, including braking units, signalling devices, and safety-critical controls. These cables must maintain precise electrical characteristics to avoid signal distortion and ensure reliable communication. Shielding is often used to protect against electromagnetic interference (EMI), which is common in electrically dense environments like rail vehicles. By enabling accurate and timely signal transmission, these cables help maintain operational safety and system responsiveness.

Connectors and Terminals

Connectors and terminals are the interface points that link cables to devices, control panels, and other subsystems. In railway applications, these components must be rugged, vibration-resistant, and weatherproof to ensure long-term reliability. These are often custom designed to meet specific rail standards and environmental conditions. Secure and efficient connections are crucial for maintaining system integrity, especially in high-speed and metro trains where frequent acceleration and deceleration can stress electrical joints.

Protective Sheaths and Jackets

Protective sheaths and jackets serve as the outer layer of cable assemblies, shielding internal conductors from mechanical damage, moisture, UV radiation, and chemical exposure. In railway environments, these coverings are typically made from low-smoke, zero-halogen (LSZH) materials to enhance fire safety and reduce toxic emissions during combustion.

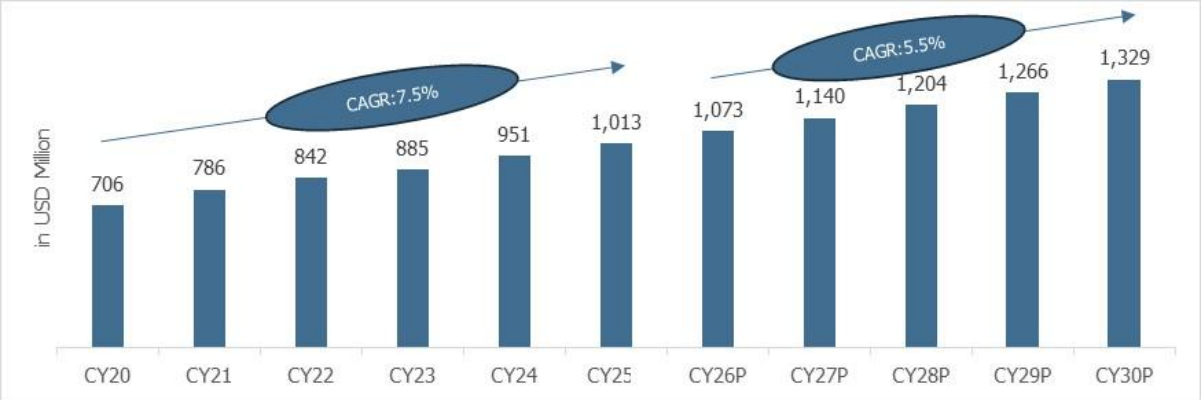
EMI Shielding

Electromagnetic interference (EMI) shielding is a critical feature in cable assemblies that carry sensitive signals. It involves the use of metal foils or braided layers to block external electrical noise and prevent signal degradation. This is particularly important in propulsion systems and control circuits, where high-power equipment can generate disruptive electromagnetic fields. Effective EMI shielding ensures stable communication and control, contributing to the overall reliability of the train's electrical systems.

8.3 Global Market Size of Railway Cable Assemblies

The global market for railway cable assemblies is projected to grow steadily from USD 706.5 million in CY20 to USD 1329.2 million by CY30P. From CY20 and CY25, the market expanded at a compound annual growth rate (CAGR) of 7.5%, driven by increased investments in metro rail, electrification projects and rolling stock modernization.

Chart 47: Global Market Size of Railway Cable Assemblies



Source: MAIA Research, CareEdge Research

From CY26P to CY30P, the growth rate is anticipated to moderate to a CAGR of 5.5%, reflecting a maturing market with sustained demand for high-performance and compliant cable systems. This upward trend shows the growing importance of advanced cable assemblies in supporting propulsion, signalling, communication and safety functions across global railway infrastructure.

8.4 Region-wise Market Size of Railway Cable Assemblies

Asia has remained the largest contributor, increasing from USD 241.1 million in CY20 to USD 500.6 million by CY30P, supported by rapid rail infrastructure development and high government investments.

Chart 48: Region-wise Market Size of Railway Cable Assemblies

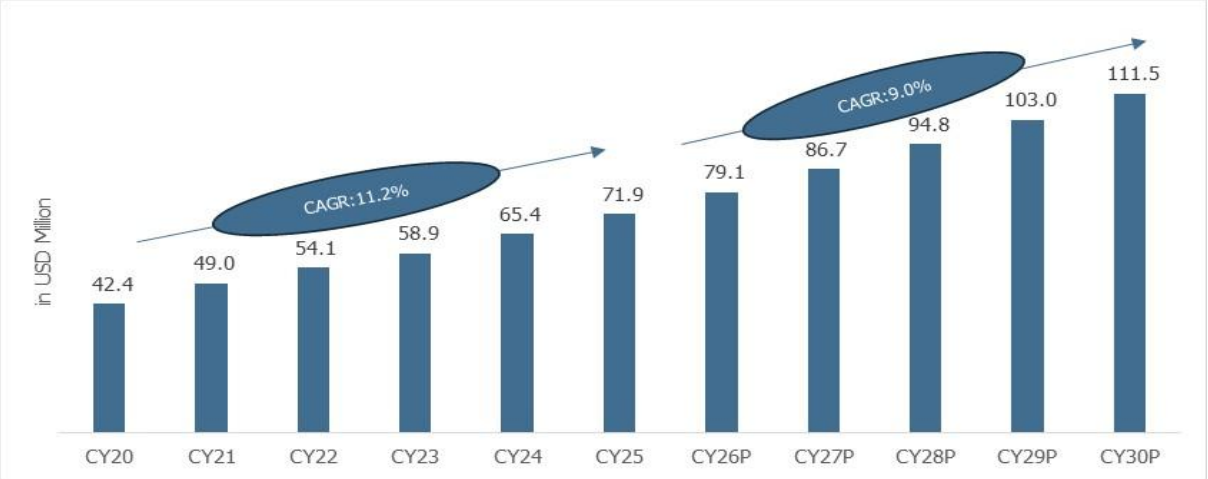
Source: MAIA Research, CareEdge Research

Europe and North America also show steady growth, supported by sustainability initiatives, cross-border connectivity projects, and the modernisation of rail networks with advanced technologies. The Middle East and Africa (MEA) region records only modest gains, driven by rising infrastructure investments.

8.5 Market Size of Railway Cable Assemblies in India

The Indian market size of railway cable assemblies rising from USD 42.4 million in CY20 to USD 71.9 million in CY25, reflecting a compound annual growth rate (CAGR) of 11.2% during this period. This growth was primarily driven by the rapid expansion of metro rail networks, increased electrification of railway routes, and the deployment of advanced rolling stock such as Vande Bharat trains. These developments significantly boosted demand for high-performance cable assemblies used in propulsion, signalling, and onboard systems.

Chart 49: Indian Market Size of Railway Cable Assemblies



Source: MAIA Research, CareEdge Research

From CY26P market is expected to grow from USD 79.1 million to USD 111.5 million by CY30P, at a slightly moderated CAGR of 9.0%. This continued expansion is attributed to the rollout of semi-high-speed corridors, integration of green technologies like battery and hydrogen propulsion, and the modernisation of regional and urban rail infrastructure. The sustained growth underscores the strategic importance of cable assemblies in supporting India's transition toward efficient, electrified and digitally enabled rail transport.

8.6 Growth Drivers for Indian Cable Assemblies Industry

9. Threats and Challenges to the Products and Services Offered by the Issuer

Stringent Quality Environmental Standards

Railway propulsion equipment and cable assemblies and propulsion systems must comply with rigorous safety and environmental standards, including fire resistance, halogen-free materials, and electromagnetic compatibility. Failure to meet these standards can result in project delays, increased costs, and reputational damage.

Intense Competition

The market for railway equipment is highly competitive, with numerous domestic and international players bidding for contracts. Many companies have built strong ties with Indian Railways, making the market more competitive.

Supply Chain Disruptions

The global supply chain for raw materials and components is susceptible to disruptions due to geopolitical tensions, natural disasters, or pandemics. Such disruptions can lead to delays in production and increased costs.

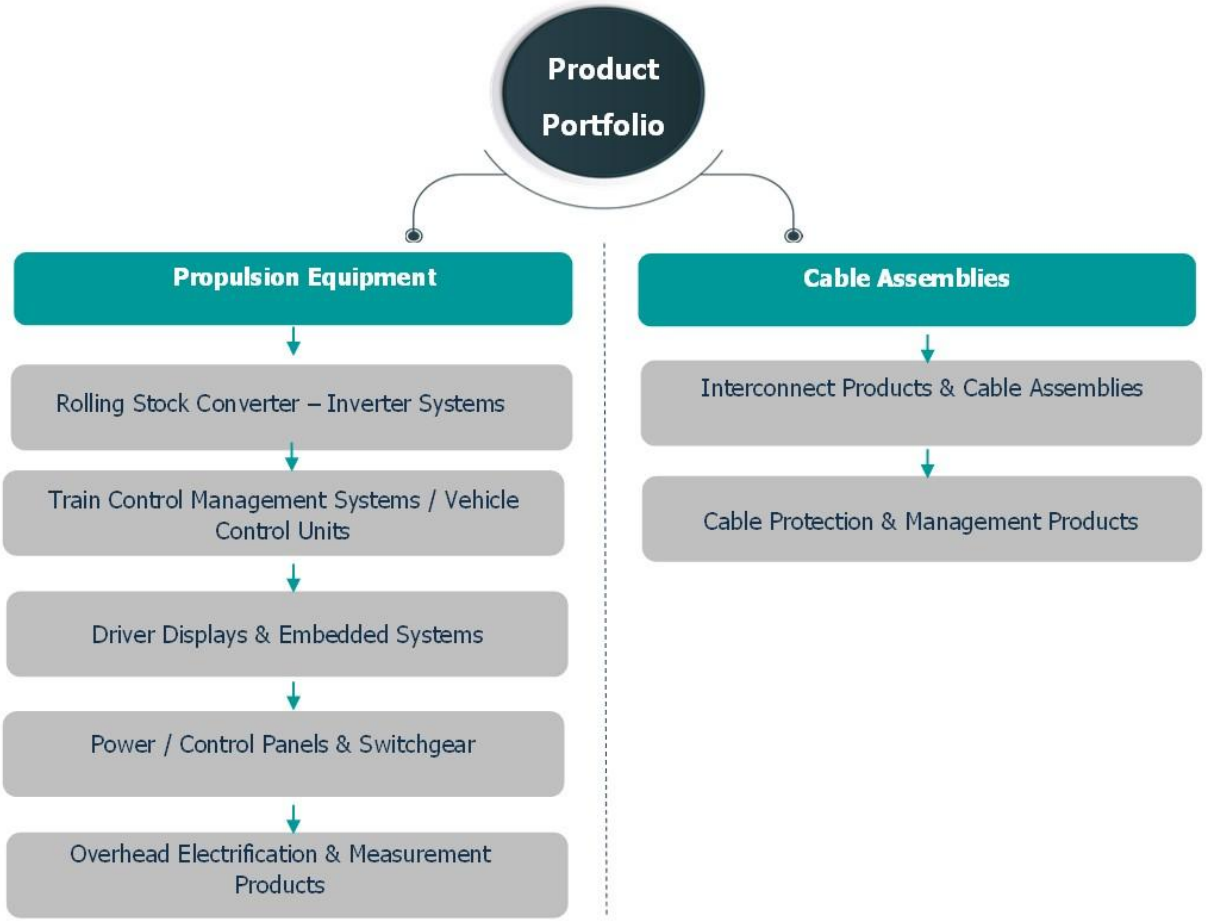
Regulatory Compliance & Bureaucratic Hurdles

The railway propulsion equipment industry faces challenges in navigating complex regulations and obtaining timely approvals. Delays in land acquisition and project permissions can affect project schedules. These factors may also increase operational costs if not managed efficiently.

10. Company Profiling

(Unless the context otherwise requires, in this section, references to "the Company" and "it" refers to MV Electrosystems Limited and its Subsidiary and an entity under the control of MV Electrosystems Limited i.e., the AOP, on a consolidated basis.)

MV Electrosystems Limited is involved in the design, development, and manufacturing of railway propulsion equipment and cable assemblies. The company provides customised electrical and electronic solutions tailored to the requirements of the railway sector, with a product portfolio that includes propulsion systems, auxiliary converters, battery chargers, and a wide range of cable assemblies. The company's solutions are primarily deployed in electric locomotives, metro systems, and EMUs, where propulsion and robust electrical systems are critical for performance. Its cable assemblies are specifically designed to withstand challenging operating conditions while ensuring durability and seamless integration with propulsion equipment.



MV Electrosystems carries out research and development activities in line with the modernisation initiatives of Indian Railways and the adoption of new technologies in the sector. The company undertakes manufacturing and engineering activities to support railway propulsion and electrification projects.

The company's operations are structured across two main business segments: Propulsion Equipment and Cable Assemblies. The Propulsion Equipment segment constitutes a significant share of the business, offering converters, inverters, and other critical systems that support railway electrification through efficient power management and traction control. The Cable Assemblies segment complements this by delivering customised wiring and harness solutions designed for reliable integration across rolling stock and railway infrastructure.

Key Business Highlights:

MV Electrosystems Limited is an approved supplier of propulsion systems for Indian Railways locomotives manufactured by Chittaranjan Locomotive Works (CLW) and has developed a 6000HP IGBT (Insulated Gate Bipolar Transistors)-based propulsion system in-house, aligning with the 'Make-in India' initiative. The company owns the intellectual property rights for its propulsion systems, meeting Indian Railways' procurement requirements and maintaining eligibility for tenders without reliance on third-party technology. Its capability to design, manufacture, and supply high-horsepower propulsion systems of 4,000 HP or more positions MV Electrosystems to meet the growing demand for advanced locomotive propulsion across India's railway network.

India's rapidly expanding railway infrastructure, particularly high-speed rail projects and metro networks offers great opportunity to MV Electrosystems Limited. The company's expertise in overhead electrification and propulsion systems aligns closely with the needs of these modern rail projects. Ongoing metro expansions in multiple cities and the electrification of new routes provide significant growth opportunities, as MV Electrosystems' capabilities in traction electrification and propulsion equipment are in high demand.

11. Competitive Landscape

11.1 Hind Rectifiers Limited

- **Description**: Hind Rectifiers Limited (Hirect) was incorporated in 1958 in collaboration with Westinghouse Brake & Signal Co. Ltd., UK. The company initially manufactured rectifiers, related apparatus, and small semiconductors. Over the decades, it expanded its product portfolio to include systems and solutions for the railway and industrial sectors. At present, its operations cover the design, development, and supply of power conversion equipment and components used in railway electrification and industrial applications.

- **Year of incorporation**: 1958

- **Headquarters**: Mumbai, Maharashtra

- **Operations**: The company designs, develops, and manufactures power electronic equipment and railway transportation systems such as rectifiers, converters, transformers, propulsion systems, and auxiliary converters. The company operates manufacturing facilities in Nashik (Satpur and Sinnar) and maintains R&D centres in Mumbai and Hyderabad. Hirect has pan-India presence with offices in Mumbai, Delhi, Kolkata, and Chennai, and international footprint with offices in Sweden and the UAE. In addition to its traditional railway and industrial products, the company has introduced new lines in HVAC and Defence and approved the formation of a subsidiary focused on IT, AI, Web3, and software-based solutions.

- **Order book**

	2023	2024	2025	2026
Order book (Cr)	307	534	893	845

The Order Book FY26 of the company is Divided in these Segments as below:

Segments	% Distribution
Railway Transformer	52.6%
Railway Electro mechanical	12.1%
Railway Electronics	23.6%
Industrial Products	1.4%

Segments	% Distribution
Spares & Services	10.4%

- **Revenue split:**

Segments	% Distribution
Railway Transformer	56.0%
Railway Electro mechanical	15.1%
Railway Electronics	17.8%
Industrial Products	3.8%
Spares & Services	5.1%
Others	2.2%

- **Capex plans:** The company plans 52 crores for Sinnar facility expansion and 50 crores for land acquisition to support operational efficiency and future growth.

11.2 MV Electrosystems

- **Description**: MV Electrosystems Limited engaged in electrical systems and power electronics for railway rolling stock and traction applications. The company designs, develops, and manufactures propulsion systems, including IGBT converters, auxiliary converters, vehicle control units, and driver display units, along with cable protection and interconnect products. Operating from a modern integrated facility, MV Electrosystems manages the complete product lifecycle, encompassing concept design, prototyping, precision manufacturing, testing, and commissioning. Its operations are focused on providing application-specific solutions for railway electrification, supporting both domestic and international projects. The company emphasises a customer-centric approach, serving railway manufacturers and operators with tailored power electronic and traction solutions.

- **Year of incorporation**: 2009

- **Headquarters**: New Delhi, India.

- **Operations**: MV Electrosystems Limited operates a modern, integrated facility where it handles the full product lifecycle for railway traction and electrical systems. Its operations include design, prototyping, precision manufacturing, testing and commissioning of propulsion systems, auxiliary converters, vehicle control units, driver display units, and cable protection products. The company focuses on application-specific solutions for railway rolling stock, serving both domestic and international projects.

- **Order book**:

➢ Total executable order book as on June, 2026 aggregated to Rs 9,216 million, excluding taxes, for supply of 564 3-Phase Propulsion Equipment and AMC on 555 propulsion sets aggregating to Rs 799 million for a period of three years after completion of warranty period.

  - MV Electrosystems has also received a developmental order for IGBT based 3-Phase Drive Propulsion Equipment with Composite Converter for WAP-7 locomotives from CLW, Indian Railways for 1 such equipment for an aggregate value of Rs 2.51 crore and three years comprehensive AMC for aggregate value of Rs 0.15 crore, both excluding taxes.
  - The company has also received an order from Modern Coach Factory, Indian Railways for Microprocessor Controlled IGBT based 3-Phase Propulsion Equipment for MEMU on-board 12-car rakes. The order covers 6 such equipment/units for an aggregate value of Rs 86.55 crore and a five-year comprehensive AMC for an aggregate value of Rs 4.69 crore, both excluding taxes. Accordingly, the total order value, including AMC but excluding taxes, stands at Rs 91.23 crore.
  - Secured an order from Banaras Locomotive Works, Indian Railways for one 2x500 KVA based Hotel Load Converter. The order value stands at Rs 0.80 crore, and the three-year comprehensive AMC value stands at Rs 0.03 crore, both excluding taxes. Accordingly, the total order value, including AMC but excluding taxes, stands at Rs 0.83 crore.

- **Revenue split**: NA

- **Capex plans**: NA

11.3 Medha Servo Drives

- **Description**: Medha Servo Drives Private Limited, founded in 1984 and headquartered in Hyderabad, India, is a technology company focused on railway propulsion, control and electrical systems. The company designs and manufactures traction motors, converters, auxiliary power converters, train control and management systems, onboard electronics and signalling solutions. Over time, Medha has expanded its portfolio into electric mobility, marine propulsion, and energy optimisation, providing technology solutions for both rail and non-rail applications. Medha has a global footprint, with offices and facilities in India, Spain, Poland, Italy, and the United States, and its systems are deployed in more than 50 countries.

- **Year of incorporation**: 1984

- **Headquarters**: Hyderabad, India

- **Operations**: Medha's operations cover the complete lifecycle of design, engineering, manufacturing, testing, and commissioning of railway and non-rail systems. Its activities include developing propulsion equipment for electric and diesel-electric locomotives, metro rail and trainsets; manufacturing bogies and traction systems; and providing signalling and safety systems that comply with SIL-4/CENELEC standards. Beyond railways, its operations extend to electric and hybrid powertrains for road transport, marine propulsion systems, and renewable energy solutions.

- **Order book**: NA

- **Revenue split**: NA

- **Capex plans**: NA

MV Electrosystems

Ratios	FY23	FY24	FY25	FY26
Revenue Growth	17.2%	-26.6%	25.4%	-21.1%
Gross Profit Margin	32.8%	48.3%	42.4%	30.0%
EBIT Margin	4.9%	7.1%	8.4%	-26.7%
EBITDA Margin	8.7%	12.7%	13.8%	-20.0%
EBITDA Growth	29.1%	8.4%	39.2%	-211.5%
PAT Margin	1.7%	1.1%	2.2%	-25.3%
Debt Equity	1.7	1.7	1.5	0.8
Return on Equity	9.8%	4.4%	8.0%	-31.5%
Return on Capital Employed	15.2%	14.1%	22.1%	-17.7%
Debtor Days	37.7	75.8	79.2	92.2
Creditor Days	52.5	146.3	151.5	211.6
Inventory Days	92.0	265.9	275.3	519.3
Working Cycle	77.2	195.5	203.0	400.0
Gross Fixed Asset Turnover	8.4	2.9	3.5	1.9
Net Fixed Asset Turnover Ratio	8.7	7.4	9.2	3.5

Source: Company's Financial Reports

Hind Rectifiers

Ratios	FY23	FY24	FY25	FY26
Revenue Growth	-3.5%	44.1%	26.6%	52.5%
Gross Profit Margin	22.2%	25.8%	27.2%	26.5%
EBIT Margin	2.8%	7.2%	9.6%	7.2%
EBITDA Margin	4.3%	8.7%	10.9%	8.6%
EBITDA Growth	-31.9%	192.2%	60.1%	19.4%
PAT Margin	-1.8%	2.4%	5.7%	3.9%
Debt Equity	0.9	1.0	1.0	1.1
Return on Equity	-5.7%	10.6%	26.1%	20.7%

Ratios	FY23	FY24	FY25	FY26
Return on Capital Employed	7.0%	23.7%	31.9%	29.8%
Debtor Days	68.8	55.3	55.3	65.0
Creditor Days	65.8	47.7	40.9	44.3
Inventory Days	110.6	89.8	83.0	66.9
Working Cycle	113.6	97.4	97.4	87.6
Gross Fixed Asset Turnover	4.6	5.2	6.1	17.9
Net Fixed Asset Turnover Ratio	6.4	6.9	8.0	7.7

Source: Company's Financial Reports

Medha servo drives

Ratios	FY23	FY24	FY25
Revenue Growth	35.5%	68.5%	9.2%
Gross Profit Margin	41.8%	42.4%	43.4%
EBIT Margin	8.4%	22.2%	22.3%
EBITDA Margin	10.9%	23.5%	23.6%
EBITDA Growth	-19.3%	267.6%	8.8%
PAT Margin	5.1%	19.7%	19.5%
Debt Equity	0.2	0.1	0.1
Return on Equity	5.4%	29.4%	24.9%
Return on Capital Employed	8.7%	29.5%	25.7%
Debtor Days	141.9	97.4	104.9
Creditor Days	123.2	96.9	101.4
Inventory Days	211.2	155.4	175.0
Working Cycle	229.8	155.9	178.5
Gross Fixed Asset Turnover	6.3	7.2	6.4
Net Fixed Asset Turnover Ratio	8.6	9.3	9.2

Source: Company's Financial Reports

Parameter	Formula
Total Revenue	Revenue from Operations + Other Income
Gross Profit	Revenue from Operations + Other Income - COGS
EBITDA	Gross Profit - Purchase Stock in Trade - Changes in inventories of finished goods, stock-in-trade and work-in-progress - Power and fuel - Other expenses
EBIT	EBITDA - Depreciation & Amortization
Profit Before Tax	EBIT - Finance Cost
PAT	Profit Before Tax - Tax expense - Exceptional Items
Debt	Long term Borrowings + Short term Borrowings
Gross Profit Margin	Gross Profit / Total Revenue
EBITDA Margin	EBITDA/ Total Revenue
EBIT Margin	EBIT/ Total Revenue
PAT Margin	Profit after Tax (Excluding OCI)/ Total Revenue
Debt to Equity	Debt/ Equity
Return on Equity (ROE)	PAT (Including OCI)/ Average Equity
Return on Capital Employed (ROCE)	EBIT/ Capital employed
Debtor Days	(Average Debtors/ Revenue from operations) *365
Creditor Days	(Average Creditors/ COGS) *365
Inventory Days	(Average Inventory/Cost of Goods Sold) *365
Working Cycle	Debtor Days + Inventory Days - Creditor Days
Debtor Days	(Average Debtors/ Revenue from operations) *365
Net Fixed Asset Turnover	Revenue from operations /Average Net Fixed Assets

OUR BUSINESS

Some of the information in this section, including information concerning our plans and strategies, contains forward-looking statements involving risks and uncertainties. See the chapter titled ***"Forward-Looking Statements"*** *on page 21 for a discussion of the risks and uncertainties related to those statements and* ***"Risk Factors," "Restated Financial Information,"*** *and* ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** *on pages 22, 295 and 374, respectively for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our results may differ materially from those expressed in or implied by these forward-looking statements.*

Our company's Financial Year commences on April 1. It ends on March 31 of the immediately subsequent year, and references to a Financial Year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise required, the financial information for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 included herein is derived from the Restated Financial Information in the Prospectus. For further information, see the chapter titled "Restated Financial Information" on page 295.

Unless the context otherwise requires, in this section, references to "we," "us," "our," "the Company," or "our Company" refer to MV Electrosystems Limited.

Unless otherwise indicated, the industry-related information in this section is derived from the CareEdge Research Report released on July 23, 2026, which our company commissioned and paid for in connection with the Issue. For further details and risks concerning the commissioned report, see "Risk Factor 52 - Certain sections of the Prospectus contain information from the CareEdge Report which we commissioned and paid for and any reliance on such information for making an investment decision in the Issue is subject to inherent risks." on page 68.

OVERVIEW

We are a technology-driven company engaged in the design, development, assembly and manufacturing of electrical & power electronics equipment used in railway rolling stock including IGBT based 3-Phase Drive Propulsion equipment for electric locomotives, switchgear panels for railway coaches & EMU's, cable protection & management products and electrical components, systems & sub-systems. On September 15, 2025, we have received approval from CLW, Indian Railways for our in-house designed and developed IGBT Based 3-Phase Drive Propulsion equipment ("**3-Phase Propulsion Equipment**") which includes traction converter-inverter system, auxiliary converter, vehicle control units / train control management system and driver display units - all designed and developed by our Company indigenously to meet international safety and performance standards. Our Vehicle Control Unit is developed on high performance microprocessor based modular systems that provide complete traction and propulsion control of the entire locomotive hauled train with continuous monitoring and extensive fault diagnostics. Our Company commenced the commercial supplies to Indian Railways for 3-Phase Propulsion Equipment in March 2026. Further, our R&D Centre has been accorded recognition by Department of Scientific and Industrial Research ("DSIR"), Ministry of Science and Technology, Government of India on June 12, 2026.

We operate within India's rail infrastructure transition driven by mandated broad-gauge electrification, Make-in-India procurement requirements and the expansion of the network, including upcoming high-speed corridors. We are focussed towards research, design & development of electrical equipment & power electronics systems for usage in railways industry and to play a strategic role as a domestic manufacturer with technical capabilities, indigenous designed and developed propulsion equipment and in-house assembling cum manufacturing facilities. The ingenious in-house design & development of 3-Phase Propulsion Equipment for 6000 HP Locomotive is a key achievement of our Company which will lead the way for us to create various other energy efficient railway power conversion systems. Such developments requires expertise in multiple domains including, Electrical Engineering, Embedded Design, Software Development, Mechanical Engineering, Thermal Design & Instrumentation. With this in-house development and approval from CLW, we have become one among the global players that possess their proprietary technology for rail propulsion equipment.

As Indian Railways moves towards increased speed and efficiency of the trains / locomotives, the need for the development of the advanced / new generation power conversion systems including propulsion equipment will continue to be there. Our team at Research, Design & Development centre based at Faridabad, Haryana, comprises of members with experience in multiple disciplines including power hardware, control hardware, traction power software and mechanical design, that are collectively capable to design such complex systems / sub-systems

without any dependency on external design houses. This will enable us to develop newer power electronics systems including IGBT based 3-Phase Drive Propulsion Equipment with composite converter, hotel load converter and distributed power conversion systems for MEMUs / EMUs, Vande Bharat trains and metro trains to meet future sustainability requirements and also to cater to the new technology requirements and upgradation of existing systems by Indian Railways & other regions as well.

We have also entered into the following agreements:

- Business Cooperation Agreement dated August 13, 2025 with PNC Technologies Co. Ltd., South Korea for a period of three years, to collaborate exclusively for the manufacturing, supply and distribution of Automatic Fault Locator system for 25 KV Rail over-head electrification line across the country. This marks our entry into the Rail electrical infrastructure products.
- Letter of Intent dated March 11, 2026 and subsequent Consortium Agreement dated July 2, 2026 signed between our Company, Hansung Heavy Industrial Co Limited (Republic of Korea) and Param Enterprises Private Limited (India) for participating in the MEMU tender issued by Modern Coach Factory Raebareli, Indian Railways for Design, Development, Manufacture, Supply, Testing and Commissioning of Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes). Our Company will be responsible for design, development, supply and installation of traction and Auxiliary converter-inter system, Train Control Management System, design supply & co-ordinate the installation and commissioning of complete scheme and specifications of system & specific aggregates / components, and comprehensive maintenance of the system & after sales service support to Indian Railways. Hansung Heavy Industrial Co Limited will be responsible for design, development and supply of Traction motors and extend complete technical support and training for this item. Param Enterprises Private Limited shall be responsible for on-site installation of the aggregates and equipment inside the coaches. Following this letter of intent and participation in the tender issued by Modern Coach Factory, Raebareli, we have been issued a letter of acceptance for Design, Development, Manufacture, Supply, Testing and Commissioning of Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for 6 (six) MEMU (On Board - 12 Car Rakes) for an aggregate value of ₹ 865.46 million and five years comprehensive annual maintenance contract for aggregate value of ₹ 46.86 million, both excluding GST.

Power electronics in railway industry: Propulsion Equipment

A railway propulsion equipment refers to the integrated mechanism responsible for conversion and consistent supply of filtered power to run trains along railway tracks. It encompasses a complex arrangement of components that work in tandem to supply uninterrupted power to Rolling Stock. In an electric railway propulsion equipment, 25 KV Overhead electric power is fed to the Traction & Auxiliary Converters-Inverter Systems through the traction transformer. This AC power is converted to DC, filtered, and inverted back to AC, to supply stable power to traction motors within the train's wheels. Propulsion equipment plays a crucial role in ensuring efficient, consistent and environmentally sustainable movement of passengers and goods trains across substantial networks of railway infrastructure.

Assembling cum manufacturing facilities

Our assembling cum manufacturing facility is based at Village Baghola, Palwal, Haryana, India ("Unit 1") and its operations are supported by the dedicated in-house Research, Design & Development centre based at Faridabad, Haryana, India with team focused on developing energy-efficient propulsion technologies, lightweight systems, and advanced digital control platforms. Our Unit 1 and Research, Design and Development Centre adheres to the quality control processes and systems to ensure that we pass through the inspections by RDSO or any works unit of Indian Railways so that our finished product conforms to the requirement of our customer. Being certified under the IRIS Standards (International Railway Industry Standard) ISO/TS 22163:2017 and bearing ISO certificates ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015, our Company ensures that its products meet the International Standards for safety operations and performance.

With dedicated focus on production of 3-Phase Propulsion Equipment in Unit 1, our Board of Directors in its meeting held on August 05, 2026 approved the proposal to shift the manufacturing operations for cable protection & interconnected products facility from Unit 1 to the Unit 2 to be set up at the investment property owned by our Company at Nangla Bhiku, Tehsil Palwal, District Palwal, Haryana (proposed "Unit 2"). In the same meeting of the Board of Directors, our Company also approved to install three test setups at Unit 2, funding for which will be met through internal accruals or specific equipment financing facility. For the shifting of partial manufacturing operations from Unit 1, we have received Consent to Operate, Factory Registration Certificate and Fire Safety Certificate for Unit 2.

Research, Design & Development Centre

Existing R&D Centre
Our in-house Research, Design & Development Centre based at Plot No. 7, Site No. 2, 14/3, Mathura Road, Faridabad, Haryana, India is the technological backbone of our operations, dedicated to innovation, engineering and advancement of complex and high-performance power electronics and other railway systems. It plays a pivotal role in enabling in-house product development capabilities complying with international standards that align with the evolving needs of Indian Railways and international customers.

The test setup at our Research, Design & Development Centre conduct operating efficiency and accuracy assessment in accordance with globally standards on the propulsion equipment with the simulation of the actual working conditions in the locomotive. The entire process ensures a robust product development environment.

On June 12, 2026, our R&D Centre has been accorded recognition by Department of Scientific and Industrial Research ("DSIR"), Ministry of Science and Technology, Government of India.

Key capabilities of Research, Design & Development Centre:
- **End-to-end product engineering**: It covers the complete development cycle, including from concept design, 3D modeling, and simulations to prototyping, validation, and support for commercial production
- **Specialized in Railway Systems**: Our expertise spans across rolling stock propulsion equipment, overhead traction power line, vehicle control unit / train control management systems, electrical apparatus and other electronic components.
- **Compliance-Driven Development**: All products are developed to meet or exceed RDSO specifications, IEC, CEN standards, and other applicable railway regulations
- **Indigenous Design Capability**: Strong focus on developing and indigenizing components under the "Make in India" initiative to reduce import dependence and enhance self-reliance in line with government objectives
- **Test and Validation Infrastructure**: Equipped with in-house testing facilities for thermal, vibration, electrical, and performance validation under real-world railway conditions with 11KV power connection (with step up transformer to simulate from 19-37KV power environment for testing of propulsion equipment), transformer, traction motor, etc.

Software used in Research, Design & Development Centre
We use multiple software in our Research, Design & Development Centre including Mat-lab Software, Solid Works Software for Mechanical design, Cadence (ORCAD) software for PCB Design and ANSYS software for CFD analysis & FEA analysis. These software help us in the design & development of hardware / software products, mechanical systems & overall system engineering, simulate the test conditions & performance of systems and sub-systems.

New R&D Centre proposed to be set up
In line with the expansion of our operations and our strategic focus on the development of advanced power electronics equipment, our Company has entered into a lease agreement dated April 09, 2026 for an additional facility located at Industrial Plot & Building No. 5, Site No. 1, 14/3, Mathura Road, Faridabad, Haryana, India, to establish our second Research, Design and Development ("R&D") Centre. The lease commenced on June 01, 2026 and is valid until April 30, 2027 (11 months), with an option to renew for a further period of three years on mutually agreed terms and conditions.

The proposed R&D Centre is intended to strengthen our product development capabilities and support the expansion of our engineering and innovation activities. In particular, pursuant to the receipt of the Letter of Acceptance dated June 27, 2026 from Modern Coach Factory, Raebareli for the design, development, manufacture, supply, testing and commissioning of microprocessor-controlled IGBT-based three-phase propulsion equipment for 6 (six) Mainline Electric Multiple Unit ("MEMU") (on-board 12-car rakes), our Company proposes to augment its research and development capabilities in the area of distributed power supply train systems. The additional facility is expected to enhance our capacity to undertake advanced product design, prototype development, testing and validation, thereby supporting future business growth and technology development initiatives.

Quality Control Standards
The quality of our products and customer satisfaction are of significant importance to our business. We have implemented quality control processes throughout the manufacturing and assembly operations to ensure that

products meet safety and quality standards. The products are manufactured to meet the internationally recognized quality standards ensuring that our products are safe and reliable. We have the following certifications:

- IRIS (International Railway Industry Standard) based on ISO /TS 22163:2017
- ISO 45001:2018
- ISO 14001:2015
- ISO 9001:2015

Order book for 3-Phase Propulsion Equipment

The summary of the executable orders in hand for 3-Phase Propulsion Equipment as on June 30, 2026 is as under:

(₹ in millions)

Name of customer	Date of Purchase Order	Description	No. of units	Basic Rate (per propul-sion) #	Value of order (excl. 18% GST)	Value of order (incl. 18% GST)	AMC for 3 years (per propul-sion)	Value of AMC (excl. 18% GST)	Value of AMC (incl. 18% GST)	Total order value (excl. GST)	Total order value (incl. GST)
Banaras Locomotive Works, Indian Railways	January 27, 2026	IGBT Based 3-Phase Drive Propulsion Equipment	13	16.40	213.20	251.58	1.23	15.99	18.87	229.19	270.44
Patiala Locomotive Works, Indian Railways	January 16, 2026	IGBT Based 3-Phase Drive Propulsion Equipment	76	16.50	1,254.00	1,479.72	1.20	91.20	107.62	1,345.20	1,587.34
Banaras Locomotive Works, Indian Railways	January 09, 2026	IGBT Based 3-Phase Drive Propulsion Equipment	161	16.40	2,640.40	3,115.67	1.23	198.03	233.68	2,838.43	3,349.35
Chittaranjan Locomotive Works, Indian Railways	December 24, 2025	IGBT Based 3-Phase Drive Propulsion Equipment	200	16.40	3,280.00	3,870.40	1.23	246.00	290.28	3,526.00	4,160.68
Chittaranjan Locomotive Works, Indian Railways	January 20, 2025	IGBT Based 3-Phase Drive Propulsion Equipment	15	15.90	238.50	281.43	1.17	17.55	20.71	256.05	302.14
Patiala Locomotive Works, Indian Railways	August 29, 2024	IGBT Based 3-Phase Drive Propulsion Equipment	59	16.60	979.40	1,155.69	1.17	69.03	81.46	1,048.43	1,237.15
Chittaranjan Locomotive Works, Indian Railways [1]	March 25, 2021	IGBT Based 3-Phase Drive Propulsion Equipment	9	15.10	135.90	160.36	-	-	-	135.90	160.36
Banaras Locomotive Works, Indian Railways	March 12, 2021	IGBT Based 3-Phase Drive Propulsion Equipment	20	15.28	305.60	360.61	1.19	23.80	28.08	329.40	388.69
Diesel Loco Modernisation Works, Indian Railways	February 12, 2020	IGBT Based 3-Phase Drive Propulsion Equipment	11	15.40	169.40	199.89	1.38	15.18	17.91	184.58	217.80
Total ==>			**564**		**9,216.40**	**10,875.35**		**676.78**	**798.60**	**9,893.18**	**11,673.95**

[1] In terms of 'Technical specification for design, development, supply and commissioning of IGBT Based 3-Phase Drive Propulsion System' issued by RDSO in December 2023, the supply of propulsion systems can be commenced upon successful commissioning of such propulsion system developed in one locomotive and thereafter defect free service trials for a minimum of 50,000 kms, subject to other terms as specified by Ministry of Railways. Vide letter dated September 15, 2025, CLW has issued the final inspection certificate (prototype clearance), subsequent to which our Company is now eligible to commence serial supplies towards all of the abovementioned purchase orders. Under the said order, our Company has received order for supply of total 18 3-Phase Propulsion Equipment of which our Company has completed supply of 9 such equipment till June 30, 2026, details of which are as under:

Name of Indian Railways workshop to which Supplied	*Date of purchase order against which such supplies undertaken*	*Date of invoice*	*No. of Propulsion Equipment supplied **	*Value (₹ in million) (including GST)*	*Date of receipt of payment*
Chittaranjan Locomotive Works	*March 25, 2021*	*May 31, 2026*	*3*	*55.44*	*June 17, 2026*
Chittaranjan Locomotive Works	*March 25, 2021*	*April 03, 2026*	*2*	*36.96*	*April 16, 2026*
Chittaranjan Locomotive Works	*March 25, 2021*	*March 30, 2026*	*3*	*55.44*	*April 16, 2026*
Chittaranjan Locomotive Works	*March 25, 2021*	*February 29, 2024*	*1*	*17.66*	*December 25, 2025 & January 21, 2026*
Total			***9***	***165.50***	

 # Owing to the nature of tender process and competitive bidding in each such tender, and also tenders being participated at different times, the basic rate per propulsion is different and such variation in prices may also continue in future.

Order book under developmental category for Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes), Composite Converter and Hotel Load Converter

The summary of orders received under developmental category for Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes), Composite Converter and Hotel Load Converter is as under:

(₹ in millions)

Name of customer	Date of Purchase Order / Letter of Acceptance	Description	No. of units	Basic Rate (per propul-sion / train) #	Value of order (excl. 18% GST)	Value of order (incl. 18% GST)	AMC for 3 years (per propul-sion)	Value of AMC (excl. 18% GST)	Value of AMC (incl. 18% GST)	Total order value (excl. GST)	Total order value (incl. GST)
Modern Coach Factory, Indian Railways #	June 27, 2026	Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes)	6	-	865.46	1,021.24	7.81	46.86	55.29	912.32	1,076.53
Chittaranjan Locomotive Works, Indian Railways	September 10, 2025	IGBT based 3-Phase Drive Propulsion System with Composite Converter	1	25.11	25.11	29.63	1.48	1.48	1.75	26.59	31.38
Banaras Locomotive Works, Indian Railways	November 14, 2025	2x500 KVA Based Hotel Load Converter	1	8.00	8.00	9.44	0.30	0.30	0.35	8.30	9.79
Total ==>					898.57	1,060.31		48.64	57.39	947.21	1,117.70

 # Received Letter of Acceptance dated June 27, 2026 to place order with our Company for Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for complete MEMU train comprising of 12 (twelve) rakes with on-board propulsion equipment.

For the above orders under developmental category, the product to be supplied by our Company will undergo required test(s) with RDSO / Indian Railways and once approved, we can commence bulk supplies and participate in new tenders under Approved Category.

With growing order visibility, technical depth, and execution capability, we are well positioned to capitalize on the domestic and also global opportunities in the railway propulsion sector.

The business growth of the Company has been made based on the strength of in-house development team of the Company towards research, design & development of IGBT based 3-Phase Drive Propulsion System. Further, as on May 31, 2026, we had 45 employees in the Research, Design & Development Centre, which is approximately 21.84% of the overall employee strength of the Issuer. The following table provides a departmental breakdown of employed engaged:

Department / Nature of work	No. of employees
Operation (including Managing Director)	2
Admin	2
HR	1
IT	2
Electrical	3
Hardware	5
Maintenance	2
Mechanical	7
Printed Circuit Board (PCB)	8
Purchase	2
Service	2
Software	9
Total	**45**

The cashflows generated from the existing business operations and revenue from operations has supported the cost of research, design & development of the 3-Phase Propulsion Equipment. The cost incurred by the Company has been charged as revenue expenditure in the financial statements of the Company over such period. The following table sets forth our expenses incurred during the design, development and approval process of the 3-Phase Propulsion Equipment during the periods indicated as below:

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026 ^	2025	2024
Employee benefit expenses*	78.95	54.75	56.44
Other expenses			
- Rent (including depreciation on right to use asset on the renewed long term lease agreement for R&D Centre, w.e.f. January 01, 2026)	6.05	5.54	5.19
- Power & Fuel	5.17	3.21	3.44
- Others (testing, professional fees, overheads and administration expenses)	6.32	7.39	9.27
Total amount spent	**96.49**	**70.90**	**74.33**

** Employee Benefit expenses include ₹ 76.28 million, ₹ 52.28 million and ₹ 54.22 million towards Salaries, Wages and Bonus and towards Staff and ₹ 2.67 million, ₹ 2.47 million and ₹ 2.22 million towards Labour welfare for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 respectively.*
^Does not include expenses incurred towards production of 3-Phase Propulsion Equipment, for which supplies were commenced in March 2026.

Sales mix and geographical presence

The primary customer of our Company is Indian Railways or the OEM suppliers to the Indian Railways and therefore geographical mix of product mix is not relevant.

However, the sales mix of revenue from operations of our Company, based on the direct supply to Indian Railways and the OEM suppliers to Indian Railways is as under:

(₹ in millions)

Nature of customers	For the Financial Year ended March 31,					
	2026		2025		2024	
	Amount	%age*	Amount	%age*	Amount	%age*
Indian Railways (through Zonal railways / their divisions / production units)	379.22	76.72%	457.00	70.70%	338.69	66.98%
OEM Suppliers to Indian Railways / Private Sector	115.06	23.11%	169.37	26.20%	160.88	31.82%
Revenue from Operations (A)	494.28	99.27%	**626.37**	**96.91%**	**499.57**	**98.80%**
Other income (B)	3.63	0.73%	19.99	3.09%	6.08	1.20%
Total Income (A)+(B)	497.91	100.00%	**646.37**	**100.00%**	**505.65**	**100.00%**

** As %age to total income.*

Our customers and suppliers
The following is the breakup of the top one, three five and ten customers of our Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(₹ in millions)

Nature of customers	For the Financial Year ended March 31,					
	2026		2025		2024	
	Amount	%age * [1]	Amount	%age * [2]	Amount	%age * [3]
Top one customer ^	379.22	76.72%	457.00	72.96%	338.69	67.80%
Top three customers	408.73	82.69%	502.91	80.29%	382.96	76.66%
Top five customers	428.41	86.67%	532.02	84.94%	402.67	80.60%
Top ten customers	459.86	93.04%	576.35	92.01%	433.30	86.73%

** As %age to revenue from operations.*

^ Indian Railways is the top customer and the invoices raised to multiple units of Indian Railways has been considered as one customer.

The details of the top ten customers are as under:

(₹ in millions)

Name of customer	Whether related party	Revenue earned	%age [1]
Financial Year ended March 31, 2026			
Indian Railway	No	379.22	76.72%
Quadrant Future Tek Limited	Yes	18.56	3.75%
Iboard India Private Limited	Yes	10.84	2.19%
Customer 4	No	10.26	2.08%
Customer 5	No	9.42	1.91%
Customer 6	No	7.56	1.53%
Customer 7	No	7.04	1.42%
Prime Electronics	Yes	6.85	1.39%
Customer 9	No	5.32	1.08%
Abrol Engineering Company Private Limited	No	4.68	0.95%
Total		**459.86**	**93.04%**
Financial Year ended March 31, 2025			
Indian Railway	No	457.00	72.96%
Customer 2	No	26.55	4.24%
Customer 3	No	19.36	3.09%
Abrol Engineering Company Private Limited	No	15.95	2.55%
Customer 5	No	13.16	2.10%
Customer 6	No	10.71	1.71%
Customer 7	No	9.11	1.45%
Customer 8	No	9.08	1.45%
Customer 9	No	7.75	1.24%
Customer 10	No	7.67	1.23%
Total		**576.35**	**92.01%**
Financial Year ended March 31, 2024			
Indian Railway	No	338.69	67.80%
Customer 2	No	29.53	5.91%
Customer 3	No	14.74	2.95%
Customer 4	No	10.54	2.11%
Customer 5	No	9.18	1.84%
Customer 6	No	7.79	1.56%
Abrol Engineering Company Private Limited	No	6.78	1.36%
Iboard India Private Limited	Yes	6.71	1.34%
Customer 9	No	4.70	0.94%
Customer 10	No	4.64	0.93%
Total		**433.30**	**86.73%**

Name of certain customers have not been disclosed here due to non-receipt of consent / confidentiality. Further, Indian Railways has been the single largest customer of our Company consistently for the last three financial years.

The following is the breakup of the top one, three, five and ten suppliers of our Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(₹ in millions)

Particulars	For the Financial Year ended March 31,					
	2026		2025		2024	
	Amount #	%age * [1]	Amount #	%age * [2]	Amount #	%age * [3]
Top one supplier	136.86	39.24%	137.09 ^	36.80%	40.90	15.64%
Top three suppliers	205.43	58.90%	190.08	51.02%	92.17	35.24%

Particulars	For the Financial Year ended March 31,					
	2026		2025		2024	
	Amount #	%age * [1]	Amount #	%age * [2]	Amount #	%age * [3]
Top five suppliers	255.29	73.20%	224.11	60.15%	124.91	47.75%
Top ten suppliers	330.89	94.87%	284.51	76.37%	174.79	66.82%

 # value of purchase of material and consumables during the period
** cost of goods sold (i.e., cost of raw material consumed, adjusted for changes in inventory of finished goods, work in progress and stock in trade)*
^ Includes goods in transit as on March 31, 2025

The details of the top ten suppliers are as under:

(₹ in millions)

Name of supplier	Whether related party	Value of material purchased	%age*
Financial Year ended March 31, 2026			
Pelf Power Electronics Private Limited	No	136.86	39.24%
Supplier 2	No	35.22	10.10%
Lupin Steels Inc	No	33.35	9.56%
Quadrant Future Tek Limited	Yes	25.59	7.34%
Fabx Engineering LLP	No	24.27	6.96%
Mahavir Metal Works	No	17.36	4.98%
SS Electricals	No	15.61	4.48%
Thakural Electric Works	No	15.46	4.43%
Rasika International Rail Private Limited	No	15.24	4.37%
Supplier 10	No	11.93	3.42%
Total		**330.89**	**94.88%**
Financial Year ended March 31, 2025			
Quadrant Future Tek Limited ^	Yes	137.09	36.80%
Supplier 2	No	26.72	7.17%
Supplier 3	No	26.27	7.05%
Supplier 4	No	17.12	4.60%
Supplier 5	No	16.91	4.54%
Lupin Steels Inc	No	14.65	3.93%
S S Electricals	No	14.19	3.81%
Supplier 8	No	11.95	3.21%
Fabx Engineering LLP	No	10.05	2.70%
Rasika International Rail Private Limited	No	9.56	2.57%
Total		**284.51**	**76.37%**
Financial Year ended March 31, 2025			
Kumra Electric Store	No	40.90	15.63%
Quadrant Future Tek Limited	Yes	31.99	12.23%
Supplier 3	No	19.28	7.37%
Supplier 4	No	18.49	7.07%
Lupin Steels INC	No	14.25	5.45%
Fabx Engineering LLP	No	12.85	4.91%
Ningbo Saishun Plastic Electrical	No	10.93	4.18%
Supplier 5	No	10.18	3.89%
Rasika International Rail Private Limited	No	9.28	3.55%
S.B. Syscon Private Limited	No	6.64	2.54%
Total		**174.79**	**66.82%**

** cost of goods sold (i.e., cost of raw material consumed, adjusted for changes in inventory of finished goods, work in progress and stock in trade)*
^ Includes goods in transit as on March 31, 2025

Name of certain suppliers have not been disclosed here due to non-receipt of consent / confidentiality. None of the single supplier has been the top one supplier to our Company in all the preceding three financial years.

Financial Parameters

The table below sets out certain financial parameters for the Financial Year ended March 31, 2026, March 31, 2025 and March 31, 2024:

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Revenue from operations	494.28	626.37	499.57
Total income	497.91	646.37	505.65
EBITDA	(99.42)	89.17	64.05
EBITDA margin (%)	(19.97%)	13.80%	12.67%
Operating EBITDA	(103.05)	69.17	57.97
Operating EBITDA margin (%)	(20.85%)	11.04%	11.60%
Profit after tax (before other comprehensive income)	(126.29)	14.03	5.57
Profit after tax (after other comprehensive income)	(126.95)	13.84	6.48
PAT margin (%)	(25.36%)	2.17%	1.10%
Return on Equity (ROE)(%)	(20.29%)	7.73%	3.92%
Debt to Equity Ratio	0.80	1.54	1.67
Interest Coverage Ratio	(3.81)	1.79	1.44
Return on Capital Employed (ROCE)(%)	(17.69%)	22.13%	14.11%
Current Ratio	1.47	1.07	1.09
Net Capital Turnover Ratio	1.58	19.50	16.43

a) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information.

b) EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations & exceptional items.

c) EBITDA Margin refers to EBITDA during a given period as a percentage of total income during that period.

d) Operating EBITDA refers to EBITDA less other income i.e. only revenue from operations.

e) Operating EBITDA Margin refers to operating EBITDA during a given period as a percentage of revenue from operations during that period.

f) Net Profit Ratio / Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes but before other comprehensive income by our total income.

g) Return on equity (RoE) is equal to profit after tax and after comprehensive income for the year divided by the shareholder's equity as at the end of the Fiscal and is expressed as a percentage.

h) Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).

i) Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBITDA by Interest and lease payments & principal repayment due in twelve months.

j) RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by total equity plus non-current debt plus current outstanding of non-current debt.

k) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

l) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by working capital (i.e., current assets less current liabilities).

For reconciliation of non-GAAP measures, see "Other Financial Information - Reconciliation of Non-GAAP Measures" on page 372.

Our Strengths

Engineering and systems design focused railways company with strong in-house research, design & development capabilities for highly engineered and complex railway systems, combining precision and domain expertise

We are a systems design and engineering-focused railway technology company, distinguished by our strong in-house research, design & development capabilities. We were founded by Mohit Vohra, our Founder Director with focus on railway industry. Over the period, with an integrated approach that combines mechanical, electrical, and software engineering, we have successfully developed IGBT based 3-Phase Drive Propulsion System that meets stringent performance, safety, and regulatory requirements specified by Railways. With the increasing demand

for wide variety of Rolling Stocks in India and several other regions, like High Speed Trains to Shorten Long Distance journeys, High Power Locomotives for Freight Corridors, Low Cost Light Weight Ropeways & Trams for Urban areas, EMU's & Metro Trains and upgradations of existing platforms, our in-house engineering capabilities enable us to reduce dependency on external suppliers for designing, accelerate the induction of these new products in the country and maintain greater control over quality and proprietary intellectual property

As of May 31, 2026, our in-house Research, Design and Development Centre has 45 permanent employees, constituting approximately 21.84% of our total permanent workforce. Our team's expertise is distributed across core technologies, including power & control hardware, mechanical design, traction power & system software, thermodynamics and others, and consists of 35 engineers, including 2 Ph.D. holders in Product Design & Development and Electronics & Instrumentation, 9 with M.Tech. degrees in Electronics & Communication Engineering, Electronics & Instrumentation, Electrical Engineering, and Mechanical Engineering (including Manufacturing Technology & Automation) and 1 with an M.E. in Mechanical Engineering, 7 with B.Tech. degrees in Electronics & Communication, Electrical, Electronics & Instrumentation, and Mechanical Engineering, and 3 with B.E. degrees in Electronics & Communication and Engineering & Technology, along with 4 diploma engineers in Electrical Engineering, 5 ITI-certified technicians trained in Electrical, Fitting, and Electronics disciplines, 2 software engineer (M.C.A. / B.C.A.) and 2 management professionals (MBA/PGDM in Operations). By utilizing core technologies, our team has been able to efficiently design and develop indigenously IGBT based 3-Phase Drive Propulsion System which has been approved by Chittaranjan Locomotive Works & RDSO and are being supplied by us to Indian Railways, which is one our significant achievement.

With a commitment to in-house development and aligning with the increased emphasis on Make in India, we develop products that meet evolving rail industry standards and customer-specific requirements ensuring reliability, efficiency, and long-term value. We are now also extending our research, design & development capabilities to build IGBT based 3-Phase Drive Propulsion System with composite converter, hotel load converter and IGBT based Three Phase Electrics for AC Electric Multiple Units (EMUs) / Mainline Electric Multiple Units (MEMUs).

In terms of 'Technical specification for design, development, supply and commissioning of IGBT Based 3-Phase Drive Propulsion System' issued by RDSO in December 2023, the bulk supplies of propulsion systems has to be commenced upon successful commissioning of such propulsion system installed & commissioned in one locomotive and thereafter defect free service trials for a minimum of 50,000 kms, subject to other terms as specified by Ministry of Railways. Subsequent to the final inspection certificate (prototype clearance) received from CLW on September 15, 2025, we have established ourselves as an approved supplier of 3-Phase Propulsion Equipment by Indian Railways and the commercial supplies was commenced in March 2026. For further details on journey to obtain approval from RDSO and become a qualified supplier with Indian Railways refer "– ***Ability to create precision driven design & development capabilities and safety critical & complex railway electric equipment acts as high barriers to entry in this segment***" on page 222. Given the complex design & development process, and a comprehensive approval process from Indian Railways, it is a long journey for any new entrant to design and develop propulsion equipment and also to get approval for their propulsion equipment from Indian Railways. Design & development for propulsion equipment, technical expertise to win bids, competitive pricing, adherence to stringent quality and delivery standards, demands for skilled workforce, robust infrastructure & consistent execution, ensuring high quality & extensive time and resource commitment without even been able to earn revenues during such development phase are significant entry barrier for new entrants owing to the need of passenger safety & performance.

During the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, our total expenses towards engineering, research, design & development (comprising cost of development, salary and other miscellaneous expenses) aggregated to ₹ 78.95 million, ₹ 54.75 million and ₹ 56.44 million, respectively, comprising 15.97%, 8.47% and 11.30% of our revenue from operations and 57.38%, 57.23% and 61.34% of our employee cost, respectively for the said period(s).

Ability to create precision driven design & development capabilities and safety critical & complex railway electric equipment acts as high barriers to entry in this segment

The railway industry is characterized by substantial entry barriers, which serve as a key strength for our business and ensure long-term sustainability. Such entry barriers arise from a combination of factors including stringent and long process of product development and safety approvals, technology complexity, deep domain expertise, long qualification cycles & vendor approvals, certifications and after sales support & lifecycle integration. Further, the product design & development cycle is high capital intensive as it requires upfront investment in

design, prototyping and testing infrastructure and working capital for long gestation periods. Designing such a sophisticated system necessitates expertise across several critical domains, all integrated under one roof:

- **Power Electronics Design**: This involves the creation of systems that efficiently convert and control electrical power, essential for the operation of modern locomotives and train sets.
- **Embedded Systems**: The integration of software and hardware to create systems that can perform specific functions within the locomotive, enhancing automation and control.
- **Intricate Mechanical Engineering**: This encompasses the design and analysis of mechanical components that ensure the reliability and durability of the propulsion equipment.
- **Thermodynamics or Thermal Design**: Understanding heat transfer and thermal management is crucial for maintaining optimal operating conditions within the propulsion equipment.
- **Software Engineering**: Developing robust software that controls various functions of the locomotive, ensuring safety and efficiency in operations.

Our dedicated R&D centre is equipped with specialized teams in each of these domains. These teams have collaborated closely, gaining invaluable experience in developing rolling stock power electronics system. Our company's in-house capabilities enable us to respond swiftly to design changes or new expectations from Indian Railways, ensuring flexibility and adaptability in its offerings. Importantly, we are not reliant on any domestic or international firms for technology, which enhances our competitive edge and positions us as a self-sufficient entity in the railway propulsion sector. This strategic approach not only reinforces our Company's commitment to innovation but also strengthens its reputation as a key supplier in delivering advanced solutions tailored to meet the evolving needs of the railway industry.

The Indian Railways follows a structured vendor approval framework administered through RDSO and CLW for all safety-critical and performance-critical products. RDSO and CLW prescribe rigorous approval mechanisms for product introduction, covering design evaluation, prototype assessment, laboratory testing, field endurance trials, and periodic revalidation of manufacturing capability. In order to supply propulsion equipment to our customer, we are required to undergo a part-by-part testing process for each of the propulsion sub-system (i.e. traction converter, auxiliary converter, vehicle control unit and driver display unit) since the propulsion equipment is critical in nature and to satisfy the stringent processes and quality / efficiency requirements of railways. Our product lines, including propulsion systems and electrical assemblies, follow these approval pathways, which are essential for induction into rolling stock and traction equipment used by Indian Railways. We are also in the process of installation of two test setup for testing of the final propulsion sets before shipment to railways.

We use multiple software in the design & development of hardware / software products, mechanical systems & overall system engineering, simulate the test conditions & performance of systems and sub-systems, which includes Mat-lab Software, Solid Works Software for Mechanical design, Cadence (ORCAD) software for PCB Design and ANSYS software for CFD analysis & FEA analysis.

The assembling cum manufacturing unit of the Company was approved by Centre for Design and Development Chittranjan Locomotive Works w.e.f. October 15, 2020 for production of IGBT based 3-phase drive propulsion equipment. Subsequently, the approval process includes a review of our technical expertise and capability to manufacture the products as per the specifications of our customer. The components being used by us are also required to be approved by the Indian Railways or such components has to be purchased from a vendor who is already supplying such components to Indian Railways or any other supplier to Indian Railways. We also need to institute quality and tracking procedures for all products that are used by us which demands a higher order quality control. Other than high quality requirement, our vendor selection decision is primarily driven by the Supply ability of the Suppliers, Usability of the selected components in diverse applications to reduce the inventory and potential for cost saving. Additionally, to ensure consistent supply by the vendors, we may also be required to closely monitor geo-political risks associated with supplier locations and locations with low geopolitical risk are preferred.

The industry in which we operate in has a significant entry barrier owing to a comprehensive approval process for the propulsion equipment due to its criticality and complexity. Despite the significant expenses and time associated with the approval process, we have demonstrated perseverance and patience during the entire development phase for the propulsion equipment, which is our competitive strength against Globally established manufacturers and other Indian suppliers. Further, the attractiveness of Foreign Designs & imports has reduced due to increased emphasis of GoI on Make in India. As a result of indigenously designed and developed technology for our propulsion equipment, we do not have to incur any cost on account of royalty or technology

fees payable and therefore have inherent cost advantage against the suppliers who are either multinational companies or domestic companies dependent on their foreign collaborators for supplying propulsion technology.

Further, we have leveraged our experience and design & development capability, and our unwavering commitment to quality, adherence with safety standards and continuous pursuit of innovation, to distinguish us from our competitors. Due to the challenges in the research, design & development of propulsion equipment, such as the system complexity, higher voltage and power levels, stringent performance requirements etc, there was limited suppliers who have fully indigenised such technology in India. Such system complexity acts as a high entry barrier for any new player to develop their own technology.

Our Company is committed to technological developments and undertaking expansion of our rail mobility business by development of other propulsion equipment to be used in EMUs, Distributed Power Long distance trains and metros to meet the evolving landscape of increased urban transportation.

Long-standing and deep relationship with Indian Railways

Our Company was incorporated in 2009 to supply components to Indian Railways and have gradually expanded the product category to panels & switch board cabinets, connectors and cable assemblies and cable protection products. In 2020, we advanced into higher-value engineering by initiating the indigenous design and development of propulsion equipment, a core system integral to locomotive performance.

The summary of our revenue from operations, bifurcated industry wise, for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 is as under:

(₹ in millions)

Nature of customers	**For the Financial Year ended March 31,**					
	2026		**2025**		**2024**	
	Amount	**%age***	**Amount**	**%age***	**Amount**	**%age***
Revenue from operations						
Indian Railways	379.22	76.16%	457.00	72.96%	338.69	67.80%
Private Sector (other than Group Companies)	78.79	15.82%	164.86	26.32%	150.41	30.11%
Private Sector (Group Companies)	36.27	7.29%	4.50	0.72%	10.48	2.10%
Revenue from Operations (A)	494.28	99.27%	**626.37**	**96.91%**	**499.57**	**98.80%**
Other income (B)	3.63	0.73%	19.99	3.09%	6.08	1.20%
Total Income	497.91	100.00%	**646.37**	**100.00%**	**505.65**	**100.00%**

The majority of the sale of our products is directly made to various units / work facilities of Indian Railways and therefore geographical segmentation of revenue is not there.

Our continuing relationship with Indian Railways serves as a clear testament to our commitment to quality, as well as our research, development and design capabilities and a testament to our operational and managerial capabilities. Further, our domain expertise in various aspects such as engineering, creation of complex software, research, design & development, as well as our adoption of technologically advanced and cost-competitive manufacturing and assembly processes have been instrumental in obtaining approval for our 3-Phase Propulsion Equipment and also repeat orders from Indian Railways. The intricacies, complexity and inter-se dependency of the products involved in the design & development process of propulsion equipment ensures a lasting relationship with our customer. Our track record of execution, domain knowledge and ability to meet stringent technical requirements of RDSO has positioned us as a key player for supply of propulsion system for Electric locomotives.

Experienced Promoter and management team with strong implementation skills and operational effectiveness

We have an experienced senior management team which includes our Managing Director and Head - R&D, Pankaj Rastogi; our Whole-time Director, Rahul Dhawan; our Chief Financial Officer, Ajay Kumar; our General Manager - R&D (Software), Sanjay Mann. Their combined knowledge and industry experience has enabled us to anticipate and capitalize on need of the indigenously designed and developed propulsion equipment for use in India Railways and enabled us to efficiently respond to market opportunities, changes in our design based on the requirement of RDSO and introduce proprietary solutions. Our leadership team has strong understanding of

requirements under technical specifications of Indian Railways combined with technical know-how that enables product understanding and new product development. Our operations are supported by a qualified and experienced team of over 35 engineers, which focuses on design, development and implementation, which consequently helps us to maintain and indigenously develop our technological prowess and assembling cum manufacturing processes. We also empower our managerial personnels, regardless of role to harness their entrepreneurial spirits through decision making approach and risk taking capabilities.

We are led by our Promoter, Mohit Vohra, who has helped expand our operations and has been associated with our Company as a director since July 03, 2009. Mohit Vohra has over 17 years of experience in railways, with focus on engineering, manufacturing and development activities. Under his leadership, we have been able to expand our operations by indigenously in-house designed and developed 3-Phase Propulsion Equipment which has a wide application in railways segment, domestically and internationally also. Further, we have an experienced and qualified Board of Directors comprising of two Executive Directors and three Independent Directors. We rely on our leadership and management team's guidance to provide us with a competitive advantage as we seek to grow our business.

For further information on our management team, see "Our Management" on page 270. Our qualified and experienced team enables us to identify new avenues of growth and helps us to implement our business strategies in an efficient manner.

Our Strategies

We aim to move towards higher value power electronics products in Indian Railways and export to other countries, improve profitability and reduce our risk exposure by implementing the strategies below in our future business operations.

Leverage our domain experience and capabilities by continuing to diversify our product base and increase penetration across different global regions & synergetic potential applications like Renewable Energy Projects, Industrial & Commercial Power Conversion Systems, Energy Storage Systems, Electric Mobility & Charging Infrastructure.

In the manufacturing ecosystem for Indian Railways, we manufacture highly complex system for the locomotive, i.e. Propulsion System, which allows us to easily manufacture items which are less complex in nature and at scale, ensuring longevity of our relationship Indian Railways and compete with the international players in this Industry. We plan to capitalize on our domain expertise in power electronics and system engineering to broaden our product base and deepen our presence within Indian Railways and also globally. We plan to deepen our presence in the Indian Railways supply chain by continuing to develop and introduce new products aligned with the evolving technical requirements of rolling stock and traction systems. This includes the development of hotel load converters, IGBT based propulsion systems for distributed-power trainsets such as EMUs, MEMUs, Vande Bharat trainsets and metro systems, and additional electrical and electronic assemblies. By expanding our approved product range and increasing customer wallet share, we aim to drive sustainable revenue growth and enhance long-term business visibility. In parallel, we aim to develop new products and applications in line with evolving customer requirements into emerging applications such as renewable energy projects, industrial and commercial power conversion systems, energy storage systems, and electric mobility and charging infrastructure, both in India and globally.

Our on-going work on the design and development is as under:

(a) We have received a Letter of Acceptance dated June 27, 2026 from Modern Coach Factory, Raebareli, Indian Railways to place order with our Company for Design, Development, Manufacture, Supply, Testing and Commissioning of Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes). The said order is for 6 (six) MEMU (On Board - 12 Car Rakes) for an aggregate value of ₹ 865.46 million and five years comprehensive annual maintenance contract for aggregate value of ₹ 46.86 million, both excluding GST.
(b) We have received a developmental order for IGBT based 3-Phase Drive Propulsion Equipment with Composite Converter for WAP-7 locomotives from CLW, Indian Railways on September 10, 2025 for one (1) such equipment for an aggregate value of ₹ 25.11 million (excluding GST) and three years comprehensive annual maintenance contract for an aggregate value of ₹ 1.48 million (excluding GST).
(c) We have received a developmental order dated December 01, 2025 for one (1) set of 2x500 KVA IGBT based Hotel Load Converter for 3-Phase Electric Locomotives WAP-7 locos for aggregate value of ₹ 8.00 million

and three years comprehensive annual maintenance charges for aggregate value of ₹ 0.30 million, both excluding GST.

(d) We have entered into a Business Cooperation Agreement with PNC Technologies Co. Ltd., South Korea on August 13, 2025 for a period of three years, to collaborate exclusively for the marketing, manufacturing, supply and distribution of Auto Fault Locator system for the Indian market, to fulfil the condition of minimum 51% Indian content under "Make in India" policy and to participate in the tenders and also provide after sales services with support of PNC Technologies.

(e) Recently, Ministry of Railways has approved for procurement of integrated propulsion kit for 50 nos each by BLW and CLW respectively, subject to design approval and prototype clearance including by RDSO / Indian Railways. Procurement of such integrated propulsion kit by locomotive works factories of Indian Railways creates an opportunity for us to further diversify into production of other products required in delivery of such integrated propulsion kit.

We continue to invest in indigenous design, simulation, prototyping and validation capabilities to support the development of new systems and ensure compliance with RDSO / CLW approval pathways. These capabilities allow us to introduce technologically advanced products while maintaining high performance, safety and reliability standards with flexibility to upgrade the systems in future without external support. Our focus is on developing solutions that meet customer-specific upgrade requirements and emerging specifications across railway and non-railway applications. We also intend to focus on export opportunities for the propulsion equipment which may provide us with higher realisable value on our products.

Development and / or acquisition of new products that are used in conjunction with propulsion equipment in line with the newer opportunities under Indian Railways

Indian Railways has traditionally followed a component-wise procurement model, wherein its locomotive manufacturing units sourced individual subsystems and components from multiple vendors. However, in March 2025, Railways Board, Ministry of Railways, issued a directive mandating the procurement of an aggregate 100 integrated propulsion kits by CLW and BLW, locomotive production units of Indian Railways. This integrated kit is intended to include several critical assemblies and equipment required for locomotive manufacturing, thereby shifting procurement towards a system-level sourcing approach.

This transition presents a significant opportunity for us to creates additional avenues for us to diversify into the development and supply of complementary products required for the delivery of such propulsion kits, which includes bogie complete, suspension systems, transmission system, transformer, cooling units for transformer & traction converter, traction motor and mounting arrangement, TCMS components, setting up electric schematics, cable harnessing and connectors and such other components as may be specified by RDSO. Further such integrated kit may also be upgraded by including hotel load converter also. The tender recently issued by CLW also includes an annual maintenance for 35 years alongwith the supply of integrated propulsion kit.

This evolving procurement framework creates a significant opportunity for us to expand both the breadth and depth of our product offerings. As an existing manufacturer of IGBT-based 3-phase drive propulsion systems, we are well positioned to develop, integrate and supply additional subsystems and components that form part of, or operate in conjunction with, such integrated propulsion kits. This may include related power electronics assemblies, control modules, protection systems, cable assemblies, enclosures and other associated equipment required for complete system integration.

This transition from component-based sourcing to integrated system procurement is expected to support product diversification, improve customer wallet share and reinforce our strategic positioning as a comprehensive propulsion and power systems solutions provider within the Indian Railways manufacturing ecosystem. Further, this is expected to provide us with a strategic entry point into enhanced rolling stock manufacturing capabilities. By participating at the system-integration level, we gain the ability to extend our role beyond component and subsystem supply, enabling us to contribute to, and progressively participate in, broader aspects of rolling stock manufacturing and integration.

We intend to continue investing in research and development, advanced manufacturing technologies and modern equipment to strengthen our ability to meet system-level requirements, respond to changing technical specifications and address evolving operational needs of Indian Railways. Further, we plan to pursue the necessary design approvals and prototype clearances through the prescribed RDSO / CLW pathways to ensure our qualification for participation in this enhanced procurement ecosystem.

Increase our manufacturing capabilities, reduce operating costs and improve operating efficiencies

Our existing assembling-cum-manufacturing facility located at Village Baghola, Palwal, Haryana, India ("Unit 1") presently caters to the production of electrical and control panels, switchboard cabinets, junction boxes and cable protection and management products, including flexible conduits, cable protection conduit tubing, conduit end fittings and expandable cable jackets. Unit 1 holds all valid registrations required for the manufacture of propulsion equipment and no fresh approvals are presently required. Further, Unit 1 is approved by the Research Designs and Standards Organisation ("RDSO") for the production and supply of propulsion equipment by our Company.

In order to strengthen our in-house testing and quality assurance capabilities and reduce dependence on third-party testing facilities, we have installed one dedicated test set-up at Unit 1 for testing of propulsion equipment before dispatch. This test set-up enable us to comprehensively test performance parameters such as voltage, current, load endurance, thermal stability and operational efficiency of the propulsion systems prior to dispatch. In addition, in March 2026, we have also commissioned a Surface Mount Technology ("SMT") line for PCB board population for in-house production of control electronics assemblies / Vehicle Control Unit, power electronic modules and control interfaces used in propulsion solutions. This vertical integration is expected to result in improved quality control, reduced lead times and lower overall production costs without external dependency.

Pursuant to the approval of our 3-Phase Propulsion Equipment by Indian Railways, we are now eligible to participate in tenders as a bulk supplier. For the tenders issued by Indian Railways through its production units, namely, CLW, BLW and PLW, during the financial year 2025-26, our Company has received orders for 27.12% of the net procurable quantity under the said tenders. Similar tenders are generally issued annually in line with the railway budget for expansion of rolling stock and to meet growing demand.

To support the anticipated increase in production volumes, execution of the existing order book and expected inflow of additional orders, we are in the process of setting up an additional assembling-cum-manufacturing facility at Nangla Bhiku, Palwal, Haryana, India ("Unit 2"). The proposed location has been selected strategically due to its ownership being vested with our Company and proximity to Unit 1, which will allow for optimal utilisation of existing infrastructure, manpower, machinery and logistics networks, while minimising incremental overhead costs.

We have received the Certificate for "Consent to Operate" for Unit 2 on June 22, 2026. As part of capacity creation at Unit 2, we propose to establish three additional specialised test set-ups to enhance throughput and enable parallel testing of multiple propulsion systems. These test facilities will be designed to simulate real-world operating conditions, thereby ensuring enhanced reliability and compliance with Indian Railways' stringent technical standards. The addition of these test set-ups across both units is expected to substantially increase our annual testing and dispatch capacity. Further, key capital-intensive machinery, including the hydraulic press brake machine, laser cutting machines, and the SMT line presently being installed at Unit 1, will serve shared operational requirements of both Unit 1 and Unit 2 leading to improved asset productivity and enhance overall operating margins.

This planned expansion aligns with the broader growth in railway electrification, locomotive replacement and rolling stock modernisation initiatives undertaken by the Government of India and Indian Railways.

Make in India and focus on developing in-house intellectual property rights

The Government has recognized the need to promote domestic manufacturing and has been taking multiple initiatives to attract manufacturing investments and promote existing manufacturing capabilities like "Make in India" and "Atmanirbhar Bharat Abhiyan".

Indian Government launched the 'Make in India' initiative in 2014 to boost local manufacturing and to make India a global manufacturing hub. The scheme involved focused investments to increase innovation and intellectual property, develop best-in-class manufacturing infrastructure and promote favorable policy initiatives. The Department for Promotion of Industry & Internal Trade (DPIIT), which also manages 'Invest India' to facilitate foreign investments into the country, has chosen twenty-four sub-sectors (including railways, automobile, chemicals, medical devices, auto-components, defence manufacturing, electronic systems etc.) to boost local manufacturing based on local competency, potential for import substitution, opportunities for export and potential for increased employment opportunities.

In the midst of the COVID-19 epidemic, the Government of India announced the Atmanirbhar Bharat Abhiyan (or 'Self-reliant India') in May 2020. The campaign's principal goal was to recover from the economic impact of the pandemic and become self-sufficient on five key pillars: economy, technology-driven infrastructure, infrastructure, demand, and demographics. The Indian government unveiled a combined economic package to support a variety of projects aimed at benefiting enterprises, MSMEs, farmers, and the agriculture sector.

In the railway sector, Atmanirbhar Bharat has translated into a strong policy push towards indigenous design, development and manufacture of critical railway equipment and advanced technologies, including locomotives, propulsion systems, power electronics, rolling stock components, Automatic Train Protection (ATP) systems, signalling solutions and track infrastructure. The overarching objective is to reduce reliance on imports, strengthen domestic supply chains, and build globally competitive capabilities within the Indian manufacturing ecosystem. Under this initiative, the Government has also introduced enhanced quality benchmarks and performance parameters to ensure that indigenous products meet international standards, thereby increasing their export potential.

Our Company's strategy is closely aligned with these national priorities. We actively contribute to the vision of Make in India and Atmanirbhar Bharat by driving indigenisation in the development and manufacture of railway propulsion and power electronics systems. Over the years, we have developed integrated in-house capabilities across mechanical design, electrical engineering, electronics, embedded software and systems integration, which allows us to exercise end-to-end control over product design, development, testing and validation.

Our existing and proposed manufacturing facilities in Palwal, Haryana, India are a key part of this indigenisation drive. By investing in infrastructure such as in-house SMT lines for PCB assembly, dedicated test set-ups for propulsion systems, precision fabrication machinery and system integration capabilities, we are progressively substituting imported components and systems with domestically designed and manufactured alternatives. This approach not only reduces foreign exchange outflow and supply chain risks but also enables faster time-to-market, localisation of critical know-how and greater adaptability to the evolving technical requirements of Indian Railways.

As part of our strategic focus on operational excellence, we will continue to adhere to design-to-value principles, ensuring that our power electronics products are developed to meet customer needs efficiently while maintaining high standards of quality and eliminating non-essential costs. We will continue to focus on achieving cost leadership by optimizing our production processes and enhancing our sourcing strategies. To do so, we will focus on maintaining a diversified supplier base to secure supply continuity and competitive pricing. We will continuously localise suppliers and negotiate long-term agreements to shorten lead times and are steadily shifting to higher-value inputs so that we can command better prices and margins. Further, by focusing on an optimising integrated value chain, we aim to minimize process inefficiencies and strengthen value realization across our operations, thereby reinforcing our competitive advantage and long-term value creation.

Further, our engagement with Indian Railways, including through approvals from organisations such as RDSO and participation in tenders by manufacturing units such as CLW, BLW and PLW, reinforces our role as a domestic supply partner in India's expanding railway modernisation and electrification drive. Our validated 3-Phase Propulsion Equipment, developed and manufactured in India, represents a significant step towards indigenised, high-performance and cost-efficient propulsion solutions for the country's growing rolling stock fleet.

Through continuous investments in research and development, skill enhancement of our workforce, supplier ecosystem development and technology upgrades, we aim to increase the percentage of indigenous content in our products, enhance operational efficiencies and develop globally competitive Indian technologies. This not only positions us as a key contributor to the national railway infrastructure programme but also creates opportunities for export of Indian-engineered solutions to international markets in the future.

Scalable Business Model with Focus on High-Value Products and opportunity to enter into rolling stock manufacturing capabilities

We operate in a high entry-barrier industry with strong engineering requirements. Our scalable design-to-delivery model and portfolio of high-value, high-complexity products support sustainable margins and long-term growth opportunities. Our business model is designed to be scalable and capital-efficient, enabling us to expand capacity and product offerings in line with market demand. We remain focused on developing and delivering high-value,

technology-driven products that cater to evolving requirements of Indian Railways. This focus allows us to enhance margins, strengthen our market position, and ensure sustainable growth.

Looking ahead, our strong engineering foundation, integrated value chain, and commitment to design excellence offer a compelling opportunity to enter into rolling stock manufacturing. This strategic expansion aligns with the growing momentum in infrastructure and mobility sectors and represents a natural extension of our capabilities. Through this initiative, we aspire to play a pivotal role in shaping the future of advanced manufacturing and contribute meaningfully to the nation's transportation evolution.

By combining scalability with a focus on value creation, we aim to build a resilient, future-ready enterprise positioned to capitalize on industry shifts, technological advancements, and government-led infrastructure initiatives.

The strategies of our Company listed above have been adopted by a resolution passed by our Board on November 27, 2025.

OUR PRODUCTS

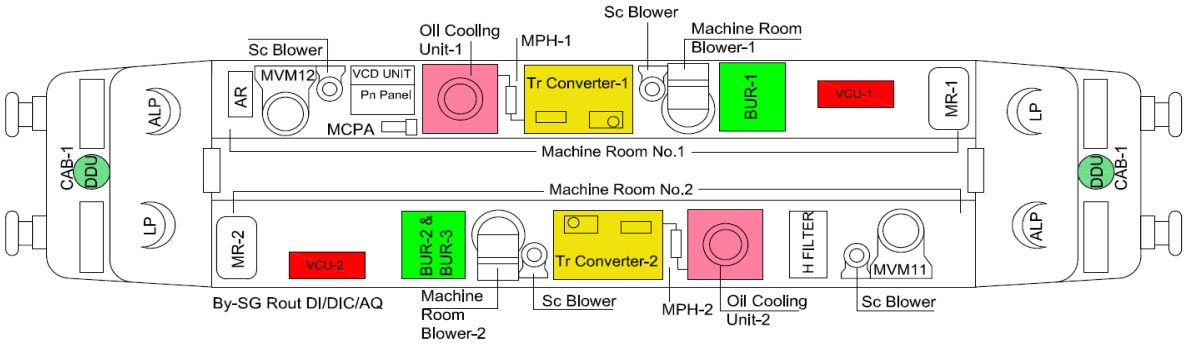
A. Propulsion Equipment

About Propulsion Equipment

The IGBT based 3-Phase Drive Propulsion Equipment designed by our Company shall be used for 3-Phase Electrical Locomotive (Model: WAP-7), being manufactured by Indian Railways based on IGBT Switching (Insulated Gate Bipolar Transistor) that are highly reliable & efficient as compared to older GTO systems used in these Locomotives. The Complete Propulsion Equipment comprises of the following:

1. Traction Converters: 2 nos. per Locomotive (2.7MW x 2 Traction Converter)
2. Auxiliary Converters: 3 x 130 kVA per Locomotive (BUR1, BUR2 & BUR3, refer image below)
3. Vehicle Control Unit: 2 nos. per Locomotive
4. Driver Console: 2 nos. Per Locomotive

The schematic of the equipments installed in a Locomotive is as under:



SC Blower	Series Compensation Blower
MVM12	Main Voltage Monitor 12
VCD Unit	Voltage Control and Distribution Unit
MCPA	Main Converter Power Assembly
VCU-2	Vacuum Circuit Unit 2 or Vehicle Control Unit 2
AR	Accelerating Relay or Air Reservoir
MR-2	Main Relay 2
LP	Low Pressure
ALP	Advanced Locomotive Prototype or sometimes Auxiliary Locomotive Panel
BUR-2 / BUR-3	Brushless Unit Relay 2 / 3
TR Converter	Traction Rectifier Converter
MPH-2	Main Power Hub 2 or Motor Protection Hub 2
DDU	Digital Display Unit
CAB-1	Driver Cab 1
SG-Rout DI / DIC / AQ	Sanding Gear Routing

DI	Display Interface
DIC	Data Interface Converter
AQ	Air Quality / Acquisition Module

Traction Converters

The Insulated Gate Bipolar Transistor (IGBT) traction converter is a pivotal component in the propulsion equipment of electric locomotives, offering significant advancements in performance and efficiency. Traction converters have multiple line converters which convert single phase AC input into DC Voltage and this DC link voltage is also further converted in AC voltage for supply to traction motors. This technology is being used by new generation rail systems in India. The transition to IGBT technology aligns with Indian Railways' goals of modernization and efficiency improvements. For instance, the introduction of three-phase electric locomotives equipped with IGBT converters has allowed for significant advancements in train control systems and overall operational efficiency.

IGBTs are semiconductor devices that combine the characteristics of both bipolar transistors and MOSFETs (Metal Oxide Semiconductor Field Effect Transistor), allowing for efficient control of high power and voltage levels. They are particularly well-suited for applications in traction systems due to their ability to handle large currents while minimizing switching losses. This capability is essential for electric locomotives that require rapid acceleration and deceleration, as well as efficient energy management. Our traction converters are completely developed and designed in India with Stainless Steel (SS-304) enclosures and IP54 protections. They enable communication between the converter and VCU through CAN/TCN. These are specially designed for electric locomotive of 6000 HP for passenger and goods locomotives (WAP5, WAP7, WAG9 and WAG9H).

There are two Traction Converters (Shown as TC1 & TC2 above) per Locomotive. Each Traction Converter consist of two line converters, DC Link and three Motor Inverters that is capable to drive 3 Traction motors of 850KW each installed per Bogie. There are two bogies consisting of 3 Traction motors each per Locomotive. The communication of Traction Converters with Vehicle Control Unit (shown as VCU1 & VCU2 above) is through CAN on Optical Fibre Cables.

Inside view of Traction converter

Outside view of traction converter

Key features and benefits:

1. **Flexibility in Design:** IGBT-based converters leverage indigenous technology, allowing for customization to meet specific operational requirements of different locomotive models. This flexibility facilitates the integration of advanced features and adaptations to various rail systems, enhancing overall performance and efficiency in local conditions.
2. **VVVF Control:** The Variable Voltage Variable Frequency (VVVF) control system allows for precise regulation of the voltage and frequency supplied to the traction motors. This capability enables smooth acceleration and deceleration, optimizing motor performance across various operational conditions. By adjusting these parameters, VVVF control enhances energy efficiency and improves overall train handling.
3. **Independent Motor:** Each traction motor can be controlled independently, allowing for better traction management and improved performance in diverse operating scenarios. This independent control facilitates better slip-slide management, ensuring that each wheel receives the appropriate power based on its load and track conditions. As a result, it enhances traction efficiency and reduces wear on the wheels.
4. **Liquid Cooled System:** The use of a liquid cooling system in IGBT-based traction converters ensures effective thermal management of the power electronics. This cooling method allows for higher power density

and improved reliability by maintaining optimal operating temperatures, thus extending the lifespan of components. It also enables the converter to handle higher power outputs without overheating, which is critical for high-performance applications.

5. **Modular Design:** The modular design of IGBT traction converters allows for easy scalability and maintenance. Each module can function independently, which simplifies repairs and upgrades without significant downtime. This design approach also facilitates customization to meet specific locomotive requirements, making it adaptable to various rail systems and operational needs.
6. **Easy Maintenance:** The design of IGBT-based converters incorporates features that facilitate straightforward maintenance procedures along with a low life cycle cost. Components are accessible, and modularity allows for quick replacement without needing extensive downtime or specialized tools. This ease of maintenance reduces operational costs and improves the reliability of the locomotives.
7. **High Efficiency:** IGBT-based traction converters significantly improve the overall efficiency of electric locomotives. By reducing energy losses during power conversion, these systems enable locomotives to operate more effectively, translating to lower operational costs and reduced environmental impact.
8. **Reduced Heat Generation:** The inherent design of IGBTs allows them to operate with lower heat generation compared to traditional technologies. This reduction in heat not only enhances the reliability of the traction system but also decreases the need for extensive cooling mechanisms, simplifying the overall design.
9. **Noise Reduction:** IGBT technology contributes to lower traction noise levels during operation, making for a quieter ride for passengers and reducing noise pollution in urban areas where trains operate.

Auxiliary Converters

Auxiliary Converters are crucial components that manage the electrical power required for various auxiliary systems within the locomotive, such as lighting, heating, air conditioning, and other onboard services. The adoption of IGBT technology in these systems offers several advantages, enhancing performance, efficiency, and reliability. The stainless steel (SS-304) enclosures in our converters with an IP54 protection, digital signal processor-based electronics for controlling and monitoring adds to the unique characteristics of our product. Our converters are designed for 25kV AC electric locomotive of 6000 HP for goods and passenger Locomotives (WAP5, WAP7, WAG9 and WAG-9H).

There are three Auxiliary converters of 130 kVA each. The first converter named as BUR1 is enveloped in one cabinet however the other two converters named as BUR2 & BUR3 are enveloped together in one cabinet shown in schematic above. The auxiliary converter generates a three-phase sine filtered AC output for auxiliary loads installed in the machine room of Locomotive and a 110 Vdc output for charging the vehicle battery as well as for DC loads.

Inside view of Auxiliary converter

Outside view of Auxiliary converter

Key Features of IGBT-Based Auxiliary Converters:

1. **Flexibility design as Indigenous Technology**: IGBT-based converters leverage indigenous technology, allowing for customization to meet specific operational requirements of different locomotive models. This flexibility facilitates the integration of advanced features and adaptations to various rail systems, enhancing overall performance and efficiency in local conditions.
2. **Modular design**: The modular design of IGBT converters wherein each module serves as an individual control function, enables easy scalability and maintenance. Each module can operate independently, allowing for redundancy and minimizing downtime during repairs or upgrades. This design approach also simplifies the manufacturing process, enabling quicker deployments and adaptations to changing technological standards or requirements.
3. **Sustainability of Voltage and Frequency:** These converters are designed to sustain the wide voltage and frequency variations of the catenary. The converters maintain stable voltage and frequency outputs, which is crucial for the reliable operation of auxiliary systems such as lighting, heating, and cooling within the locomotive. By ensuring consistent power supply, they enhance the reliability of onboard systems and contribute to the overall efficiency of train operations.
4. **Easy Maintenance:** The design of IGBT-based converters incorporates features that facilitate straightforward maintenance procedures along with a low life cycle cost. Components are accessible, and modularity allows for quick replacement without needing extensive downtime or specialized tools. This ease of maintenance reduces operational costs and improves the reliability of the locomotives.
5. **Safety Interlocking System:** Safety is paramount in railway operations, and IGBT converters include sophisticated safety interlocking systems that prevent unauthorized access or operation under unsafe conditions. These systems ensure that critical functions are only activated when all safety protocols are met, thereby protecting both equipment and personnel from potential hazards.
6. **Voltage Indication for Safety Maintenance Staff:** Voltage indication features provide real-time monitoring of electrical parameters specifically designed for safety maintenance staff. By continuously displaying voltage levels, these systems enable maintenance personnel to quickly identify anomalies that could lead to failures or unsafe conditions. This proactive monitoring allows for timely interventions, ensuring that safety protocols are upheld and operational integrity is maintained.
7. **High Efficiency and Reduced Heat Generation**: IGBT-based converters are known for their high efficiency in power conversion. They minimize energy losses during the conversion process, which is critical for electric locomotives that operate on limited power resources. This efficiency translates to reduced operational costs and improved overall performance. These converters has the ability to handle high currents with lower heat generation compared to traditional devices. This helps maintain optimal operating temperatures, thereby enhancing the longevity and reliability of the auxiliary systems.
8. **Regenerative Braking Capability**: The IGBT-based systems are designed to support regenerative braking, a feature that allows locomotives to recover energy during braking and redirect it back into the power supply system. This capability not only improves energy efficiency but also reduces wear on mechanical braking systems.

Vehicle Control unit

The Vehicle Control Unit (VCU) has a central processing unit to interact & control all the operations of the Locomotive based on the inputs received from various equipments. Various modules of VCU are encased in a steel cabinet and placed inside the locomotive. The VCU has the following major components:

- Communication Unit: Responsible for data communication with all processors and subsystems within the locomotive
- Central Processing Unit: Executes control algorithms, processes input data, and manages overall system logic and decision-making
- Interface for Digital Input and Output: Handles discrete signals for command execution, status monitoring, and control of onboard devices
- Interface for Analog Input and Output: Processes continuous signals such as voltage, current, temperature, and pressure from sensors and actuators
- Power supply: Switch Mode Power Supply is used to supply the regulated power to all the modules of Vehicle Control unit

Key Features and Advantages:

1. **Equipment of the central unit:** This equipment ensures seamless integration between the locomotive's subsystems, enabling real-time control, diagnostics, and safe operation under various conditions.
2. **Availability of different type of communication ports, number of digital and analog inputs/outputs:** VCUs in locomotives provide multiple communication ports, such as Ethernet, CAN, and serial interfaces,

for integration with internal and external systems. Digital I/O handles binary signals for switches and relays, while analog I/O processes continuous signals from sensors (e.g., temperature, pressure).

3. **Redundant communication lines:** Redundant communication lines ensure continuous system operation even if one connection fails. In locomotives, dual Ethernet, CAN bus, or wireless links provide backup paths for critical data and control signals. Automatic failover ensures that communication with vital systems, like braking or engine control, remains uninterrupted, enhancing system reliability and safety. This redundancy is crucial for maintaining control in case of communication failure, improving operational stability in complex railway environments.
4. **Low power consumption:** Efficient design ensures that essential systems continue to function while consuming minimal power, reducing heat generation and extending the lifespan of electrical components.
5. **EMI (ElectroMagnetic Interference) protection:** EMI protection ensures that external electromagnetic interference does not disrupt the VCU's operation. Shielded cables, filters, and grounding techniques prevent electrical noise from affecting the performance of sensors, communication modules, and control systems.
6. **Loco remote monitoring system:** The Loco Remote Monitoring System enables real-time tracking of locomotive performance, diagnostics, and remote troubleshooting as it helps in detecting faults early, reducing maintenance costs and downtime.

Driver Display Unit (DDU) / Human Machine Interface (HMI)
DDU is a basic interface between loco driver and locomotive main control system

The Display screen will show the operational status of Locomotive & Error/Fault indications. This device is resistant to shock and vibration, well protected against dust and water. It has ARM microcontrollers-based control systems which is a flexibility in the designing system. Further, DDU has a wide display area for various pre-defined screens which are used to monitor status information related to locomotive sub systems. It also provide trouble shooting assistance to the driver and can be upgraded to indicate enroute speed restriction charts.

The critical components required for production of propulsion equipment are imported, including IGBT, capacitors, microprocessors, etc.

The purpose of propulsion equipment is to provide stable and sine current to the traction motors and other electrical equipments installed in the locomotive / train. There are numerous ways to design the power electronic circuits to achieve this intent that includes the design and studies on power electronic circuits, intricate mechanical engineering designs to withstand shock & vibration and space efficiency within the locomotive, efficient thermal

dissipation design to minimize the heat build up in these complex circuits, highly complex embedded hardware to accommodate extremely high bandwidth of associated softwares.

We possess dedicated teams from various disciplines of engineering and designing which enables us to execute entire designing and development of propulsion equipment in-house without any dependency on third party.

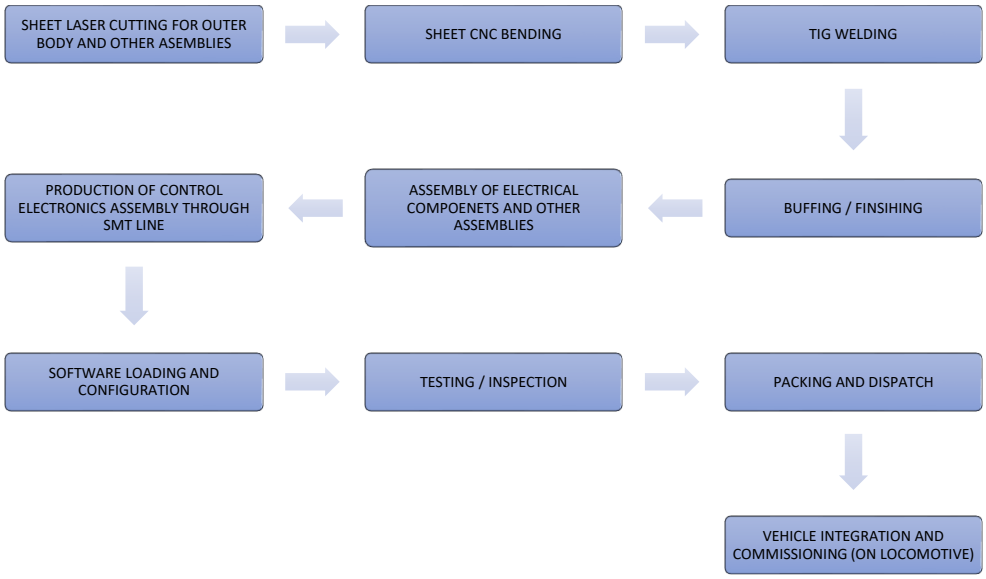
Assembling cum manufacturing process for IGBT-based 3-phase propulsion equipment:

The Company undertakes assembling-cum-manufacturing of IGBT-based 3-phase propulsion equipment for use in electric locomotives presently. The manufacturing process is predominantly assembly-oriented and involves system integration, engineering configuration, testing and quality assurance in accordance with RDSO specifications and applicable IEC / EN standards.

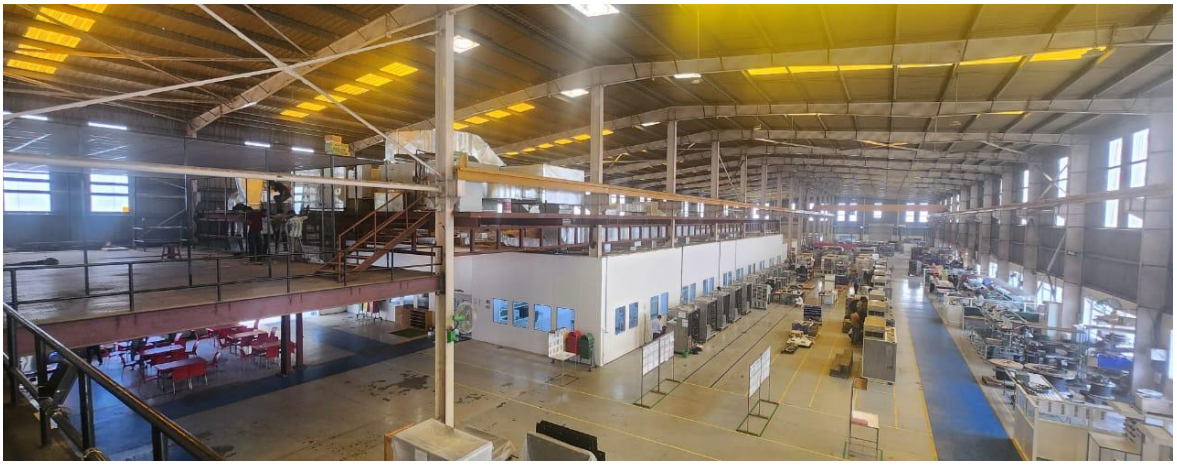
Process description	Key Activities	Time involved
Engineering Design & Configuration	As per the prototype approval received by our Company from CLW / as per RDSO specifications	Already received (one time approval)
Placing purchase orders for material	Most of the process involved is assembling of various electrical components, for which our Company places purchase orders for raw material / electrical components, depending on the lead time for each such electrical component / material	Identification of right suppliers and putting in place purchase orders in advance to ensure timely receipt of raw material. Generally, a lead time of 1-3 months, depending on criticality of the raw material / electrical component
Inspection of incoming material	Receipt of raw material / electrical components, including critical components like, IGBT modules, capacitors, PCBs, sensors, cooling assemblies, etc	Routine process
Fabrication	Fabrication of propulsion equipment enclosures using aluminium or stainless steel as per design requirements.	25-30 days
Power Stack / Traction converter - inverter assembly	Mounting of IGBT modules on heat sinks or cooling plates, assembly of DC link capacitors, bus bars, snubber circuits, protection devices and compliance with prescribed creepage, clearance and vibration norms	
Control Electronics Assembly	Assembly and installation of propulsion control units, gate driver boards, sensing circuits and communication interfaces used for train control and diagnostics	
Mechanical Integration & Enclosure Assembly	Installation of power and control assemblies into traction-grade enclosures; fitting of cooling systems; wiring harness routing, earthing, EMC shielding and vibration isolation	
Software Loading and Configuration	Loading of propulsion control firmware, configuration of traction, regenerative braking, and activation of safety interlocks and diagnostics	
Testing & Inspection	Routine Tests: • Insulation resistance and high-voltage tests • Functional testing of IGBT switching and gate drive circuits • Verification of protections, alarms and interlocks Performance & Reliability Tests:	

Process description	Key Activities	Time involved
	• No-load and simulated load tests • Thermal performance checks • Endurance / burn-in tests	
Dispatch	Preparation of routine test certificates, inspection reports and compliance records prior to packing and delivery	
Vehicle integration and commissioning (on locomotive)	Scope is limited to post-supply system integration, testing, trials and on-site engineering support, and is therefore distinct from the Company's assembling-cum-manufacturing operations and is carried out at the locomotive manufacturing unit or designated loco shed in coordination with the locomotive works unit of Indian Railways and inspecting authorities.	Completion of commissioning is dependent on locomotive readiness, site conditions and approvals by the customer and inspecting authorities, and timelines may vary accordingly.

The processes from 'Fabrication' to 'Software Loading and Configuration' can be undertaken simultaneously.



Few of the images for the assembly cum manufacturing facility at Unit 1 are as under:



View (Unit 1)

SMT Line

Cyclic environment test chamber

Transformers for Test Set up

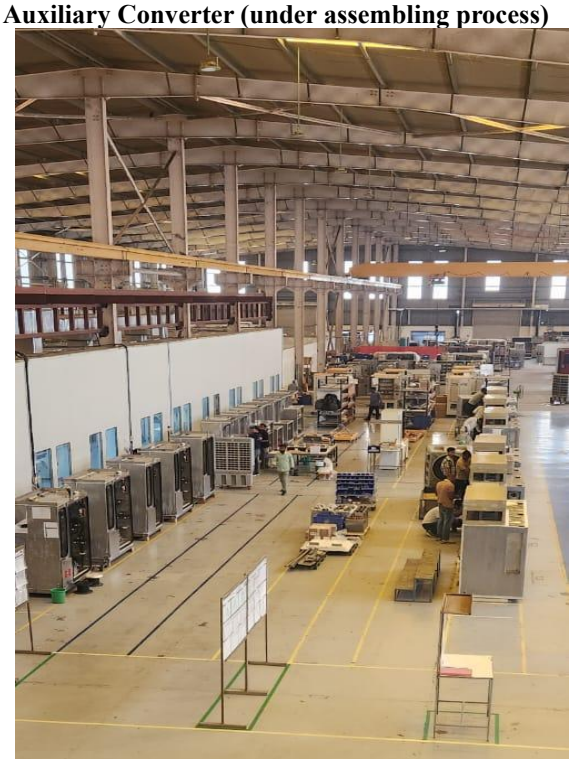
Traction Converter (under assembling process)

Traction Converter (under assembling process)

Auxiliary Converter (under assembling process)

Auxiliary Converter (under assembling process)

Test Set up



Assembling Process (Unit 1)

B. Switchgear & rail coach / EMU panels

Switchgear is the backbone of any power distribution system responsible for controlling, protecting, and isolating electrical equipment to ensure smooth and secure operation. Our switchgear solutions are custom-built to railway specifications, ensuring seamless integration with railway systems and are also integrated into the electrical panels and systems we manufacture. With a focus on quality, precision engineering & compliance and by combining advanced engineering with industry best practices, we ensure each component contributes to a durable, high-performance solution tailored to specific operating conditions.

We are involved in manufacturing of electrical and control panels, switchboard cabinets, and junction boxes. Switchgear Panels are used to control the functioning of various Electrical & Electronic Devices installed in the Trains and also used for the electrical safety of the passengers. These Panels are installed either inside the Coaches or installed below the coach bogies depending on the size & the weight of the Cabinets. Our company's commitment to quality and innovation is reflected in its comprehensive in-house manufacturing capabilities, which encompass every aspect of the production process, from mechanical fabrication to rigorous testing.

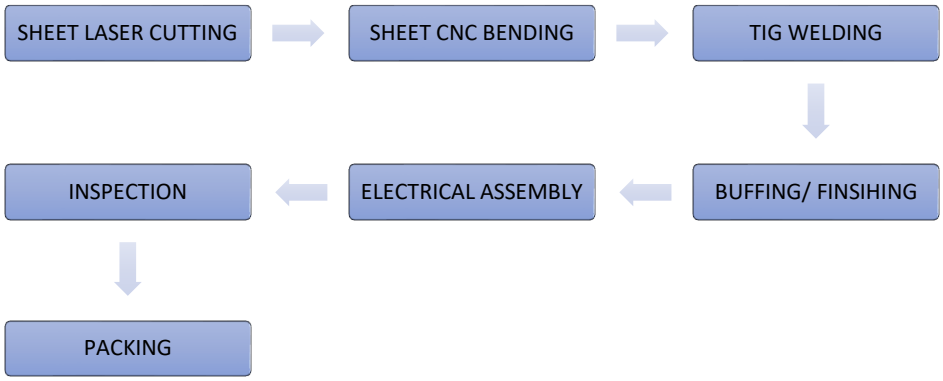
The Production process involves Sheet Metal Fabrication and Assembly of Electrical Components and apparatus inside the Cabinets followed by Testing. Our assembling cum manufacturing facility enables us to maintain complete control over the manufacturing process, ensuring that all products meet stringent industry standards.

Key components of this infrastructure include:

1. **Mechanical Fabrication**: Our Company employs advanced mechanical fabrication techniques to produce durable and reliable components for its electrical panels and switchboard cabinets. This includes precision cutting, welding, and assembly processes that ensures structural integrity.
2. **Metal Treatment Facility**: Our company utilizes metal treatment processes to enhance the corrosion resistance of its products. This is crucial for components exposed to harsh environmental conditions typically found in rail applications, ensuring longevity and reliability.
3. **Assembly Line**: Our assembly line is designed for efficiency and quality control. Skilled technicians meticulously assemble each component, ensuring that all systems function correctly before undergoing testing.
4. **Testing Facilities**: Our company conducts a variety of tests to validate the performance and safety of its products. Testing capabilities include:
    - **Vibration Testing**: Assesses the durability of panels under operational stresses.
    - **Ingress Protection Testing**: Ensures that products are resistant to dust and water ingress.
    - **Temperature Rise Testing**: Evaluates thermal performance during operation.
    - **Dielectric Testing**: Verifies insulation integrity to prevent electrical failures.
    - **Fire & Smoke Testing**: Ensures compliance with safety standards regarding fire hazards.

All our products are custom-built to railway specifications, ensuring seamless integration with railway systems. Designed for reliability and safety, our panels are subjected to stringent Type Tests and Routine Tests as per the latest Indian Railways standards.

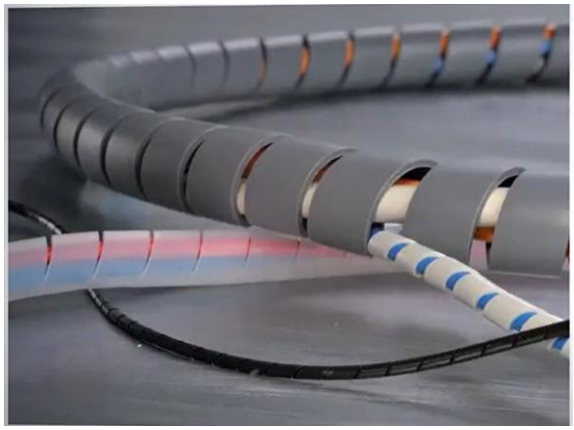
Production process: Panel



C. Cable protection & management products

Wires and cables constitute a critical component of control systems and power distribution networks. Railway coaches and locomotives require the installation of a significant quantity and variety of cables, which are routed through flexible plastic conduits and used in conjunction with a broad range of plastic-metal bonded fittings. We supply flexible conduits, cable protection conduit tubing, conduit end fittings, expandable cable jackets, etc. These products are manufactured using specially compounded polymers engineered to provide enhanced fire protection and low-smoke characteristics, together with electrical insulation and the requisite degree of mechanical protection for cable installations.

The production of these products involve process like Extrusion, Injection Moulding, CNC Turning & Braiding.

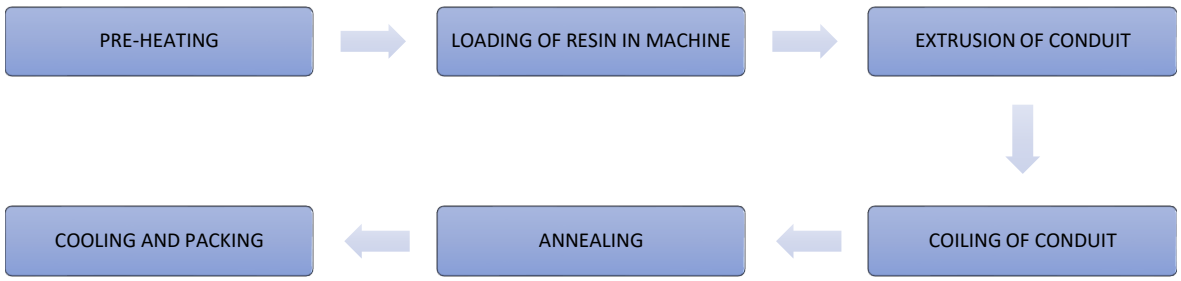


Cable protection and management products

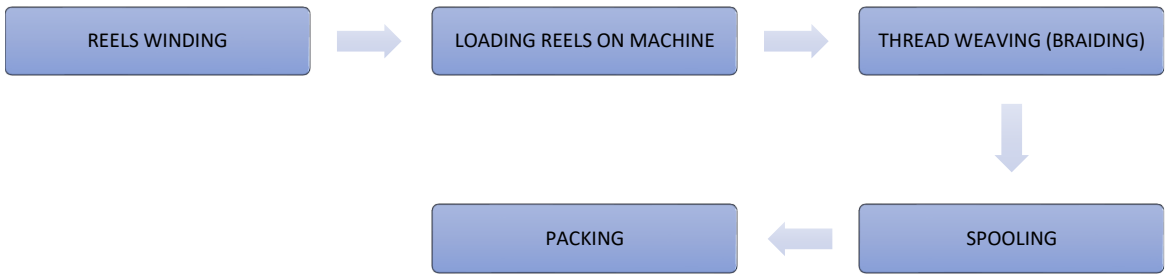
Connectors and wiring harness

Our cable management systems are designed to deliver exceptional durability and performance, reduced installation time and costs, reliable operation under continuous stress and compliance with stringent industry standards

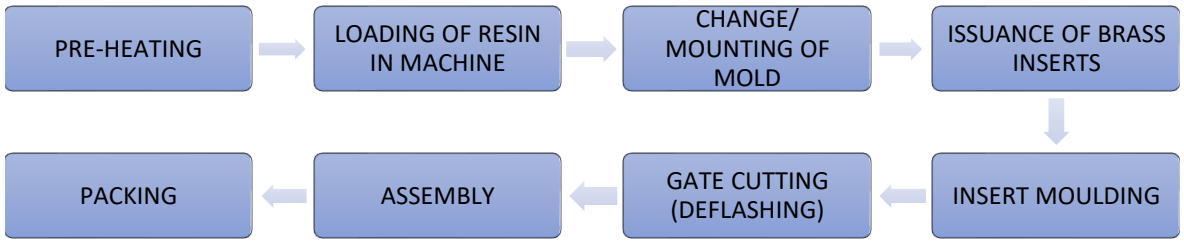
Production process: Conduits



Production process: Cable jacket



Manufacturing process: Conduit Fitting



ASSEMBLING CUM MANUFACTURING FACILITY

Unit 1: Our present assembling cum manufacturing operations carried out from leased premises situated at 7/19/1/2/2, 19/2/2/2, Baghola, Tatarpur Road, Prithla Industrial Zone, Village Baghola, Palwal - 121 102, Haryana, India. The said Unit 1 caters to the requirement of production of electrical equipment and apparatus and embedded systems for railways rolling stock including 3-Phase Propulsion Equipment, and cable protection & interconnected products. Our Company is proposing to shift the manufacturing operations for cable protection & interconnected products from Unit 1 to Unit 2, for which our Company has received Consent to Operate for Unit 2. For details of the same, see "Government and Other Approvals" on page 425. Our Unit 1 is already approved by RDSO for production of 3-Phase Propulsion Equipment. Further, for undertaking the testing of such equipment before supplies, we have installed one test setup at our Unit 1 and commenced deliveries. We also propose to install one more similar test set up at Unit 1. We have also installed Surface Mount Technology (SMT) line for PCB board population for in-house production of control electronics assemblies / Vehicle Control Unit, power electronic modules and control interfaces used in propulsion solutions and one test set up facility for the assembly and production of 3-Phase Propulsion Equipment.

The following is the list of major machinery installed at our Unit 1:

- Surface Mount Technology (SMT) line for PCB board population
- Transformers and sub-assemblies for the test set up
- Cyclic environment test chamber (tem. Range from -60°C to +180°C) (2 nos.)
- Fabrication and laser cutting machines

Unit 2: We have an owned premises situated at Khasra No. 31//19/2, 20, Village Nangla Bhiku, Palwal - 121 102, Haryana, India which was held by our Company as investment property. Of the same, the Company has already received Consent to Operate for 47,100 sq. ft. approx. Our Company proposes to further expand the operations for production of electrical equipment and apparatus and embedded systems for railways rolling stock including 3-Phase Propulsion Equipment and other power electronic equipments. For details of the Consent to Operate and approval received under the Factories Act and fire NOC, by our Company, refer to "Government and Other Approvals" on page 425.

Raw material

We procure a wide range of raw materials, including Galvanised Iron sheets, aluminium sheets, Mounting frames, angles, Circuit breakers, Contactors, relays, Power distribution modules, cables, etc and other approved components as per the standards of Indian Railways / RDSO. We also source extrusion and moulding grade plastic resins / nylon. These materials are primarily sourced from local factories and stockiest across India based on availability and our production needs.

We require working capital for the raw material and inventory comprising of hardware and electronic components, including imports by our Company, namely, IGBTs, semi conductors, micro processors, capacitors, etc. Being import of goods, our Company is required to pay in advance to the supplier. Also, the delivery time of the goods and other clearances for bringing the goods to our factory will take considerable time. Hence the estimated inventory holding period for the execution of orders for 3-Phase Propulsion Equipment is estimated to be comparatively higher. Our procurement planning for raw materials is directly linked to the receipt of purchase orders, execution timelines and commercial terms prevailing at the relevant time. Further, the absence of long-term purchase contracts with suppliers is inherent to the tender-based nature of this business and does not adversely impact our ability to procure raw materials or execute orders in the ordinary course of business. Procurement from these suppliers is undertaken on a purchase order / requirement basis in the ordinary course of business. Certain of the key suppliers for the components procured by us for undertaking production of Propulsion Equipment are Hitachi & Mitsubishi (supplied through Pelf Power Electronics Private Limited), Vishay Components India Private Limited, Unified Electrotech Private Limited, Avnet Asia Pte, Anhui Tongfeng Electronics Company Limited, API Capacitors Limited, Knorr Bremse India Private Limited, Iresco Electricals Private Limited, Flow Oil Pumps Private Limited, Beijing Victory Electric Company Limited, Praggya Enterprises, Kontact Consortium India Private Limited and Apar Industries Limited.

The table below lays down our raw materials for the existing operations, based on geographic source for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 is as under:

(₹ in millions)

Nature of customers	For the Financial Year ended March 31					
	2026		2025		2024	
	Amount	%age*	Amount	%age*	Amount	%age*
I. Rolling Stock Electrics and Propulsion Systems						
- Domestic						
Telangana	1.51	0.44%	-	-	-	-
Maharashtra	155.23	44.89%	1.27	33.82%	-	0.00%
Karnataka	61.72	17.85%	-	-	6.88	30.55%
Delhi	11.82	3.42%	0.80	21.31%	2.13	9.46%
Uttar Pradesh	7.05	2.04%	-	-	0.99	4.40%
Tamil Nadu	7.50	2.17%	-	-	-	-
Gujarat	3.14	0.91%	-	-	-	-
Haryana	7.93	2.29%	-	-	-	-
Others	8.26	2.39%	1.03	27.43%	7.26	32.24%
Domestic Total (A)	**264.16**	**76.40%**	**3.10**	**82.56%**	**17.26**	**76.64%**
- Import *						
China	40.47	11.70%	0.43	11.38%	2.00	8.89%
Switzerland		0.00%	0.10	2.69%	-	-
Taiwan	0.94	0.27%	0.05	1.43%	0.24	1.08%
USA	5.94	1.72%	0.07	1.93%	2.92	12.96%
Bulgaria		0.00%	-	-	0.06	0.26%
UK	16.11	4.66%	-	-	0.04	0.17%
Germany		0.00%	-	-	-	-
Hong Kong		0.00%	-	-	-	-
Singapore	17.81	5.15%	-	-	-	-
UAE	0.35	0.10%	-	-	-	-
Import Total (B)	**81.62**	**23.60%**	**0.65**	**17.44%**	**5.26**	**23.36%**
Grand total (A + B)	**345.77**	**100.00%**	**3.75**	**100.00%**	**22.52**	**100.00%**
II. Other products						

Nature of customers	For the Financial Year ended March 31					
	2026		2025		2024	
	Amount	%age*	Amount	%age*	Amount	%age*
II. a. Cable Protection & interconnected products						
- Domestic						
Punjab	25.04	6.72%	112.92	27.79%	31.99	9.42%
Maharashtra	0.02	0.01%	-	-	-	-
Haryana	10.48	2.81%	8.23	2.02%	15.68	4.62%
Pondicherry	-	0.00%	26.27	6.46%	-	-
Gujarat	16.85	4.52%	24.43	6.01%	11.52	3.39%
Karnataka	-	0.00%	-	-	-	-
Dadra & Nagar Haveli and Daman & Diu	9.82	2.64%	11.94	2.94%	19.28	5.68%
J&K	1.77	0.47%	2.16	0.53%	-	0.00%
Others	15.74	4.22%	22.31	5.49%	27.74	8.17%
Domestic Total (A)	**79.72**	**21.40%**	**208.26**	**51.25%**	**106.21**	**31.28%**
II. b. Switchgear & Panels						
- Domestic						
Haryana	73.56	19.74%	56.29	13.85%	50.04	14.74%
Maharashtra	35.62	9.56%	14.65	3.61%	17.37	5.12%
Uttarakhand	24.27	6.52%	10.05	2.47%	12.85	3.78%
Delhi	43.38	11.64%	20.89	5.14%	26.08	7.68%
Punjab	61.91	16.62%	23.86	5.87%	52.97	15.60%
Rajasthan	17.74	4.76%	20.57	5.06%	6.46	1.90%
Uttar Pradesh	9.73	2.61%	-	0.00%	-	0.00%
Karnataka	4.86	1.31%	-	0.00%	5.95	1.75%
Chandigarh	4.68	1.26%	-	0.00%	2.92	0.86%
Tamil Nadu	3.46	0.93%	6.13	1.51%	3.54	1.04%
Others	0.74	0.20%	25.51	6.28%	41.80	12.31%
Domestic Total (B)	**279.97**	**75.14%**	**177.95**	**43.79%**	**219.98**	**64.79%**
II. c. Import *						
China	12.89	3.46%	20.17	4.96%	13.32	3.92%
Import Total (C)	**12.89**	**3.46%**	**20.17**	**4.96%**	**13.32**	**3.92%**
Grand Total (A)+(B)+(C)	**372.58**	**100.00%**	**406.38**	**100.00%**	**339.51**	**100.00%**
Total value of purchase of raw material	**718.36**		**410.18**		**362.03**	

** includes customs duty paid on imports*

Sales and marketing process

Our Company primarily secures business from government entities, including Indian Railways and its associated production units, through a structured and competitive tendering process. Tenders are typically floated by the procurement authorities based on their operational requirements and technical specifications. Participation in such tenders involves submission of detailed technical proposals, commercial bids, and compliance documentation within prescribed timelines.

We also consider the visibility of the procurement of Propulsion Equipment by Indian Railways for the 5 years, the plan for which is available on the IREPS website (GeM portal, www.ireps.gov.in), which helps the railway market participants to keep them ready with the estiamtes for procurement requirement of Indian Railways and the desired infrastructure to be created by our Company for meeting such requirements. The summary of the total estimation as available on GeM portal for the 5 years for Propulsion Equipment is as under:

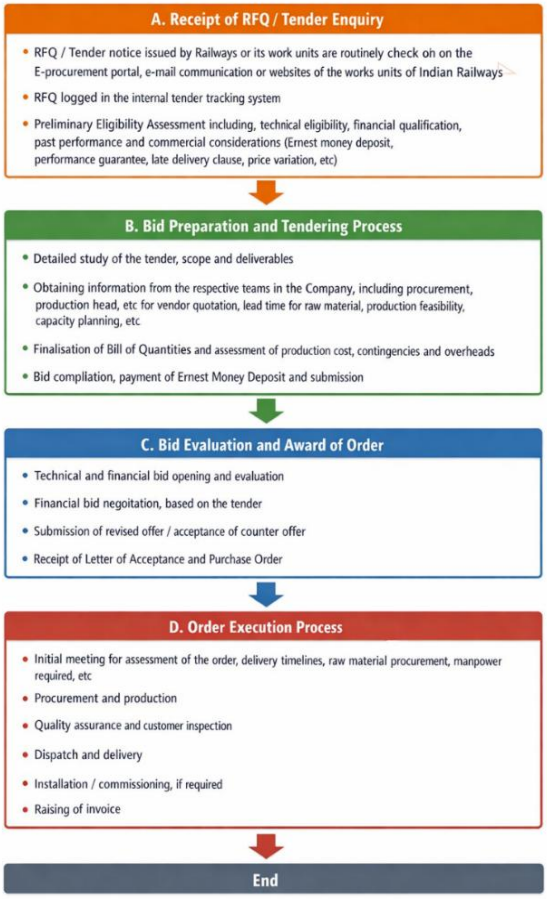
Production Unit of Indian Railways	PL Number	No. of Propulsion Equipment	Value (₹ in million)
Chittranjan Locomotive Works	29741075	6,000	118,498.14
Banaras Locomotive Works	29740230	2,500	48,806.67
Patiala Locomotive Works	29741075	1,500	30,665.25
Total		**10,000**	**197,970.10**

The award of business is dependent on multiple factors, including technical qualification, adherence to eligibility criteria, past performance credentials, and competitiveness of the financial bid. The technical evaluation is undertaken by the tendering authority to assess conformity with the required standards, product specifications, and performance parameters.

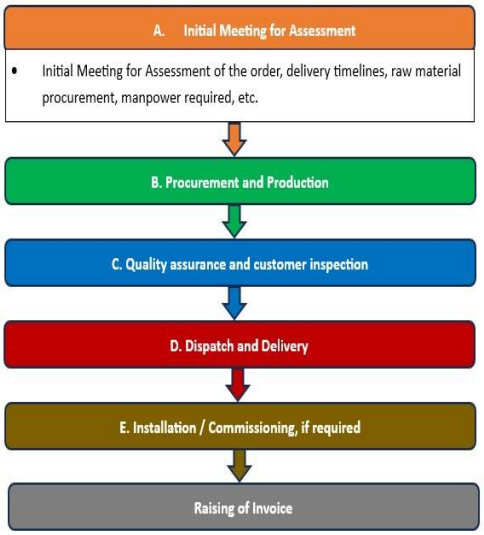
Given the nature of government procurement, the tendering process is transparent and governed by predefined rules and guidelines. However, the outcomes of tenders remain dependent on various external factors, including the number of participating bidders, technological requirements, lowest bid and prevailing market competition. As a result, the procurement of business through tenders is inherently competitive and can fluctuate based on the Company's success rate in securing such contracts.

Process for business / orders received by our Company:

Process for business / orders received from government sector:



Process for business / orders received from private sector:



The procurement of Propulsion Equipment by Indian Railways for the 5 years plan is available on the IREPS website (GeM portal, www.ireps.gov.in), which helps the railway market participants to keep them ready with the desired infrastructure. The summary of the total estimation as available on GeM portal for the 5 years for Propulsion Equipment is as under:

Production Unit of Indian Railways	PL Number *	No. of Propulsion Equipment	Value (₹ in million)
CLW	29741075	6,000	118,498.14
BLW	29740230	2,500	48,806.67
PLW	29741075	1,500	30,665.25
Total		**10,000**	**197,970.10**

***** The said PL Numbers are also available on the tenders issued by Indian Railways in the financial year 2025-26.

Our Company participates in these tenders and may not always qualify as lowest bidder or match the bid of the lowest bidder and hence, the conversion of participation in the tenders vis-à-vis successful award of order is low. The summary of the tenders participated by us and the orders awarded during the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 are as under:

(₹ in millions)

Particulars	For the Financial Year ended March 31,					
	2026		2025		2024	
	No. of Bids / Tenders	Value of Tender	No. of Bids / Tenders	Value of Tender	No. of Bids / Tenders	Value of Tender
Bids / Tenders participated	462	49,960.00	435	46,305.13	233	35,877.46
Bids / Tenders awarded to us	75	10,023.00	115	2,175.16*	71	316.31
Bids / Tenders not awarded to us	387	39,937.00	320	44,129.97	162	35,561.15
Bid / Tenders success ratio	16.23%	20.06%	26.44%	4.70%	30.47%	0.88%
EMD deposited by the Company						
Amount during the respective year / period		5.00		34.31		21.09

** Includes two purchase orders aggregating to ₹ 1,539.29 million for supply of 74 (seventy four) 3-Phase Propulsion Equipment, proto type approval for which was received by us on September 15, 2025.*

Health, safety and environment

We believe in the adherence of laws and regulations relating to protection of human health and safety, and the environment. We follow high standards of work safety measures and standards, and our equipment and working conditions promote a healthy and safe work environment. Our facilities and personnel are well versed with laws and regulations governing the management and disposal of hazardous substances, if any, and we intend to make our operations more environmentally sustainable in the future. We also conduct regular emissions tests and all our wastes are disposed through approved authorised agents of the pollution control board.

In addition to various laws and regulations, we also abide by the internal practices and standards on safety that we have established internally. We also have emergency evacuation plan and the same is duly displayed across the organisation at all relevant places. We also conduct regular training, programmes, mock drills at regular intervals, to educate and prepare our employees for emergency and evacuation situation.

PRODUCTION CAPACITY AND CAPACITY UTILISATION

The information relating to the estimated annual installed capacities of our production facility are based on various assumptions and estimates made by our management and Sapient Services Private Limited, independent chartered engineer, as certified by them pursuant to a certificate dated July 07, 2026. These assumptions and estimates may vary significantly from the assumptions or estimates taken into account by other companies operating in similar business segments in calculating the estimated annual installed capacities of their manufacturing facility. As such, undue reliance should not be placed on the estimated annual installed capacity information of our facility, and consequently on the utilization rates of these facility indicated below. The following table sets forth certain information relating to the estimated annual installed capacities at our manufacturing facility as of the date of the Prospectus:

Name of Final Product(s)	Unit of measure-ment	As of, and for the year ended								
		March 31, 2026			March 31, 2025			March 31, 2024		
		Installed Capacity	Actual Production	Utilization	Installed Capacity	Actual Production	Utilization	Installed Capacity	Actual Production	Utilization
Switch Board Cabinet Panel	Nos.	1,650	1,650	100.00%	1,650	1,623	98.36%	1,650	1,650	100.00%
Cable Protection Conduit Tubing	Mtr.	19,50,000	9,00,700	46.19%	19,50,000	16,50,000	84.62%	19,50,000	15,00,000	76.92%
Conduits End Fittings	Nos.	2,25,000	1,14,632s	50.95%	2,25,000	2,10,000	93.33%	2,25,000	1,85,000	82.22%
Expandable Cable Jackets	Mtr.	6,60,000	4,72,000	71.52%	6,60,000	5,70,000	86.36%	6,60,000	5,80,000	87.88%
Propulsion System *	Nos.	114	3	2.63%	114	Nil	Nil	114	Nil	Nil

Installed Capacity is calculated based on Operations on single shift basis of 8 hours per day, as informed by the management. 300 working days are assumed for a financial year. These working hours exclude breaks and reflect the actual hours worked.

** The assembling cum manufacturing unit of the Company was approved by Centre for Design and Development Chittranjan Locomotive Works w.e.f. October 15, 2020 for production of IGBT based 3-phase drive propulsion equipment. The prototype of the propulsion equipment developed by the Company firstly undergoes trail run with Indian Railways. MV Electrosystems delivered one propulsion equipment to CLW, on February 29, 2024 from its R&D centre, on which the testing and trail run was completed by CLW, Indian Railways, including successful run of 50,000 km. Subsequent to this completion of testing and trial run, CLW, on September 15, 2025, issued its final inspection certificate (prototype clearance). Based on the facility available, the Company possess manufacturing cum assembly capability for production of 114 Propulsion Equipment annually (operating on a single shift basis) at its assembly cum manufacturing facility at Baghola, Palwal, Haryana and the company commenced manufacturing of propulsion systems in March 2026. Since the production has commenced in financial year ended March 31, 2026, the capacity utilization for previous financial years was Nil. Further, the Company is in the process of installation of Test Setup–2 at the same unit.*

(1) Average estimated annual available capacity has been calculated on the basis of the estimated daily available capacity for the relevant periods, as certified by Sapient Services Private Limited, Chartered Engineer pursuant to report dated July 07, 2026. Please note that average estimated annual available capacity of a manufacturing facility in a relevant Financial Year as discussed above may vary from the estimated annual installed capacity in such relevant Financial Year, as the average estimated annual available capacity takes into account adjustments for actual scheduled and unscheduled downtime during such period. The information relating to the estimated annual installed capacity and the average estimated annual available capacity of our manufacturing facility included above and elsewhere in the Prospectus are based on various assumptions and estimates of our management that have been taken into account by the chartered engineer in the calculation of our capacity. These assumptions and estimates include the standard capacity calculation practice after examining the installed capacity, calculations and explanations provided by our management, the period during which the facility operates in a year, availability of raw material, expected utilization levels, estimated downtime resulting from scheduled maintenance activities, assumptions relating to unscheduled breakdowns, as well as expected operational efficiencies. Actual production levels and capacity utilization rates may therefore vary significantly from the estimated annual installed capacity and the average estimated annual available capacity information of our facility. Undue reliance should therefore not be placed on our capacity information or historical capacity utilization information for our existing facility included in the Prospectus.

(2) Capacity utilization has been calculated on the basis of actual production of the relevant product in the relevant Financial Year or period divided by the average estimated annual available capacity for the relevant product during such period.

Further, the said report also certifies that the installed capacity for Propulsion System at the Unit 2 of our Company at Nangla Bhiku, Palwal, Haryana is 171 Propulsion Systems per annum. Installed Capacity is assessed based on Operations on single shift basis of 8 hours per day, as informed by the management. 300 working days are assumed for a financial year. These working hours exclude breaks and reflect the actual hours worked.

INFRASTRUCTURE FACILITY

Electricity
Our Unit 1 draws electricity from the local power distribution company of the State government. We have sanctioned load of 901 KW from Dakshin Haryana Bijli Vitran Nigam Limited for power supply. In addition, we have also installed a Diesel Generator of 250 KVA as a standby arrangement at our Unit 1. Through the owner of Unit 1, we have applied for increase of the power load from 901 KW to 1999 KW and the said application is under process. For details, refer to "Government and other Approvals" on page 425.

Our Research, Design and Development Centre have sanctioned power load of 950 KW and also 125 KVA Diesel Generator at our Research, Design and Development Centre.

Water
Our water requirements are met by the state water board.

Export Obligation
Our Company does not have any export obligations, as on date of the Prospectus.

Competition
Our primary competitors in the propulsion equipment segment of railway sector are established manufacturers with strong design & development and production capabilities and also Indian suppliers who have either designed or development such system in India or have technology tie-up with a foreign supplier. Some of the other key players who supply locomotive propulsion equipment to Indian Railways are Medha Servo Drives, CG Power, Siemens, Alstom, BHEL, etc. However, indigenously designed & developed technology helps us to save a considerable cost against our competitors who are foreign companies or have technology tie-up with foreign counterparts. Our competitors who own their proprietary technology for development of these converters inverter systems are very limited. We can potentially face competition from Indian and other developing country suppliers, but because of the high entry barriers, it becomes difficult for a new entrant to compete on scale.

The railway sector is characterized by intense competition with established players. Some of our competitors may have greater financial, marketing, technological and other resources available to them, which may enable them to commit larger amounts of capital in response to changing market conditions and develop new products and processes which may put us at a disadvantage. Our competitors may further, enter into business combinations or alliances that strengthen their competitive positions or prevent us from taking advantage by entering into such business combinations or alliances. Increasing competition may result in pricing pressures or decreasing profit margins or lost market share or failure to improve our market position, any of which could substantially harm our business and results of operations.

We are actively working to gain a foothold in these markets. We will be required to compete effectively with our existing and potential competitors, to maintain and grow our market share and in turn, our results of operations. The indigenously designed and developed propulsion equipment with thrust on make in India puts railways as an emerging sector in India, presenting both opportunities and challenges as domestic manufacturing capabilities expand. For further details, please see "Industry Overview" on page 159.

Information Technology Policy

Our Company has adopted an Information Technology Policy with effect from April 01, 2024, which, inter alia, provides for role-based access controls, secure authentication mechanisms, periodic data backups, data archiving, disaster recovery protocols, and business continuity procedures to safeguard its IT systems and data. The policy establishes centralized oversight of IT operations and security, with the objective of enhancing data protection, reducing operational risks, and supporting the Company's overall information technology and cybersecurity framework. The IT Policy, inter alia, covers the following:

Disaster Recovery and Business Continuity
The organization maintains a comprehensive Disaster Recovery and Business Continuity framework, overseen by the IT team, to ensure continuity of critical systems in the event of natural or man-made disruptions. Clearly defined recovery objectives, including a four-hour Recovery Time Objective and a one-hour Recovery Point Objective for key systems, are supported through daily backups, offsite storage, and periodic disaster recovery

testing. These measures enable the company to restore operations in a timely and controlled manner while minimizing data loss.

Incident Response
To address cybersecurity risks, the company has established a formal Incident Response Policy that provides a systematic approach for detecting, reporting, analyzing, and resolving security incidents. Continuous system monitoring, prompt incident reporting by employees, structured containment and eradication procedures, and post-incident reviews help reduce the impact of cyber threats and strengthen the organization's security posture. Management involvement and compliance with applicable legal and regulatory requirements further ensure that incident handling is both effective and accountable.

Data protection practices
The Company has also implemented robust data protection practices through well-defined data archiving, backup, and storage policies. Data is classified based on sensitivity and business value, with clearly defined retention periods aligned to legal, regulatory, and operational requirements. Secure archiving mechanisms, encryption of archived data, restricted access controls, and documented retrieval procedures ensure long-term data integrity and confidentiality. Regular full and incremental backups, stored in geographically separate locations, support reliable data recovery in the event of system failure or cyber incidents.

Insurance
Our operations are subject to risks inherent in the research & development, procurement, assembling and manufacturing industry, such as equipment failure, work accidents, fire, earthquake, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Our Company has not suffered any losses in related to insured properties. However, we may be subject to losses resulting from defects or damages arising from the products we manufacture. We generally maintain insurance covering our assets and operations at levels that are appropriate and consistent with industry standards in India.

The summary of the insurance taken by our Company is as under:

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Total assets (A)	1,457.37	741.19	655.80
Total book value of assets on which insurance has been taken (B)[#]	1,009.16	494.99	427.38
Insurance coverage (C)	1,622.63	661.36	419.82
% of insurance coverage (%) (C/B)	**160.79%**	**133.61%**	**98.23%**

[#] *Includes Property, plant and equipments, Investment property and Inventories but excluding money insurance and gross block pertaining to leasehold improvement and intangible assets (considered under Property, Plant and Equipment).*

EMPLOYEES

We consider our employees and personnel one of our most important assets, who are critical to maintaining our competitive position within the railways sector. As of May 31, 2026, we have 206 permanent employees, as set forth below:

Department	No. of employees		
	Research, Design and Development Centre	Other business functions	Total
R&D and Production			
Technical, IT and Lab	34	19	53
Quality	0	37	37
Operation (including production)	2	71	73
Customer Support and Maintenance	4	11	15
Total (A)	**40**	**138**	**178**
Corporate Level			

Department	No. of employees		
	Research, Design and Development Centre	Other business functions	Total
Purchase	2	4	6
Sales	0	5	5
Finance, Secretarial & other administrative	3	14	17
Total (B)	**5**	**23**	**28**
Grant Total (A) + (B)	**45**	**161**	**206**

As on May 31, 2026, there are 78 contractual employees engaged by the Issuer Company.

We endeavour to develop and train our employees in order to facilitate the growth of our operations. Our performance management procedures are focused on increasing alignment between individual and organizational goals and taking regular feedback to facilitate interaction between new employees and senior management.

The table below sets forth consolidated information on our attrition rates for permanent employees for the period stated:

(in % unless otherwise indicated)

Particulars	Financial Year ended March 31,		
	2026	2025	2024
Key Management Personnel and Senior Management			
Number of Key Managerial Personnel and Senior Management	12	11	9
Attrition Rate (Key Managerial Personnel including Senior Management) (%)	0.00%	0.00%	0.00%
Other employees			
Total staff employed	196	85	96
Attrition Rate (%)	17.79%	27.62%	23.08%

Further, defaults / delay in the payment of certain statutory dues with respect to provident fund, Employee State Insurance (ESI) contribution, tax deducted at source and advance tax are as below:

(₹ in million)

Particulars	For the Financial Year ended March 31,					
	2026		2025		2024	
	Number of instances	Interest / Penalty Paid	Number of instances	Interest / Penalty Paid	Number of instances	Interest / Penalty Paid
TDS Returns	2	-	2	-	10	-
Late Deduction of TDS	1	0.11	11	0.09	10	0.08
Traces Default	-	-	2	0.004	-	-
GST*	-	-	1	-	-	-
ESIC	1	0.04	-	-	2	0.01
PF	-	-	-	-	1	0.01
Advance Tax	-	-	-	2.00	-	0.60

INTELLECTUAL PROPERTY RIGHTS

We have over obtained registrations under trademark for our logo under Class 9. In our industry and the customers we service, the quality of the product and approval of our Company as approved by our customer are the material criteria for sourcing new business in future and as such the brand do not have any material value recognition.

For further details on registration of our Intellectual Property Rights, see "Government and Other Approvals" and "Risk Factors" on page 425 and 22, respectively.

PROPERTY

The details of the properties owned by us are as under:

Sr. No.	Location / District	Date of sale deed	Area in Sq. Ft	Consideration (₹ in million)	Usage / Purpose	Status
1.	Land admeasuring Khewat/Khata No-70/71, Rect. No. 31, Kila No. 19/2(7-13), Area 07 Kanal 13 Marla, S 1/1 Share Area and Land admeasuring Khewat/Khata No-71/72, Rect. No. 31, Kila No. 20, Area 08 Kanal 0 Marla, S 1/1 Share Area Comes to total area of both Khewats comes to 15 Kanal 13 Marla situated at Village Nangla Bhiku, Tehsil Palwal, District Palwal, Haryana, India	June 28, 2022	85,214	58.69	Investment Property *	Mortgaged with HDFC Bank for the loans availed by our Company for its business purpose

* Of the total 85,214 sq. ft area (approx.), our Company has received consent to operate for approx. 47,100 sq. ft area for commencement of our operations as Unit 2, details of approval for which are disclosed under "Government and Other Approvals" on page 425. The remaining area of approx. 38,100 sq ft, which has been leased out to IBoard India Limited and was proposed to be terminated w.e.f. January 31, 2026, but the same have not been effected as mutually decided between the parties. The said agreement was for a period of 11 (eleven) months commencing from September 01, 2025 to July 31 2026. The parties have mutually agreed to continue this lease till the end of this agreement period i.e. July 31, 2026. Until termination, we will continue to receive lease rent of ₹ 2.00 lakh per month, as agreed.

Details of leased properties of our Company:

Sr. No.	Location/District	Name of the Person / Entity holding the Property	Area in sq. ft.	Period of lease	Lease Rental per month as on date (in ₹) *	Usage / Purpose
1	Eastern Portion of Industrial Plot and Building No. 7, Site No. 2, 14/3 Mathura Road, Faridabad - 121 003, Haryana, India (Basement, Ground Floor, First Floor and terrace)	N. K. Mahajan, Lalit Mahajan and Rajneesh Behari Mathur	44,208^	3 years from January 01, 2026	4,78,400	Research, Design and Development Centre, Registered Office and Corporate Office
2	Eastern and Western Portion of Industrial Plot and Building No. 5, Site No. 1, 14/3 Mathura Road, Faridabad - 121 003, Haryana, India	N. K. Mahajan, Lalit Mahajan and Rajneesh Behari Mathur #	36,000	11 months from June 01, 2026	4,78,000	Additional Research, Design and Development Centre
3	Land Industrial Building measuring share Khewat / Khatoni No. 600/641 Mustil No. 7, Kila No. 19/1/2/2, 20 and Kehwat / Khatoni no. 603/644 Mustil No. 7, Kila No. 19/2/2/2 situated at Village Baghola, Tehsil	Savera Metals Private Limited (CIN: U70100DL2008 PTC180533)	77,046	5 years from August 15, 2025	9,77,718	Assembling cum manufacturing facility (Unit 1)

Sr. No.	Location/District	Name of the Person / Entity holding the Property	Area in sq. ft.	Period of lease	Lease Rental per month as on date (in ₹) *	Usage / Purpose
	& District Palwal - 121 102, Haryana, India					

***** As on June 30, 2026, excluding GST, as applicable.

^ as per property tax payment challan

Two separate lease deed, both dated April 09, 2026, entered into between (i) our Company and N. K. Mahajan, Lalit Mahajan for 18,000 sq. ft area for monthly rent of ₹ 2,39,000; and (ii) our Company and Rajneesh Behari Mathur for 18,000 sq. ft area for monthly rent of ₹ 2,39,000.

KEY REGULATIONS AND POLICIES

The following description is an indicative summary of certain sector specific key laws and regulations in India prescribed by the Government of India and other regulatory bodies, which are applicable to our Company. The information detailed in this section has been obtained from various statutes, regulations and/or local legislations and the bye laws of relevant authorities that are available in the public domain. The regulations, as amended, set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed as nor intended to be a substitute for professional legal advice. The indicative summaries are based on the current provisions of the applicable law, which are subject to change, modification, or amendment by subsequent legislative, regulatory, administrative, or judicial decisions.

A. Industry Specific Laws

1. Specifications and Standards prescribed by Research Designs & Standards Organization ("RDSO") of Ministry of Railways

RDSO was established in the year 1957 by integration of Central Standards Office and Railway Testing and Research Centre into a single unit, under the Ministry of Railways. It holds the status of '*Zonal Railway*' and is dedicated to preparation of designs, standards, and specifications. Indian Railways procures a wide range of components and systems, covering various parts and sub-parts of trains, from vendors who have been approved by RDSO. Only vendors who meet the stringent quality and compliance standards set by different units of Railways are eligible to supply such items, ensuring high standards of reliability and performance in railway operations. Various units of Indian Railways like RDSO (Lucknow), Integral Coach Factory (Perambur), Modern Coach Factory (Raebareli), Rail Coach Factory (Kapurthala), Banaras Locomotive Works (Varanasi), Chittaranjan Locomotive Works (Chittaranjan), Patiala Locomotive Works (Patiala) and Central Organization for Railway Electrification (Prayagraj) are engaged in approval of vendors for various categories of items.

In this regard, the Company is an approved vendor and duly registered with the RDSO's vendor directory and is manufacturing various rolling stock electrics and traction installation products for Indian railways including propulsion systems, switchgear and panels, overhead electrification products, traction motors and embedded systems.

The Company is a certified vendor of Chittaranjan in relation to manufacturing and supply of: (a) IGBT based 3 phase Drive propulsion equipment comprising of Traction Converter, Auxiliary Converter and Vehicle Control Unit" as per specification no. RDSO/2008/EL/SPEC/0071 Rev 5 along with other approved components including Driver Display Unit, OGA of traction converter and auxiliary converter, DC Capacitator, IGBT Snubber capacitator, and Output filter capacitator.

The Company is recognized as an approved vendor for RDSO in relation to the manufacturing and supply of the following products which are subject to the prescribed standards of RDSO: (a) Flexible Polymide Conduit of sizes NW10, NW12, NW17, NW23, NW29, NW36, NW48 and End Fittings of sizes NW12, NW17, NW23, NW29, NW36, NW48 as per RDSO Specification No. RDSO/PE/SPEC/AC/0138-2009 (Rev.1); and (b) Switch Board Cabinet as per RDSO Specification No. RDSO/PE/SPEC/AC?0184-2015 (Rev.0) and STR NO. RDSO/PE/STR/AC/0027-2009 (Rev.1) for LHB EOG AC Coaches.

The Company is also recognized as a development vendor for RDSO in relation to the manufacturing and supply of the following products which are subject to the prescribed standards of RDSO: (a) Flexible Polyamide Conduit with its End Fittings and Accessories NW-70 with Flanged End Fitting (Straight and Elbow) as per RDSO Specification No. RDSO/PE/SPEC/AC-0138-2009 Rev-1 and STR No. RDSO/PE/STR/AC/0035-2011 Rev-0; (b) Switch Board Cabinet for HOG Compliant LSLRD Coaches (without DA Set) as per RDSO Specification No. RDSO/PE/SPEC/TL/0195-2019 (Rev.0); (c) Switch Board Cabinet for LHB AC power car 2X500 kVA DA Set as per Rail Coach Factory (RCF) specification no. EDTS-103 Rev-D amendment 7 and RDSO modification Sheet no. RDSO/PE/MS/AC/0051-Rev-2 with amendment no. 1 and RDSO STR No. RDSO/PE/STR/AC/0027-2009 (Rev-1); and (d) Set of panels for Garib Rath LHB EOG/HOG AC Coaches as per RDSO specification no. RDSO/PE/SPEC/AC/0200-2020 (Rev.0) and RDSO STR no. RDSO/PE/STR/AC/0027-2009 (Rev.1).

Additionally, the Company is also a certified vendor of Rail Coach Factory, Kapurthala ("**RCF**") and has been approved to manufacture and supply the following products to in accordance with the prescribed specifications: (a) Cable Jacket system as per specification no. EDTS-138, Rev-Nil, Corrigendum-1; (b) feeder junction box for LHB EOG AC/NAC coaches as per specification no. EDTS-328, Rev-'c', Am-3, Type-II, Corrigendum-2; (c) 5-Pin 125 A pre-cooling socket as per specification no. part no. IPSK-60309-125A; (d) Jumper Cable with Connector as per Drawing No. LW 75206 alt 'c'; (e) Cable marking system as per RCF document no. EDML-060, Rev-C; (f) RC filters in set of panels for LHB EOG Non AC coaches as per specification no. EDTS-355, Rev-1, Am-1,2 and 3 and (g) Cable Harness as per STR no. RCF/EL/0015-2011, Rev-'B'.

RDSO has also provided its provisional approval to the Company for manufacturing 4.5kW Underslung Constant Voltage, Regulated cum Emergency Battery Charger for LHB coaches.

2. The Legal Metrology Act, 2009 ("Legal Metrology Act")

The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The Legal Metrology Act and rules framed thereunder regulate *inter alia*, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is a competent authority to grant the license under the Legal Metrology Act. In this regard, different states have promulgated their respective rules for enforcement of the provisions of the Legal Metrology Act which may prescribe the procedure for verification and inspection, stamping of weights and measures etc. used by a manufacturer, at the office of the Legal Metrology Officer of the said state. Non-compliance or any violation under the Legal Metrology Act, may, *inter alia*, result in a monetary penalty on the manufacturer or seizure of goods. Manufacturers of goods are also required to adhere to the provisions of the Legal Metrology (Packaged Commodities) Rules 2011 with regard to the labelling of products manufactured by the companies meant for sale either in retail or wholesale market or are meant for export purposes.

3. Fire Prevention Laws and Haryana Building Code, 2017

In the state of Haryana, the Haryana Fire and Emergency Services Act, 2022 consolidates laws related to fire and emergency services across the state of Haryana, establishing a structured framework for fire safety measures, prevention protocols, and building compliance. It mandates the appointment of fire safety officers, empowers authorities with enforcement actions such as sealing non-compliant structures or detaining obstructive individuals, and enables levying of fire tax and penalties to strengthen fire service infrastructure and public safety. It also requires periodic fire safety audits and proper installation of fire-fighting equipment.

The Haryana Building Code, 2017, aligned with the National Building Code, lays down fire safety standards in building design and construction, including mandatory provisions for fire exits, fire lifts, alarm systems, sprinklers, and setbacks for emergency access. It further mandates fire safety clearance as a prerequisite for building plan approvals and occupancy certificates in certain risk categories. Together, these regulations aim to enhance fire preparedness, promote safer construction practices, and ensure legal compliance across the state of Haryana.

4. The Electricity Act, 2003 ("Electricity Act")

The Electricity Act regulates and governs the generation, transmission and distribution of electricity in India, including by specification of safety standards in relation to electrical supply. The Electricity Act further controls the transmission and use of electricity, including through specifying action to be taken in relation to any electric line or appliance under the control of a consumer for the purpose of eliminating or reducing the risk of personal injury or damage to property or interference with its use. Accordingly, it requires every licensee including transmission and distribution companies under the Electricity Act to supply electricity only through the installation of a correct meter in accordance with regulations made by the Central Electricity Authority ("CEA") in this regard. The Central or state Electricity Regulatory Commission is empowered to adjudicate in respect of any noncompliance with such requirement. Additionally, the Electricity Act levies penalties, including imprisonment, for tampering with and unauthorized use of meters.

5. Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 ("Safety and Electric Supply Regulations")

The Safety and Electric Supply Regulations lay down general safety requirements with respect to electric supply lines and apparatus, including meters, switchgears, switches and cables. It requires all electric supply lines and apparatus to have adequate rating for power, insulation and estimated fault current and be of adequate mechanical strength for the duty cycle such apparatus may be required to perform and are required to be constructed, installed, protected, worked and maintained in a manner that will ensure safety of human beings, animals and property. It further requires all electric material and apparatus to conform to the relevant specifications prescribed by the Bureau of Indian Standard or the International Electro-Technical Commission, as applicable. Further, the Safety and Electric Supply Regulations mandate the installation of a suitable switchgear in each conductor of every service line within a consumer's premises, excluding earthed, earthed neutral or earthed external conductor and also requires that such switchgear be encased in a fireproof receptacle.

B. Laws relating to Employment and Labour

The Government of India has undertaken a comprehensive consolidation of the country's labour law framework with an objective of fostering a more conducive labour environment, enhancing the protection of labour rights and promoting harmonious industrial relations. To this end, twenty-nine central labour legislations have been amalgamated into four labour codes, namely the Code on Wages, 2019, the Industrial Relations Code, 2020, the Occupational Safety, Health and Working Conditions Code, 2020, and the Code of Social Security, 2020 (collectively, the "Codes"). These Codes collectively consolidate and rationalise laws relating to (i) wages; (ii) safety, working conditions and welfare; (iii) industrial relations; and (iv) social security.

All these four Codes received Presidential assent between August 2019 and September 2020 and have been published in the Official Gazette. On November 21, 2025, the Ministry of Labour and Employment, Government of India, issued four notifications bringing the Labour Codes into force. Pursuant to: (a) Notification No. 5145-S.O. 5321(E), the Occupational Safety, Health and Working Conditions Code, 2020 has been fully implemented; (b) Notification No. 5144-S.O.5320(E), the Industrial Relations Code, 2020 has been fully implemented; (c) Notification No. 5143-S.O. 5319(E), the Code on Social Security, 2020 has been fully implemented; and (d) Notification No. 5146-S.O. 5322(E), the Code on Wages, 2019 has been fully implemented. Accordingly, two Codes are now fully operational and the remaining two are partially effective as of the notified date. The Central Rules under these respective Codes have also been implemented on May 08, 2026.

Consequently, for periods prior to such implementation, the erstwhile labour legislations continue to apply to our Company, whereas the provisions of the Codes, to the extent notified, apply prospectively. The following section sets out the key labour laws applicable to our Company under both regimes.

2. The Factories Act, 1948 ("Factories Act")

The Factories Act consolidates law regulating factories including provisions for the health, safety, welfare and service conditions of workers working in factories. It contains provisions for registration and issue of license, working hours of adults, leaves, overtime, etc. It applies to all factories employing more than ten or more workers and working with the aid of power. It covers all workers employed on the factory premises or precincts directly or through an agency, including a contractor, involved in any manufacturing activity.

Every factory is required to appoint an occupier who has the ultimate control over the affairs of the factory. An occupier is liable for non-compliance or contravention of any provisions of the Factories Act. In the case of a company, only a director can be appointed as an occupier. If no director is specifically appointed as occupier, any of the directors can be prosecuted for any contravention. The Factories Act requires the employer to undertake steps to ensure the health, safety and welfare of workers. The penalties for contravention of the Factories Act include fine and imprisonment for the '*occupier*' or '*manager*' as defined under the Factories Act, and enhanced penalties for repeat offences.

3. The Payment of Bonus Act, 1965 ("Bonus Act")

The Bonus Act provides for the payment of bonus to persons employed in certain establishments and is applicable to all employees (other than an apprentice) drawing a remuneration of less than or equal to Rupees Twenty-One Thousand per month in a factory and every establishment in which twenty or more persons are employed. However, certain State Governments have notified their own coverage limits for factories as well as establishments employing less than twenty employees. The Bonus Act provides for the payment of bonus between 8.33% (minimum) to 20% (maximum) of the salary or wage earned by the employee during the accounting year. The Bonus Act does not stop any employer from paying a higher amount of bonus than the prescribed amount.

4. The Minimum Wages Act, 1948 ("Minimum Wages Act")

The Minimum Wages Act stipulates that the minimum rates of wages payable to the employees in each state shall be determined by the respective State Government. In this regard, the State Government has the authority to fix the minimum time rate, minimum piece rate, a guaranteed time rate and overtime rate. Violation of the Minimum Wages Act will attract imposition of fines and penalties.

5. The Payment of Wages Act, 1936 ("Wages Act")

The Wages Act is applicable in relation to the wages payable to an employed person for a wage period, provided that the wages for the wage period do not exceed Rupees Twenty-Four Thousand per month. The provisions under the Wages Act or the rules thereunder cover various aspects, including but not limited to the responsibility for payment of wages, fixation of wage-periods, timing of payment of wages, allowable deductions from wages, fines, deductions for absence from duty, damage or loss, services rendered, recovery of advances and loans, among other matters.

6. The Employees' State Insurance Act, 1948 ("ESI Act")

The ESI Act is a social welfare legislation enacted with the objective of providing certain benefits to employees in case of sickness, maternity and employment injury. It is applicable to all factories and establishment employing ten or more persons with respect to the employees, including casual, temporary or contract employees drawing wages less than Rupees Twenty-One Thousand per month. The existing total employee state insurance contribution is 4% of wages, where the employer contribution is 3.25% and employees' contribution is 0.75% of wages.

7. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act")

The EPF Act provides for the institution of provident funds, pension funds, and deposit linked insurance funds for employees. It applies to all factories and establishments employing twenty or more persons or class of persons. An establishment to which the EPF Act applies shall continue to be governed by the EPF Act, notwithstanding that the number of persons employed therein at any time falls below twenty. Once an establishment gets covered under the EPF Act, branches of such establishment situated at any other place shall also be treated as parts of the same establishment. Employees drawing wages exceeding Rupees Fifteen Thousand per month are excluded from the provisions of the EPF Act.

The benefit of the EPF Act for the employees is that the employees receive the amount contributed to the fund with interest at retirement and also receive pension after their retirement. Premature withdrawals in certain exigencies like ill-health, repayment of loans, etc. are allowed. Further, the EPF Act contains provisions to enable the employee to get accumulations lying to his/her credit, transferred in case of change of employment. Contributions to the provident fund are to be made at the rate of 12% of the basic wages by the employers with the employee contributing an equal amount.

The employee may voluntarily contribute a higher amount, but the employer is not obliged to contribute more than the prescribed amount. 8.33% employer contribution gets diverted to the pension scheme while balance 3.67% of employer contribution is retained in the provident fund scheme. However, with respect to employee contribution, the entire sum goes to the provident fund scheme. Aside contribution, the employer is additionally required to pay Employees Provident Fund Organization charges towards administration of the fund. In case of failure in making contributions, penalty, interest, and damages can be levied. Recovery can also be made by attaching employer's property and such recovery takes precedence in winding up/insolvency proceedings.

8. Payment of Gratuity Act, 1972 ("Gratuity Act")

Under the Gratuity Act, employees need to provide continuous service of five years to be eligible to receive gratuity. Gratuity becomes payable to an employee on retirement, resignation or termination of employment due to death/disablement on account of accident/disease. Condition of providing minimum five years of continuous service is not applicable in case of death/ disablement. The Gratuity Act is applicable to every establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months. The gratuity is payable at the rate of fifteen days wages based on the wages last drawn, for every year of completed service or part thereof in excess of six months, subject to an aggregate amount of Rupees Twenty Lakhs. However, if an employee has the right to receive higher gratuity under a contract or under an award, then the employee is entitled to get higher gratuity.

9. Contract Labour (Regulation and Abolition) Act, 1970 ("Contract Labour Act")

The main objectives of the Contract Labour Act are: (i) to prohibit the employment of contract labour in certain circumstances; and (ii) to regulate the working conditions of contract labour, wherever such employment is not prohibited. The Contract Labour Act applies to every establishment or contractor wherein/with whom twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour. The Contract Labour Act provides that no contractor shall undertake any work through contract labour, except under and in accordance with a license issued in that behalf by the licensing officer. Under the Contract Labour Act, the principal employer must make an application in the prescribed form accompanied by the prescribed fee payable to the registering officer for registration.

10. The Maternity Benefit Act, 1961 ("Maternity Benefit Act")

The Maternity Benefit Act regulates the employment of women in certain establishments for a certain period before and after childbirth and provides for maternity benefits, and certain other benefits including maternity leave, wages, bonus, nursing breaks, leave on account of miscarriage and medical termination of pregnancy, etc. The Maternity Benefit Act, amongst other establishments, applies to every factory including any establishment belonging to Government, every shop or establishments within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed on any day of the preceding twelve months. The provisions of the Maternity Benefit Act shall not apply to the employees who are entitled to receive maternity benefits under the ESI Act. To qualify for maternity leave, the woman employee must have not worked less than eighty days in the twelve months immediately preceding the date of her delivery. Pregnant women employees are entitled to a maximum period of twenty-six weeks of which not more than eight weeks shall precede the date of her expected delivery and twelve weeks maternity leave in case of a woman being pregnant with a third child.

11. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act")

The POSH Act was enacted to provide protection against sexual harassment of women at workplace and prevention and redressal of complaints of sexual harassment and for matters connected therewith. The POSH Act makes it mandatory for every organization to frame an anti-sexual harassment policy. Further an organization having ten or more employees is required to constitute an Internal Complaints Committee ("ICC") to entertain complaints that may be made by an aggrieved woman. Upon receiving complaint, ICC may attempt to arrive at an amicable settlement between the aggrieved woman and the person against whom a complaint has been made, if the same is requested by the aggrieved woman. Where amicable settlement could not be arrived or terms of settlement are breached, the POSH Act provides for an elaborate procedure of inquiry.

12. Employee's Compensation Act, 1923 ("ECA 1923")

In accordance with ECA 1923, if a personal injury is caused to an employee by accident arising out of and in the course of his employment, the employer shall be liable to pay compensation in accordance with the provisions of the said Act. In this regard, ECA 1923 mandates, among other provisions, the amount of compensation to be paid, distribution of compensation, notice and claim, reports on fatal accidents and serious bodily injuries, returns as to compensation, etc.

13. The Industrial Disputes Act, 1947 ("ID Act")

The ID Act prescribes various authorities, officers, and committees, such as works committee, conciliation officers, boards of conciliations, courts of inquiry, labour courts, tribunals, and national tribunals, which may be approached in the event of investigation and settlement of disputes between a worker and an industrial establishment. The Act further outlines the process of referring the disputes to such authorities, along with specifying their procedure, powers, and duties. Relevant provisions of the ID Act also address issues relating to changes in the conditions of services, the government's power to exempt, and the procedure for strikes and lockouts, layoffs and retrenchments, penalties etc.

14. The Industrial Employment (Standing Orders) Act, 1946 ("Standing Orders Act")

The Standing Orders Act applies to every industrial establishment wherein one hundred or more workmen are employed or were employed on any day of the preceding twelve months. The Standing Orders Act primarily sets out rules that are applicable to each industrial establishment. Standing orders, vis-à-vis, an organization, sets out classification of workmen, periods and hours of work, holidays, paydays and wage rates, shift working, attendance and late coming, conditions of, procedure in applying for, and the authority which may grant leave and holiday, termination of employment, and the notice thereof to be given by employer and workmen respectively, suspension or dismissal for misconduct, and acts or omissions which constitute misconduct, means of redress for workmen against unfair treatment or wrongful exactions by the employer or his agents or servants, etc. and any other matter which may be prescribed pursuant to the Standing Orders Act.

15. Shops and establishments legislation

The various state-wise shops and establishments legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments and provide provisions relating to fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

16. Employment Exchange (Compulsory Notification of Vacancies) Act, 1959 ("Employment Exchange Act") and Employment Exchange (Compulsory Notification of Vacancies) Rules, 1960 ("Employment Exchange Rules")

The Employment Exchange Act, along with Employment Exchange Rules, was enacted to ensure that employment opportunities in the public and certain private sectors are made accessible to job seekers through Employment Exchanges. The Employment Exchange Act mandates employers in every establishment (excluding those in agriculture) in the public sector and private sector establishments employing 25 or more persons to notify prescribed vacancies to the nearest Employment Exchange before filling them. It also requires periodic submission of employment-related returns by employers. The Employment Exchange Rules lay down the procedures for notification, forms to be used, time limits, and details to be furnished. The primary objective of the legislation is to create a centralized pool of employment data, facilitate better workforce planning, and enhance transparency in job availability for job seekers across the country.

C. The New Labour Law Codes in India

1. The Code on Wages, 2019

The Code on Wages, 2019 subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It envisages uniformity in the timely payment of wages and minimum wages, irrespective of the sector and wage ceiling. The intent behind the Wage Code is to create a uniform system of governance to ensure a compliance regime that can be easily and effectively implemented and enforced.

2. The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 subsume thirteen existing legislations, more importantly include existing legislations, including the Factories Act, 1948 and the Contract Labour (Regulation and Abolition) Act, 1970. This Code proposes to, inter alia, provide for standards for health, safety and working conditions for employees of the establishments. This Code stipulates certain duties of employers which, inter alia, include: (a) providing a workplace that is free from hazards, (b) providing free annual health examinations in notified establishments, (c) informing relevant authorities in case any accident at the workplace leads to death or serious bodily injury to any employee, (d) provide and maintain a working environment that is safe and without risk to the health of the employees, and (e) ensure the disposal of hazardous and toxic waste including disposal of e-waste.

3. The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 subsume three existing legislations namely the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. This Code will apply to all establishments except those engaged in charitable and philanthropic work, domestic work, any activity of the appropriate government relatable to the sovereign functions of the appropriate government including all the activities carried on by the departments of the Central Government dealing with defence research, atomic energy and space and any notified activity.

4. The Code on Social Security, 2020

The Code on Social Security, 2020 subsume nine existing legislations more importantly Employees' Compensation Act, 1923, the Payment of Gratuity Act, 1972, the Employees' State Insurance Act, 1948, the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961. The Code on Social Security, 2020 aims to provide uniformity in providing social security benefits to the employees which were earlier segregated under different acts and had different applicability and coverage.

D. Environmental Laws

1. The Environment (Protection) Act, 1986 ("Environment Act")

The Environment Act has been enacted with the objective of protection and improvement of the environment. Under the Environment Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the Act, including the power to direct the closure, prohibition or regulation of any industry, operation or process. The Environment Act also contains provisions with respect to furnishing information to authorities in certain cases, the establishment of environment laboratories and the appointment of government analysts. The Ministry of Environment and Forest ("MoEF") issued notifications under the Environment Act in 1994, 1999 and 2006, prescribing inter alia, the procedure for environmental impact assessments for the commencement, expansion or modernization of industrial or mining operations.

2. The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State Pollution Control Board ("State PCB"). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

3. The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act requires that any individual, industry or institution responsible for emitting smoke or gases must apply in a prescribed form and obtain consent from the State PCB prior to commencing any activity. The State PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

4. The Noise Pollution (Regulation & Control) Rules, 2000 ("Noise Regulation Rules")

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than hundred meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts.

E. Intellectual Property Laws

1. The Trade Marks Act, 1999 ("Trade Marks Act")

The Trade Marks Act, 1999 governs the registration, protection, and enforcement of trademarks in India and aims to prevent the use of deceptive or fraudulent marks. Indian law permits the registration of trademarks for both goods and services. The Trade Marks Act envisages the recognition and protection of the well-known trademark. The Trade Marks Act also provides for registration of trademarks, duration, removal, renewal and revocation of the trade mark. The Indian judiciary has been proactive in the protection of trademarks, and it has extended the protection to domain names under the Trade Marks Act. The trademark is initially registered for a period of ten years, which is calculated from the date of filing of the application and in case of convention application from the date of priority.

Further, the registration of the trademark may be renewed for a period of ten years from the date of expiration of the original registration or of the last renewal of registration. Such renewal application should be made at least six months prior to expiry of registration of the trademark. However, if such renewal application is not made within the said period, it can be filed within six months after the expiry of registration or the renewal as the case may be along with a late filing fee. Additionally, if such late filing fee is not paid, upon expiry of one year from the date of expiry of registration or the renewal as the case may be, such trademark will automatically be removed from the register of trademarks of concerned authority.

F. Law governing Competition in India

1. The Competition Act, 2002 ("Competition Act")

The objective of the Competition Act is to prevent anti-competitive practices, promote and sustain competition, protect the interests of the consumers and ensure freedom of trade. The Competition Act attempts to curb practices having adverse effects on competition and promote and sustain competition. A major feature of the Competition Act is that it does not prohibit monopolies or dominant position per se, it only forbids its abuse. The Competition Act aims at curbing anti-competitive activities which disturb the competitive equilibrium. The Competition Commission of India ("CCI"), regulator under the Competition Act. CCI has vast powers in relation to anti- competitive agreements and abuse of dominant positions. If the CCI concludes that there is an anti-competitive agreement which has caused or is likely to cause an appreciable adverse effect on competition within India, or that any enterprise has abused its dominant position in the market, it may pass orders which, inter alia, includes passing of cease and desist orders, imposition of monetary penalties, pass an order directing anti-competitive agreements to be modified and brought in compliance of law, or even can order division of an enterprise that is abusing its dominant position to ensure that it can no longer abuse its dominance.

G. Laws Governing Foreign Investment in India

1. Foreign Exchange Management Act, 1999 ("FEMA")

Foreign Investment in India by a '*person resident outside India*' is primarily regulated by the provisions of FEMA and the rules, regulations and notifications thereunder, issued thereunder by the Reserve Bank of India ("**RBI**") from time to time. The provisions under FEMA are to be read with the Foreign Direct Investment Policy notified by the Government of India through Ministry of Commerce & Industry, Department for Promotion of Industry and Internal Trade.

2. Foreign Direct Investment Policy ("FDI Policy")

In India, Foreign Direct Investment ("**FDI**") is freely permitted in almost all sectors. Under the FDI Policy, investments can be made by non-residents in the equity shares; fully, compulsorily and mandatorily convertible debentures; or fully, compulsorily and mandatorily convertible preference shares, partly paid equity shares and warrants of an Indian company, through two routes: (a) the Automatic Route; and (b) the

Government Route. Under the automatic route, the non-resident investor or the Indian company does not require any approval from the Reserve Bank or Government of India for the investment. An Indian company, not engaged in any activity/sectors where FDI is prohibited, can issue shares or convertible debentures to a person resident outside India, subject to entry routes and sectoral caps prescribed in the FDI Policy.

Since the Company is engaged in the '*manufacturing*' sector, it is permitted to receive 100 % FDI under the automatic route subject to the provisions of the FEMA and the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019.

3. Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("NDI Rules")

RBI notified NDI Rules vide Notification No. S.O. 3732(E) dated October 17, 2019 (which replaced erstwhile Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2017), which is a principal regulation governing foreign investment in an Indian entity by any person resident outside India. Under the NDI Rules, Foreign Investment ("**FI**") means any investment made by a person resident outside India on a repatriable basis in equity instruments of Indian company and capital of LLP. Additionally, under NDI Rules, Foreign Portfolio Investment ("**FPI**") has been defined as any investment made by a '*person resident outside India*' through equity instruments where such investment is (a) less than 10 % of the post issue paid-up share capital on a fully diluted basis of a listed Indian company, or (b) less than 10 % of the paid-up value of each series of equity instrument of a listed Indian company.

In terms of NDI Rules, FPI is required to necessarily register in accordance with the provisions of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time. Furthermore, under NDI Rules, provisions relating to investment by FPI and transfer of equity instruments of an Indian company by FPI are governed by Chapter IV in the manner and subject to the terms and conditions specified in Schedule II thereof. In this regard, Schedule II of NDI Rules provides that investment by a FPI or an investor group as referred in SEBI (Foreign Portfolio Investors) Regulations, 2014,as amended from time to time, should be less than 10 % of the total paid-up equity capital on a fully diluted basis or less than 10 % of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall not exceed 24 % of paid-up equity capital on a fully diluted basis or paid up value of each series of debentures or preference shares or share warrants. The said limit of 10 % and 24 % shall be called the individual and aggregate limit, respectively.

A FPI may purchase equity instruments of an Indian company through public offer, subject to individual and aggregate limits provided under Schedule II of NDI Rules, provided that in case of public offer, the price of shares to be issued to FPI's shall not be less than the price at which shares have been issued to the residents.

4. The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 ("FPI Regulations 2019")

In exercise of the powers conferred by Section 30(1) read with Section 11(1), Section 11(2)(ba) and Section 12(1) and (1A) of the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"), and under Section 25 of the Depositories Act, 1996, and in supersession of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI notified FPI Regulations 2019. FPI Regulations 2019, amongst its various other provisions, delineates the process for registration of a Foreign Portfolio Investor, eligibility criteria of a Foreign Portfolio Investor, categories of FPI, investment conditions and restrictions for Foreign Portfolio Investor and general obligations and responsibilities of Foreign Portfolio Investor.

H. Business/ Trade related Laws

1. Regulations governing Import and Export of Goods

In India, the import and export of goods is governed by the Foreign Trade (Development & Regulation) Act, 1992 and India's Export Import (EXIM) Policy. India's Directorate General of Foreign Trade ("DGFT") is the nodal authority to regulate all matters related to EXIM Policy. Importers are required to register with DGFT to obtain an Importer Exporter Code Number ("IE Code") for undertaking import activities. Moreover, an exporter is not allowed to take benefits of exports from DGFT without having IE Code.

2. Foreign Exchange laws governing imports and exports

Foreign exchange laws governing import and export in India are primarily regulated under FEMA, which aims to facilitate external trade and payments while maintaining the orderly management of the foreign exchange market. Under FEMA and its associated regulations, all cross-border transactions, including imports and exports of goods and services, must be conducted through Authorised Dealers (ADs), typically banks licensed by RBI. Importers are required to make payments within prescribed time limits (generally 6 months from the date of shipment) and must comply with documentation norms such as submission of Bill of Entry and Import Invoice. Similarly, exporters must realize and repatriate export proceeds to India within a stipulated period (usually 9 months from the date of export) and are required to submit export documentation including shipping bills, export invoices, and EDF (Export Declaration Form) through AD banks. Non-compliance with FEMA provisions can attract penalties, including monetary fines and restrictions on future transactions.

3. The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

The MSMED Act was enacted to promote, develop, and enhance the competitiveness of Micro, Small, and Medium Enterprises (MSMEs) in India. It provides for the constitution of a National Board for MSMEs by the Central Government, with its head office in Delhi, particularly for enterprises engaged in manufacturing or production of goods listed in the First Schedule to the Industries (Development and Regulation) Act, 1951. As per extant provisions of MSMED Act now w.e.f April 01, 2025, the definitions were revised as follows: a Micro Enterprise is one with investment up to ₹ 2.5 crore and turnover up to ₹ 10 crore; a Small Enterprise has investment up to ₹ 25 crore and turnover up to ₹ 100 crore; and a Medium Enterprise has investment up to ₹ 50 crore and turnover up to ₹ 500 crore. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Earlier, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises vide notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification. However, the Udyog Aadhaar Memorandum system, has been replaced by the Udyam Registration system, which is now the valid form of MSME registration under the MSME Act.

I. Securities Laws

Upon the successful completion of the Offer and the commencement of listing and trading of our Equity Shares on the Stock Exchanges, our Company shall also be subject to applicable securities laws and regulations. These include, inter alia,

- Securities Contracts (Regulation) Act, 1956
- Securities Contracts (Regulation) Rules, 1957
- Securities and Exchange Board of India Act, 1992
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015,
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018
- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008
- Securities and Exchange Board of India (Listing of Non-Convertible Securities) Regulations, 2021

and such other securities laws, rules, circulars and guidelines, as may be applicable from time to time.

J. Tax Laws

(1) Income Tax Act, 2025 and the Income Tax Rules, 2026

The Income Tax Act, 2025 ("Income Tax Act") is applicable to every company, whether domestic or foreign, whose income is taxable under the provisions of the Income Tax Act or rules made thereunder depending upon its "Residential Status" and "Type of Income" involved. The Income Tax Act provides for the taxation of persons resident in India on global income and of persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company in India is required to pay income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. With effect from April 01, 2026, the Government enacted the Income tax Act, 2025, pursuant to which a comprehensive and simplified framework for taxation has been introduced, including streamlined provisions relating to computation of income, classification of income, and compliance requirements.

(2) Goods and Services Tax Law

The Goods and Services Tax ("GST") regime is an indirect tax framework introduced in India to subsume various indirect taxes previously levied by the Central and State Governments. The levy and administration of GST are primarily governed by the Central Goods and Services Tax Act, 2017 ("CGST Act"), the Integrated Goods and Services Tax Act, 2017 ("IGST Act"), the respective State Goods and Services Tax Acts ("SGST Acts"), and the rules framed thereunder. GST is levied on the supply of goods and services. The Central Government is empowered to levy CGST on intra-state supplies and IGST on inter-state supplies, including imports and exports, in accordance with the applicable statutory framework. The GST regime is administered based on the recommendations of the GST Council, which comprises representatives of the Central and State Governments. Entities liable to registration under the GST Laws are required to obtain GST registration and comply with the prescribed requirements relating to invoicing, maintenance of records, filing of returns, payment of taxes, and availing input tax credit.

K. Miscellaneous

In addition to the aforementioned material legislations, various laws and regulations including the Companies Act, 2013, Indian Contract Act, 1872, Negotiable Instruments Act, 1881, Stamp Act, 1899, Income Tax Act 1961, Goods and Service Tax Act, 2017, State-specific legislations in relation to professional tax etc. are also applicable to the operations of the Company.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as 'MV Electrosystems Private Limited' on July 03, 2009 at New Delhi as private limited company under the Companies Act, 1956. Thereafter, our Company was converted into a public limited company, the word 'private' was struck off from the name of our Company and consequently, a fresh certificate of incorporation dated November 26, 2021 was issued by the RoC, recording the change of our Company's name to 'MV Electrosystems Limited' under Section 18 of the Companies Act, 2013. The Corporate Identity Number of our Company is U31401HR2009PLC140536.

Our Company is engaged in the design, development, assembly and manufacturing of electrical & power electronics equipment used in Railway rolling stock including IGBT based 3-Phase Drive Propulsion equipment for electric locomotives, switchgear panels for railway coaches & EMU's, cable protection & management products and electrical components, systems & sub-systems.

For information on our Company's profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major Vendors and suppliers, please refer the sections titled "Our Business", "Industry Overview", "Our Management", "Restated Financial Information" and "Management Discussion and Analysis of Financial Condition and Results of Operations" on pages 213, 159, 270, 295 and 374 respectively of the Prospectus.

Changes in the name of our Company:

Date of Change	Name Changed		Reason of Change
	From	To	
November 26, 2021	MV Electrosystems Private Limited	MV Electrosystems Limited	Conversion from private limited company to public limited company

Registered Office and change in Registered Office of our Company

At present our Registered Office is situated at Plot No. 7, Site No. 2, 14/3, Mathura Road, Faridabad – 121 003, Haryana, India.

The details of the change in the registered office in the past are as under:

Date of Change	Address Changed		Reason of Change
	From	To	
October 10, 2014	309 B/3, Govind Puri, Kalkaji, Opposite Kalka Ji Bus Depot, New Delhi, India - 110 019, India	118/1 (First Floor), Gali No. 2, Govind Puri, New Delhi, India - 110 019, India	For operational convenience
August 13, 2025	118/1 (First Floor), Gali No. 2, Govind Puri, New Delhi, India - 110 019, India	1207/89, 12th Floor, Hemkunt Chambers, Nehru Place, New Delhi - 110 019, India	For operational convenience
December 12, 2025	1207/89, 12th Floor, Hemkunt Chambers, Nehru Place, New Delhi - 110 019, India	Plot No. 7, Site No 2, 14/3, Mathura Road, Faridabad – 121 003, Haryana, India	For operational convenience

Main Objects of our Company

The main objects of our Company, as set forth in our Memorandum of Association, of our company are as follows:

1. To carry on in India or elsewhere the business to manufacture, produce, process, prepare, extrude, roll, reroll, blend, coat, insulate, manipulate, pack, repack, grade, import, export, buy, sale, resale and to act as agent, broker, contractor, job worker, supplier, provider, collaborator, consignor, consultant, stockist, distributor, trader, C & F agent, del credre agent, or otherwise to deal in all characteristics, specifications, applications, descriptions, & capacities of wires & cables such as wiring harness, PVC wires, electrical & electronic wires, telephone wires, antenna wires, insulated wires, jelly filled cables, optical fiber cables, hi-tension wires-ropes, communication wires & other allied goods, articles and things, their raw materials, intermediaries, substances & consumables.

2. To carry on in India or elsewhere the business of Manufacturing and trading, Designing, Simulation, Production, Testing & Installation of Complete Propulsion Systems for Rail Vehicles including Electrical & Diesel Locomotives, AC EMU's, Semi-Speed & High Speed Train Sets & Metros and for Rail Transportation Segment with end to end Solutions in Train Control & Signaling Systems, Rail Propulsion Systems, Interconnect products & Cable Assemblies, Power/Control Panels & Switchgears, Electrical / Electronic Systems and Cable Protection & Management Systems.

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Changes in Memorandum of Association

The following table sets forth details of the changes in the Registered Office of our Company since incorporation:

Date of Shareholders' Resolution	Details of the Amendments
November 26, 2021	Clause I of MoA was amended to reflect the change in name of our company from "MV Electrosystems Private Limited" to "MV Electrosystems Limited" to affect the conversion of private limited company to public limited company.
June 16, 2023	Clause V of MOA was amended to increase the authorised share capital of the Company from ₹ 30,00,000 divided into 3,00,000 Equity Shares of ₹ 10 each to ₹ 36,00,000 divided into 3,00,000 Equity Shares of ₹ 10 each and 60,000 Preference Shares of ₹ 10 each.
November 30, 2023	Clause III(A) of MOA was amended by insertion of new sub-clause (2) which is as follows: To carry on in India or elsewhere the business of Manufacturing and trading, Designing, Simulation, Production, Testing & Installation of Complete Propulsion Systems for Rail Vehicles including Electrical & Diesel Locomotives, AC EMU's, Semi-Speed & High Speed Train Sets & Metros and for Rail Transportation Segment with end to end Solutions in Train Control & Signaling Systems, Rail Propulsion Systems, Interconnect products & Cable Assemblies, Power/Control Panels & Switchgears, Electrical / Electronic Systems and Cable Protection & Management Systems. Clause V of MOA was amended to increase the authorised share capital of the Company from ₹ 36,00,000 divided into 3,00,000 Equity Shares of ₹ 10 each and 60,000 Preference Shares of ₹ 10 each to ₹ 10,00,00,000 divided into 99,40,000 Equity Shares of ₹ 10 each and 60,000 Preference Shares of ₹ 10 each.
March 18, 2025	Clause V of MOA was amended to increase the authorised share capital of the Company from ₹ 10,00,00,000 divided into 99,40,000 Equity Shares of ₹ 10 each and 60,000 Preference Shares of ₹ 10 each to ₹ 15,00,00,000 divided into 1,49,40,000 Equity Shares of ₹ 10 each and 60,000 Preference Shares of ₹ 10 each.
September 29, 2025	Clause II of MOA was amended to shift the registered office of the Company from New Delhi to the State of Haryana.
November 10, 2025	Clause V of MOA was amended to split the face value of the equity shares from ₹ 10 each to ₹ 5 each and the revised authorised share capital of the Company is 2,98,80,000 Equity Shares of ₹ 5 each and 60,000 Preference Shares of ₹ 10 each aggregating to ₹ 15,00,00,000.

Key events, milestones and achievements

The Table below sets forth some of the major events in the history of our company:

FY	Particulars
2025-26	Commenced bulk supplies of Propulsion Equipment to Indian Railways against the outstanding executable Order Book

FY	Particulars
	Commenced process for shifting of the existing cable protection & interconnected products facility from Unit 1, where it is presently situated, Unit 2 and also installation of infrastructure and machinery for production of propulsion equipment at Unit 1 and Unit 2.
	Entered into a Business Cooperation Agreement with PNC Technologies Co. Ltd., South Korea for a period of three years, to collaborate exclusively for the marketing, manufacturing, supply and distribution of Auto Fault Locator system for the Indian market and to fulfil the condition of minimum 51% Indian content under "Make in India" policy and to participate in the tenders.
	Received developmental order for IGBT based 3-Phase Drive Propulsion Equipment with Composite Converter for WAP-7 locomotives from CLW, Indian Railways for one (1) such equipment for an aggregate value of ₹ 25.11 million (excluding GST) and three years comprehensive annual maintenance contract for aggregate value of ₹ 1.48 million (excluding GST)
	Completed trial run of 50,000 km for the 3-Phase Propulsion Equipment supplied by our Company to CLW, Indian Railways, and Received final inspection certificate (prototype clearance) for the 3-Phase Propulsion Equipment
2023-24	Supplied one set of 3-Phase Propulsion Equipment to CLW and installed and commissioned for service trials to be conducted by West Central Railways
2019-20	Received first purchase order for 11 (eleven) 3-Phase Propulsion Equipment from Diesel Loco Modernisation Works, Indian Railways for an aggregate value of ₹ 184.58 million
	Commenced work on design and development of propulsion system as per the specifications of RDSO
2018	Commencement of manufacturing operations for cable protection & interconnected products at Unit 1

Key Awards, Accreditations and Recognition

Our Company has not received any key awards, accreditation, and recognition.

Time and cost overrun in setting up projects by our Company

We have not encountered any time and cost overruns in respect of our business.

Details regarding material acquisitions or divestments of business / undertakings, mergers and amalgamation, and revaluation of assets since incorporation

Our Company has not acquired any material business or undertaken any mergers or amalgamations or divestments of business or undertaking since incorporation.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity / facility creation or location of plants

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity / facility creation, location of our manufacturing facility, see "Our Business" on page 213.

Strategic and financial partners

As of the date of the Prospectus, our Company does not have any strategic and/or financial partners.

Defaults or rescheduling or restructuring of borrowings from financial institutions or banks

There are no defaults or rescheduling or restructuring of borrowings with financial institutions or banks.

Holding Company

As on the date of the Prospectus, our Company is not a subsidiary of any company.

Subsidiary Company

As on the date of the Prospectus, our Company does not have any subsidiary company.

Joint Ventures

As on the date of the Prospectus, our Company does not have any Joint Venture.

Details of Shareholders' Agreements

Except as disclosed hereinbelow, as on the date of the Prospectus, our Company does not have any Shareholder's Agreement. The following is the summary of the shareholders agreements entered into by our Company:

Sr. No.	Agreement	Date	Present status
A	Share Holder's Agreement	August 09, 2023	SHA Termination and Investor Reclassification Agreement executed on November 10, 2025 for termination of the Shareholders Agreement upon re-classification of Ramendra Pratap Singh and Sangeeta Singh as Promoter Group shareholders and proposed initial public offering of Equity Shares by our Company.
	Securities Subscription Agreement	August 11, 2023	Amendment agreement executed on November 10, 2025 for cessation of special rights upon re-classification of Ramendra Pratap Singh and Sangeeta Singh as Promoter Group shareholders.
B	Agreement for transfer of equity shares	September 19, 2025	1. Entered into by Promoters with Pankaj Rastogi for transfer of 4,57,200 Equity Shares of face value of ₹ 10 each 2. Entered into by Promoters with Sanjay Mann for transfer of 2,74,200 Equity Shares of face value of ₹ 10 each

A. Key terms of Shareholders' Agreement and Securities Subscription Agreement entered into by the Company, Promoters, Shareholders and Investors

Except as set forth below, there are no other arrangements or agreements, deeds of assignment, acquisition agreements, shareholders agreements, inter se agreements, any agreements between our Company, our Promoters, and Shareholders, or agreements of like nature or agreements comprising any clauses/covenants in relation to the securities of our Company which are material to our Company, and which are required to be disclosed, or the non disclosure of which may have a bearing on the investment decision of prospective investors in the Issue. Further, there are no clauses/covenants that are adverse or prejudicial to the interest of the minority/public Shareholders of our Company.

Details of the Share Holder's Agreement entered into by the Company, Promoters, Shareholders and Investors

The Share Holder's Agreement dated August 09, 2023, ("SHA"), executed among the Company, Ramendra Pratap Singh ("Investor 1"), Sangeeta Singh ("Investor 2"), Mohit Vohra ("Promoter 1"), Sumit Dhawan ("Promoter 2"), Rahul Dhawan ("Promoter 3") and other shareholders namely, Anu Vohra, Sonali Dhawan, Amit Dhawan, Ranveer Vohra and Avinash Mehta of the agreement).

The Company had entered into the Shareholders' Agreement with the Parties to govern their mutual rights and obligations inter-se as Shareholders of the Company. Pursuant to the terms of the SHA, these rights and obligations of the parties are as follows:

1. *Pre-emptive rights:* The pre-emptive rights holders shall have the right to subscribe up to pro rata of their shareholding in the company on fully diluted basis in the event of the of any future securities issued by our Company.
2. *Board Nomination right:* Investors shall have the right but not the obligation to appoint 1 (one) nominee Director to the Board ("**Investor Director**") and the Promoters shall have the right to appoint 4 (four) nominee Directors to the Board (each "**Promoter Director**" and collectively referred to as the "**Promoters Directors**"); (ii) any independent director nominated to the Board shall be approved jointly by the Investors and the Promoters and; (iii) the Investors shall also have the right to nominate 1 (one) observer on the Board ("**Investor Observer**").

3. *Share transfer/sale right:* Investors shall have the right to freely transfer all/part of the equity shares held by them to affiliates and heirs. The Investors shall also have the right but not the obligation of tag along in the event that any promoter/ and any of its affiliates (**"Transferor"**) proposes to transfer to transfer to a Transferee, any shares and/ or share equivalents (**"Sale Shares"**) held by such Transferor, then the investor shall at its sole determination have the rights, but not the obligation, to offer its Pro Rata Shares and/or Share Equivalents to the Transferee on the terms and conditions as set out in the Offer Notice (**"Tag Along Right"**) by giving the transferor a written notice of the same within the Offer Period (**"Tag Along Period"**).
4. *Liquidation Preference:* Preference shall be given to investors to receive available proceeds on occurrence of a liquidation event as described in the agreement (**"Investor Liquidation Preference Amount"**).
5. *Certain Information Rights:* The company is required to provide the investors certain information from time to time including but not limited to: (i) consolidated and individual unaudited financial statements, balance sheet, profit and loss account, cash flow statements and capitalization table of the Company for every quarter (ii) consolidated and audited financial statements for relevant financial year (iii) commencement of any material claim, litigation or proceeding (iv) minutes of board meeting within 15 days of the concerned meeting (v) any information in relation to the company and its subsidiaries as requested.
6. *Indemnification right:* The Company and promoters ("Indemnifying Parties"), shall jointly and severally indemnify on demand, defend, hold harmless the investor, each of its affiliates, directors, officers, representatives, employees, agents, management and members ("Indemnified Parties") against any losses suffered or incurred by the indemnified party arising out of any claim.
7. *Investor's Put Option:* In the occurrence of an event of default, the investors have the right but not the obligation, to call upon and require the promoters/ and or the company jointly, severally (**"Investor Put Option"**) to purchase all or any part of shares/ share equivalent held by the investors (**"Put Shares"**).

Present Status
Our Company has received a request from Investors to re-classify them, namely, Ramendra Pratap Singh as a "Promoter" and Sangeeta Singh as "Promoter Group" shareholder of our Company, which was approved by our Board of Directors in their meeting held on November 05, 2025 and by the members in their Extra Ordinary General Meeting held on November 10, 2025. Thereafter, upon re-classification of Ramendra Pratap Singh and Sangeeta Singh as Promoter Group shareholders, the 'SHA Termination and Investor Reclassification Agreement' dated November 10, 2025 was signed by the parties for termination of the SHA in its entirety.

Securities Subscription Agreement

The Securities Subscription Agreement dated August 11, 2023, ("SSA"), executed among the Company, Ramendra Pratap Singh ("Investor 1"), Sangeeta Singh ("Investor 2"), Mohit Vohra ("Promoter 1"), Sumit Dhawan ("Promoter 2") and Rahul Dhawan ("Promoter 3").

The Company had entered into the Shareholders' Agreement with the Parties to govern their mutual covenants. Pursuant to the terms of the SSA, these mutual covenants of the parties are as follows:

1. As per the terms and conditions mentioned in the agreement, the investors shall subscribe to, the company shall issue, allot and deliver to the investor 57,025 CCPS of INR 570.00 (Indian Rupees Five Hundred Seventy Only) per CCPS and 100 equity shares of INR 570.00 (**"Subscription Securities"**) aggregating to INR 3,25,61,250.00 (Indian Rupees Three Crores Twenty Five Lakhs Sixty One Thousand Two Hundred and Fifty). The subscription securities CCPS issued to the investors shall be partly paid up.
2. The obligation of investors to subscribe to the subscription securities and make payment of the same shall be subjected to the conditions specified therein **("Conditions Precedent").**

The salient terms of the CCPS issued is as under:
- CCPS shall be issued at a face value of ₹ 10 and at a premium of ₹ 560 per CCPS (i.e. ₹ 570 per CCPS)
- Each CCPS shall carry a coupon at the rate of 0.01% per annum ("Fixed Coupon") payable at the end of each Financial Year.

- Upon conversion of the CCPS into Equity Shares, the Investors (including any successors) shall be entitled to participate in the dividend on the Securities, on a pari passu basis with the holders of all other Securities.
- At the end of the 9th (ninth) year, the CCPSs which are not so converted shall stand automatically converted into Equity Shares. If mandated by Applicable Law, CCPSs shall automatically convert to Equity Shares prior to the IPO.
- The CCPS's shall be entitled to anti-dilution protection as provided in the Shareholders' Agreement.

Present Status

Our Company has received a request from Investors to re-classify them, namely, Ramendra Pratap Singh as a "Promoter" and Sangeeta Singh as "Promoter Group" shareholder of our Company, which was approved by our Board of Directors in their meeting held on November 05, 2025 and by the members in their Extra Ordinary General Meeting held on November 10, 2025. Thereafter, upon re-classification of Ramendra Pratap Singh and Sangeeta Singh as Promoter Group shareholders, the 'Amendment to Securities Subscription Agreement' dated November 10, 2025 was signed by the parties for cessation of all special rights of the Investors except to the extent of survival of fundamental warranties and the indemnification solely in respect of any breach of Fundamental Warranties.

B. Key terms of Agreement for transfer of Equity Shares dated September 19, 2025, with Pankaj Rastogi, then Chief Technical Officer (presently designated as Managing Director of our Company) and Sanjay Mann, General Manager - R&D (Software)

Towards the contribution of the efforts for the design, development and assisting our Company in procuring approval of Propulsion System, and to aligning the long term interest of Pankaj Rastogi, then Chief Technical Officer (presently designated as Managing Director of our Company) and Sanjay Mann, General Manager - R&D (Software) towards the overall development and growth of our Company, our Promoters decided to transfer 4,57,200 equity shares of face value ₹ 10 each to Pankaj Rastogi and 2,74,200 equity shares of face value ₹ 10 each to Sanjay Mann.

Our Promoters, namely Mohit Vohra, Amit Dhawan, Sumit Dhawan, Rahul Dhawan and Sonali Dhawan, have entered into two separate agreements, both dated September 19, 2025, terms of which are same, with Pankaj Rastogi, then Chief Technical Officer (presently designated as Managing Director of our Company) and Sanjay Mann, General Manager - R&D (Software) (Pankaj Rastogi & Sanjay Mann, collectively, the "**Buyer**"), with our Company as confirming party to the agreement, for transfer of an aggregate of 7,31,400 equity shares of face value ₹ 10 each ("**Sale Shares**"), details of which are as under:

(a) Details of shares transferred

Name of Selling Promoter shareholder	Shares transferred to Pankaj Rastogi			Shares transferred to Sanjay Mann		
	Shares transferred of face value ₹ 10 each	Effective number of shares of face value ₹ 5 each (post split)	%age *	Shares transferred of face value ₹ 10 each	Effective number of shares of face value ₹ 5 each (post split)	%age *
Mohit Vohra	2,28,600	4,57,200	2.23%	1,37,100	2,74,200	1.34%
Amit Dhawan	50,800	1,01,600	0.50%	30,460	60,920	0.30%
Sumit Dhawan	50,800	1,01,600	0.50%	30,470	60,940	0.30%
Rahul Dhawan	76,200	1,52,400	0.74%	45,700	91,400	0.45%
Sonali Dhawan	50,800	1,01,600	0.50%	30,470	60,940	0.30%
Total	**4,57,200**	**9,14,400**	**4.47%**	**2,74,200**	**5,48,400**	**2.68%**

** %age of the paid up equity capital as on the date of the Prospectus.*

(b) the Sale Shares transferred as above shall be subject to the below mentioned lock-in period from the date of transfer ("Lock-in Period"):
- For 50% of the Sale Shares, the same shall be locked-in till March 31, 2026
- For the balance 50% of the Sale Shares, the same shall be locked-in till March 31, 2028

(a) Upon expiry of the Lock-in Period, the Buyer shall be free to deal with the Sale Shares, subject to compliance with applicable law, subject however to the terms and conditions provided of this Agreement.

(b) In the event the Buyer proposes to sell or transfer, directly or indirectly, all or any part of its Sale Shares in the Company (the **"Offered Shares"**) after completion of the Lock-in Period to any person or entity or body corporate, as the case may be, other than the Promoter Group of the Company (the **"Proposed Transferee"**), then Buyer shall first offer the Offered Shares to the Promoter Group.

(c) The Promoter Group shall have the right, but not the obligation, to purchase the Offered Shares on the Offer Terms in the same proportion in which the Sale Shares were originally sold by the Promoter Group, unless the Promoter Group *inter* se mutually decide on any different proportion.

(d) The Buyers agreed that all duties and responsibilities rendered by them pursuant to their employment / association with the Company are specially ordered or commissioned by the Company for its sole and exclusive use or use by its subsidiaries or its affiliates. Buyer shall not, at any time, and in any way, question or dispute the ownership of the Company to the Intellectual Property Rights conceived, created, developed, or reduced to practice by the Buyer, either individually or along with the team in the Company, during the course of their employment or association with the Company.

(e) The Buyer shall have no rights in respect of any Intellectual Property Rights owned or used by the Company and Buyer hereby acknowledges that they shall not acquire any rights in respect thereof and that all such Intellectual Property Rights are and shall remain vested in or controlled by the Company at all times.

(f) The Buyer has exclusively, perpetually, irrevocably and unconditionally assigns all rights, title and interest in all Intellectual Property Rights, which are conceived, developed or made by the Buyer as a result of them performing their duties towards the Company (including all present and future copyright and copyright revivals and extensions) and at the time that such Intellectual Property Rights are first created whether finished or unfinished, to the Company on a royalty free and worldwide basis. The Buyer agrees to waive all moral rights in the Intellectual Property Rights to which they may be entitled under the applicable law of any relevant jurisdiction.

(g) The Buyer shall, at the Company's expense, provide all assistance that the Company requires to perfect, protect, and use its rights in the Intellectual Property Rights. The Buyer agrees to sign all documents, do all things and supply all information that the Company may deem necessary under applicable laws to transfer or record the transfer of their rights in the Intellectual Property Rights and enable the Company to obtain protection for the Intellectual Property Rights. The Buyer hereby waives, and releases the Company from all claims, of any nature whatsoever, which the Buyer now or may hereafter have for infringement of the Intellectual Property Rights assigned hereunder, to the Company.

(h) Rights and obligations contained in the agreement shall continue in force in perpetuity irrespective of the fact whether the Buyer holds any equity shares in the Company or otherwise, and the same shall also be binding upon the personal representatives, heirs, successors and assigns of the Buyer.

(i) The Buyer have individually agreed to continue their full-time employment and active service with the Company for upto March 31, 2028. Further, in case of early termination / relieving / failure in continuation of full time employment of the Buyer due to any such reason as there may be, it shall result in the forfeiture of transfer of the Sale Shares leading to mandatory exercise of call option by the Promoter Group whereby the Buyer will mandatory to be required to surrender or transfer back the Offered Shares to the Promoter Group, subject to the terms determined by the Board of Directors of the Company at the time of termination / relieving / failure in continuation of such employment.

(j) The Buyer have also agreed to put efforts towards the development of Propulsion Systems for other Rolling Stocks like: EMU Train Sets, Hotel Load Converters, High Power Locomotives as per the requirements of Indian & International Railways from time to time; Building the teams to support these new project(s); and Support the other endeavours of the Company towards new product developments to address the markets other than Railways

Existence of any special rights

It is confirmed that there are no special rights available to any of the shareholder or person under the Articles of Association of our Company. Further, there are no special rights available to any Promoter and Promoter Group / Shareholders that will continue post listing except for the continuation of fundamental warranties under the Securities Subscription Agreement dated August 11, 2023 since the allotment of CCPS and equity shares was concluded in terms of this agreement.

We, the Issuer Company, alongwith our Promoters and Promoter Group shareholders confirm that there are no other inter-se agreements / arrangements and clauses / covenants except as disclosed above, which are material and which needs to be disclosed and that there are no other clauses / covenants which are adverse / prejudicial to the interest of the minority / public shareholders. We further confirm that there are no other agreements, deed of

assignments, acquisition agreements, shareholders agreement, inter-se agreements, agreements of like nature other than disclosed in the Prospectus.

Guarantees given by the Promoters

None of the Promoters are offering their shares in the proposed public issue. Further, the Promoters have not provided any guarantees to third parties on behalf of our Company except to the extent of borrowing undertaken by the Company for business purpose and disclosed under "Financial Indebtedness" on page 413.

Agreements with Key Managerial Personnel or Senior Management Personnel, Director, Promoters, or any other employee

Our Key Managerial Personnel or Senior Management Personnel, Director, Promoters, or any other employee have not entered into any agreement with any shareholder or any third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Other confirmations

Other than as disclosed above, there are no other agreements, including any deed of assignment, acquisition agreement, shareholders' agreement, inter-se agreements, agreements of like nature, to which we are a party, which are material and which are required to be disclosed. Further, we confirm that there are no other clauses or covenants which are material, adverse or pre-judicial to the interest of the minority / public shareholders.

OUR MANAGEMENT

Board of Directors

In terms of the Companies Act and the Articles of Association, our Company is authorised to have a minimum of three Directors and a maximum of up to fifteen Directors. As on the date of the Prospectus, we have 9 (Nine) Directors on our Board, comprising of 2 (Two) Executive Directors, 3 (Three) Non-Executive Promoter Directors, 1 (one) Nominee Director and 3 (Three) Independent Directors including 1 (One) woman Director. Mr. Sanjeev Mehta, Independent Director and is the Chairman of Board of Directors of our Company.

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of the Prospectus:

Name, Father's Name, Date of Birth, Designation, Address, Occupation, Date of appointment, Period of Directorship, Nationality & DIN	Age (Years)	Other Directorships
Sanjeev Mehta **Father's Name:** Mr. Madan Mohan Mehta **Date of Birth:** September 23, 1963 **Designation:** Independent Chairman **Address:** F-603, Tower F, Tulip Ivory Sector 70, Gurugram - 122 101, Haryana, India **Occupation:** Professional **Date of appointment:** September 27, 2025 **Period of Directorship:** Five years (i.e. from September 27, 2025 to September 26, 2030) **Nationality:** Indian **DIN:** 10433467	62	**Indian Companies** • Nil **Not for Profit Companies** • Nil **Limited Liability Partnership** • Nil
Pankaj Rastogi **Father's Name:** Mr. Naresh Chandra Rastogi **Date of Birth:** October 20, 1971 **Designation:** Managing Director **Address:** E-302, Elite Estate, C-4, Sector 18 Vasundhra, Ghaziabad - 201 012, Uttar Pradesh, India **Occupation:** Service **Date of appointment:** October 01, 2025 **Period of Directorship:** Three years (i.e. from October 01, 2025 to September 30, 2028) **Nationality:** Indian **DIN:** 11307172	54	**Indian Companies** • Nil **Not for Profit Companies** • Nil **Limited Liability Partnership** • Nil
Vipin Sharma **Father's Name:** Mr. Hetram Sharma **Date of Birth:** August 14, 1983 **Designation:** Independent Director **Address:** House No. 1967, Sector 9 Faridabad - 121 006, Haryana, India **Occupation:** Professional **Date of appointment:** September 27, 2025 **Period of Directorship:** Five years (i.e. from September 27, 2025 to September 26, 2030) **Nationality:** Indian **DIN:** 07265438	42	**Indian Companies (Unlisted)** • Trishakti Green Energy Solutions Private Limited • RK Infrahomes Private Limited • Apne Masale Private Limited **Not for Profit Companies** • Nil **Limited Liability Partnership** • Nil
Kanika Bhutani **Father's Name:** Mr. Surender Kumar Bhutani **Date of Birth:** June 20,1985 **Designation:** Independent Director **Address:** House No. 611, Near Girls Government School, Sector - 22, Faridabad - 121 005, Haryana, India	41	**Indian Companies (Listed)** • Quadrant Future Tek Limited **Indian Companies (Unlisted)** • Candor Dates Private Limited • Candor Foods Private Limited

Name, Father's Name, Date of Birth, Designation, Address, Occupation, Date of appointment, Period of Directorship, Nationality & DIN	Age (Years)	Other Directorships
Occupation: Professional **Date of appointment:** September 27, 2025 **Period of Directorship:** Five years (i.e. from September 27, 2025 to September 26, 2030) **Nationality:** Indian **DIN:** 08789609		**Not for Profit Companies** • Nil **Limited Liability Partnership** • Nil
Mohit Vohra **Father's Name:** Mr. Vinod Kumar Vohra **Date of Birth:** May 18, 1975 **Designation:** Non Executive Director **Address:** House No. 444, Sector 21C, Faridabad - 121 012, Haryana, India **Occupation:** Entrepreneur **Date of appointment**: July 03, 2009 **Period of Directorship:** Liable to retire by rotation **Nationality:** Indian **DIN:** 02534402	51	**Indian Companies (Listed)** • Quadrant Future Tek Limited **Indian Companies (Unlisted)** • MV Mobility Limited • IBOARD India Limited **Not for Profit Companies** • Nil **Limited Liability Partnership** • Nil
Amit Dhawan **Father's Name:** Mr. Ravinder Kumar Dhawan **Date of Birth:** September 10, 1977 **Designation:** Non-Executive Director **Address:** House No. 25, Sector 29 Faridabad - 121 008, Haryana, India **Occupation:** Entrepreneur **Date of appointment:** July 10, 2023 **Period of Directorship:** Liable to retire by rotation **Nationality:** Indian **DIN:** 03031778	48	**Indian Companies (Listed)** • Quadrant Future Tek Limited **Indian Companies (Unlisted)** • MV Mobility Limited • IBOARD India Limited **Not for Profit Companies** • Nil **Limited Liability Partnership** • Nil
Sumit Dhawan **Father's Name:** Mr. Ravinder Kumar Dhawan **Date of Birth:** December 01, 1987 **Designation**: Non Executive Director **Address:** House No. 25, Sector 29 Faridabad - 121 008, Haryana, India **Occupation:** Entrepreneur **Date of appointment:** October 22, 2018 **Period of Directorship:** Liable to retire by rotation **Nationality:** Indian **DIN:** 08260657	38	**Indian Companies (Unlisted)** • Gamers Ocean Private Limited • MV Mobility Limited **Not for Profit Companies** • Nil **Limited Liability Partnership** • Nil
Rahul Dhawan **Father's Name:** Mr. Raghu Partap Dhawan **Date of Birth:** January 18, 1984 **Designation:** Whole Time Director **Address:** House No. 810, Ground Floor, Sector 21A Faridabad - 121 001, Haryana, India **Occupation:** Entrepreneur **Date of appointment:** May 15, 2019 **Period of Directorship:** Five year (i.e. November 01, 2025 to October 30, 2030) **Nationality:** Indian **DIN:** 08448024	42	**Indian Companies** • Nil **Not for Profit Companies** • Nil **Limited Liability Partnership** • Nil
Sanjay Kumar Singh **Father's Name:** Mr. Janardan Singh	56	**Indian Companies (Unlisted)**

Name, Father's Name, Date of Birth, Designation, Address, Occupation, Date of appointment, Period of Directorship, Nationality & DIN	Age (Years)	Other Directorships
Date of Birth: January 10, 1970 **Designation:** Non Executive Director (Nominee) **Address:** Dheena, Betadih, Chilabali Chandauli - 232 106, Uttar Pradesh, India **Occupation:** Professional **Date of appointment:** August 24, 2023 **Period of Directorship:** Liable to retire by rotation **Nationality:** Indian **DIN:** 09077003		• Deva Team People Private Limited • Ruralgrown Technology and Services Private Limited • MV Mobility Limited **Not for Profit Companies** • Nil **Limited Liability Partnership** • Nil

Brief Profile of Directors of our Company:

Sanjeev Mehta, aged 62 years holds Post Graduate certificate in Business Management from XLRI, Jamshedpur, Jharkhand, Diploma in Management from All India Management Association and B. Tech (Chemical Engineering) from National Institute of Technology (formerly Regional Engineering College), Warangal, Telangana. He has an experience of over 37 years in marketing and technical services. Previously he had worked with Sud Chemie India, India Glycols Limited, Indofil Chemicals Company and United Catalysts India Limited. He has been working as independent consultant since April 2024. He was appointed as Independent Director w.e.f. September 27, 2025 and was elected as Chairman of the Board of our Company.

Pankaj Rastogi, aged 54 years has done B. Tech in Electronics with Honors from Malviyan Institute of Technology, Gorakhpur, Uttar Pradesh, MBA from Punjab Technical University and also holds a Ph.D in the specialized area of product design and development from Commonwealth Vocational University, Makaunga, Hahake, Tongatapu, Kingdom of Tonga. He has an experience of over 32 years in the field of power electronics, product design, development, design engineering, project co-ordination and commercialisation of such equipment in railway rolling stock domain. He has previously worked with companies namely, Industrial Automation Private Limited, Modipon Limited and Autometers Alliance Limited. He joined our Company on May 01, 2021 as Director-Research and Product Development in our Research, Design and Development Centre and since then has been instrumental in design and development of 3-Phase Propulsion Equipment for which approval has been received by our Company on September 15, 2025. He was subsequently appointed as Managing Director of our Company w.e.f. October 01, 2025 for a period of three years. In addition to the responsibility of being a Managing Director, he is spearheading the Research, Design and Development activities of our Company for development of power electronic equipment, including propulsion equipment.

Vipin Sharma, aged 42 years is a Chartered Accountant from ICAI and has done Bachelor of Commerce - Vocational (Computer Application) from Maharishi Dayanand University, Rohtak, Haryana. He has also completed post qualification course in Information Systems Audit from ICAI. He has an experience of over 17 years as Chartered Accountant in practice in the field of taxation, audit, and management. His experience is in risk-based internal audits, statutory audits, revenue audits, consultancy, management accounting, bank audits, special assignments, system reviews and investigations etc. and his expertise includes carrying out risk assessments of business operations like assessing design gaps, control gaps, and efficiency opportunities, identifying gaps and analysing root causes, suggesting the measures mitigate the inherent / process risk. He was a member of the Council of NIRC of ICAI during the period from 2022-23 to 2024-25 and has also served as chairman / member of certain committees of NIRC of ICAI. He was appointed as Independent Director of our Company w.e.f. September 27, 2025.

Kanika Bhutani, aged 41 years has done Masters in Commerce from Himachal Pradesh University, Shimla, Himachal Pradesh, and is a Fellow member of the Institute of Company Secretaries of India. She has an experience of about 13 years in corporate law, compliances and secretarial department in various industries and had previously worked with Studds Accessories Limited, Asian Energy Services Limited, Raghbeer Machinery Private Limited and Integrated Industries Limited as Company Secretary and / or Compliance Officer managing compliances of the said corporates including post listing compliances by a listed company. She is working as independent consultant since year 2021. She is also an Independent Director on the Board of Quadrant Future Tek

Limited, Candor Dates Private Limited & Candor Foods Private Limited, and was appointed as Independent Director on the Board of our Company w.e.f. September 27, 2025.

Mohit Vohra aged 51 years has done Mechanical Engineer from YMCA Institute of Engineering, Faridabad, Haryana. He has an experience of over 29 years and has previously worked with multinational corporations namely, Thermax Limited, Pouyet Communication India Private Limited (then subsidiary of 3M India Limited) and Tyco Electronics Corporation India Private Limited before venturing with his own venture under MV Electrosystems Limited in the year 2009. In his entrepreneurship journey, he has expanded his business into ventures namely, Quadrant Future Tek Limited, MV Mobility Limited, Iboard India Limited and is also a director in these companies and partner in Prime Electronics. He is presently also serving as Managing Director of Quadrant Future Tek Limited. He was appointed as Director in our Company w.e.f. July 03, 2009. At MV Electrosystems, beyond his duties as a Director, he oversees the Company's overall strategic direction and vision and provides guidance and mentorship to the management team, particularly with respect to capability building, team strengthening and the development of future projects.

Amit Dhawan, aged 48 years has done Bachelor in Laws (Professional) from Seth Girdhari Lal Behani S.D. College, Sriganganagar, Rajasthan. He has an experience of 24 years in customer relationship management and service delivery within the railway domain business. He is a director in Quadrant Future Tek Limited, MV Mobility Limited and Iboard India Limited as well. He served as Director on the Board of our Company during the period commencing from July 25, 2010 to March 27, 2013 and was designated as Executive Director. Subsequently, he was again appointed as Additional Director on June 10, 2020 and was designated as Executive Director from December 31, 2020 to January 01, 2022. He was again appointed as Additional Director in our Company on July 10, 2023 and was designated as Non Executive Director w.e.f. September 28, 2023. He oversees the sales and marketing functions of the Company.

Sumit Dhawan, aged 38 years holds the degree in Bachelor of Computer Applications from Lovely Professional University. Previously he has worked with AM Speciality Materials Private Limited as Purchase Manager from April 2010 to March 2015. He has been with our Company as Purchase Manager for the period commencing from April 2015 to October 2018. Subsequently, he was appointed as Director on the Board of our Company on October 22, 2018. He has a total experience of over 15 years and is presently handling strategic, sourcing and supplier management operations of our Company.

Rahul Dhawan, aged 42 years has done Bachelor of Ayurvedic Medicine and Surgery from Baba Farid University of Health Sciences, Faridkot, Punjab. He was appointed as Technical Manager - Manufacturing Operations in our Company in April 2010 and was engaged in process improvement, implementation of technical solutions and strengthening of overall efficiency of the business. Later, he was appointed as Director on the Board of our Company w.e.f. September 30, 2019 and is currently functioning as Whole Time Director. He has a total experience of over 15 years and he plays an active role in guiding the Company's team with his technical experience and managerial insight and is responsible for plant infrastructure development and overseeing plant operations.

Sanjay Kumar Singh, aged 56 years has completed his MA in Social Work from Kashi Vidyapith, Varanasi, Uttar Pradesh. He has an experience of over 22 years in human resource and office administration, including seven years of experience in Bhartiya Association for Rural Development, a Non Government Organisation involved for social cause. He has also worked with GFB Great Foods Private Limited. Pursuant to the Shareholders' Agreement dated August 09, 2023 entered into by our Company with Ramendra Pratap Singh and Sangeeta Singh, he was appointed as Nominee Director on the Board of our Company on August 14, 2023 and was later re-designated as Non-Executive Director w.e.f. September 28, 2023 and continues to hold the directorship of our Company thereafter.

Relationship between our Directors

Except as mentioned below, none of the Directors are related:

Name of Director	Relation with	Relationship
Mohit Vohra	Amit Dhawan	Brother (Cousin) *
	Sumit Dhawan	Brother (Cousin) *
	Rahul Dhawan	Brother in law (Cousin) *
Amit Dhawan	Sumit Dhawan	Brother
	Mohit Vohra	Brother (Cousin) *

Name of Director	Relation with	Relationship
	Rahul Dhawan	Brother in law (Cousin) *
Sumit Dhawan	Amit Dhawan	Brother
	Mohit Vohra	Brother (Cousin) *
	Rahul Dhawan	Brother in law (Cousin) *
Rahul Dhawan	Mohit Vohra	Brother in law (Cousin) *
	Amit Dhawan	Brother in law (Cousin) *
	Sumit Dhawan	Brother in law (Cousin) *

** Not a relative in terms of the definition of "Relative" under Regulation 2(1)(uu) of the SEBI ICDR Regulations.*

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of the Prospectus, whose shares have been or were suspended from being traded on any of the stock exchange during their directorship in the company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Companies struck off in the past with which our Directors had been associated:

Except as disclosed below, none of the Company with which our directors, promoters and promoter group persons were associated as a director in the past has been struck-off from the records of MCA:

Name of the Director	Designation of the Director	Name of the Company	CIN of the Company	Reason for Strike-off
Amit Dhawan	Non Executive Director	A.M. Speciality Materials Private Limited	U31100PB2011PTC034758	The Company suo moto applied for striking off under Section 248(2) of the Companies Act and was struck off w.e.f. June 26, 2024
Sumit Dhawan	Non Executive Director	Gamers Ocean Private Limited	U72900HR2023PTC109249	The Company suo moto applied for striking off under Section 248(2) of the Companies Act and was struck off w.e.f. July 08, 2026

Confirmations

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

None of our Director have been declared as wilful defaulters or fraudulent borrower (by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016) by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

As on date, none of our Director is of the age of seventy-five years and hence we are in compliance with the requirement under Regulation 17(1A) of the SEBI LODR Regulations.

Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which our Directors were selected as a Director

Apart from Sanjay Kumar Singh, nominated to our Board by Ramendra Pratap Singh and Sangeeta Singh pursuant to the Shareholders' Agreement dated August 09, 2023, none of our Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. Post re-classification of Ramendra Pratap Singh as one of the Promoter of the Company and Sangeeta Singh as Promoter

Group shareholder, and termination of the aforesaid Shareholders Agreement, Sanjay Kumar Singh still continues as Non Executive Non Independent Director on the Board of our Company.

Service contract with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Terms of appointment of Executive Directors

(a) Pankaj Rastogi

Date of original appointment on the Board of the Company	:	October 01, 2025
Date of last revision of terms of appointment	:	October 01, 2025
Tenure of appointment	:	Three years (from October 01, 2025 to September 30, 2028)
Salary	:	Gross remuneration of ₹ 12.60 million per annum during his tenure, unless revised, details of which is as under: (a) Salary: upto ₹ 0.95 million (Rupees Nine Lakhs Fifty Thousand only) per month, including house rent allowance / rent free accommodation and other special allowances. (b) Perquisite & Allowances: Pankaj Rastogi will be entitled to a leave travel concession, personal accident insurance, Mediclaim insurance, telephone and such other perquisites in accordance with the Company's policies and rules, the monetary value of such perquisites to be determined in accordance with the Income-Tax Rules, 1962 being restricted to a maximum of ₹ 0.10 million per month. One time incentive: In terms of the appointment letter, it was agreed by the Company to pay Pankaj Rastogi a one time long term incentive linked with the successful deployment and trials of Propulsion system for EMU Train Sets as per the concerned RDSO specification. Upon appointment as Managing Director, the Company agrees to continue with the obligation for payment of the said incentive, i.e. ₹ 10.00 million upon achievement of the milestone as mentioned above, and the same shall also be included as part of the remuneration payable to Pankaj Rastogi in accordance with the provisions of the Companies Act, in addition to the remuneration, covered in (a) & (b) above.

(b) Rahul Dhawan

Date of original appointment on the Board of the Company	:	May 15, 2019
Date of last revision of terms of appointment	:	November 01, 2025
Tenure of appointment	:	Five Years (from November 01, 2025 to October 30, 2030)
Salary	:	₹ 0.84 million (Rupees Eight lakh forty thousand only) per annum will be payable along with usual allowances and other benefits including gratuity, provident fund and other remuneration benefits including perquisites. The salary has been approved by the members for a period of three years.

Sitting fees and commission to Non-executive Directors

Our Board, pursuant to its resolution dated November 27, 2025 has decided that our Independent Directors are entitled to receive sitting fees of ₹ 0.05 million for attending each meeting of our Board and ₹ 0.025 million for attending each meeting of our committees constituted of the Board respectively.

Payment or benefit to Directors of our Company

The details of the remuneration paid to our Directors during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 is as under:

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Sanjeev Mehta ^	-	NA	NA
Vipin Sharma ^	-	NA	NA
Kanika Bhutani ^	-	NA	NA
Pankaj Rastogi *	5.34	NA	NA
Rahul Dhawan	0.84	0.84	0.84
Mohit Vohra	-	-	-
Amit Dhawan	-	-	-
Sumit Dhawan	-	-	-
Sanjay Kumar Singh	-	-	-
Total	**6.18**	**0.84**	**0.84**

* Appointed as Managing Director w.e.f. October 01, 2025 and hence the details for remuneration paid prior to such appointment have not been included in the above disclosure. For details refer to "- Terms of appointment of Executive Directors" on page 275

^ Appointed as Independent Director w.e.f. September 27, 2025 and hence the details for previous financial years are not applicable.

Our Company has paid sitting fees to our Directors in the financial years March 31, 2026, March 31, 2025 and March 31, 2024 as under:

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Sanjeev Mehta	0.18	NA	NA
Vipin Sharma	0.18	NA	NA
Kanika Bhutani	0.15	NA	NA
Total	**0.50**	**NA**	**NA**

There is no outstanding contingent or deferred compensation accrued for any previous Financial Years which is proposed to be paid to our Directors.

Remuneration paid or payable to our Directors from our Subsidiaries

As on the date of the Prospectus, our Company does not have any subsidiaries.

Bonus or profit-sharing plan of the Directors

None of our Directors are entitled to any bonus or profit-sharing plan of our Company.

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares, as on the date of the Prospectus:

Sr. No.	Name	No. of Equity Shares	Percentage of the Equity Share Capital	
			Pre Issue	Post Issue*
1	Mohit Vohra	58,86,108	28.77%	21.57%
2	Amit Dhawan	10,66,086	5.21%	3.91%
3	Sumit Dhawan	14,13,934	6.91%	5.18%
4	Rahul Dhawan	20,01,160	9.78%	7.33%
5	Sanjay Kumar Singh	Nil	-	-
6	Kanika Bhutani	Nil	-	-

Sr. No.	Name	No. of Equity Shares	Percentage of the Equity Share Capital	
			Pre Issue	Post Issue*
7	Vipin Sharma	Nil	-	-
8	Sanjeev Mehta	Nil	-	-
9	Pankaj Rastogi	9,14,400	4.47%	3.35%
	Total	**1,12,81,688**	**55.14%**	**41.35%**

* Subject to finalisation of Basis of Allotment

Interests of Directors

(a) All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company as well as sitting fees, if any, payable to them for attending meetings of our Board or Committees thereof. For further details, please see the section entitled *"Terms of Appointment of our Executive Director"* and *"Payment or benefit to Directors of our Company"*.

(b) Our Directors may also be interested to the extent of Equity Shares, if any (together with dividends in respect of such Equity Shares), held by them in our Company or held by the entities in which they are associated as directors or partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue and any dividend and other distributions payable in respect of such Equity Shares. For details, see *"- Shareholding of Directors in our Company"* on page 276.

(c) Further, our Directors are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners, of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For the payments that are made by our Company to such relatives of the Directors, see "Restated Financial Information - Annexure 34 - Related Party Transactions" on page 348.

(d) No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

(e) None of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

(f) None of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

(g) No loans have been availed by the Directors from our Company. Further, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company, except to the extent of related party transactions already disclosed under "Restated Financial Information - Note 34 - Related Party Transactions" on page 348.

(h) There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Issue.

(i) As on the date of the Prospectus, except for Mohit Vohra, Amit Dhawan, Sumit Dhawan and Rahul Dhawan, who are the Promoters of our Company and Sanjay Kumar Singh, who represents Ramendra Pratap Singh, none of our other Directors are interested in the promotion of our Company. For further details, see "Our Promoters and Promoter Group" on page 287.

Changes in Board of Directors in last three years

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	Designation	Date of Appointment / Resignation	Reason
Sanjay Kumar Singh	Additional Director	August 24, 2023	Appointment, in terms of the SHA & SSA
Amit Dhawan	Additional Director	July 10, 2023	Appointment, to broadbase the Board
Kanika Bhutani	Independent Director	September 27, 2025	Appointment as Independent Director
Vipin Sharma	Independent Director	September 27, 2025	Appointment as Independent Director
Sanjeev Mehta	Independent Director	September 27, 2025	Appointment as Independent Director
Pankaj Rastogi	Managing Director	October 01, 2025	Appointed as Managing Director

Note: This table does not include details of modification of the designation or tenure of the Directors of our Company.

Details of Borrowing Powers of Directors

Our Company has passed a special resolution in the Annual General Meeting of the members held on September 29, 2025 authorizing the Directors of the Company under Section 180(1)(a) and (c) of the Companies Act, 2013 to mortgage / create charge on the assets of the Company and to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of ₹ 5,000.00 million (Rupees Five Hundred Crores only).

Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI Listing Regulations, 2015 and SEBI ICDR Regulations will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the Stock Exchanges. We are in compliance with the requirements of the SEBI Listing Regulations, the Companies Act, 2013 and other applicable regulations, in respect of corporate governance in respect of the constitution of the Board and Committees thereof, and formulation and adoption of policies.

As on the date of filing of the Prospectus, our Board of Directors consist of 9 directors of which 3 (Three) are Independent Directors including 1 (One) Woman director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act, 2013.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following committees of our Board:

(a) Audit Committee
(b) Nomination and Remuneration Committee
(c) Stakeholders Responsibility Committee

(a) Audit Committee

Our Company has re-constituted the Audit Committee ("Audit Committee") in its Board Meeting held on October 01, 2025 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The current re-constituted Audit Committee comprises following members:

Name of the Directors	Status in Committee	Nature of Directorship
Vipin Sharma	Chairman	Independent Director
Sanjeev Mehta	Member	Independent Director
Amit Dhawan	Member	Non Executive Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

The quorum necessary for the transaction of business shall be two members or one third of the members of the Audit Committee, whichever is greater with at least two independent directors. A duly convened meeting of the Audit Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Audit Committee. The Audit Committee shall meet at least four times in a year and not more than 120 days should lapse between two meetings.

Scope and Terms of Reference:

The Audit Committee shall have powers, including the following:

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

The role of the Audit Committee shall include the following:

1) Oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
2) recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   - 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;
5) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / Red Herring Prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8) Approval or any subsequent modification of transactions of the listed entity with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
9) Scrutiny of inter-corporate loans and investments;
10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11) Evaluation of internal financial controls and risk management systems;
12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13) 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;
14) Discussion with internal auditors of any significant findings and follow up there on;
15) 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;

16) Discussing with the 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;
17) 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;
18) To review the functioning of the whistle blower mechanism;
19) Approving the appointment of the Chief Financial Officer (i.e. the whole-time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate;
20) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
21) 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; and
22) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Further, the Audit Committee shall mandatorily review the following:
a) Management discussion and analysis of financial condition and results of operations;
b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
d) Internal audit reports relating to internal control weaknesses; and
e) The appointment, removal and terms of remuneration of the chief internal auditor
f) 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 / Red Herring Prospectus / notice in terms of Regulation 32(7).

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

(b) Nomination and Remuneration Committee

Our Company has constituted the Nomination and Remuneration Committee ("Nomination and Remuneration Committee") in its Board Meeting held on October 01, 2025 as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The current re-constituted Nomination and Remuneration Committee comprises following members:

Name of the Directors	Status in Committee	Nature of Directorship
Kanika Bhutani	Chairperson	Independent Director
Vipin Sharma	Member	Independent Director
Sanjeev Mehta	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

Scope and terms of reference:

The role of the Nomination and Remuneration Committee shall include the following:
1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2) The Nomination and Remuneration Committee should, for every appointment of an independent director, 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. For the purpose of identifying suitable candidates as an independent director, the Committee may:
   a) use the services of an external agencies, if required;

b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
c) consider the time commitments of the candidates

3) Formulation of criteria for evaluation of performance of Independent Directors and the Board;
4) Devising a policy on Board diversity;
5) 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 carry out evaluation of every director's performance (including Independent Director);
6) Analysing, monitoring and reviewing various human resource and compensation matters;
7) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8) 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;
9) Recommend to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
10) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
    a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
    b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
11) perform such functions as are required to be performed by the Nomination and Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended,
12) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
    a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
    b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
13) carrying out any other activities as may be delegated by the Board of Directors of the Company functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

(c) Stakeholders Relationship Committee

Our Company has constituted the Stakeholders Relationship Committee in the meeting of the Board held on October 01, 2025 as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulation, 2015. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Directors	Status in Committee	Nature of Directorship
Kanika Bhutani	Chairperson	Independent Director
Sumit Dhawan	Member	Non Executive Director
Rahul Dhawan	Member	Whole Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

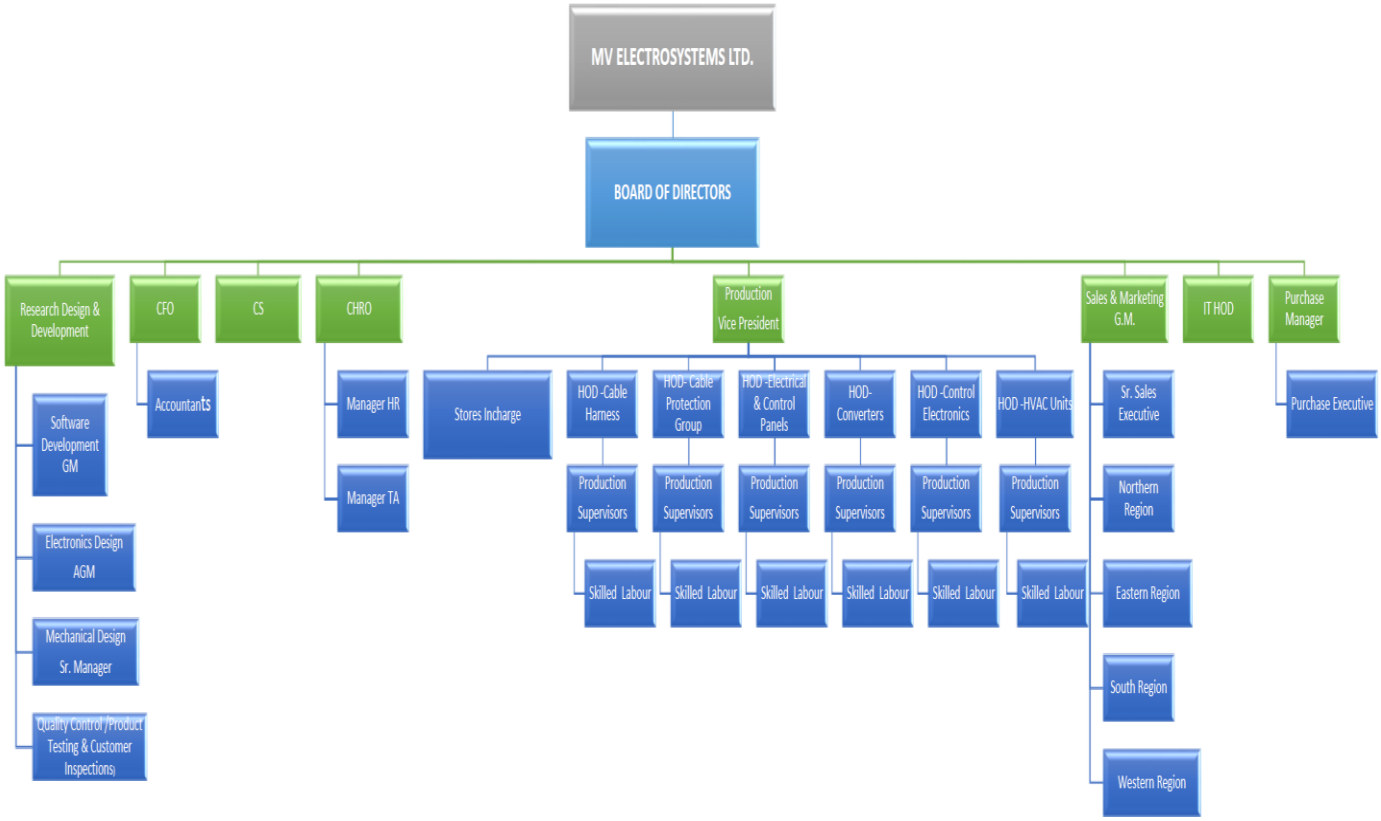
A. Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:

The role of the Stakeholders Relationship Committee shall include the following:
1) considering and looking into various aspects of interest of shareholders, debenture holders and other security holders

2) resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
3) giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
4) issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
5) review of measures taken for effective exercise of voting rights by shareholders;
6) 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;
7) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
8) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:



KEY MANAGERIAL PERSONNEL

In addition to Pankaj Rastogi, Managing Director and Rahul Dhawan, Whole Time Director of our Company, whose details are provided under- "Brief Profiles of Directors of our Company" on page 272, the details of our other Key Managerial Personnel as on the date of Prospectus are set forth below:

Ajay Kumar is the Chief Financial Officer of our Company. He has more than 17 years of experience. He is a Chartered Accountant from ICAI and holds a Bachelors in Commerce from Kurukshetra University, Haryana. He has been associated with our Company since July 18, 2024 and was transferred from MV Mobility Limited, a Promoter Group Company. He handles financial functions of the Company including accounts and taxation.

previously he has been associated with RAK (Gaoyao) Ceramics Co. Limited, Star Ceramics Limited, Sietz Technologies India Private Limited and Worlds Window Impex India Private Limited. In Financial Year ended March 31, 2026, he received a remuneration of ₹ 3.60 million from our Company.

Sourabh Bansal is the Company Secretary of our Company. He has more than 10 years of experience. He is a Company Secretary from ICSI and holds Bachelors in Commerce (Programme) from University of Delhi. He also holds LLB from Dr. B.R. Ambedkar University, Agra, Uttar Pradesh. He has been associated with our Company since July 18, 2024 and was transferred from MV Mobility Limited, a Promoter Group Company. He handles secretarial and corporate compliance matters of the Company. In the past, he has been associated with Shyam Telecom Limited, OMP India Private Limited and Globus Power Generation Limited. In Financial Year ended March 31, 2026, he received a remuneration of ₹ 1.66 million from our Company.

SENIOR MANAGEMENT PERSONNEL

In addition to our Key Managerial Personnel, whose details are provided in ***"- Key Managerial Personnel"*** on page 282, the details of our other Senior Managerial Personnel as of the date of Prospectus are set forth below:

Pradeep Bansal is the Vice President (Operations) of our Company. He has more than 25 years of experience. He is associated with our Company since September 18, 2023. He holds Masters in Business Administration of Materials Management from Madhya Pradesh Bhoj (Open) University. He also holds diploma in Tool and Die Making from Board of Technical Education, Delhi and also done Graduate Diploma in Materials Management from Indian Institute of Materials Management. He is responsible for Strategic planning, Strategic Sourcing & SCM, Project Management, Product Design and Development, Production Engineering, Quality Improvement. He was previously associated with Minda Auto Industries (P) Limited, Britax Motherson Limited, Autometers Alliance Limited, Actia India Private Limited, River Engineering Private Limited, Technico Industries Limited, Metalman Micro Turner, PPS International, and Horizon Aerospace (India) Private Limited. In Financial Year ended March 31, 2026, he received an aggregate compensation of ₹ 5.25 million from our Company.

Sanjay Mann is the General Manager R&D (Software) of our Company. He has 30 years of experience. He is associated with our Company since April 19, 2021. He holds a degree in Bachelor of Engineering (Electronics & Communication) from Karnatak University, Dharwad, Karnataka. He is responsible for embedded system design and development. He was previously associated with Autometers Alliance Limited and Motorola India Electronics Private Limited. In Financial Year ended March 31, 2026, he received an aggregate compensation of ₹ 6.21 million from our Company.

Rajat Kumar Kaushal is the General Manager - Business Development in our company. He has more than 18 years of experience and associated with our Company since September 01, 2022. He holds post graduate diploma in management from IILM Institute for higher education and Bachelor in Engineering from Jiwaji University, Gwalior, Madhya Pradesh. He was previously associated with Arihant Electricals and Autometers Alliance Limited and handled key positions in sales and business development in Railway industry. He is responsible for business development activities in our company. In Financial Year ended March 31, 2026, he received an aggregate compensation of ₹ 3.24 million from our Company.

Sunil Kumar is the Senior Manager (R&D) of our Company. He has more than 18 years of experience. He is associated with our Company since June 21, 2021. He holds Master of Computer Application from Uttar Pradesh Technical University, Lucknow, Uttar Pradesh and Bachelor of Science from Kurukshetra University, Kurukshetra, Haryana. He is leading the software development team in developing DDU Product, HMI software and testing tools. He was previously associated with Advance India Projects Limited, Birlasoft (India) Limited, Bombardier Transportation India Private Limited, Hitachi Rail STS India Private Limited, NOV Sara India Private Limited, Sangwan Dot Com Private Limited, Autometers Alliance Limited and Rockwell Automation India Private Limited. In Financial Year ended March 31, 2026, he received an aggregate compensation of ₹ 2.76 million from our Company.

Rheesabh Dwivedi is the Dy. Manager of our Company. He has more than 14 years of experience. He is associated with our Company since June 16, 2021. He holds B. Tech in Electrical and Electronics Engineering from Gautam Buddh Technical University, Lucknow, Uttar Pradesh. He holds Masters of Technology in Instrumentation and Control Engineering from Sant Longowal Institute of Engineering and Technology, Sangrur, Punjab. He also holds a Ph.D from Department of Electrical and Instrumentation Engineering of Sant Longowal Institute of Engineering and Technology. He is responsible for the design, development, and validation of

advanced power electronic systems for Indian Railways, Metro rolling stock, and electric vehicles. He was previously associated with Autometers Alliance Limited, Teerthanker Mahaveer University, Gokaran Narvadeshwar Institutte of Technology and Management. In Financial Year ended March 31, 2026, he received an aggregate compensation of ₹ 2.11 million from our Company.

Anand Kumar is the Asst. General Manager (Mechanical) of our Company. He has more than 23 years of experience. He is associated with our Company since March 14, 2022. He holds Bachelors in Mechanical Engineering from Institution of Engineers (India). He was previously associated with Amtek India Limited, Hema Engineering Industries Limited, Century Auto Engg. Private Limited, Autometers Alliance Limited and RT Vision Private Limited. In Financial Year ended March 31, 2026, he received an aggregate compensation of ₹ 2.95 million from our Company.

Mohd Irshad Saifi is the Manager in Propulsion Division of our Company. He has more than 15 years of experience. He is associated with our Company since February 03, 2020. He holds Master and Bachelor of Technology (Electronics & Communication Engineering) from Maharshi Dayanand University, Rohtak, Haryana. He is responsible for Embedded hardware design and PCB design. He was previously associated with Securico Electronics India Limited and Kreate Lights Private Limited. In Financial Year ended March 31, 2026, he received an aggregate compensation of ₹ 2.05 million from our Company.

Manoj Kumar Sharma is the Chief Human Resource Officer (CHRO) of our Company. He has more than 21 years of experience. He is associated with our Company since September 01, 2025. He holds Masters in Business Administration (Specialization in Human Resource Management) from Singhania Institute affiliated by JRN Rajasthan Vidyapeeth University, Udaipur, Rajasthan. He Holds Bachelor of Arts from Maharishi Dayanand University, Rohtak, Haryana. He is responsible for HR & Legal. He was previously associated with MV Mobility Limited, Vidya Metal Manufacturing Company Private Limited, Yanesfu Inks and Coatings Private Limited, R.T. Packaging Limited, Maheshwari Mining Private Limited, Dalas Biotech Limited and Carlton Overseas Private Limited. In Financial Year ended March 31, 2026, he received an aggregate compensation of ₹ 1.25 million from our Company.

Status of Key Managerial Personnel and Senior Management Personnel

All the Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Service Contracts with Directors, Key Managerial Personnel and Senior Management Personnel and retirement & termination benefits

Other than statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors or the Key Managerial Personnel or the Senior Management Personnel is entitled to any benefits upon termination of employment under any service contract with our Company. Further, none of our Directors have entered into a service contract with our Company pursuant to which they have been appointed as a director of our Company or their remuneration has been fixed in the preceding two years.

Payment or Benefit to Key Managerial Personnel and Senior Management Personnel of our Company

Except the remuneration as stated in this section and for transfer of 4,57,200 equity shares of face value ₹ 10 each to Pankaj Rastogi and 2,74,200 equity shares of face value ₹ 10 each to Sanjay Mann, vide separate agreements dated September 19, 2025, detailed under "*History and Certain Corporate Matters - Securities Subscription Agreement - Key terms of Agreement for transfer of Equity Shares dated September 19, 2025, with Pankaj Rastogi, then Chief Technical Officer (presently designated as Managing Director of our Company) and Sanjay Mann, General Manager - R&D (Software)*" on page 267, no non-salary amount or benefit has been paid or given to any of our Company's officers including Key Managerial Personnel and Senior Management Personnel within the two preceding years of the date of the Prospectus or is intended to be paid or given, other than in the ordinary course of their employment:

Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management Personnel

There is no bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management Personnel of our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management Personnel, which does not form a part of their remuneration.

Family relationship of Directors with Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel or Senior Management Personnel are related to any of our Directors.

Relationship amongst Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel are related to each other.

Shareholding of Key Managerial Personnel and Senior Management Personnel in our Company

Except for, details of Equity Shares held as below, none of our Key Managerial Personnel (other than Directors) and Senior Management Personnel hold any Equity Shares in our Company as on the date of the Prospectus.

Sr. No.	Name	No. of Equity Shares	Percentage of the Equity Share Capital	
			Pre Issue	Post Issue
1	Sanjay Mann	5,48,400	2.68%	2.01%
2	Ajay Kumar	4,000	0.02%	0.01%
3	Sourabh Bansal	4,000	0.02%	0.01%

Employee stock option plan and employee stock purchase plan

As on the date of the Prospectus, there is no employees stock option plan approved by our Company.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of the Key Managerial Personnel and Senior Management Personnel of our Company have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Interest of Key Managerial Personnel and Senior Management Personnel in our Company

For details of the interest of our Executive Directors in our Company, see "Our Management - Interest of Directors" on page 277.

Other than our Executive Directors, our other Key Managerial Personnel and Senior Management Personnel are interested in our Company only to the extent of the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company or any dividend payable to them.

Loans to Key Managerial Personnel and Senior Management Personnel

No loans have been availed by our Key Managerial Personnel and Senior Management Personnel from our Company.

Changes in our Key Managerial Personnel and Senior Management Personnel in the three immediately preceding years

Except as disclosed in the section entitled "- Changes in the Board in the last three years" on page 277 w.r.t. the changes in the executive Directors of our Company, the changes in our Key Managerial Personnel and Senior Management Personnel in the three immediately preceding three years are set forth below:

Name	Date of Change	Reason
Balkrishn	August 11, 2023	Appointment as Company Secretary

Name	Date of Change	Reason
Pradeep Bansal	September 18, 2023	Appointment as Vice President Operations
Balkrishn	July 18, 2024	Resigned for new job opportunity
Ajay Kumar	July 18, 2024	Appointment as Chief Financial Officer
Sourabh Bansal	July 18, 2024	Appointment as Company Secretary
Manoj Kumar Sharma	September 01, 2025	Appointment as Chief Human Resource Officer

Attrition of Key Managerial Personnel and Senior Management Personnel

The following table sets forth our Company's attrition during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(in % unless otherwise indicated)

Particulars	Financial Year ended March 31,		
	2026	2025	2024
Key Management Personnel and Senior Management			
Number of Key Managerial Personnel and Senior Management	12	11	9
Attrition Rate (Key Managerial Personnel including Senior Management) (%)	0.00%	0.00%	0.00%
Other employees			
Total staff employed	196	85	96
Attrition Rate (%)	17.79%	27.62%	23.08%

The attrition of Key Managerial Personnel and Senior Management Personnel of our Company cannot be assessed in reference to the industry as none of the competitor is having similar organisation structure and business operations like our Company.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are (collectively referred to as the "**Promoters**"):

1. Mohit Vohra
2. Amit Dhawan
3. Sumit Dhawan
4. Rahul Dhawan
5. Sonali Dhawan
6. Ramendra Pratap Singh

As on the date of the Prospectus, our Promoters hold 1,39,11,152 Equity Shares constituting 67.99% of the pre-Issue paid-up Equity Share capital of our Company. In addition, other Promoter Group shareholders together hold 18,26,048 Equity Shares, representing 8.93% of the issued, subscribed and paid-up Equity Share capital of our Company. The details of the shareholding of the Promoter and Promoter Group of our Company is set forth below:

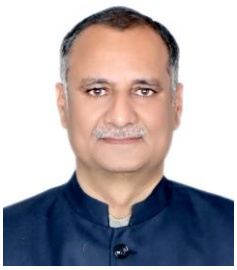
Sr. No.	Name	No. of Equity Shares	Percentage of Equity Share Capital	
			Pre Issue Capital	Post Issue Capital
	Promoters			
1.	Mohit Vohra	58,86,108	28.77%	21.57%
2.	Amit Dhawan	10,66,086	5.21%	3.91%
3.	Sumit Dhawan	14,13,934	6.91%	5.18%
4.	Rahul Dhawan	20,01,160	9.78%	7.33%
5.	Sonali Dhawan	14,62,632	7.15%	5.36%
6.	Ramendra Pratap Singh	20,81,232	10.17%	7.63%
	Sub-total (A)	**1,39,11,152**	**67.99%**	**50.99%**
	Promoter Group			6.69%
7.	Sangeeta Singh	18,24,768	8.92%	0.00%
8.	Avinash Mehta	1,280	0.01%	6.69%
	Sub-total (B)	**18,26,048**	**8.93%**	**57.68%**
	Grand Total (A) + (B)	**1,57,37,200**	**76.92%**	**21.57%**

For details on shareholding of our Promoters in our Company, please see the section titled "Capital Structure - History of the Equity Share capital held by our Promoter" on page 111.

Our Company confirms that the permanent account numbers, driving license numbers, bank account numbers, Adhar card number and the passport numbers of the Promoters, as applicable, shall be submitted to the Stock Exchanges at the time of filing the Draft Prospectus.

Details of our Promoters

1. Mohit Vohra



Mohit Vohra, aged 51 years, is the Promoter of our Company. For complete profile of Mohit Vohra, i.e., his date of birth, residential address, educational qualifications, professional experience in the business, positions / posts held in the past and other directorships, special achievements, business, and other activities, see "Our Management - Brief Profile of Directors" on page 272.

PAN: ACOPV2589B
Date of Birth: May 18, 1975
Address: House No. 444, Sector 21C, Faridabad - 121 012, Haryana, India

Other ventures promoted: Quadrant Future Tek Limited, MV Mobility Limited, Iboard India Limited and Prime Electronics.

As on the date of the Prospectus, Mohit Vohra holds 58,86,108 Equity Shares representing 28.77% of the paid-up Equity Share capital of our Company.

2. Amit Dhawan

Amit Dhawan, aged 48 years, is the Director and the Promoter of our Company. For complete profile of Amit Dhawan, i.e., his date of birth, residential address, educational qualifications, professional experience in the business, positions / posts held in the past and other directorships, special achievements, business, and other activities, see "Our Management - Brief Profile of Directors" on page 272.

PAN: AGNPD3515C
Date of Birth: September 10, 1977
Address: House No. 25, Sector 29, Faridabad - 121 008, Haryana, India

Other ventures promoted: Quadrant Future Tek Limited, MV Mobility Limited and Iboard India Limited.

As on the date of the Prospectus, Amit Dhawan holds 10,66,086 Equity Shares representing 5.21% of the paid-up Equity Share capital of our Company.

3. Sumit Dhawan

Sumit Dhawan, aged 38 years, is the Promoter of our Company. For complete profile of Sumit Dhawan, i.e., his date of birth, residential address, educational qualifications, professional experience in the business, positions / posts held in the past and other directorships, special achievements, business, and other activities, see "Our Management - Brief Profile of Directors" on page 272.

PAN: AJOPD3303J
Date of Birth: December 01, 1987
Address: House No. 25, Sector 29, Faridabad - 121 008, Haryana, India

Other ventures promoted: MV Mobility Limited, Iboard India Limited, and Gamers Ocean Private Limited.

As on the date of the Prospectus, Sumit Dhawan holds 14,13,934 Equity Shares representing 6.91% of the paid-up Equity Share capital of our Company.

4. Rahul Dhawan

Rahul Dhawan, aged 42 years, is the Promoter of our Company. For a complete profile of Rahul Dhawan, i.e., his date of birth, residential address, educational qualifications, professional experience in the business, positions / posts held in the past and other directorships, special achievements, business, and other activities, see "Our Management - Brief Profile of Directors" on page 272.

PAN: ALJPD9139K
Date of Birth: January 18, 1984
Address: House No. 810, Ground Floor, Sector 21 A, Faridabad - 121 001, Haryana, India

Other ventures promoted: Proprietorship firm RR Electricals and Allied Industries.

As on the date of the Prospectus, Rahul Dhawan holds 20,01,160 Equity Shares representing 9.78% of the paid-up Equity Share capital of our Company.

5. Sonali Dhawan

Sonali Dhawan, aged 46 years is the Promoter of our Company. She has completed her BA from Panjab University and is presently partner in Prime Electronics, partnership firm.

PAN: BFDPS2158L
Date of Birth: February 29, 1980
Address: House No. 25, Sector 29, Faridabad - 121 008, Haryana, India

Other ventures promoted: MV Mobility Limited, Partnership firms, namely, Prime Electronics and Global Infotech.

As on the date of the Prospectus, Sonali Dhawan holds 14,62,632 Equity Shares representing 7.15% of the paid up Equity Share capital of our Company.

6. Ramendra Pratap Singh

Ramendra Pratap Singh, aged 50 years is the Promoter of our Company. He is an under-graduate. He is a first-generation entrepreneur with over 20 years of experience in commercial interior design and related infrastructure development. He has successfully led and delivered diverse turnkey infrastructure and commercial projects across India, combining technical expertise with business acumen. Over the past two decades, he has built his business under the brand of Deva Infra and Interiors Private Limited with innovation, execution excellence and strategic foresight. His work spans across commercial interiors, workspace transformation, infrastructure planning, and project management, where he has collaborated with architects, corporates, and developers to create efficient, scalable, and sustainable spaces.

Beyond his core business, he is also an Angel Investor, Mentor, and Strategic Advisor, actively supporting emerging entrepreneurs and early-stage startups in building and scaling multiple new ventures, working closely with innovative teams to bridge the gap between traditional infrastructure and modern digital ecosystems. He brings deep insights into business scalability, operational strategy, and market expansion, helping founders navigate the challenges of building and sustaining high-growth ventures in various industries including Cyber Security and Cyber Intelligence, Artificial Intelligence, Blockchain and exploring synergies between infrastructure, technology, and digital safety. He is deeply invested in understanding how emerging technologies can reshape business operations, security systems, and smart infrastructure.

PAN: ADXPR2691A
Date of Birth: January 22, 1976
Address: Flat 601, Prince Residency, 6th Floor, No. 7/20, Sterling Avenue, Nungambakkam, Chennai - 600 034, Tamil Nadu, India

Other ventures promoted: Deva Infra and Interiors India Private Limited, Partnership firm namely, RQY Technologies LLP.

As on the date of the Prospectus, Ramendra Pratap Singh holds 20,81,232 Equity Shares representing 10.17% of the paid up Equity Share capital of our Company.

There has been no relationship between Ramendra Pratap Singh and the Promoters of our Company prior to the investment of Ramendra Pratap Singh in the Company.

Change in control of our Company

There has been no change in the control of our Company since incorporation except for re-classification of Ramendra Pratap Singh as Promoter and Sangeeta Singh as Promoter Group of our Company w.e.f. November 10, 2025 subsequent to the approval of the shareholders in their Extra Ordinary General Meeting held on November 10, 2025.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company, their directorship in our Company and the dividends payable and any other distributions in respect of their respective shareholding in our Company. Our Promoters are also interested to the extent of shareholding of their relatives in our Company. For further details of the shareholding of our Promoters in our Company, see "Capital Structure - History of the Equity Share capital held by our Promoter" on page 111.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) controlled by our Promoters.

For further details of interest of our Promoters in our Company, see "Summary of Related Party Transactions" on page 86 and "Restated Financial Information - Note 34: Related Party Transactions" on page 348.

Our Promoters may also be deemed to be interested to the extent of the remuneration, benefits and reimbursement of expenses payable to them as Directors on our Board. For further details, see "Our Management" on page 270.

Except (i) Mohit Vohra, Amit Dhawan, Sumit Dhawan and Rahul Dhawan who are Promoters and also Directors of our Company; and (ii) Sanjay Kumar Singh, who represents Ramendra Pratap Singh on the Board of our Company, none of our other Directors have any interest in the promotion of our Company.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to any firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a directors, promoters or otherwise for services rendered by such Promoters or by such firm or company, in connection with the promotion or formation of our Company.

Except to the extent of their Directorship and shareholding in our Promoter Group Companies and the related party transactions undertaken with them, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company. For further details, see "Our Promoters and Promoter Group" on page 287.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

Common Pursuits

Certain of our Promoter Group companies have common pursuits as per their constitutional documents and are authorised to engage in a similar line of business as we do. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and Promoter Group, in circumstances where our respective interests diverge.

Our Promoters are engaged in various other ventures which are engaged in the railways industry. The details of such ventures and their operations are as under:

Name of Promoters	Name of ventures	Nature of business operations (including common pursuits)
Mohit Vohra, Amit Dhawan, Sumit Dhawan and Sonali Dhawan	MV Mobility Limited	Production & supply of train interiors & furnishing products
Mohit Vohra and Sonali Dhawan	Prime Electronics	Inter-Coach electrical connectors and Earthing Devices
Mohit Vohra and Amit Dhawan	Quadrant Future Tek Limited	Manufacturing of Speciality Cables and Train Control and Signalling System
Rahul Dhawan	RR Electricals and Allied Industries	Manufacture of switchgears upto 11KV, isolator, & allied equipments
Ramendra Pratap Singh	Deva Infra and Interiors India Private Limited	Deals in the business by wholesale or retail of house furnishers.
	RQY Technologies LLP	Information Technology enabled business of handling customer support services by establishing business process outsource centres, knowledge process outsource units and call centres etc.

Accordingly, there can be no assurance that these Group Companies will not in future engage in any competing business activity or acquire interests in competing ventures.

Interest in property, land, construction of building and supply of machinery

Our Promoters have no interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of the Prospectus or proposed to be acquired by it, or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

Other confirmation

None of our Promoters and members of the Promoter Group have been declared as wilful defaulters or fraudulent borrower (by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016) by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Promoters or Promoter Group individuals have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoter.

Our Promoter Group

In addition to our Promoters, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations:

Relationship	Mohit Vohra
Father	Late Vinod Kumar Vohra
Mother	Late Meena Vohra
Spouse	Anu Vohra
Son	Ranveer Vohra
Son's Wife	N.A.

Relationship	Mohit Vohra
Daughter	Purva Vohra
Daughter's Husband	Viwaswat Raj Singh
Brother	N.A.
Sister	N.A.
Spouse's father	Late Vijay Sood
Spouse's mother	Uma Sood
Spouse's brother	Ramnik Sood
Spouse's sister	Ekta Gakhar
Entities forming part of the Promoter Group	• Quadrant Future Tek Limited • MV Mobility Limited • Iboard India Limited • MV Greentech Private Limited • Prime Electronics (Partnership Firm)

Relationship	Name	
	Amit Dhawan	**Sonali Dhawan**
Father	Late Ravinder Kumar Dhawan	Late Rajpal Sehgal
Mother	Kanta Dhawan	Parveena Sehgal
Spouse	Sonali Dhawan	Amit Dhawan
Son	Rajbir Dhawan	Rajbir Dhawan
Son's Wife	N.A.	N.A.
Daughter	Saira Dhawan	Saira Dhawan
	Purnika Dhawan	Purnika Dhawan
Daughter's Husband	N.A.	N.A.
Brother	Sumit Dhawan	N.A.
Sister	Sonali Kapoor	N.A.
Spouse's father	Late Rajpal Sehgal	Late Ravinder Kumar Dhawan
Spouse's mother	Parveena Sehgal	Kanta Dhawan
Spouse's brother	N.A.	Sumit Dhawan
Spouse's sister	N.A.	Sonali Kapoor
Entities forming part of the Promoter Group	• Quadrant Future Tek Limited • MV Mobility Limited • Iboard India Limited	• MV Mobility Limited • Prime Electronics (Partnership Firm)

Relationship	Name	
	Rahul Dhawan	**Sumit Dhawan**
Father	Raghu Pratap Dhawan	Late Ravinder Kumar Dhawan
Mother	Vijay Dhawan	Kanta Dhawan
Spouse	Pallavi Dhawan	Shruti Dhawan
Son	Sameer Dhawan	N.A.
Son's Wife	N.A.	N.A.
Daughter	Mansi	Peehu Dhawan
		Dhanvika Dhawan
Daughter's Husband	N.A.	N.A.
Brother	Karan Dhawan	Amit Dhawan
Sister	Pooja Dhawan	Sonali Kapoor
Spouse's father	Avinash Mehta	Bharat Bhushan
Spouse's mother	Sunita Mehta	Usha Pahwa
Spouse's brother	N.A.	Parteek Pahwa
Spouse's sister	N.A.	N.A.
Entities forming part of the Promoter Group	• RR Electricals and Allied Industries (Proprietorship Firm)	• MV Mobility Limited • Iboard India Limited • Gamers Ocean Private Limited

Relationship	Ramendra Pratap Singh
Father	Vishwanath Singh
Mother	Usha Singh
Spouse	Sangeeta Singh
Son	NA
Son's Wife	NA
Daughter	Bhavya Singh
Daughter's Husband	NA
Brother	Rajesh Pratap Singh
Sister	NA
Spouse's father	Madhaw Sharan Singh
Spouse's mother	Sushila devi
Spouse's brother	Anup Kumar Singh
	Chitraranjan Kumar Singh
Spouse's sister	Mamta Singh
Entities forming part of the Promoter Group	• Deva Infra and Interiors India Private Limited • RQY Technologies LLP

Material guarantees

Except for personal guarantees given in connection to loans availed by our Company, as on the date of the Prospectus, our Promoters have not given any material guarantees to any person or entity with respect to the Equity Shares of our Company.

For further details with respect to personal guarantees given by our Promoters to any third party see 'Financial Indebtedness' on page 413.

Companies with which our Promoters have disassociated in the last 3 years

Except as stated below, our Promoters have not disassociated themselves from any companies or firms during the preceding three years from the date of filing of the Prospectus:

Name of Promoter	Name of the disassociated entity	Reason / circumstances leading to the disassociation and terms of disassociation
Amit Dhawan	A.M. Speciality Materials Private Limited	The Company suo moto applied for striking off under Section 248(2) of the Companies Act and was struck off w.e.f. June 26, 2024
Sumit Dhawan	Gamers Ocean Private Limited	The Company suo moto applied for striking off under Section 248(2) of the Companies Act and was struck off w.e.f. July 08, 2026

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

DIVIDEND POLICY

The declaration and payment of dividend will be recommended by our Board and / or approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association, the applicable law, including the Companies Act. The dividend policy of our Company was adopted and approved by our Board in its meeting held on November 27, 2025 (Dividend Policy).

The shareholders of the Company may expect dividend only if the Company has surplus funds after providing for all the expenses, investments etc., and after complying with the statutory requirements under the Applicable Laws. The shareholders of the Company may not expect dividend, for a particular period, subject to the discretion of the Board, that is, if the Board is of the view that it would be prudent to conserve capital due to circumstances or factors such as adverse market conditions, business uncertainty, inadequacy of profits earned during the financial year, inadequacy of cash balance, large forthcoming capital requirements which are best funded through internal accruals, regulatory / market exigencies, changing regulations, etc.

As a result, we may not declare dividend in the foreseeable future. In terms of our Dividend Policy, our Board shall consider, inter alia, the following internal and external parameters while declaring or recommending dividends to our Shareholders: (i) profits earned during the financial year; (ii) retained earnings; (iii) earnings outlook; (iv) present and future capital expenditure plans / working capital requirements of the our Company; (v) past dividend trends; (vi) restrictive covenants under our current or future loan or financing documents or arrangements; (vii) any other relevant factors and material events as may be deemed fit by our Board; (viii) dividend pay-out ratios of companies in the same industry; (ix) macro-economic environment ‑ significant changes in macro-economic environment materially affecting the businesses in which our Company is engaged in the geographies in which our Company operates; (x) capital markets ‑ dividend pay-out may depend upon the capital market environment and cost of capital to raise fresh funds through alternate resources and (xi) any tax and regulatory changes in the jurisdiction in which our Company operates which significantly affects the business, taxation and other regulatory changes.

Our Company has not paid dividends on its Equity Shares for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 and during the current Financial year.

Our Company may from time to time, pay interim dividends. Our past practices in relation to declaration of dividend and, or, the amount of dividend paid is not necessarily indicative of our future dividend declaration. There is no guarantee that any dividends will be declared or paid of any amount, or with any frequency in the future. For further details in relation to the risk involved, see "*Risk Factor 55 - We cannot assure payment of dividends on the Equity Shares in the future and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.*" on page 69.

SECTION VI - RESTATED FINANCIAL INFORMATION

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Independent Auditors' Examination Report on the Restated Statement of Assets and Liabilities as at March 31, 2026, March 31, 2025, and March 31, 2024, Restated Statement of Profit and Loss (including other comprehensive income), the Restated Financial Information of Changes in Equity and the Restated Statement of Cash Flows for each of the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, and the Restated Financial Information of Material Accounting Policies and other explanatory information of MV Electrosystems Limited (Collectively, the "Restated Financial Information")

To
The Board of Directors
MV Electrosystems Limited
Plot No. 7, Site No 2, 14/3, Mathura Road,
Faridabad - 121 003, Haryana, India

Dear Sirs,

1. We, SANMARKS & ASSOCIATES have examined the attached Restated Financial Information of MV ELECTROSYSTEMS LIMITED (the "Company"), as at and for each of the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 annexed to this report and prepared by the Company for the purpose of inclusion of Restated Financial Information of MV ELECTROSYSTEMS LIMITED ('Restated Financial Information") to be included in the Red Herring Prospectus (the "RHP") proposed to be filed with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") and the Registrar of Companies, in connection with the proposed initial public offer of equity shares of face value of Rs.5 each of the Company (the "Offering"). The Restated Financial Information, which have been approved by the Board of Directors of the Company at their meeting held on July 23, 2026 have been prepared in accordance with the requirements of:

   a. section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");

   b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"); and

   c. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

Management's Responsibility for the Restated Financial Information

2. The preparation of the Restated Financial Information is the responsibility of the Board of Directors of the Company. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note B (i) of Annexure V to the Restated Financial Information. The Board of Directors' responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Companies Act, 2013 ('the Act'), ICDR Regulations and the Guidance Note.

Auditors' Responsibilities

3. We have examined such Restated Financial Information taking into consideration:

   a. the terms of reference and terms of our engagement agreed with you vide engagement letter dated July 14, 2025 between the Company and SANMARKS & ASSOCIATES requesting us to carry out the assignment, in connection with the proposed offering of the Company;

   b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d. the requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Offering.

4. The Company proposes to make an initial public offering of its equity shares of face value of Rs.5 each, which comprises of fresh issue of equity shares and an offer for sale by certain existing shareholders of the Company at such premium arrived at by the book building process (referred to as the "Offer"), as may be decided by the Company's Board of Directors.

Restated Financial Information as per audited financial statements

5. The Restated Financial Information have been prepared by the management of the Company from:

a) the audited financial statements of the Company as at and for each of the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 prepared in accordance with the accounting principles generally accepted in India specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on July 23, 2026, September 27, 2025 and September 02, 2024 respectively ("Financial Statements");

6. For the purpose of our examination, we have relied on:

a) Auditors' Report issued by us, dated July 23, 2026, September 27, 2025 and September 02, 2024 on the Financial Statements as at and for the year ended March 31, 2026, March 31, 2025 and March 31, 2024, respectively, as referred in paragraph 5 above.

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

a) have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2024 to reflect the same accounting treatment as per the accounting policies and groupings/classifications as at and for the year ended March 31, 2026 and March 31, 2025;

b) do not require any adjustment for modification as there is no modification in the underlying audit reports for the year ended March 31, 2026, March 31, 2025 and March 31, 2024.

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. The Restated Financial Information do not reflect the effect of events that occurred subsequent to the respective dates of the reports on audited Financial Statements mentioned in paragraph 6 above.

9. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for use of the management of the Company in connection with the proposed offering for inclusion in the RHP to be filed with SEBI, the Stock Exchanges and the Registrar of Companies in connection with the proposed Offering. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability

or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

For SANMARKS & ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 003343N

Sd/-
Santosh Kumar Agrawal
Partner
Membership Number: 091127
UDIN: 26091127VWQRQH5935

Place of Signature: Faridabad
Date: July 23, 2026

MV ELECTROSYSTEMS LIMITED

CIN: U31401HR2009PLC140536

Annexure-I-Restated Statement of Assets and Liabilities

(All amounts in INR Million, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
ASSETS				
Non-Current Assets				
Property, plant and equipments	2(a)	213.52	67.92	68.59
Investment property	2(b)	105.15	109.51	114.33
Capital WIP	2(c)	15.65	-	-
Intangible Assets WIP	2(d)	3.83	1.95	7.48
Intangible Assets	2(e)	0.35	0.45	0.62
Right of Use Assets	2(f)	55.91	50.77	60.14
Deferred Tax Assets	3	58.48	16.56	8.85
Financial assets				
i) Investment	4	-	-	0.35
ii) Trade Receivables	8	0.24	0.24	0.24
iii) Other Financial Assets	5	14.40	9.32	8.38
Other Non-Current Assets	6	7.17	-	-
Total Non-Current Assets		**474.68**	**256.70**	**268.98**
Current Assets				
Inventories	7	674.85	317.56	244.45
Financial assets				
i) Trade receivables	8	104.06	145.74	125.94
ii) Cash and cash equivalents	9	1.78	0.76	1.53
iii) Other Financial assets	10	5.08	5.36	1.39
Current Tax Assets	18	2.31	-	-
Other current assets	11	194.61	15.07	13.50
Total Current Assets		**982.69**	**484.49**	**386.82**
Total Assets		**1,457.37**	**741.19**	**655.80**
EQUITY AND LIABILITIES				
EQUITY				
Share capital	12	102.30	91.40	73.72
Other equity	13	523.41	87.70	91.54
Total equity		**625.71**	**179.10**	**165.27**
LIABILITIES				
Non Current Liabilities				
Financial Liabilities				
i) Borrowings	14(a)	95.43	50.73	72.15
ii) Lease Liabilities	14(c)	50.76	48.46	54.81
Provisions	15	15.55	10.53	7.18
Total Non-Current Liabilities		**161.75**	**109.72**	**134.13**
Current Liabilities				
Financial liabilities				
i) Borrowings	14(b)	403.50	224.29	203.70
ii) Trade payables	16			

Particulars	Notes	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
- Total outstanding dues of micro and small enterprises		49.34	53.32	14.30
- Total outstanding dues of creditors other than micro and small enterprises		169.89	131.75	109.81
iii) Other Financial Liabilities	17	30.76	19.37	13.10
Current tax liabilities	18	-	16.79	5.48
Provisions	19	1.46	0.82	0.24
Other current liabilities	20	14.96	6.02	9.78
Total Current Liabilities		**669.91**	**452.37**	**356.41**
Total Liabilities		**831.66**	**562.09**	**490.54**
Total Equity and Liabilities		**1,457.37**	**741.19**	**655.80**

The Above Statement should be read with Annexure V- Material Accounting policies and explanatory notes to Restated Financial Information

As per our Report of even date
For SANMARKS & ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-
(Santosh Kumar Agrawal)
Partner
FRN: 003343N, M. No.: 091127

Sd/-
(Pankaj Rastogi)
Managing Director
(DIN: 11307172)

Sd/-
(Amit Dhawan)
Director
(DIN 03031778)

Place: Faridabad
Date: July 23, 2026
UDIN: 26091127VWQRQH5935

Sd/-
(Ajay Kumar)
Chief Financial Officer

Sd/-
(Sourabh Bansal)
Company Secretary
M. No. A49529

MV ELECTROSYSTEMS LIMITED
CIN: U31401HR2009PLC140536
Annexure-II -Restated Statement of Profit and Loss
(All amounts in INR Million, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Income				
Revenue from operations	21	494.28	626.37	499.57
Other income	22	3.63	19.99	6.08
Total Income		**497.91**	**646.37**	**505.65**
Expenses				
Cost of Raw Material Consumed	23	383.62	384.83	247.23
Changes in inventories of Finished goods, work-in-progress and stock-in-trade	24	(34.85)	(12.27)	14.35
Employee Benefit expense	25	137.60	95.66	92.01
Finance Cost	26	34.90	30.42	24.70
Depreciation and Amortisation expenses	27	33.65	34.73	28.39
Other Expenses	28	110.96	88.98	88.01
Total Expenses		**665.88**	**622.35**	**494.69**
Profit before exceptional items and tax		**(167.97)**	**24.02**	**10.96**
Exceptional items		-	1.63	(0.80)
Profit/(loss) before tax		**(167.97)**	**25.65**	**10.16**
Income Tax expense				
-Current Tax	29	-	19.24	8.02
-Deferred Tax		(41.69)	(7.63)	(3.43)
Total Tax Expense		**(41.69)**	**11.61**	**4.59**
Profit for the year		**(126.29)**	**14.03**	**5.57**
Other comprehensive income/(loss) for the year, net of tax				
A (i) Item that will not be reclassified to profit or loss		(0.90)	(0.27)	1.26
(ii) Income tax relating to item that will not be reclassified to profit or loss		0.23	0.08	(0.35)
Total comprehensive income for the year		**(126.95)**	**13.84**	**6.48**
Basic earnings per share of par value INR 5/- each (INR per share)	30	(6.52)	0.76	0.44
Diluted earnings per share of par value INR 5/- each (INR per share)	30	(6.52)	0.76	0.39

The Above Statement should be read with Annexure V- Material Accounting policies and explanatory notes to Restated Financial Information.

As per our Report of even date
For SANMARKS & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-
(Santosh Kumar Agrawal)
Partner
FRN: 003343N, M. No.: 091127

Place: Faridabad
Date: July 23, 2026
UDIN: 26091127VWQRQH5935

For and on behalf of the Board of Directors

Sd/-
(Pankaj Rastogi)
Managing Director
(DIN: 11307172)

Sd/-
(Ajay Kumar)
Chief Financial Officer

Sd/-
(Amit Dhawan)
Director
(DIN 03031778)

Sd/-
(Sourabh Bansal)
Company Secretary
M. No. A49529

MV ELECTROSYSTEMS LIMITED
CIN: U31401HR2009PLC140536
Annexure-III -Restated Statement of Cash flows
(All amounts in INR Million, unless otherwise stated)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before Tax		**(168.87)**	**25.37**	**11.42**
Adjustments for:				
Depreciation and amortisation expense		33.65	34.73	28.39
Finance Costs		34.90	30.42	24.70
(Gain)/Loss on sale of Fixed Assets		-	(1.63)	0.80
FA written off		-	7.48	-
Fair Value (Gain)/Loss on sale of Investment		-	(0.09)	(0.05)
Provision		6.11	4.94	1.73
Interest & Rent Received		(2.93)	(4.72)	(5.84)
Gratuity and leave Encashment Actual Paid		(0.44)	(0.42)	(0.74)
Amount Written off as bad debts		-	(0.23)	-
Operating Profit before working capital change		**(97.57)**	**95.85**	**60.41**
Adjustments for Working Capital Changes:				
(Increase)/Decrease in Inventories		(357.29)	(73.11)	(107.76)
(Increase)/Decrease in Financial-Non-current assets		(12.37)	(0.94)	(1.37)
(Increase)/Decrease in Trade Receivables		41.67	(20.15)	(44.31)
(Increase)/Decrease in Other Financial asset		0.28	(3.97)	0.34
(Increase)/Decrease in Other current assets		(179.54)	(1.56)	(1.10)
Increase/(Decrease) in Trade payables		34.16	60.96	38.55
Increase/(Decrease) in Other-current Liabilities		14.32	1.24	7.89
Cash generated from Operations		**(556.35)**	**58.32**	**(47.37)**
Direct Taxes paid		(19.10)	(7.92)	(4.78)
Net Cash flow from Operating activities	**(A)**	**(575.45)**	**50.39**	**(52.15)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets including Intangible assets & CWIP		(181.63)	(25.49)	(43.60)
Interest & Rent received		2.93	4.72	5.84
Proceeds from sale of property, plant and equipment and disposal of assets		-	5.49	2.20
Proceeds from sale of Investment		-	0.43	-
Net cash used in Investing activities	**(B)**	**(178.69)**	**(14.85)**	**(35.56)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds / (repayment) of Equity Share Capital		10.90	-	-
Proceeds / (repayment) of Preference Share Capital		-	-	0.57
Proceeds / (repayment) of Security Premium		562.66	-	31.99
Proceeds of Borrowings		77.70	32.90	50.71
Repayment of Borrowings		(18.30)	(53.51)	(54.40)
Proceeds / (repayment) of Short-Term borrowings		164.50	19.79	69.18
Payment of Lease Liability		(12.51)	(10.32)	(8.79)
Finance Costs		(29.79)	(25.17)	(23.52)
Net cash (outflow)/inflow from financing activities	**(C)**	**755.16**	**(36.32)**	**65.74**
Net (decrease)/increase in cash and cash equivalents (A+B+C)		**1.02**	**(0.77)**	**(21.96)**

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Cash and cash equivalents at the beginning of the financial year	0.76	1.53	23.50
Cash and cash equivalents at the end of the year	**1.78**	**0.76**	**1.53**

a. Reconciliation of cash and cash equivalents as per the cash flow statement:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	1.78	0.76	1.53
Balance as per statement of cash flows	**1.78**	**0.76**	**1.53**

b. Reconciliation of changes in liabilities arising from financial activities

Particulars	As at 1-April-2025	Cashflows	Non Cash Change	As at 31-March-2026
Non Current Borrowings	50.73	44.70	-	95.43
Current Borrowings	224.29	179.20	-	403.50
Lease Liabilities	54.81	(12.51)	20.83	63.13
Total	**329.83**	**211.40**	**20.83**	**562.06**

Particulars	As at 1-April-2024	Cashflows	Non Cash Change	As at 31-March-2025
Non Current Borrowings	72.15	(21.42)	-	50.73
Current Borrowings	203.70	20.59	-	224.29
Lease Liabilities	59.88	(10.32)	5.25	54.81
Total	**335.73**	**(11.15)**	**5.25**	**329.83**

Particulars	As at 1-April-2023	Cashflows	Non Cash Change	As at 31-March-2024
Non Current Borrowings	62.02	10.13	-	72.15
Current Borrowings	148.34	55.36	-	203.70
Lease Liabilities	6.83	(8.79)	61.85	59.88
Total	**217.18**	**56.70**	**61.85**	**335.73**

The Above Statement should be read with Annexure V- Material Accounting policies and explanatory notes to Restated Financial Information.

As per our Report of even date
For SANMARKS & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-
(Santosh Kumar Agrawal)
Partner
FRN: 003343N, M. No.: 091127

Place: Faridabad
Date: July 23, 2026
UDIN: 26091127VWQRQH5935

For and on behalf of the Board of Directors

Sd/-
(Pankaj Rastogi)
Managing Director
(DIN: 11307172)

Sd/-
(Ajay Kumar)
Chief Financial Officer

Sd/-
(Amit Dhawan)
Director
(DIN 03031778)

Sd/-
(Sourabh Bansal)
Company Secretary
M. No. A49529

MV ELECTROSYSTEMS LIMITED
CIN: U31401HR2009PLC140536
Annexure-IV - Restated Statement of changes in equity
(All amounts in INR Million, unless otherwise stated)

A. Equity share capital		
Particulars	**Number of shares**	**Amount (In Million)**
As at March 31, 2023	**2,28,500**	**2.29**
Changes in equity share capital	70,86,700	70.87
As at March 31, 2024	**73,15,200**	**73.15**
Changes in equity share capital	18,24,800	18.25
As at March 31, 2025	**91,40,000**	**91.40**
Issue of Shares	10,89,600	10.90
Increase in No. of Shares pursuant to split from FV of Rs. 10 each Rs. 5 each	1,02,29,600	-
As at March 31, 2026	**2,04,59,200**	**102.30**

B. Compulsorily Convertible Preference Share capital (CCPS)		
Particulars	**Number of shares**	**Amount (In Million)**
As at March 31, 2023	**-**	**-**
Changes in CCPS Capital	57,025	0.57
As at March 31, 2024	**57,025**	**0.57**
Changes in CCPS Capital	(57,025)	(0.57)
As at March 31, 2025	**-**	**-**
Changes in CCPS Capital	-	-
As at March 31, 2026	**-**	**-**

C. Other equity			
Particulars	**Reserves and surplus**		
	Securities premium	**Retained earnings**	**Total**
Balance at March 31, 2023	**9.04**	**114.90**	123.94
Profit for the year	**-**	5.57	5.57
Other comprehensive income for the year	**-**	0.91	0.91
Total comprehensive income for the year	**-**	**6.48**	**6.48**
Transactions with owners in their capacity as owners			
Add: Amount received on issue of shares	31.99	**-**	31.99
Less: Amount utilized towards bonus issue of shares	**-**	(70.87)	(70.87)
Balance at March 31, 2024	**41.03**	**50.51**	**91.54**
Balance at March 31, 2024	**41.03**	**50.51**	**91.54**
Profit for the year	**-**	14.03	14.03
Other comprehensive income for the year	**-**	(0.20)	(0.20)
Total comprehensive income for the year	**-**	**13.84**	**13.84**
Transactions with owners in their capacity as owners			
Less: Amount utilized towards bonus issue of shares	-	(17.68)	(17.68)
Balance at March 31, 2025	**41.03**	**46.68**	**87.70**
Balance at March 31, 2025	**41.03**	**46.68**	**87.70**
Profit for the year	**-**	(126.29)	(126.29)
Other comprehensive income for the year	**-**	(0.66)	(0.66)
Total comprehensive income for the year	**-**	**(126.95)**	**(126.95)**
Transactions with owners in their capacity as owners			
Add: Amount received on issue of shares	585.12	-	585.12
Less: Brokerage paid	(22.45)	-	(22.45)
Balance at March 31, 2026	**603.69**	**(80.27)**	**523.41**

Nature and purpose of reserves

Securities Premium:

Where a company issue shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares is transferred to "Securities Premium Account" and the utilisation thereof is in accordance with the provisions of Section 52 of the Companies Act, 2013.

Retained Earnings: -

Retained Earnings (RE) are the accumulated portion of a business's profits that are not distributed as dividends to shareholders but instead are reserved for reinvestment back into the business. Normally, these funds are used for working capital and fixed asset purchases (capital expenditures) or allotted for paying off debt obligations.

Other Comprehensive Income: -

This reserve represents the cumulative gain/losses arising from measurement of the defined benefit obligations relating to gratuity, as per the requirement of IND AS-19 Employee Benefits.

As per our Report of even date
For SANMARKS & ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**
(Santosh Kumar Agrawal)	**(Pankaj Rastogi)**	**(Amit Dhawan)**
Partner	**Managing Director**	**Director**
FRN: 003343N, M. No.: 091127	**(DIN: 11307172)**	**(DIN 03031778)**
Place: Faridabad	**Sd/-**	**Sd/-**
Date: July 23, 2026	**(Ajay Kumar)**	**(Sourabh Bansal)**
UDIN: 26091127VWQRQH5935	**Chief Financial Officer**	**Company Secretary**
		M. No. A49529

MV ELECTROSYSTEMS LIMITED

Annexure V- Material accounting policies and explanatory notes to Restated Financial Information

(All amounts in Indian Rupees in million, unless otherwise stated)

1. **Corporate Information**

MV Electrosystems Limited ('the company') was originally incorporated as MV Electrosystems Private Limited on July 03, 2009, and was subsequently converted into a public limited company under the name MV Electrosystems Limited with effect from November 26, 2021. The registered office of the Company was shifted from 118/1, First Floor, Gali No. 2, Govindpuri, New Delhi – 110019 to 1207/89, 12th Floor, Hemkunt Chambers, Nehru Place, South Delhi, Delhi – 110019 with effect from August 13, 2025, and thereafter to Plot No. 7, Site No. 2, 14/3, Mathura Road, Faridabad, Haryana – 121003 with effect from December 12, 2025, which is also the corporate office of the Company from October 01, 2025.

2. The Company's Restated Financial Information for the years ended 31 March 2026, 31 March 2025, and 31 March 2024 were approved for issue by the Board of Directors, in accordance with resolution passed on July 23, 2026.

3. Material Accounting Policies

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) The financial statements of the company have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Investments are measured at fair value.
(ii) Defined benefit plan- plan assets measured at fair value.

The financial statements are presented in INR millions

These Statements have been prepared by the Management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, issued by the Securities and Exchange Board of India ('SEBI') on 11 September 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") for the purpose of inclusion in the Red Herring Prospectus ('RHP') in connection with its proposed initial public offering of equity shares of face value of Rs. 5 each of the Company comprising a fresh issue of equity shares (the "Offer"), prepared by the Company in terms of the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act, 2013(the "Act").

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time; and

(c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

a) The Restated Financial Information of the Company comprise of the Restated Statement of Assets and Liabilities as at, 31 March 2026, 31st March 2025 and 31 March 2024, Restated Statement of Profit and Loss (including Other Comprehensive Income) for the year ended 31 March 2026 and 31 March 2025 and 31 March 2024 and Restated Statement of Cash Flow and Restated Statement of Changes in Equity for the year ended 31March2026 and 31March 2025 and 31 March 2024, the Summary statement of Significant Accounting Policies and Notes to Restated Financial Information (collectively, the 'Restated Financial Information).

b) The Restated Financial Information have been compiled from:

a) Audited Special Purpose Financial Statements of the Company as at and for the year ended 31 March 2026, 31 March 2025 and 31 March 2024 prepared in accordance with the Indian Accounting Standards ('IndAS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013 which have been approved by the Board of Directors at their meeting held on July 23, 2026.

The financial statement for the period ended 31st March 2025 is the first set of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the transition date to IND AS is April 01, 2022. Upto the Financial year ended March 31, 2024; the Company prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014("Indian GAAP" or "Previous GAAP") due to which the Special purpose Ind AS financial statements were prepared for the purpose of Initial Public Offer (IPO).

The Special purpose Ind AS Financial Statements as at and for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101)consistent with that used at the date of transition to Ind AS (April 01, 2022) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the year ended 31st March, 2025.

c) In pursuance to ICDR Regulations, the Company is required to provide Financial Statements (FS) prepared in accordance with Indian Accounting Standard (Ind AS) for all the three years audited and certified by the statutory auditor(s) who holds a valid certificate by the Peer Review Board of the Institute of Chartered Accountants of India(ICAI).To comply with such requirements, the company has prepared special purpose Ind AS financial statements for the financial years ending March 31, 2026, March 31, 2025 and March 31, 2024.The special purpose Ind AS financial statements with required restatement have been included in the Restated Financial Information prepared for the purpose of filing the RHP.

d) The Restated Financial Information have been prepared to contain information/disclosures and incorporating adjustments set out below in accordance with the ICDR Regulations: -

(i) Adjustments to the profits or losses of the earlier periods for the changes in accounting policies if any to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods and of material errors, if any;

(ii) Adjustments for reclassification/regroupings of the corresponding items of income, expenses, assets and liabilities retrospectively in the years ended March 31, 2025, and March 31, 2024, in order to bring them in line with the groupings as per the Audited Financial statement of the Company for the period ended March 31st 2026 and the requirements of the SEBI Regulations, if any; and

e) Historical cost convention

The Restated Financial Information have been prepared on a historical cost basis

f) The Restated Financial Information 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.

b. **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, reported balances of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from

these estimates. Difference between actual result and estimates are recognised in the period in which the results are known/materialise.

c. **Current vs 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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting 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 liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d. Foreign currencies

The Company's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Transaction and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

e. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements.

Based on the Educational Material on Ind AS 18 issued by the ICAI, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected

on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.
The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from erection and services and revenue from job work is recognised as per the contractual terms and as and when services are rendered.

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

Rental Income
Rental income arising from operating leases on investment properties is accounted for on an actual basis and is included under the head “other income” in the statement of profit and loss

f. Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (q) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

g. Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the

underlying transaction either in OCI or directly in equity. 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.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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 utilised. 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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss in other comprehensive income. Deferred tax items are recognised in correlation to the underlying transaction in OCI.

h. Property, Plant and Equipment

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment **recognised as of April 1, 2022** (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as at the transition date.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. All the property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised 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 recognised in profit or loss as incurred.

In case of other assets, depreciation has been provided on written down value method on the economic useful life prescribed by Schedule II to the Companies Act'2013. Depreciation on addition to or on disposal of Fixed Asset is calculated on pro rata basis.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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.

i. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Amortisation of the finite intangible assets is allocated on systematic basis over the best estimate of their useful life and accordingly softwares are amortised on straight line basis over the period of six years or license period whichever is lower.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised. The Company has no intangible assets with an indefinite life.

j. Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost, including related transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The Investment Property consists of Land and Building and as land in a non-depreciable asset so Based on technical evaluation and consequent advice, the management believe that only building will be depreciated over a period of 30 years on written down value basis.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment property is derecognised either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

The cost of investment property at 1 April 2022, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

k. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a. Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Particulars	Useful life (years)
Leasehold Land and Building	5-10

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

b. Lease Liabilities

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

c. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of land, building, machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

d. Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

m. Inventories

Inventories are valued as follows: -

Raw materials, Stores, Spares, Other Materials and Traded Goods including packing material: -

Lower of cost and net realizable value. However, materials and other supplies 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. Cost is determined on FIFO basis.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods: -

Lower of cost and net realizable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on FIFO basis.

Work in Progress: -

Work in Progress is valued at the lower of actual cost incurred or net realizable value. Cost includes direct materials, labour and proportionate overheads.

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.

n. 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 is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount 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. When 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.

o. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a pre-tax rate that reflects when appropriate, the risks specific to the liability.

p. Retirement and other employee benefits

(i) Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(ii) Gratuity is a defined benefit plan and provision is being made on the basis of actuarial valuation carried out by an independent actuary at the year-end using 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 and the return on plan assets (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:
► The date of the plan amendment or curtailment, and
► The date that the Group recognises related restructuring costs
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
► Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
► Net interest expense or income

Compensated Absences

Accumulated leave which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures 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 treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to statement of Profit and Loss in the period in which they occur.

q. 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
► Debt instruments at amortised cost
► Debt instruments at fair value through other comprehensive income (FVTOCI)
► Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
► Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised 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 the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income 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 P&L, 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 P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

► 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 (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets. The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that 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 a 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 entity reverts to recognising impairment loss allowance based on 12-month 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
► 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 (P&L). This amount is reflected under the head 'other expenses' in the P&L.

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, trade and other payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit and financial guarantee contracts.

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 hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in 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 risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through Statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

r. Derivative financial instruments

The Company does not use derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks respectively. Any gains or losses arising from changes in the foreign currency rates are taken directly to profit or loss in the year of realization /payment

s. Fair Value measurement

The Company measures financial instruments, such as, investment 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 the 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 a 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.

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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.

t. Contingent liability

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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions and contingent liabilities are reviewed at each balance sheet date.

u. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

v. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
Diluted earnings per share when applicable are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares when applicable are deemed converted as of the beginning of the period, unless they have been issued at a later date.

4. Significant accounting judgements, estimates and assumptions: -

The preparation of the Company's financial statements requires management to make judgements, 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 assets or liabilities affected in future periods.

Judgements: - In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements

Determining the lease term of contracts with renewal and termination options - Company as lessee The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has a 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.

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 that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans: -

The cost of the defined benefit plans and other employment benefits and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation 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. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country

Further details about defined benefit obligations are provided in Note 37.

Taxes: -

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

5. Recent Accounting Pronouncements:

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has amendments primarily focused on liability classification (Ind AS 1), new disclosure norms for supplier financing (Ind AS 7/107), and global tax rules (Ind AS 12). These amendments to the existing standards are not expected to have a material impact on the company during the current financial year.

MV ELECTROSYSTEMS LIMITED

CIN: U31401HR2009PLC140536

Annexure VI- Notes to Restated Financial Information

(All amounts in INR Million, unless otherwise stated)

Note 2:

Property, plant and equipment							
a) TANGIBLE ASSETS	**Freehold Land**	**Freehold Buildings**	**Plant & Machinery**	**Motor Vehicles**	**Office Equipment/ Furniture**	**Computer**	**Total**
Period Ended March 31, 2024							
Gross carrying amount							
Opening gross carrying amount	-	0.24	107.49	34.94	11.72	8.22	162.61
Additions	-	-	9.31	7.25	3.28	1.98	21.82
Disposals	-	-	(5.58)	-	-	-	(5.58)
Closing gross carrying amount	**-**	**0.24**	**111.22**	**42.19**	**15.00**	**10.20**	**178.85**
Accumulated depreciation							
Opening accumulated depreciation	-	0.15	58.72	22.71	7.12	7.15	95.84
Depreciation charge for the year	-	0.01	9.99	3.93	1.76	1.30	16.99
Disposals	-	-	(2.58)	-	-	-	(2.58)
Closing accumulated depreciation	**-**	**0.16**	**66.13**	**26.64**	**8.87**	**8.45**	**110.25**
Closing net carrying amount	**-**	**0.08**	**45.08**	**15.55**	**6.12**	**1.75**	**68.59**
Period Ended March 31, 2025							
Gross carrying amount							
Opening gross carrying amount	-	0.24	111.22	42.19	15.00	10.20	178.85
Additions	-	-	1.46	20.21	0.53	1.34	23.54
Disposals	-	-	-	(19.06)	-	-	(19.06)
Closing gross carrying amount	**-**	**0.24**	**112.67**	**43.34**	**15.53**	**11.54**	**183.33**
Accumulated depreciation							
Opening accumulated depreciation	-	0.16	66.13	26.64	8.87	8.45	110.25
Depreciation charge for the year	-	0.01	9.57	7.58	1.83	1.37	20.36
Disposals	-	-	-	(15.20)	-	-	(15.20)
Closing accumulated depreciation	**-**	**0.16**	**75.70**	**19.02**	**10.71**	**9.82**	**115.41**
Closing net carrying amount	**-**	**0.08**	**36.97**	**24.32**	**4.82**	**1.72**	**67.92**
Period Ended March 31, 2026							
Gross carrying amount							
Opening gross carrying amount	-	0.24	112.67	43.34	15.53	11.54	183.33

Property, plant and equipment							
a) TANGIBLE ASSETS	**Freehold Land**	**Freehold Buildings**	**Plant & Machinery**	**Motor Vehicles**	**Office Equipment/ Furniture**	**Computer**	**Total**
Additions	-	-	154.10	8.66	0.51	0.83	164.10
Disposals	-	-	-	(0.05)	-	-	(0.05)
Closing gross carrying amount	**-**	**0.24**	**266.78**	**51.95**	**16.04**	**12.37**	**347.38**
Accumulated depreciation							
Opening accumulated depreciation	-	0.16	75.70	19.02	10.71	9.82	115.41
Depreciation charge for the year	-	0.01	8.52	7.54	1.42	1.02	18.50
Disposals	-	-	-	(0.05)	-	-	(0.05)
Closing accumulated depreciation	**-**	**0.17**	**84.22**	**26.51**	**12.12**	**10.84**	**133.86**
Closing net carrying amount	**-**	**0.07**	**182.56**	**25.44**	**3.91**	**1.53**	**213.52**

b) INVESTMENT PROPERTY	**Freehold Land**	**Freehold Buildings**	**Plant & Machinery**	**Motor Vehicles**	**Office Equipment /Furniture**	**Computer**	**Total**
Period Ended March 31, 2024							
Gross carrying amount							
Opening gross carrying amount	63.60	-	-	-	-	-	63.60
Additions	-	54.85	-	-	-	-	54.85
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	**63.60**	**54.85**	**-**	**-**	**-**	**-**	**118.45**
Accumulated depreciation							
Opening accumulated depreciation	-	-	-	-	-	-	-
Depreciation charge for the year	-	4.12	-	-	-	-	4.12
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	**-**	**4.12**	**-**	**-**	**-**	**-**	**4.12**
Closing net carrying amount	**63.60**	**50.73**	-	-	-	**-**	**114.33**
Period Ended March 31, 2025							
Gross carrying amount							
Opening gross carrying amount	63.60	54.85	-	-	-	-	118.45
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	**63.60**	**54.85**	**-**	**-**	**-**	**-**	**118.45**

b) INVESTMENT PROPERTY	Freehold Land	Freehold Buildings	Plant & Machinery	Motor Vehicles	Office Equipment /Furniture	Computer	Total
Accumulated depreciation							
Opening accumulated depreciation	-	4.12	-	-	-	-	4.12
Depreciation charge for the year	-	4.82	-	-	-	-	4.82
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	**-**	**8.94**	**-**	**-**	**-**	**-**	**8.94**
Closing net carrying amount	**63.60**	**45.91**	-	-	-	-	**109.51**
Period Ended March 31, 2026							
Gross carrying amount							
Opening gross carrying amount	63.60	54.85	-	-	-	-	118.45
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	**63.60**	**54.85**	**-**	**-**	**-**	**-**	**118.45**
Accumulated depreciation							
Opening accumulated depreciation	-	8.94	-	-	-	-	8.94
Depreciation charge for the year	-	4.36	-	-	-	-	4.36
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	**-**	**13.31**	**-**	**-**	**-**	**-**	**13.31**
Closing net carrying amount	**63.60**	**41.55**	-	-	-	-	**105.15**

c) CAPITAL WORK IN PROGRESS	Freehold Land	Freehold Buildings	Plant & Machinery	Motor Vehicles	Office Equipment/ Furniture	Computer	Total
Period Ended March 31, 2024							
Gross carrying amount							
Opening gross carrying amount	-	33.31	-	-	-	-	33.31
Additions	-	9.27	-	**-**	-	-	9.27
Disposals	-	(42.58)	-	-	**-**	**-**	(42.58)
Closing gross carrying amount	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation							
Opening accumulated depreciation	-	-	-	-	-	-	-
Depreciation charge for the year	**-**	-	-	-	-	-	-
Disposals	**-**	**-**	**-**	-	**-**	**-**	-
Closing accumulated depreciation	**-**	**-**	**-**	**-**	**-**	**-**	**-**

c) CAPITAL WORK IN PROGRESS	**Freehold Land**	**Freehold Buildings**	**Plant & Machinery**	**Motor Vehicles**	**Office Equipment/ Furniture**	**Computer**	**Total**
Closing net carrying amount	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Period Ended March 31, 2025							
Gross carrying amount							
Opening gross carrying amount	-	-	-	-	-	-	-
Additions	-	**-**	-	**-**	-	-	-
Disposals	**-**	**-**	**-**	-	**-**	**-**	-
Closing gross carrying amount	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation							
Opening accumulated depreciation	-	-	-	-	-	-	-
Depreciation charge for the year	**-**	-	-	-	-	-	-
Disposals	**-**	**-**	**-**	-	**-**	**-**	-
Closing accumulated depreciation	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Closing net carrying amount	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Period Ended March 31, 2026							
Gross carrying amount							
Opening gross carrying amount	-	-	-	-	-	-	-
Additions	-	**-**	15.65	**-**	-	-	15.65
Disposals	**-**	**-**	**-**	-	**-**	**-**	-
Closing gross carrying amount	**-**	**-**	**15.65**	**-**	**-**	**-**	**15.65**
Accumulated depreciation							
Opening accumulated depreciation	-	-	-	-	-	-	-
Depreciation charge for the year	**-**	-	-	-	-	-	-
Disposals	**-**	**-**	**-**	-	**-**	**-**	-
Closing accumulated depreciation	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Closing net carrying amount	**-**	**-**	**15.65**	**-**	**-**	**-**	**15.65**

Capital Work In progress ageing schedule*

As on March 31, 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	
Construction under Progress	9.27	33.31	-	-	**42.58**
Total	9.27	33.31	-	-	**42.58**

* the CWIP during the period 2023-24 was related to Land and Building located at Nangla Bhiku Palwal and the construction of the same has already been completed on May 2023 and the same has been capitalised as Investment property on 01.06.2023

Capital Work In progress ageing schedule*

As on March 31, 2026	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	
Construction under Progress	15.65	33.31	-	-	**15.65**
Total	**15.65**	33.31	-	-	**15.65**

Breakup of Expenditure Capitalised as CWIP

Sr. No.	Particulars	2025-26
a)	Cost of Plant machinery and Equipment including Freight inward.	11.31
b)	Professional and Technical Services received related to Machinery	2.57
c)	Travelling Expense	1.77
	TOTAL	**15.65**

d) INTANGIBLE ASSETS WORK IN PROGRESS		
	Software	**Total**
Period Ended March 31, 2024		
Gross carrying amount		
Opening gross carrying amount	7.48	**7.48**
Additions	-	**-**
Disposals	-	**-**
Closing gross carrying amount	**7.48**	**7.48**
Accumulated amortization		
Opening accumulated amortization	-	**-**
Amortization charge for the year	-	**-**
Disposals	-	**-**
Closing accumulated amortization	-	**-**
Closing net carrying amount	**7.48**	**7.48**
Period Ended March 31, 2025		
Gross carrying amount		
Opening gross carrying amount	7.48	7.48
Additions	1.95	1.95
Disposals	(7.48)	(7.48)
Closing gross carrying amount	**1.95**	**1.95**
Accumulated amortization		
Opening accumulated amortization	-	**-**
Amortization charge for the year	-	**-**
Disposals	-	**-**
Closing accumulated amortization	-	**-**
Closing net carrying amount	**1.95**	**1.95**
Period Ended March 31, 2026		
Gross carrying amount		

d) INTANGIBLE ASSETS WORK IN PROGRESS		
	Software	**Total**
Opening gross carrying amount	1.95	1.95
Additions	1.88	1.88
Disposals	-	-
Closing gross carrying amount	**3.83**	**3.83**
Accumulated amortization		
Opening accumulated amortization	-	-
Amortization charge for the year	-	-
Disposals	-	-
Closing accumulated amortization	-	-
Closing net carrying amount	**3.83**	**3.83**

Intangible Assets under development ageing schedule

As on March 31, 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	-	-	-	-	**-**
Projects temporarily suspended	-	-	-	7.48	**7.48**
Total	-	-	-	**7.48**	**7.48**

As on March 31, 2025	**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	1.95	-	-	-	**1.95**
Projects temporarily suspended	-	-	-	-	**-**
Total	**1.95**	-	-	-	**1.95**

As on March 31, 2026	**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	1.88	1.95	-	-	**3.83**
Projects temporarily suspended	-	-	-	-	**-**
Total	**1.88**	**1.95**	**-**	**-**	**3.83**

Breakup of Expenditure Capitalized as Intangible Assets WIP

Sr. No.	**Particulars**	**2023-24**	**2024-25**	**2025-26**
a)	Research Cost of project	-	-	-
b)	ERP Under development	-	1.95	1.88
	TOTAL	-	**1.95**	**1.88**

Intangible Assets – Work in Progress

Sr. No.	**Particulars**	
a)	Nature of Project	ERP Under development
b)	Carrying Amount (In INR)	38,25,003
c)	Stage of development	In Early Design Phase
d)	Accounting impact	The same has been capitalised as Intangible Assets WIP

e) INTANGIBLE ASSETS	Software	Total
Period Ended March 31, 2024		
Gross carrying amount		
Opening gross carrying amount	7.75	7.75
Additions	0.25	0.25
Disposals	-	-
Closing gross carrying amount	**8.00**	**8.00**
Accumulated amortization		
Opening accumulated amortization	6.81	6.81
Amortization charge for the year	0.57	0.57
Disposals	-	-
Closing accumulated amortization	**7.38**	**7.38**
Closing net carrying amount	**0.62**	**0.62**
Period Ended March 31, 2025		
Gross carrying amount		
Opening gross carrying amount	8.00	8.00
Additions	-	-
Disposals	-	-
Closing gross carrying amount	**8.00**	**8.00**
Accumulated amortization		
Opening accumulated amortization	7.38	7.38
Amortization charge for the year	0.17	0.17
Disposals	-	-
Closing accumulated amortization	**7.55**	**7.55**
Closing net carrying amount	**0.45**	**0.45**
Period Ended March 31, 2026		
Gross carrying amount		
Opening gross carrying amount	8.00	8.00
Additions	-	-
Disposals	-	-
Closing gross carrying amount	**8.00**	**8.00**
Accumulated amortization		
Opening accumulated amortization	7.55	7.55
Amortization charge for the year	0.10	0.10
Disposals	-	-
Closing accumulated amortization	**7.65**	**7.65**
Closing net carrying amount	**0.35**	**0.35**

f) RIGHT OF USE ASSETS		
	Land and building	**Total**
Period Ended March 31, 2024		
Gross carrying amount		
Opening gross carrying amount	30.89	30.89
Additions	61.70	61.70
Disposals	-	-
Closing gross carrying amount	**92.59**	**92.59**
Accumulated Depreciation		
Opening accumulated Depreciation	25.74	25.74
Depreciation charge for the year	6.71	6.71
Disposals	-	-
Closing accumulated Depreciation	**32.45**	**32.45**
Closing net carrying amount	**60.14**	**60.14**

f) RIGHT OF USE ASSETS		
	Land and building	**Total**
Period Ended March 31, 2025		
Gross carrying amount		
Opening gross carrying amount	92.59	92.59
Additions	-	-
Disposals	-	-
Closing gross carrying amount	**92.59**	**92.59**
Accumulated Depreciation		
Opening accumulated Depreciation	32.45	32.45
Depreciation charge for the year	9.37	9.37
Disposals	-	-
Closing accumulated Depreciation	**41.82**	**41.82**
Closing net carrying amount	**50.77**	**50.77**
Period Ended March 31, 2026		
Gross carrying amount		
Opening gross carrying amount	92.59	92.59
Additions	15.84	15.84
Disposals	-	-
Closing gross carrying amount	**108.43**	**108.43**
Accumulated Depreciation		
Opening accumulated Depreciation	41.82	41.82
Depreciation charge for the year	10.69	10.69
Disposals	-	-
Closing accumulated Depreciation	**52.52**	**52.52**
Closing net carrying amount	**55.91**	**55.91**

a) Title Deeds of Immovable properties are held in the name of the Company
b) There are no adjustments to Property, Plant and Equipment on account of borrowing costs and exchange differences except Investment property.
c) Accumulated Depreciation and Net carrying value as at 01st April 2023 has been taken from Audited balance sheet as at 31.03.2023.
d) During the FY 2022-23 the company has acquired a property in Village Nangla Bhiku palwal and the construction for the same was completed in June 2023.The Property was not used by the Company for its business and lease out to third party so it was decided that the property will be treated as Investment property as per IND AS-40

e) Amounts recognised in profit or loss regarding Investment Property

Particulars	**31.03.2026**	**31.03.2025**	**31.03.2024**
Rental Income	2.40	4.50	5.60
Depreciation Expenses Recognised	4.36	4.82	4.12
Net Income/(Expenses)	**(1.96)**	**(0.32)**	**1.48**

Description	**Gross Carrying Value as at 01st April 2023**	**Accumulated Depreciation upto 01st April 2023**	**Net-Carrying Value as at 01st April 2023**
Freehold Land	-	-	-
Freehold Buildings	0.24	0.15	0.09
Plant & Machinery	107.49	58.72	48.77
Motor Vehicles	34.94	22.71	12.23
Office Equipment/Furniture	11.72	7.12	4.60
Computer	8.22	7.15	1.07
TOTAL	**162.61**	**95.84**	**66.76**

Note 3

Deferred tax assets/(liabilities) (net)

The balance comprises temporary differences attributable to:

	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Deferred tax assets			
'Property, plant and equipment and other intangible assets - depreciation, impairment and amortisation	-	5.88	5.30
Provision for employee benefits	1.59	1.21	0.48
Lease liabilities	4.07	2.87	2.45
Disallowance of Expenses u/s 43B	10.43	10.62	2.77
Carry forward Business Loss and Unabsorbed depreciation	46.21		
Total deferred tax assets (A)	**62.30**	**20.59**	**11.00**
Deferred tax liabilities			
'Property, plant and equipment and other intangible assets - depreciation, impairment and amortisation	0.57	-	-
Lease liabilities	3.25	4.03	2.14
Total deferred tax liabilities (B)	**3.82**	**4.03**	**2.14**
Deferred tax assets/(liabilities) (net) (A-B)	**58.48**	**16.56**	**8.85**

(i) Deferred tax assets have been recognized to the extent of available and reasonable certainty of future taxable profits which will be available against which temporary differences can be utilised.

Note 4

Investment	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Investment in Gold Bonds	-	-	0.35
Total Other Non-Current Assets	**-**	-	**0.35**
Aggregate value of Quoted Investment	-	-	0.35
Aggregate value of Unquoted Investment	**-**	**-**	**-**

Note: Transition to Ind AS – Change in Measurement of Investments
Under previous Indian GAAP, the Company classified investments (such as sovereign gold bonds) as long-term or current investments and measured them at cost

In accordance with Ind AS 109 – *Financial Instruments*, these investments are now classified and measured as follows:

Sovereign Gold Bonds: Classified as Fair Value Through Profit or Loss (FVTPL) – due to failure of the SPPI (Solely Payments of Principal and Interest) test. As a result of this change in accounting policy, the Company has recognized fair value gains of ₹ 1,10,270/- as at the transition date [i.e. 1 April 2022], with the corresponding income from 'Fair value gain on Sovereign Gold Bonds under other income.

Reconciliation of Investments – Previous GAAP to Ind AS

Particulars	Amount (₹)' In million as on 31.3.2023	Amount (₹)' In million as on 31.03.2024	Amount (₹)' In million as on 31.03.2025
Carrying amount under Previous GAAP	0.26	0.30	0.35

Fair value adjustment (Net gain)	0.04	0.05	0.09
Sales made during the year	-	-	0.43
Carrying amount under Ind AS/ Sale value	0.30	0.35	-

The fair value of financial instruments is determined using quoted market prices where available (Level 1), and where such prices are not available, valuation techniques are used (Level 2 or 3).

Investments were sold during the FY 2024-25 for Rs. 0.43 million.

Note 5

Other Financial Assets	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Non-current			
Security deposits			
Unsecured, Considered good	7.13	3.91	3.77
Deposits account with bank maturity more than 12 months	7.26	5.41	4.60
Total Other Financial Assets	**14.40**	**9.32**	**8.38**

Note 6

Other Non-Current Assets	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Non-current			
Advance to supplier against capital goods	7.17	-	-
Total Other Non-Current Assets	**7.17**	**-**	**-**

Note 7

Inventories	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Raw Materials and Consumables	564.17	217.46	180.90
Work-in-progress	68.42	38.46	29.33
Finished Goods	42.25	37.36	34.22
Goods In Transit	-	24.28	-
Total Inventories	**674.85**	**317.56**	**244.45**

7.1 Inventories are valued at cost or net realisable value whichever is lower except for Raw Materials which are carried at cost where the finished goods in which they will be incorporated are expected to be sold at or above cost.

Raw Materials, Ancillary Raw Materials and Stores & Spares

Cost comprises the cost of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), freight inward and other costs directly attributable to bringing the inventories to their present location and condition. The cost of Ancillary Raw Materials and Stores & Spares is determined using the First-In First-Out (FIFO) method.

Work-in-Progress

Cost of Work-in-Progress comprises the cost of raw materials consumed, direct labour and an appropriate allocation of variable and fixed production overheads incurred in bringing the inventories to their present stage of completion.

Finished Goods

Cost of Finished Goods comprises the cost of raw materials, direct labour and an appropriate allocation of variable and fixed production overheads incurred in bringing the inventories to their present location and condition. Finished Goods are valued at the lower of cost and net realisable value**.**

Note 8

Trade receivables	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Unsecured, considered good	104.50	146.16	126.01
Less: Expected Credit Loss*	(0.44)	(0.42)	(0.07)
Total trade receivables	**104.06**	**145.74**	**125.94**
Non-Current			
Secured, Considered Good	-	-	-
Unsecured Considered Good	-	-	-
Doubtful	0.24	0.24	0.24
Total trade receivables	**0.24**	**0.24**	**0.24**

*The allowance for bad & doubtful debts (for impairment of trade receivable) has been made on the basis of Expected Credit Loss (ECL) Method based on management's judgement. To the extent of ECL provision, the trade receivables have been classified as doubtful and the remaining have been considered as good.

** In accordance with the company's accounting policy, the ageing of trade receivables is determined based on the bill date of the respective invoices. The bill date is considered the due date for payments, and ageing is calculated accordingly.

Note: Transition to Ind AS – Change in Measurement of Trade receivables

In accordance with Ind AS 109 – Financial Instruments, the Company is required to recognize an expected credit loss (ECL) allowance on its Trade Receivables measured at amortized cost. Under the previous Indian GAAP, the Company applied the incurred loss model for recognising impairment on financial assets. As part of the transition to Ind AS (as per Ind AS 101), the Company has applied the ECL model retrospectively from the transition date, i.e., 1 April 2022. and recognized the resulting impact in retained earnings as at that date.

The application of the ECL model resulted in an additional impairment allowance of ₹ 73,866/- being recognized on Trade receivables as at 1 April 2022. This adjustment has been made through retained earnings in the opening balance sheet as part of the Ind AS transition.

8.1 Trade Receivable ageing (As on 31st March 2026)

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More Than 3 years	Total
i) Undisputed Trade receivables – considered good	-	-	99.93	2.70	0.11	1.72	0.05	**104.50**
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-		**-**
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-		**-**
iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-		**-**
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-		**-**
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-		**-**
vii) Undisputed Trade receivables – considered good-Non-Current	-	-	-	-	-	0.24	-	**0.24**
viii) Expected Credit Loss	-	-	-	-	-	-	-	**(0.44)**

8.2 Trade Receivable ageing (As on 31st March 2025)

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More Than 3 years	Total
i) Undisputed Trade receivables – considered good	-	-	98.08	19.76	28.28	0.05	-	**146.16**
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
vii) Undisputed Trade receivables – considered good-Non-Current	-	-	-	-	0.24	-	-	**0.24**
viii) Expected Credit Loss	-	-	-	-	-	-	-	**(0.42)**

8.3 Trade Receivable ageing (As on 31st March 2024)

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More Than 3 years	Total
i) Undisputed Trade receivables – considered good	-	-	125.12	0.75	0.07	-	0.07	**126.01**
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
vii) Undisputed Trade receivables – considered good-Non Current	-	-	-	0.24	-	-	0.01	**0.24**
viii) Expected Credit Loss	-	-						**(0.07)**

Note 9

(a) Cash and cash equivalents	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.76	0.35	0.63
Balance with banks in current accounts	1.02	0.41	0.91
Total cash and cash equivalents	**1.78**	**0.76**	**1.53**

(b) Bank balances other than cash and cash equivalents			
- Deposits account with bank maturity less than 12 months	-	-	-
Total bank balances other than cash and cash equivalents	-	-	-

Note 10

Other current financial assets	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Security deposits			
Unsecured, considered good	-	0.02	0.02
Other receivables (unsecured, considered good)			
Earnest Money (Railway)	5.08	5.34	1.37
Total other current financial assets	**5.08**	**5.36**	**1.39**

Note 11

Other current assets	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Advance to Suppliers	74.40	6.52	9.14
Advance to Employees	0.49	0.33	0.47
IPO Expenses	20.04	1.50	-
Balances with government authorities			
GST	98.10	4.83	2.40
Refund Due	-	0.25	0.25
TDS recoverable from NBFC	-	0.12	0.12
Prepaid expenses	1.54	1.41	1.14
Imprest Accounts	0.04	0.11	-
Total other current assets	**194.61**	**15.07**	**13.50**

Note 12

Share capital	Number	As at March 31, 2026	Number	As at March 31, 2025	Number	As at March 31, 2024
Authorised equity share capital						
Equity shares of INR 5 each	2,98,80,000	149.40	-	-	-	-
Equity shares of INR 10 each	-	-	1,49,40,000	149.40	99,40,000	99.40
CCPS of INR 10 each	60,000	0.60	60,000	0.60	60,000	0.60
Issued, Subscribed and Paid-up share capital						
Issue of equity share capital						
Equity shares of INR 5 each	2,04,59,200	102.30	-	-	-	-
Equity shares of INR 10 each	-	-	91,40,000	91.40	73,15,200	73.15
CCPS of INR 10 each	-	-	-	-	57,025	0.57
Reconciliation of the number of shares outstanding						
Equity shares at the beginning of the year (Face Value INR 10)	91,40,000	91.40	73,15,200	73.15	2,28,500	2.29
Issued during the year	10,89,600	10.90	18,24,800	18.25	70,86,700	70.87
CCPS issued during the year	-	-	-	-	57,025	0.57
Total	**1,02,29,600**	**102.30**	**91,40,000**	**91.40**	**73,72,225**	**73.72**
After Split of shares from FV of Rs. 10 each to FV of Rs. 5 each						
No. of shares at the beginning of the year (Face Value of INR 5)	1,82,80,000	91.40	-	-	-	-
Issued during the year	21,79,200	10.90	-	-	-	-
Total	**2,04,59,200**	**102.30**	**91,40,000**	**91.40**	**73,72,225**	**73.72**

Terms / Rights attached to equity shares

a) The Company has a single class of Equity Shares having a par value of INR 5 per share (Previous Year INR 10 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

b) The Company has not declared any dividend during the period.

c) In the event of liquidation of the company, the holders of equity share will be eligible 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 shareholders.

d) All the equity shares issued by the Company are fully paid-up and rank pari passu in all respects.

e) The company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestments.

f) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared
i) The company has not allotted any fully paid-up shares pursuant to the contract(s) without payment being received in cash.
ii) The company has alloted fully paid-up shares in the ratio of 31 shares for every share held by the shareholder in the Company by way of bonus shares during the FY 2023-24.
iii) The company has not bought back any class of shares

g) During the year, the Company issued 456,100 equity shares on 25th August 2025 at an issue price of ₹547 per share aggregating to ₹24,94,86,700/- and 633,500 equity shares on 01st October 2025 at an issue price of ₹547 per share aggregating to ₹34,65,24,500/-. The aggregate consideration received on issue of the above shares amounted to ₹59,60,11,200/-. The excess of issue price over face value i.e. ₹537 per share amounting to ₹58,51,15,200 has been credited to Securities Premium.

Subsequently, the Company subdivided its equity shares from face value of ₹10 each to ₹5 each on 05th November 2025. Accordingly, the number of equity shares increased from 1,02,29,600 to 2,04,59,200. There is no change in the total paid-up share capital of the Company.

Terms / Rights attached to Compulsory Convertible Preference shares

a) The Company has issued Compulsory Convertible Preference Shares (CCPS) in accordance with the terms and conditions as approved by the Board and Shareholders in connection with investment.

b) The CCPS will convert into equity shares at a conversion ratio of one equity shares for every CCPS held.

c) In the event of liquidation, the CCPS holders have a preference over equity shareholders, and shall be entitled to receive a liquidation preference of the nominal value of the CCPS or their paid-up value, before any distribution is made to equity shareholders.

d) The CCPS do not carry voting rights whereas Upon conversion to equity shares, CCPS holders will have the same voting rights as the holders of common equity shares.

e) The Company has converted its CCPS into equity Shares during FY 2024-25 having face value of Rs. 10 each and also alloted bonus shares in the ratio of 1:31 to them.

(ii) Details of shareholders holding more than 5% shares in the company

Particulars	Class of Shares	As at March 31, 2026		As at March 31, 2025		As at March 31, 2024	
		Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Mohit Vohra	Equity	60,36,108	29.50%	18,51,520	20.26%	18,51,520	25.31%
Anu Vohra	Equity	-	-	18,52,160	20.26%	18,52,160	25.32%
Sonali Dhawan	Equity	14,62,632	7.15%	24,37,120	26.66%	24,37,120	33.32%
Rahul Dhawan	Equity	20,01,160	9.78%	11,69,280	12.79%	11,69,280	15.98%
Amit Dhawan	Equity	11,66,086	5.70%	640	0.01%	640	0.01%
Sumit Dhawan	Equity	14,13,934	6.91%	-	-	-	-
Ramendra Pratap Singh	Equity	18,31,232	8.95%	9,15,616	10.02%	3,200	0.04%
Sangeeta Singh	Equity	18,24,768	8.92%	9,12,384	9.98%	-	-
Madhuri Madhusudan Kela	Equity	11,50,000	5.62%	-	-	-	-
Ramendra Pratap Singh	CCPS	-	-	-	-	28,513	50.00%
Sangeeta Singh	CCPS	-	-	-	-	28,512	50.00%

(iii) Shareholding of Promoter at the end of the year

As at March 31, 2026

Promoter Name	No. of Shares as on 31.03.2025	% of Total Share	No. of Shares as on 31.03.2026	% of Total Share	% Change during the year
Mohit Vohra	18,51,520	20.26%	60,36,108	29.50%	9.25%
Anu Vohra	18,52,160	20.26%	-	0.00%	(20.26%)
Sonali Dhawan	24,37,120	26.66%	14,62,632	7.15%	(19.52%)
Rahul Dhawan	11,69,280	12.79%	20,01,160	9.78%	(3.01%)
Amit Dhawan	640	0.01%	11,66,086	5.70%	5.69%
Sumit Dhawan	-	-	14,13,934	6.91%	6.91%
Ranveer Vohra	640	0.01%	-	-	(0.01%)
Avinash Mehta	640	0.01%	1,280	0.01%	-

As at March 31, 2025

Promoter Name	No. of Shares as on 31.03.2024	% of Total Share	No. of Shares as on 31.03.2025	% of Total Share	% Change during the year
Mohit Vohra	18,51,520	25.31%	18,51,520	20.26%	(5.05%)
Anu Vohra	18,52,160	25.32%	18,52,160	20.26%	(5.06%)
Sonali Dhawan	24,37,120	33.32%	24,37,120	26.66%	(6.65%)
Rahul Dhawan	11,69,280	15.98%	11,69,280	12.79%	(3.19%)
Amit Dhawan	640	0.01%	640	0.01%	-
Ranveer Vohra	640	0.01%	640	0.01%	-
Avinash Mehta	640	0.01%	640	0.01%	-

As at March 31, 2024

Promoter Name	No. of Shares as on 31.03.2023	% of Total Share	No. of Shares as on 31.03.2024	% of Total Share	% Change during the year
Mohit Vohra	57,860	25.32%	18,51,520	25.31%	(0.01%)
Anu Vohra	57,880	25.33%	18,52,160	25.32%	(0.01%)
Sonali Dhawan	76,160	33.33%	24,37,120	33.32%	(0.01%)
Rahul Dhawan	36,540	15.99%	11,69,280	15.98%	(0.01%)
Amit Dhawan	20	0.01%	640	0.01%	-
Ranveer Vohra	20	0.01%	640	0.01%	-
Avinash Mehta	20	0.01%	640	0.01%	-

Note 13

Other equity			
Reserves and Surplus	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Securities premium	603.69	41.03	41.03
Retained earnings	(80.90)	45.38	49.02
Other Comprehensive Income	0.63	1.29	1.49
Total reserves and surplus	**523.41**	**87.70**	**91.54**
(i) Securities premium			
Opening balance	41.03	41.03	9.04
Amount received on issue of shares	585.12	-	31.99
Less: Brokerage paid	(22.45)		
Closing balance	**603.69**	**41.03**	**41.03**
(ii) Retained earnings			
Opening balance	45.38	49.02	114.32
Profit for the year	(126.29)	14.03	5.57
Less: Amount utilized towards bonus issue of shares	-	(17.68)	(70.87)
Closing balance	**(80.90)**	**45.38**	**49.02**
(iii) Other Comprehensive Income			
Opening balance	1.29	1.49	0.58
Item that will not be reclassified to profit or loss	(0.90)	(0.27)	1.26
Income tax relating to item that will not be reclassified to profit or loss	0.23	0.08	(0.35)
Closing balance	**0.63**	**1.29**	**1.49**

Securities premium

Where a company issue shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares is transferred to "Securities Premium Account" and the utilisation thereof is in accordance with the provisions of Section 52 of the Companies Act, 2013.

Retained Earnings

Retained Earnings (RE) are the accumulated portion of a business's profits that are not distributed as dividends to shareholders but instead are reserved for reinvestment back into the business. Normally, these funds are used for working capital and fixed asset purchases (capital expenditures) or allotted for paying off debt obligations.

Other Comprehensive Income

This reserve represents the cumulative gain/losses arising from measurement of the defined benefit obligations relating to gratuity, as per the requirement of IND AS-19 Employee Benefits

Note 14

	Borrowings			
a)	**Long Term Borrowings**			
		As at March 31, 2026	**As at March 31, 2025**	**As at March 31, 2024**
	Secured			
	Non-Current Maturities of Long-term Loans from Bank			
	Rupee Term Loan	23.25	34.77	46.21
	Rupee Car Loan	16.18	14.96	4.44
	Non-Current Maturities of			

	Long-term Loans from Other than Banks			
	Rupee Term Loan	56.00	-	-
	Unsecured			
	Loans and Advances from related party	-	1.00	21.50
	Total Borrowings – Non-Current	**95.43**	**50.73**	**72.15**
b)	**Short Term Borrowings**			
	Secured			
	Current Maturities of Long-term Loans from Bank			
	Rupee Term Loan	11.05	11.68	12.63
	Rupee Car Loan	5.85	4.52	2.76
	Current Maturities of Long-term Loans From Other than Banks			
	Current Maturities of Rupee Term loan	14.00		
	Cash credit facilities	372.60	208.10	188.31
	Unsecured			
	Other Loans			
	From related parties	-	-	-
	Total Borrowings - Current	**403.50**	**224.29**	**203.70**

1) The Company has availed a cash credit facility of Rs. 180.00 million and an insta fund of Rs. 54 million from Indian Overseas Bank, NIT-I, Faridabad. The Company has also availed a machinery term loan of Rs. 20.00 million having an outstanding balance of Rs. 2.07 million as on 31.03.2025 and the same has been fully repaid during the FY 2025-26. The Facilities availed from IOB is primarily secured by hypothecation of Current Assets in paripassu with HDFC Bank.

2) The Company has availed a Cash Credit facility of Rs.167.00 million, BG of Rs. 31.00 million., BG (Sub Limit) of Rs. 10.00 million Working Capital term Loans of Rs. 50.00 million. And Working Term Loan GECL Ext. of Rs. 17.11 million from HDFC Bank Limited is primarily secured by hypothecation of Industrial Property situated at Nangla Bhiku, Palwal, Haryana-121102

3) The Company has availed various Car loans from Union Bank of India, HDFC Bank, IOB and Daimler Financial Services during previous financial years which are primarily secured by the cars purchased from such loans.

4) The Company has acquired a new Plot at Village Nangla Bhiku Dist. Palwal, Haryana against which the company has availed a construction loan of Rs. 42.50 million from Indian Overseas Bank but the same was taken over by HDFC Bank by sanctioning a working capital term loan of Rs. 50.00 million.

5) The Company has availed a new machinery term loan during the FY 2025-26 from Bajaj Finance Limited amounting to Rs. 70.00 million for 66 Months including 6 months moratorium from date of first disbursement at 9.50% p.a. floating rate of interest linked to BFL FRR i.e. 8.50% + spread of 1.0% and the same is secured by Exclusive charge over MFA of the company with minimum FACR of 1.33x procured using BFL funds

Car Loans: -

IOB ₹ 15,00,000.00 Repayable in 84 Equated monthly Installments of Rs. 24,096.00 @ 8.45% p.a.
HDFC ₹ 22,06,761.00 Repayable in 60 Equated monthly Installments of Rs. 44,736.00 @ 7.65% p.a.
HDFC ₹ 99,50,000.00 Repayable in 60 Equated monthly Installments of Rs.2,08,240.00 @ 9.35% p.a.
Hero Fincorp Limited ₹ 1,21,49,280.00 Repayable in 49 Equated monthly Installments of Rs.31,998.00 @14.00% p.a.
Daimler Financial Services India Private Ltd. ₹ 54,00,000.00 Repayable in 60 Equated monthly Installments of Rs. 1,09,759.00 @ 8.10% p.a.
IOB ₹ 37,00,000.00 Repayable in 60 Equated monthly Installments of Rs.76,806.00 @ 9% p.a.
UNION BANK ₹ 1,74,00,000.00 Repayable in 60 Equated monthly Installments of Rs. 3,61,200.00 @ 9% p.a.
IOB ₹ 48,50,000.00 Repayable in 60 Equated monthly Installments of Rs.78,155.00 @ 8.80% p.a.
HDFC ₹ 21,28,999.00 Repayable in 60 Equated monthly Installments of Rs. 44,298.00 @ 9.10% p.a.

Term Loans: -

Term Loan of Rs. 20.00 million from IOB repayable in 60 equated monthly installments of Rs. 3,33,334/- @ 10.65%p.a.
Term Loan of Rs. 15.28 million from Yes Bank repayable in 48 monthly installments of Rs. 4,24,527/- @ 9.25% p.a.
Term Loan of Rs. 70.00 million from Bajaj Finance Limited repayable in 60 equated monthly installments of Rs. 11,66,667/- @ 9.50%p. a

c)	Lease Liabilities	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	Non-Current			
	Financial Liabilities classified at amortised cost			
	Lease Liabilities	50.76	48.46	54.81
	Total	**50.76**	**48.46**	**54.81**

Note 15

Provisions	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Gratuity	9.11	6.17	4.22
Leave Encashment	6.44	4.36	2.96
Total employee benefit obligations	**15.55**	**10.53**	**7.18**

Note 16

Trade payables	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
-Total outstanding dues of micro and small enterprises	49.34	53.32	14.30
-Total outstanding dues of creditors other than micro and small enterprises	169.89	131.75	109.81
Total trade payables	**219.23**	**185.07**	**124.11**

*The carrying values of trade payables are considered to be a reasonable approximation of fair value. Amounts due to related parties are unsecured, interest free and repayable on demand.

** In accordance with the company's accounting policy, the ageing of trade payables is determined based on the bill date of the respective invoices. The bill date is considered the due date for payments, and ageing is calculated accordingly.

16.1 Trade Payable ageing (As on 31st March 2026)

Particulars	Unbilled	Not Due	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	Total
i) MSE	-	-	45.06	2.21	0.92	1.15	**49.34**
ii) Others	-	-	159.49	3.35	6.26	0.79	**169.89**
iii) Disputed Dues - MSE	-	-	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-	-	-

16.2 Trade Payable ageing (As on 31st March 2025)

Particulars	Unbilled	Not Due	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	Total
i) MSE	-	-	49.86	1.61	1.82	0.03	**53.32**
ii) Others	-	-	122.91	8.06	0.09	0.70	**131.75**
iii) Disputed Dues - MSE	-	-	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-	-	-

16.3 Trade Payable ageing (As on 31st March 2024)

Particulars	Unbilled	Not Due	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	Total
i) MSE	-	-	12.45	1.82	0.03	-	**14.30**
ii) Others	-	-	103.69	0.44	5.67	-	**109.81**
iii) Disputed Dues - MSE	-	-	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-	-	-

Note 17

Other Financial Liabilities

Current	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Interest Accrued but not Due	0.94	0.29	0.32
Salary and Bonus payable			
Payable to Directors	1.22	0.16	0.08
Payable to Others	14.29	11.18	6.47
Expenses Payable	0.80	0.62	0.42
Credit Card Payable	-	0.02	0.04
Electricity Expenses Payable	0.88	0.49	0.65
Audit Fees Payable	0.27	0.27	0.05
Lease Liabilities	12.37	6.35	5.07
	30.76	**19.37**	**13.10**

Note 18

Current tax liabilities	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Opening balance	16.79	5.48	2.24
Add: Current tax payable for the year	-	19.24	8.02
Less: Taxes Paid	(18.29)	(5.98)	(3.74)
TDS & TCS recoverable	(0.81)	(1.94)	(1.04)
	(2.31)	**16.79**	**5.48**

Note 19

Provisions	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Provision for Gratuity	0.47	0.19	0.08
Provision for Leave Encashment	0.99	0.63	0.16
	1.46	**0.82**	**0.24**

Note 20

Other Current Liabilities	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Contract Liabilities			
Advance from Customers	0.88	0.47	7.39
Statutory tax payables			
LWF Payable	0.06	0.03	0.03
GST Payable	-	3.82	-
TDS & TCS Payable	2.86	1.11	1.87
PF Payable	1.16	0.58	0.49
ESI Payable	0.07	-	0.01
Expenses Payable	9.93	-	-

Total other current liabilities	**14.96**	**6.02**	**9.78**

Note 21

Revenue from operations	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Sale and Processing Income of Products			
Sale of Goods	494.00	626.35	498.81
Scrap Sales	0.27	0.02	0.76
Total revenue from operations	**494.28**	**626.37**	**499.57**

Note 22

Other income	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Interest income	0.53	0.22	0.24
Foreign Exchange Fluctuation	0.55	0.36	-
Fair value gain on Sovereign Gold Bonds	-	0.09	0.05
Other Non-Operating Income			
Rental Income	2.40	4.50	5.60
Other items	-	14.69	-
'Interest income on financial assets measured at amortised cost (Security Deposit)."	0.15	0.13	0.19
Total other income	**3.63**	**19.99**	**6.08**

Note 23

Cost of Material Consumed	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Opening Stock of Raw Material and Consumables	217.46	180.90	58.78
Purchase Raw Material	718.36	410.18	362.03
Purchase Consumables	3.01	1.68	2.34
Purchase of Packing Material	8.97	9.54	4.98
Less: Closing Stock of Raw Material and Consumables	(564.17)	(217.46)	(180.90)
Total Material Consumed	**383.62**	**384.83**	**247.23**

Note 24

Changes in inventories of Finished goods, work-in-progress and stock-in-trade	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Stock at Commencement			
Work in progress	38.46	29.33	43.62
Finished Goods	37.36	34.22	34.29
	75.83	**63.56**	**77.91**
Stock at Close			
Work-in-progress	68.42	38.46	29.33
Finished Goods	42.25	37.36	34.22
	110.68	**75.83**	**63.56**
Total Changes in inventories of Finished goods, work-in-progress and stock-in-trade	**(34.85)**	**(12.27)**	**14.35**

Note 25

Employee benefit expense	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Salaries, Wages and Bonus	115.67	83.58	81.53
Directors Remuneration	6.18	0.84	0.84

Provision for Gratuity	2.50	2.01	1.64
Provision for Leave Encashment	2.70	2.07	1.36
Contribution to provident & other funds	5.57	3.40	3.04
Staff and Labour welfare	4.97	3.76	3.61
Total Employee benefit expense	**137.60**	**95.66**	**92.01**

Note 26

Finance cost	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Interest and finance charges on financial liabilities	29.79	25.17	23.52
Interest on Lease liabilities	5.11	5.25	1.19
Total Finance Cost	**34.90**	**30.42**	**24.70**

Note 27

Depreciation and Amortization	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Depreciation on Tangible Assets	18.50	20.36	16.99
Depreciation on Investment Property	4.36	4.82	4.12
Amortization of Intangible Assets	0.10	0.17	0.57
Depreciation on ROU	10.69	9.37	6.71
Total Depreciation and Amortization cost	**33.65**	**34.73**	**28.39**

Note 28

Other expenses	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Power & Fuel	10.62	7.91	8.75
Freight and Transportation	18.21	15.27	12.54
Job Work Charges	6.30	2.21	2.06
Labour Charges	20.27	19.86	19.39
Audit Fees	0.30	0.30	0.06
Advertisement Expenses	0.47	0.50	0.48
Amount Written off	0.06	2.55	-
Bank Charges	3.89	4.11	2.24
Director's Sitting Fees	0.50	-	-
Installation Expenses	1.48	1.66	2.90
Repair & Maintenance - Machinery	0.38	0.53	0.65
Repair Others	2.62	1.30	3.88
Legal, Professional and Technical Expenses	6.05	0.85	5.25
Liquidated Damage Charges	4.07	2.52	0.47
Rates, Fees & Taxes	2.13	1.62	1.19
Rent	5.82	6.10	5.77
Festival Celebration Expenses	1.14	0.64	1.08
Insurance	3.35	2.03	1.56
GST Not Claimed W/o	0.28	0.26	0.28
Testing and Inspection Charges	2.27	0.51	2.88
Interest and Penalties	2.60	1.00	1.95
Telephone and Internet Expenses	0.89	0.73	0.96
Provision for Doubtful Debts	0.02	0.59	-
Conveyance & Travelling Expense	10.02	6.96	4.81
Commission Expenses	1.47	2.39	2.01
Business Promotion	0.14	2.00	2.11
Security Charges	2.22	2.00	2.15
Other expenses	3.41	2.59	2.61
Total Other Expenses	**110.96**	**88.98**	**88.01**

Note 28(a): Details of payments to auditors	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Payments to auditors			
As auditor:			
Audit fee	0.30	0.30	0.06
Restated Financials for DRHP	1.20		
In other capacities			
Other (Certification Charges)	0.13	-	-
Total payments to auditors	**1.63**	**0.30**	**0.06**

Note 29

Income Tax Expense	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
(a)Income tax expense			
Current tax on profits for the year			
Current Tax	-	19.24	8.02
Adjustments for current tax of prior periods	-	-	-
Total current tax expense	-	**19.24**	**8.02**
Deferred tax			
Decrease (increase) in deferred tax assets	(41.92)	(7.70)	(8.85)
(Decrease) increase in deferred tax liabilities	-	-	-
Total deferred tax expense/(credit)	**(41.92)**	**(7.70)**	**(8.85)**
Income tax expense	**(41.92)**	**11.54**	**(0.83)**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax as per statement of profit & loss	(167.97)	25.65	10.16
Indian Income Tax Rate	27.82%	27.82%	27.82%
Computed Tax expense	**-**	**7.13**	**2.83**
Tax effect of:			
Expenses disallowed -Expenses that are not deductible in determining taxable profit	87.48	91.73	45.03
Expenses allowed -Expenses that are deductible in determining taxable profit	(50.94)	(48.23)	(26.36)
Current Tax provision (A)	**-**	**19.24**	**8.02**
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	(41.92)	(7.70)	(8.85)
Deferred Tax provision (B)	**(41.92)**	**(7.70)**	**(8.85)**
Tax expense recognised in Statement of Profit and Loss (A+B)	**(41.92)**	**11.54**	**(0.84)**
Effective Tax Rate	**24.96%**	**44.98%**	**(8.22%)**

Note 30

Earnings per share	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
(a) Basic earnings per share	(6.52)	0.76	0.44
Diluted earnings per share	(6.52)	0.76	0.39

(b) Reconciliation of earnings used in calculating earnings per share

	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Profit attributable to equity shareholders of the Company			
Net Profit after Tax as per statement of Profit	(126.95)	13.84	6.48

	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
and Loss attributable to Equity Shareholders			

(c) Weighted average number of shares used as denominator*

	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Weighted average number of shares used as denominator in calculating basic earnings per share	1,94,59,085	1,82,80,000	1,46,27,638
Weighted average number of shares used as denominator in calculating diluted earnings per share	1,94,59,085	1,82,80,000	1,67,01,728

* During the year, the Company sub-divided its equity shares having a face value of ₹10 each into equity shares having a face value of ₹5 each. In accordance with Ind AS 33, Earnings per Share, the basic and diluted earnings per share for all periods presented have been retrospectively adjusted to give effect to the share split, as if the event had occurred at the beginning of the earliest period presented.

Accordingly, the earnings per share disclosed for the comparative periods have been restated for the change in the number of equity shares outstanding resulting from the sub-division of equity shares, to ensure comparability of earnings per share across all periods presented.

Note 31

Fair value measurements
Financial instruments by category:

March 31, 2026				
	FVTPL	**FVTOCI**	**Amortised Cost**	**Total**
Financial assets				
Trade receivables	-	-	104.30	104.30
Cash and cash equivalents	-	-	1.78	1.78
Other financial assets	-	-	5.08	5.08
Total financial assets	**-**	**-**	**111.16**	**111.16**
Financial liabilities				
Borrowings	-	-	498.93	498.93
Trade payables	-	-	219.23	219.23
Other Financial Liabilities	-	-	30.76	30.76
Total financial liabilities	**-**	**-**	**748.92**	**748.92**

March 31, 2025				
	FVTPL	**FVTOCI**	**Amortised Cost**	**Total**
Financial assets				
Trade receivables	-	-	145.98	145.98
Cash and cash equivalents	-	-	0.76	0.76
Other financial assets	-	-	14.68	14.68
Total financial assets	**-**	**-**	**161.42**	**161.42**
Financial liabilities				
Borrowings	-	-	275.02	275.02
Trade payables	-	-	185.07	185.07
Other Financial Liabilities	-	-	67.83	67.83
Total financial liabilities	**-**	**-**	**527.93**	**527.93**

March 31, 2024				
	FVTPL	**FVTOCI**	**Amortised Cost**	**Total**
Financial assets				

March 31, 2026				
	FVTPL	FVTOCI	Amortised Cost	Total
Trade receivables	-	-	126.18	126.18
Cash and cash equivalents	-	-	1.53	1.53
Investment	0.35	-	-	0.35
Other financial assets	-	-	9.77	9.77
Total financial assets	**0.35**	**-**	**137.48**	**137.83**
Financial liabilities				
Borrowings	-	-	275.85	275.85
Trade payables	-	-	124.11	124.11
Other Financial Liabilities	-	-	67.90	67.90
Total financial liabilities	**-**	**-**	**467.87**	**467.87**

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining fair values of the financial instruments that are

(a)recognised and measured at fair value and
(b)measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

March 31, 2026	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets					
Trade receivables	104.30	**-**	**-**	**-**	**104.30**
Cash and cash equivalents	1.78	**-**	**-**	**-**	**1.78**
Other financial assets	5.08	**-**	**-**	**-**	**5.08**
Total financial liabilities	**111.16**	**-**	**-**	**-**	**111.16**

March 31, 2025	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets					
Trade receivables	145.98	**-**	**-**	**-**	**145.98**
Cash and cash equivalents	0.76	**-**	**-**	**-**	**0.76**
Other financial assets	14.68	**-**	**-**	**-**	**14.68**
Total financial assets	**161.42**	**-**	**-**	**-**	**161.42**

March 31, 2024	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets					
Trade receivables	126.18	**-**	**-**	**-**	**126.18**
Cash and cash equivalents	1.53	**-**	**-**	**-**	**1.53**
Investment	-	0.35	**-**	**-**	**0.35**
Other financial assets	9.77	-	-	-	**9.77**
Total financial assets	**137.48**	**0.35**	**-**	**-**	**137.83**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(iii) Fair value of financial assets and liabilities measured at amortized cost

As of March 31, 2026, March 31, 2025, March, 31 2024 the fair value of cash and bank balances, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amount largely due to the short term nature of these instruments.

For other financial assets that are measured at amortised costs, the carrying amount approximates the fair value.

Note 32

Financial risk management

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents	Credit ratings	Diversification of Bank Accounts
Credit risk	Trade receivables	Ageing analysis	Part of daily business management
Credit risk	Financial assets measured at amortised cost	Ageing analysis	Credit limits
Market risk - Interest Rate risk	Borrowings	Sensitivity Analysis	Regularly assessing the market
Market risk - Commodity price risk	Inventories	Sensitivity Analysis	Part of daily business management
Liquidity risk	Borrowings, Trade payables, other financial liabilities	Maturity analysis	Part of daily business management

a) Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to our Group. Our exposure to credit risk is influenced mainly by cash and cash equivalents and trade receivables. We continuously monitor defaults of customers and other counterparties and incorporate this information into its credit risk controls. However, majority of our total sales comprises of sales to Indian Railways details of which are as under:

Nature of customers	March 31, 2026		March 31, 2025		March 31, 2024	
	Amount	in %*	Amount	in %	Amount	in %
Sales	494.28	100.00%	626.37	100.00%	499.57	100.00%
Indian Railways (through Zonal railways / their divisions / production units)	379.22	76.72%	457.00	72.96%	338.69	67.80%

***** *As %age to total revenue from operations.*

Furthermore, we are also exposed to credit risk in relation to the corporate guarantee or retention money or ernest money given / retained on behalf of our Company for business generated from Indian Railways and PSUs to secure the obligations as per the requirement of tender under which such contracts were awarded.

The outstanding receivables (including more than 6 months is as under)

Nature of customers	March 31, 2026		March 31, 2025		March 31, 2024	
	Amount	in %*	Amount	in %	Amount	in %
Indian Railways (through Zonal railways / their divisions / production units)	87.99	84.36%	79.30	54.32%	62.12	49.23%
Total outstanding receivables	104.30	100.00%	145.98	100.00%	126.18	100.00%

Credit risk on cash and cash equivalents is limited as the Company utilises its cash credit facility for reducing borrowings in short term.

b) **Market Risk**
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risks: Currency risk, Interest rate risk and other price risk. Financial instruments affected by market risk include loans, borrowings, term deposits, and investments.

(i) Foreign Currency Risk

The payments made by the Company towards consideration for import of raw material and inventory are denominated in foreign currency, mostly the USD. Accordingly, we have currency exposures relating to forex payments, other than in Indian Rupees, particularly the USD. During the period from 01-04-2025 to 31-03-2026 and for the year ended March 2025 and March 2024 our net imports amounted to ₹ 117.40 million, ₹ 20.87 million and ₹ 18.58 million respectively. Further, the significant portion of the components for manufacture of Rolling Stock Electrics and Propulsion Systems will be imported including hardware and electronic components, namely, IGBTs, semi conductors, micro processors, capacitors, etc and the exposure to foreign currency risk may increase in future.

The %age of import from various countries is as under:

(₹ in million)

County Wise	March 31, 2026		March 31, 2025		March 31, 2024	
Import	**Amount**	**%age***	**Amount**	**%age**	**Amount**	**%age**
Material						
China	53.36	43.19%	20.59	98.70%	15.32	82.46%
Switzerland	-	-	0.10	0.48%	-	-
Taiwan	0.94	0.76%	0.05	0.26%	0.24	1.31%
USA	5.94	4.80%	0.07	0.35%	2.92	15.71%
Bulgaria	-	-	-	-	0.06	0.31%
UK	16.11	13.04%	-	-	0.04	0.21%
Germany	-	-	-	-	-	-
Hong kong	17.81	14.42%	-	-	-	-
Singapore	-	-	-	-	-	-
UAE	0.35	0.28%	-	-	-	-
Fixed Assets						
China	0.19	0.16%	0.04	0.21%	-	-
Singapore	20.89	17.00%				
South Korea	7.96	6.44%				
Total value of imports made by the Company	**123.55**	**100.00%**	**20.87**	**100.00%**	**18.58**	**100.00%**

** As a percentage to the total value of import of Material*

Exposure to foreign currency risk (in INR Million)

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Trade Payables	6.54	12.16	4.81
TOTAL	**6.54**	**12.16**	**4.81**

Impact on Profit/Loss of 5% strengthening/weakening of the INR against the respective foreign currencies at the reporting date

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Impact on P&L	0.33	0.61	0.24
Total	**0.33**	**0.61**	**0.24**

(ii) Interest Rate Risk

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt

servicing capability and view on future interest rate. The Company mitigates this risk by regularly assessing the market scenario.

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows: -

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Loans - Variable Rates			
Long Term Loan	126.33	65.93	66.04
Short Term Loan	372.60	208.10	188.31
Total	**498.93**	**274.02**	**254.35**

Impact on Interest Expenses for the year on 1% change in Interest rate

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Impact on P&L	4.99	2.74	2.54
Total	**4.99**	**2.74**	**2.54**

(iii) Commodity Price Risk

We are exposed to risks in respect of price and availability of raw material used for our manufacturing operations. Since the majority of our business is with Indian Railways, most of the orders being executed by us contains price variation clause which may allow us to pass on changes in the cost of our primary raw materials to our customers. However, we may not be able to do so immediately or fully, and so strong and rapid fluctuations in the prices of these raw materials could affect our operating results.

c) Liquidity Risk

Liquidity risk is the risk that our Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. Our approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Our management monitors rolling forecasts of our liquidity position and cash and cash equivalents on the basis of expected cash flows and the due dates for repayment of term loans. We are confident of managing our financial obligation through available cash and bank balances, short term borrowings and liquidity management.

Note 33

Capital Management

The Company's objective with respect to capital management is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Debt	498.93	275.02	275.85
Less: Investments	-	-	0.35
Less: Cash & Cash equivalents	1.78	0.76	1.53
Net Debt	**497.15**	**274.27**	**273.97**
Total Equity	**625.71**	**179.10**	**165.27**
Net Debt to Equity Ratio	**0.79**	**1.53**	**1.66**

Note 34

Related party relationships, transactions and balances

a)	**Key Management personnel and Directors**		
	Mohit Vohra	Director	Promoter
	Sumit Dhawan	Director	Promoter
	Rahul Dhawan	Director	Promoter
	Amit Dhawan	Director	Promoter
	Sanjay Kumar Singh	Director	Professional
	Ajay Kumar	CFO	Appointed on 18.07.2024
	Sourabh Bansal	Company Secretary	Appointed on 18.07.2024
	Balkrishan	Company Secretary	Appointed on11.08.2023 and Resignation on 18.07.2024
	Pankaj Rastogi	Managing Director	Appointed as MD on 01.10.2025
	Kanika Bhutani	Director	Independent
	Sanjeev Mehta	Director	Independent
	Vipin Sharma	Director	Independent

b)	**Enterprises in which directors are having significant interest**	
	MV Mobility Limited	Common Directors
	Prime Electronics	Director is a Partner in the Firm
	Quadrant Future Tek Limited	Common Directors
	RR Electrical and Allied Industries	Director is a Proprietor of the Firm
	MV Greentech Private Limited	Common Directors
	Iboard India Limited	Common Directors

c)	**Other Related Parties**	
	Anu Vohra	Wife of Director
	Pallavi Dhawan	Wife of Director
	Shruti Dhawan	Wife of Director
	Sonali Dhawan	Wife of Director

d) Transactions with related parties:

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Sale (Exclusive of GST)			
MV Mobility Limited	0.03	-	0.97
Prime Electronics	6.85	3.13	2.80
Quadrant Future Tek Limited	18.00	1.42	-
IBoard India Limited	-	-	6.71
Purchase (Exclusive of GST)			
Quadrant Future Tek Limited	25.59	137.09	31.99
RR Electrical and Allied Industries	-	-	1.30
MV Mobility Limited	-	-	0.86
Prime Electronics	0.02	-	0.43
Assets Purchased (Exclusive of GST)			
MV Mobility Limited	-	-	0.02
Rental Income (Exclusive of GST)			
MV Mobility Limited	-	2.10	4.60
IBoard India Limited	2.40	2.40	1.00
Rent paid			
MV Mobility Limited	0.40	-	-
Loan received			
Mohit Vohra	2.50	6.00	6.50
Sumit Dhawan	1.60	2.50	19.50
Amit Dhawan	26.00	7.00	-

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
MV Mobility Limited	-	20.50	-
Iboard India Limited	-	15.00	-
Loan Repaid			
Mohit Vohra	3.50	9.50	2.00
Sumit Dhawan	1.60	19.50	2.50
Amit Dhawan	26.00	7.00	-
MV Mobility Limited	-	20.50	-
Iboard India Limited	-	15.00	-
Amount paid on behalf of Related party			
MV Mobility Limited	-	-	0.02
Prime Electronics	0.02	0.16	0.06
Iboard India Limited	0.05	0.23	-
Amount paid by Related Party on behalf of Company			
Prime Electronics	0.18	5.00	-
MV Mobility Limited	0.01	-	-
Director remuneration			
Rahul Dhawan	0.84	0.84	0.84
Pankaj Rastogi	5.34		
Directors Sitting Fees			
Kanika Bhutani	0.15	-	-
Sanjeev Mehta	0.18	-	-
Vipin Sharma	0.18	-	-
Salary			
Pallavi Dhawan	0.90	0.90	0.90
Ajay Kumar	3.60	2.11	-
Sourabh Bansal	1.66	1.01	-
Balkrishan	-	0.34	0.28

e) Outstanding balances with related parties:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Trade Receivable			
MV Mobility Limited	-	1.00	0.15
Prime Electronics	0.27	0.19	-
IBoard India Limited	-	13.92	15.49
Quadrant Future Tek Limited	-	-	-
Rent Receivable			
IBoard India Limited	-	11.92	9.32
MV Mobility Limited	-	3.20	0.87
Trade Payable			
Quadrant Future Tek Limited	15.28	46.94	19.06
Advance from Customers			
Prime Electronics	-	-	3.52

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Loan Balances			
Mohit Vohra	-	1.00	4.50
Sumit Dhawan	-	-	17.00
Salary payable			
Pallavi Dhawan	0.13	0.20	0.10
Ajay Kumar	0.42	0.40	-
Sourabh Bansal	0.12	0.20	-
Balkrishan	-	-	0.04
Sonali Dhawan	-	-	-
Director remuneration Payable			
Rahul Dhawan	0.10	0.16	0.08
Mohit Vohra	-	0.18	0.21

Note 35

Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Claims against the company not acknowledged as debts	-	-	-
Bank guarantee issued	30.62	28.33	34.32
Corporate Guarantee given to Banker for its related concern M/s MV Mobility Limited		-	-
GST Liability	4.80	4.80	-
Total Contingent Liabilities	**35.42**	**33.13**	**34.32**

As of March 31, 2026, we did not have any commitments and contingencies in our Restated Financial Information. Except as disclosed in the Restated Financial Information or elsewhere in the Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Note 36

Dues to micro small and medium enterprises

The Company has certain dues to suppliers registered under Micro and Small Enterprises Development Act 2006 ('MSMED Act'). Disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Principal Amount Due to suppliers registered under the MSED Act and remaining unpaid as at year end	49.34	53.32	14.30
Interest due to suppliers registered under the MSED Act and remaining unpaid as at year end	-	-	-
Principal amounts paid to suppliers registered under the MSED Act, beyond the appointed day during the year	-	-	-

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Interest paid, under Section 16 of MSED Act, to suppliers registered under the MSED Act, beyond the appointed day during the year	-	-	-
Interest paid, other than under Section 16 of MSED Act, to supplier registered under the MSED Act, beyond the appointment day during the year	-	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSED Act	-	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of MSED Act	-	-	-

Note 37

Dividend

The Company has not declared and paid any dividend during the period

Note 38

Employee Benefits

(i) Defined benefit plan

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. In case of death while in service, the gratuity is payable irrespective of vesting. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is not a funded plan and the Company makes provision on the basis of actuarial valuation and the same is paid by the company only when it becomes due.

Risk exposure:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow –

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Details of the Company's defined benefit plans are as follows:

Summary of membership data

		As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
a)	Number of employees	208	93	94
b)	Total Monthly Salary (Lakhs)	71.49	36.52	33.35
c)	Average Past Service (Years)	2.01	3.56	3.08
d)	Average Age (Years)	33.43	36.26	35.81
e)	Average remaining (Years) working life	24.57	21.74	22.19
f)	Weighted average duration	14.64	13.38	13.65

Actuarial Assumptions

Company attention was drawn to provisions of accounting standard that actuarial assumptions are an entity's best estimates of variables that will determine the ultimate cost of providing post employment benefits and shall be unbiased & mutually compatible.

a) Economic Assumptions

The principal assumptions are the discount rate & salary growth rate. 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. Salary growth rate is company'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 as provided in relevant accounting standard. These valuation assumptions are as follows:

	As at March 31, 2026	As a March 31, 2025	As at March 31, 2024
i) Discounting Rate	7.90	6.99	7.22
ii) Future salary Increase	6.00	6.00	6.00

b) Demographic Assumption

Attrition rates are the company'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 company, business plan, HR Policy etc as provided in the relevant accounting standard.

	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
i) Retirement Age (Years)	58	58	58
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012-14)		
iii) Attrition at Ages	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**
Up to 30 Years	4.00	4.00	4.00
From 31 to 44 years	4.00	4.00	4.00
Above 44 years	4.00	4.00	4.00

It should be noted that in case of employees above retirement age, for the purpose of valuation it is assumed they will retire immediately & benefit is considered up to actual retirement age.

Mortality & Morbidity rates - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for disability benefits.

Mortality Rates for specimen ages

Age	Rate	Age	Rate	Age	Rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.00168	70	0.024058	100	0.397733

Change in Benefit Obligation

		31/03/2026	31/03/2025	31/03/2024
a)	Present value of obligation as at the beginning of the period	6.36	4.30	3.97
b)	Acquisition adjustment			-
c)	Interest Cost	0.53	0.31	0.29
d)	Service Cost	1.97	1.70	1.35
e)	Past Service Cost including curtailment Gains/Losses			-
f)	Benefits Paid	(0.18)	(0.22)	(0.05)
g)	Total Actuarial (Gain)/Loss on Obligation	0.90	0.27	(1.26)
h)	Present value of obligation as at the end of the period	9.58	6.36	4.30

Bifurcation of Actuarial Gain/Loss on Obligation

		31/03/2026	31/03/2025	31/03/2024
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-	-
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.73)	0.14	0.06
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	1.62	0.13	(1.31)

Balance Sheet and related analysis

		31/03/2026	31/03/2025	31/03/2024
a)	Present Value of the obligation at end	9.58	6.36	4.30
b)	Fair value of plan assets		-	-
c)	Unfunded Liability/provision in Balance Sheet	(9.58)	(6.36)	(4.30)

The amounts recognized in the income statement.

		31/03/2026	31/03/2025	31/03/2024
a)	Total Service Cost	1.97	1.70	1.35
b)	Net Interest Cost	0.53	0.31	0.29
c)	Expense recognized in the Income Statement	2.50	2.01	1.64

Other Comprehensive Income (OCI)

		31/03/2026	31/03/2025	31/03/2024
a)	Net cumulative unrecognized actuarial gain/(loss) opening	(0.90)	(0.27)	1.26
b)	Actuarial gain / (loss) for the year on PBO	-	-	-
c)	Actuarial gain /(loss) for the year on Asset	-	-	-
d)	Unrecognized actuarial gain/(loss) for the year	(0.90)	(0.27)	1.26

Bifurcation of PBO at the end of year in current and non-current.

		31/03/2026	31/03/2025	31/03/2024
a)	Current liability (Amount due within one year)	0.47	0.19	0.08

b)	Non-Current liability (Amount due over one year)	9.11	6.17	4.22
	Total PBO at the end of year	**9.58**	**6.36**	**4.30**

Sensitivity Analysis of the defined benefit obligation.

a) Impact of the change in discount rate

		31/03/2026	31/03/2025	31/03/2024
	Present Value of Obligation at the end of the period	**9.58**	**6.36**	**4.30**
a)	Impact due to increase of 0.50%	(0.39)	(0.30)	(0.21)
b)	Impact due to decrease of 0.50 %	0.43	3.28	0.23

b) Impact of the change in salary increase

	Present Value of Obligation at the end of the period	**9.58**	**6.36**	**4.30**
a)	Impact due to increase of 0.50%	0.43	0.33	0.23
b)	Impact due to decrease of 0.50 %	(0.40)	(0.31)	(0.22)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

b) Compensated Leave Absences

The Company has provided for Acturial Liability for Earned Leave Liability of the Employees.

Risk Exposure:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow –

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Details of the Company's defined benefit plans are as follows:

Summary of membership data

		31/03/2026	31/03/2025	31/03/2024
a)	Number of employees	208	93	94
b)	Total Monthly Salary (Lakhs)	71.49	36.52	33.35
c)	Average Past Service (Years)	2.01	3.56	3.08
d)	Average Age (Years)	33.43	36.26	35.80
e)	Average remaining (Years) working life	24.57	21.74	22.20
f)	Leave balance considered on valuation date	4,042.03	3,491.10	2,468.00
g)	weighted average duration of PBO	14.64	13.38	13.32

Actuarial Assumptions

Company attention was drawn to provisions of accounting standard that actuarial assumptions are an entity's best estimates of variables that will determine the ultimate cost of providing post employment benefits and shall be unbiased & mutually compatible.

a) Economic Assumptions:

The principal assumptions are the discount rate & salary growth rate. 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. Salary growth rate is company'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 as provided in relevant accounting standard. These valuation assumptions are as follows:

Particulars	31/03/2026	31/03/2025	31/03/2024
i) Discounting Rate	7.90	6.99	7.22
ii) Future salary Increase	6.00	6.00	6.00

b) Demographic Assumption

Attrition rates are the company'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 company, business plan, HR Policy etc as provided in the relevant accounting standard.

Leave availment / encashment / lapse rates are entity's best estimate for future based on past historical experience & its HR policy.

Particulars	31/03/2026	31/03/2025	31/03/2024
i) Retirement Age (Years)	58	58	58
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012-14)		
iii) Attrition at Ages	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**
Up to 30 Years	4.00	4.00	4.00
From 31 to 44 years	4.00	4.00	4.00
Above 44 years	4.00	4.00	4.00
iv) Leave			
Leave Availment Rate	5.00%	5.00%	5.00%
Leave Lapse rate while in service	Nil	Nil	Nil
Leave Lapse rate on exit	Nil	Nil	Nil
Leave encashment Rate while in service	Nil	Nil	Nil

It should be noted that in case of employees above retirement age, for the purpose of valuation it is assumed they will retire immediately & benefit is considered up to actual retirement age.

**Mortality & Morbidity rates - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for disability benefits.

Mortality Rates for specimen ages

Age	Rate	Age	Rate	Age	Rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.00168	70	0.024058	100	0.397733

Change in Benefit Obligation

		31/03/2026	31/03/2025	31/03/2024
a)	Present value of obligation as at the beginning of the period	4.99	3.12	2.45
b)	Acquisition adjustment			
c)	Interest Cost	0.39	0.23	0.18
d)	Service Cost	1.90	1.52	1.10
e)	Past Service Cost including curtailment Gains/Losses	-	-	-
f)	Benefits Paid	(0.26)	(0.20)	(0.69)
g)	Total Actuarial (Gain)/Loss on Obligation	0.40	0.32	0.07
h)	Present value of obligation as at the End of the period	7.43	4.99	3.12

Change in Net defined Benefit Obligation

		31/03/2026	31/03/2025	31/03/2024
a)	Present value of obligation as at the beginning of the period	4.99	3.12	2.45
b)	Acquisition adjustment			
c)	Total Service cost	1.90	1.52	1.10
d)	Net Interest Cost (Income)	0.39	0.23	0.18
e)	Re-measurements	0.40	0.32	0.07
f)	Contribution Paid to the fund	-	-	-
g)	Benefits paid directly by the enterprise	(0.26)	(0.20)	(0.69)
h)	Present value of obligation as at the End of the period	7.43	4.99	3.12

Bifurcation of Actuarial Gain/Loss on Obligation

		31-03-2026	31/03/2025	31-03-2024
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-	-
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.57)	0.11	0.04
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	0.98	0.21	0.03

Balance Sheet and related analysis

		31-03-2026	31/03/2025	31-03-2024
a)	Present Value of the obligation at end	7.43	4.99	3.12
b)	Fair value of plan assets	-	-	-
c)	Unfunded Liability/provision in Balance Sheet	(7.43)	(4.99)	(3.12)

The amounts recognized in the income statement.

		31/03/2026	31/03/2025	31-03-2024
a)	Total Service Cost	1.90	1.52	1.10
b)	Net Interest Cost	0.39	0.23	0.18
c)	Net Acturial (gain)/ loss recognized in the period	0.40	0.32	0.07
d)	Expense recognized in the Income Statement	2.70	2.07	1.36

Bifurcation of PBO at the end of year in current and non current.

		31/03/2026	31/03/2025	31/03/2024
a)	Current liability (Amount due within one year)	0.99	0.63	0.16
b)	Non-Current liability (Amount due over one year)	6.44	4.36	2.96
	Total PBO at the end of year	**7.43**	**4.99**	**3.12**

Sensitivity Analysis of the defined benefit obligation.

		31/03/2026	31/03/2025	31/03/2024
	Present Value of Obligation at the end of the period	**7.43**	**4.99**	**3.12**
a)	Impact due to increase of 0.50%	(0.32)	(0.23)	(0.14)
b)	Impact due to decrease of 0.50 %	0.35	0.25	0.16

b) Impact of the change in salary increase				
	Present Value of Obligation at the end of the period	**7.43**	**4.99**	**3.12**
a)	Impact due to increase of 0.50%	0.35	0.25	0.16
b)	Impact due to decrease of 0.50 %	(0.33)	(0.24)	(0.15)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

Note 39

LEASES

Where the Company is lessee

The Company has taken various assets on lease such as, generator, buildings and office premises Generally, leases are renewed only on mutual consent and at a prevalent market price and sub-lease is restricted.

The Company has Adopted Ind AS 116 using the full retrospective method of adoption.

The Company also applied the available practical expedients wherein it:

a) Used a Single Discount rate to a portfolio of leases with reasonably similar characteristics
b) Relied on its assessment of whether leases are onerous immediately before the date of initial application
c) Applied the short-term lease exemptions to leases with lease term that ends within 12 months of the date of initial application.
d) Used hindsight in determining the lease term where the contract contained option to extend or terminate the lease.

The Effect of Adoption of IND AS 116 as at

Particulars	**31/03/2026**	**31/03/2025**	**31/03/2024**
Right of Use Asset	55.91	50.77	60.14
Prepayment	-	-	-
Total Assets	**55.91**	**50.77**	**60.14**
Lease Liabilities	63.13	54.81	59.88
Total Liabilities	**63.13**	**54.81**	**59.88**

Set out below the carrying amount of Right of use Asset recognised and the movement during the period			
Particulars	**31/03/2026**	**31/03/2025**	**31/03/2024**
Right of Use Asset as at beginning	92.59	92.59	30.89
Additions	15.84	-	61.70
Deletions	-	-	-
Sub Total (A)	**108.43**	**92.59**	**92.59**
Accumulated depreciation on Right of Use Assets			
Depreciation Expenses	52.52	41.82	32.45
Net Right of Use Asset as at end	**55.91**	**50.77**	**60.14**

Set out below the carrying amount of Lease Liability recognised and the movement during the period			
Particulars	**31/03/2026**	**31/03/2025**	**31/03/2024**
Lease Liability recorded Opening	54.81	59.88	6.83

Particulars	31/03/2026	31/03/2025	31/03/2024
Additions	15.71		60.66
Deletions		-	-
Interest	5.11	5.25	1.19
Repayment	12.51	10.32	8.79
Lease Liability recorded Closing	63.13	54.81	59.88
Current	12.37	6.35	5.07
Non Current	50.76	48.46	54.81

The Effective Interest Rate for Lease Liability is 10.40% with maturity between 2021-24 and 9.25% with maturity between 2024-30

The Following are the amounts recognised in Statement of Profit and Loss Account

Particulars	31/03/2026	31/03/2025	31/03/2024
Depreciation Expenses of Right of use assets	10.69	9.37	6.71
Interest Expenses on Lease liability	5.11	5.25	1.19
Interest income on financial assets measured at amortised cost (Security Deposit)".	0.15	0.13	0.19

Note: The Company has adopted Indian Accounting Standards (Ind AS) with effect from 01st April 2022, with 1st April 2022 being the transition date in accordance with Ind AS 101 – *First-time Adoption of Indian Accounting Standards*.

The Company has applied Ind AS 116 – Leases using the Full Retrospective Approach. Under this approach:
a) The Company has restated all leases as if Ind AS 116 had always been applied since the lease commencement date.
b) Accordingly, comparative figures for the year ended 31 March 2024 and year ended 31 March 2023 have been restated.
c) On transition, the Company recognized Right-of-Use (ROU) assets and corresponding lease liabilities for leases previously classified as operating leases under previous GAAP.
d) The difference between the ROU assets and lease liabilities, net of related deferred tax, has been adjusted against opening retained earnings as on 1 April 2022.

The expense relating to payments not included in the measurement of lease liability and recognised as expense in the Statement of Profit and Loss during the year are as follows:

		31/03/2026	31/03/2025	31/03/2024
a)	Short term Leases	5.82	6.10	5.77

Note 40

Disaggregation of revenue into Operating Segments and Geographical areas

Sector-wise Sales Category	FY 2025-26		FY 2024-25		FY 2023-24	
	Amount (₹ in mn)	% of total sales	Amount (₹ in mn)	% of total sales	Amount (₹ in mn)	% of total sales
Indian Railways	332.14	67.20%	457.00	72.96%	323.72	64.80%
Private Sector (other than Group Companies)	78.79	15.94%	164.86	26.32%	150.41	30.11%
Private Sector (Group Companies)	36.27	7.34%	4.50	0.72%	10.48	2.10%
Sub-total (A)	**447.19**	**100.00%**	**626.37**	**100.00%**	**484.61**	**97.00%**
Rolling Stock Electrics and Propulsion Systems						
Indian Railways	47.08	-	-	-	14.96	3.00%
Sub-total (B)	47.08	-	**-**	**-**	**14.96**	**3.00%**
Other operational income						
Job work charges	-	-	-	-	-	-
Other Income	-	-	-	-	-	-
Sub-total (C)	-	-	-	-	**-**	-
Total (A)+(B)+(C)+(D)+(E)	**494.28**	**100.00%**	**626.37**	**100.00%**	**499.57**	**100.00%**

Particulars	FY 2025-26	FY 2024-25	FY 2023-24
At a point in time	494.28	626.37	499.57
Over time	**-**	**-**	**-**

Contract Balances

Particulars	FY 2025-26	FY 2024-25	FY 2023-24
Trade Receivables	104.30	145.98	126.18
Contract Assets	-	-	-
Contract Liabilities (Advance from Customers)	0.88	0.47	7.39

Note 41

Movement in Contract Balances

Contract Liabilities (Advance from Customers)	31/03/2026	31/03/2025	31/03/2024
Opening Balance	0.47	7.39	2.04
Closing Balance	0.88	0.47	7.39
Net Increase / (Decrease)	0.40	(6.91)	5.34

Trade Receivables	31/03/2026	31/03/2025	31/03/2024
Opening Balance	145.98	126.18	81.67
Closing Balance	104.30	145.98	126.18
Net Increase / (Decrease)	(41.68)	19.80	44.51

Note 42

Foreign Currency Exposure

	31/03/2026	31/03/2025	31/03/2024
Amount Spent	134.31	8.26	15.65
Amount Received	-	-	-

Note 43

Additional Regulatory Information

43.1 Title deeds of immovable properties not held in the name of Company:

There are no immovable properties (other than properties where the Company is the leesee and the lease agreements are duly executed in favour of the leesee) whose deeds are not held in the name of the Company:

43.2 The Company holds the Following Investment property

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Investment Property -at Cost	118.45	118.45	118.45
Less: - Accumulated depreciation	13.31	8.94	4.12
Carrying Amount (Net Book value)	105.15	109.51	114.33

The fair value of the investment property as at:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Investment Property -FMV*	192.13	192.13	174.58

* FMV has been determine based on valuation carried out by an Independent registered valuer M/s Sapient Services private Limited

43.3 The Company has not revalued its Property, Plant and Equipment during the year.

43.4 The Company has not revalued its intangible assets during the year.

43.5 The Company had not granted any Loans or advances to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

43.6 No proceedings have been initiated or pending against Company for holding any Benami Property under Prohibitions of Benami Transactions Act,1988 (Earlier titled as Benami transactions (Prohibitions) Act,1988.

43.7 The monthly returns/statement of current assets filed by Company with Banks for Borrowings are in agreement with the books of accounts except the Inventory of Packing material lied with the Company as the same was not considered while providing statement of Current Assets.

43.8 The Company is not declared a wilful defaulter by any Bank or Financial Institution or any other lender

43.9 The Company has no transaction with Companies which are stuck off under section 248 of the Companies Act,2013 or under section 530 of Companies Act,1956.

43.10 There are no charges or modifications thereof pending for satisfaction with the Registrar of Companies (ROC) under the provisions of the Companies Act, 2013.

43.11 Corporate Social Responsibility (CSR)

As per the provisions of **Section 135 of the Companies Act, 2013**, the Company is required to spend a certain percentage of its average net profits of the last three financial years on Corporate Social Responsibility (CSR) activities. However, CSR is not applicable to the Company for the following reason:

a) The Company's net worth is less than ₹500 crore and Turnover is less than ₹1000 crore and Net profit is also less than ₹5 crore.
Therefore, the Company has not spent any amount on CSR activities during the financial year.

43.12 Employee Stock Option Plan (ESOP)

The Company had introduced the MV Electrosystems Stock Incentive Plan 2023 on 29.12.2023, which entitled eligible employees to acquire equity shares of the Company at a predetermined exercise price, subject to certain vesting conditions.

During the financial year 2024-25, the Board of Directors approved the cancellation/withdrawal of the scheme with effect from 18.03.2025. Consequently, all outstanding options under the scheme stood cancelled / lapsed as of that date.

Up to the date of cancellation:

Particulars	Nos
Total options granted	4,57,200
Options vested	-
Options exercised	-
Options forfeited/lapsed	4,57,200
Options outstanding at year end	-

The cumulative expense recognized in respect of the ESOP up to the date of cancellation amounts to ₹ NIL, so no reversal has been made in accordance with the requirements of Ind AS 102. No further charge or credit is recognized subsequent to the cancellation.

The Company does not have any active share-based payment plans as on date.

43.13 With effect from April 01, 2023 the Ministry of Corporate Affairs (MCA) has made it mandatory for every company which uses accounting software for maintaining its books of accounts to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of accounts along with the date of such changes were made and ensuring that the audit trail cannot be disabled.

The Company is using Accounting software for maintaining books of accounts for the FY 2023-24 and onwards which has a feature of recording audit trail (edit log) facility.

43.14 The Company have identified all the micro and small enterprises as per MSMED Act, 2006 and have made payments to them generally within the time limit specified in Section 15 of the MSMED Act, 2006 except few cases.

The Company has not provided for interest on delayed payments to Micro and Small Enterprises under the MSMED Act, 2006, as the same was not claimed by the suppliers. Consequently, said amount is not disclosed in notes to accounts

as required by the section 22 of MSMED Act, 2006. However, there is no impact on taxable income as the Interest u/s 16 of MSMED Act, 2006 is not allowed as deduction under Income Tax Act, 1961.

43.15 During the year ended 31 March 2026, the Company incurred a cash loss of ₹ 136.83 Million (Previous year: ₹ NIL). Management has evaluated the Company's operational and financial position and believes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, the financial statements have been prepared on a going concern basis.

Calculation of cash Loss	
Profit Before Tax	(167.97)
Depreciation and Amortisation expenses	33.65
Provisions	10.33
Provision for Bonus Payable	0.11
Actual Rent paid	(12.51)
Actual Gratuity and Leave Encashment paid	(0.44)
Actual bonus paid	-
Cash Loss during the year	**(136.83)**

43.16 The Company has not entered into any Scheme of Arrangement approved by any Competent Authority during the FY 25-26, FY 24-25 and FY 23-24. Accordingly, the disclosure requirements under Schedule III to the Companies Act, 2013 in this regard are not applicable.

43.17 There are no transactions which were not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

Note 44

Financial Ratios

Particulars	Numerator	Denominator	Ratios	Change	Reason for Variance (if more than 25%)
Current Ratio (In times)	**Current Assets**	**Current liabilities**	**Ratios**	**Change**	**Reason for Variance (if more than 25%)**
31/03/2026	982.69	669.91	1.47	36.96%	Due to Increase in Current Assets as the stock of propulsion increased during the year and also the GST recoverable of the same has also been included in current assets.
31/03/2025	484.49	452.37	1.07	(1.32%)	NA
31/03/2024	386.82	356.41	1.09	7.31%	NA
Debt – Equity Ratio (In times)	**Total Debt**	**Total equity**	**Ratios**	**Change**	**Reason for Variance (if more than 25%)**
31/03/2026	498.93	625.71	0.80	(48.07%)	Due to increase in Equity as shares were issued during the year.
31/03/2025	275.02	179.10	1.54	(8.00%)	NA
31/03/2024	275.85	165.27	1.67	0.16%	NA
Debt Service Coverage Ratio (In times)	**EBITDA**	**Interest & Lease Payments + Principal Repayments**	**Ratios**	**Change**	**Reason for Variance (if more than 25%)**
31/03/2026	(99.42)	59.60	(1.67)	(199.16%)	Due to loss incurred during the year

31/03/2025	89.17	53.00	1.68	115.91%	Increase in EBIDTA
31/03/2024	64.05	82.21	0.78	(43.01%)	Increase in Principal and other repayments

Return on Equity (ROE) (In %)	Net Profit after Tax	Average Shareholder's Equity	Ratios	Change	Reason for Variance (if more than 25%)
31/03/2026	(126.95)	402.41	(31.55%)	(492.53%)	Due to loss incurred during the year
31/03/2025	13.84	172.18	8.04%	80.84%	Increase in NPAT
31/03/2024	6.48	145.75	4.44%	(54.81%)	Decrease in NPAT

Inventory Turnover Ratio (In times)	Cost of Goods Sold*	Average Inventory	Ratios	Change	Reason for Variance (if more than 25%)
31/03/2026	348.77	496.21	0.70	(46.98%)	Due to increase in Level of inventory
31/03/2025	372.56	281.01	1.33	(3.41%)	NA
31/03/2024	261.59	190.57	1.37	(65.39%)	Increase in COGS

Trade receivables turnover ratio (In times)	Turnover	Average Trade Receivable	Ratios	Change	Reason for Variance (if more than 25%)
31/03/2026	494.28	125.14	3.95	(14.19%)	NA
31/03/2025	626.37	136.08	4.60	(4.24%)	NA
31/03/2024	499.57	103.93	4.81	(50.30%)	Decrease in Turnover and increase in Trade receivables

Trade payables turnover ratio (In times)	Net Credit Purchases	Average Trade Payables	Ratios	Change	Reason for Variance (if more than 25%)
31/03/2026	730.33	202.15	3.61	32.54%	Due to high level of purchase
31/03/2025	421.39	154.59	2.73	(22.63%)	NA
31/03/2024	369.35	104.84	3.52	(53.58%)	Decrease in Purchase yet increase in Trade payables

Net capital turnover ratio (In times)	Net Sales	Working Capital	Ratios	Change	Reason for Variance (if more than 25%)
31/03/2026	494.28	312.78	1.58	(91.90%)	Due to increase in Net Working capital and decrease in net sales
31/03/2025	626.37	32.12	19.50	18.72%	NA
31/03/2024	499.57	30.41	16.43	(93.06%)	Decrease in Net Sales

Net profit ratio (In %)	Net Profit after Tax	Total Income	Ratios	Change	Reason for Variance (if more than 25%)
31/03/2026	(126.29)	497.91	(25.36%)	(1,268.11%)	Due to loss incurred during the year
31/03/2025	14.03	646.37	2.17%	97.10%	Increase in NPAT
31/03/2024	5.57	505.65	1.10%	(36.56%)	Decrease in NPAT

Return on capital employed (ROCE) (In %)	EBIT	Capital employed	Ratios	Change	Reason for Variance (if more than 25%)
31/03/2026	(133.07)	752.04	(17.69%)	(179.97%)	Due to loss incurred during the year

31/03/2025	54.44	246.03	22.13%	56.84%	Increase in EBIT
31/03/2024	35.66	252.81	14.11%	(7.40%)	NA

Return on Investment (ROI) (In %)	Income from Investment	Investment	Ratios	Change	Reason for Variance (if more than 25%)
31/03/2026	-	-	-	-	Investment sold during FY 2024-25
31/03/2025	0.09	0.35	25.27%	56.30%	Fair value Increased of Investment
31/03/2024	0.05	0.30	16.17%	3.70%	NA

* COGS is defined as the cost of material consumed solely and other direct expenses are not taken into account while calculating the inventory turnover ratio.

Note 45

Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

Note 46

First time adoption of Ind AS

Upto the Financial year ended March 31, 2024, the Company prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP").

The financial statement for the year ended March 31, 2025 is the first set of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the transition date to IND AS is 01 April 2022.

The Special purpose Ind AS Financial Statements as at and for the year ended 31 March 2024 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (01 April 2022) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the year ended 31st March 2025

In addition to the adjustments carried herein, the Company has also made material restatement adjustments in accordance with SEBI Circular and Guidance Note. Together these constitute the Restated Financial Information.

The impact of above to the equity as at 31 March 2024 and on total comprehensive income for the years ended 31 March 2024 has been explained as under.

(A) Exemptions availed on first time adoption of Ind AS

Ind AS 101, First-time Adoption of Indian Accounting Standards, allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.

i) **Deemed Cost**

Since there is no change in the functional currency, the Company has elected to continue with carrying value for Land and building as recognized in its Indian GAAP financial statements as its deemed cost at the date of transition after making adjustments for decommissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, Intangible Assets and investment properties.

Accordingly, the management has elected to measure all of its intangible assets and investment property at their Indian GAAP carrying value.

(B) Mandatory Exemption on first-time adoption of Ind AS

i) **Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS i.e. 01 April 2022 shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates are consistent with the estimates as at the same date made in conformity with Indian GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Indian GAAP:
(i) Impairment of financial assets based on expected credit loss model.
(ii) Provision for assets taken on lease.

ii) **Derecognition of financial assets and financial liabilities**

A first-time adopter should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively to transactions occurring on or after the date of transition. Therefore, if a first-time adopter derecognized non-derivative financial assets or non-derivative financial liabilities under its Indian GAAP as a result of a transaction that occurred before the date of transition, it should not recognize those financial assets and liabilities under Ind AS (unless they qualify for recognition as a result of a later transaction or event). A first-time adopter that wants to apply the derecognition requirements in Ind AS 109, Financial Instruments, retrospectively from a date of the entity's choosing may only do so, provided that the information needed to apply Ind AS 109, Financial Instruments, to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognize provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) **Classification and measurement of financial assets**

Ind AS 101, First-time Adoption of Indian Accounting Standards, requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(C) Reconciliations

The following reconciliations provides the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards:

(i) Reconciliation of Equity as at March, 24

Particulars	Notes	Indian GAAP *	IND AS Adjustment	Restatements	Prior Period Adjustments	IND AS
ASSETS						
Non-Current Assets						
Property, plant and equipments		182.93	(114.33)	-	-	68.59
Investment property		-	114.33	-	-	114.33
Capital WIP		-	-	-	-	-
Intangible Assets WIP		7.48	-	-	-	7.48
Intangible Assets		0.62	-	-	-	0.62
Right of Use Assets		-	60.14	-	-	60.14
Deferred Tax Assets	B2	8.07	0.78	-	-	8.85
Financial assets		-				

Particulars	Notes	Indian GAAP *	IND AS Adjustment	Restatements	Prior Period Adjustments	IND AS
i)Investment	B1	0.15	0.20			0.35
ii) Trade Receivables		0.24	-			0.24
iii) Other Financial Assets	B1	8.75	(0.37)			8.38
Total Non-Current Assets		**208.23**	**60.75**	**-**	**-**	**268.98**
Current Assets						
Inventories		244.45	-	-	-	244.45
Financial assets						
i) Trade receivables	B1	126.01	(0.07)	-	-	125.94
ii) Cash and cash equivalents		1.53	-	-	-	1.53
iii) Bank balances other than cash and cash equivalents		-	-	-	-	-
iii) Other Financial assets		2.04	(0.65)	-	-	1.39
Current Tax Assets		-	-	-	-	-
Other current assets		13.50	-	-	-	13.50
Total Current Assets		**387.54**	**(0.72)**	**-**	**-**	**386.82**
Total Assets		**595.77**	**60.03**	**-**	**-**	**655.80**
EQUITY AND LIABILITIES						
EQUITY						
Share capital		73.72	-	-	-	73.72
Other equity		91.39	(0.16)	-	-	91.54
Total equity		**165.11**	**(0.16)**	**-**	**-**	**165.27**
LIABILITIES						
Non Current Liabilities						
Financial Liabilities						
i) Borrowings		72.15	-	-	-	72.15
ii) Others	B1	-	(54.81)	-	-	54.81
Provisions		7.18	-	-	-	7.18
Deferred tax liabilities (net)		-	-	-	-	-
Total Non-Current Liabilities		**79.33**	**(54.81)**	**-**	**-**	**134.13**
Current Liabilities						
Financial liabilities						
i) Borrowings		203.70	-	-	-	203.70
ii) Trade payables			-			
-Total outstanding dues of micro, small and medium enterprises		14.30	-	-	-	14.30
-Total outstanding dues of creditors other than micro, small and medium enterprises		109.81	-	-	-	109.81
iii) Other Financial Liabilities	B1	8.03	(5.07)	-	-	13.10
Current tax liabilities		5.48	-	-	-	5.48
Provisions		0.24	-	-	-	0.24
Other current liabilities		9.78	-	-	-	9.78
Total Current Liabilities		**351.34**	**(5.07)**	**-**	**-**	**356.41**

Particulars	Notes	Indian GAAP *	IND AS Adjustment	Restatements	Prior Period Adjustments	IND AS
Total Liabilities		**430.66**	**(59.88)**	**-**	**-**	**490.54**
Total Equity and Liabilities		**595.77**	**(60.03)**	**-**	**-**	**655.80**
Income						
Revenue from operations		499.57	-			499.57
Other income		5.85	0.24			6.08
Total Income		**505.42**	**0.24**	**-**	**-**	**505.65**
Expenses						
Cost of Raw Material Consumed		247.49	(0.26)	-	-	247.23
Changes in inventories of Finished goods, work-in-progress and stock-in-trade		14.35	-	-	-	14.35
Employee Benefit expense		94.46	(2.45)	-	-	92.01
Finance Cost		23.52	1.19	-	-	24.70
Depreciation and Amortisation expenses		21.68	6.71	-	-	28.39
Other Expenses		96.55	(8.54)	-	-	88.01
Total Expenses		**498.05**	**(3.35)**	**-**	**-**	**494.69**
Profit before exceptional items and tax		**7.37**	**3.59**	**-**	**-**	**10.96**
Exceptional items		**(0.80)**	**-**	**-**	**-**	**(0.80)**
Profit/(loss) before tax		**6.57**	**3.59**	**-**	**-**	**10.16**
Income Tax expense						
-Current Tax		8.02	-			8.02
-Deferred Tax		(3.51)	0.08	-	-	(3.43)
Total Tax Expense		**4.51**	**0.08**	**-**	**-**	**4.59**
Profit for the year		**2.06**	**3.51**	**-**	**-**	**5.57**
Other comprehensive income/(loss) for the year, net of tax						
A (i) Item that will not be reclassified to profit or loss		1.26	-			1.26
(ii) Income tax relating to item that will not be reclassified to profit or loss		(0.35)	-			(0.35)
Total comprehensive income for the year		**2.97**	**3.51**	**-**	**-**	**6.48**

(iii) Reconciliation of Cash flow as at 31st March 2024

	Indian GAAP *	Difference due to change in IND AS and Prior Period Adjustments	IND AS
Net cash (used in) operating activities	(55.34)	(3.19)	(52.15)
Net cash (used in) investing activities	(41.16)	(5.60)	(35.56)
Cash flow from financing activities	74.54	8.80	65.74
Net (decrease)/increase in cash and cash equivalents	(21.96)	-	(21.96)
Cash and cash equivalents at the beginning of the year	23.50	-	23.50

	Cash and cash equivalents at the end of the year	**1.53**	**-**	**1.53**

(iv) Reconciliation of total equity between previous GAAP and Ind AS as at 31 March 2024

	Particulars	**Notes**	**March 31, 2024**
	Shareholder's equity as per Indian GAAP		**91.39**
	IND AS Adjustment		
	Depreciation charged on ROU		(6.71)
	Interest on Lease liability as per IND AS-116		(1.19)
	Rent Expenses Charged from Lease provision		8.79
	Interest income considered on Security Deposits as per IND AS-116		0.19
	Fair value gain considered for Investment in Gold bonds		0.05
	Expected credit loss booked for Trade receivables		3.81
	Opening Shareholder's Equity Adjustment		(1.76)
	Total IND AS Adjustment		**3.17**
	Prior Period Adjustments		
	Provision for Leave Encashment		(1.36)
	Opening Shareholder's Equity Adjustment		(2.45)
	Total Adjustments		**(3.81)**
	Deferred Tax Effect on Above Adjustment		0.78
	Shareholder's equity as per Ind AS		**91.54**

(v) Reconciliation of total comprehensive income for the year period 31 March 2024

	Particulars	**Notes**	**March 31, 2024**
	Profit/ (loss) after tax as per Indian GAAP		2.97
	IND AS Adjustment		
	Depreciation charged on ROU		(6.71)
	Interest on Lease liability as per IND AS-116		(1.19)
	Rent Expenses Charged from Lease provision		8.79
	Interest income considered on Security Deposits as per IND AS-116		0.19
	Fair value gain considered for Investment in Gold bonds		0.05
	Leave Encashment Provision already charged		3.81
	Expected credit loss booked for Trade receivables		-
	Total IND AS Adjustment		**4.94**
	Prior Period Adjustments		
	Provision for Leave Encashment		(1.36)
	Total Prior Period Adjustments		**(1.36)**
	Deferred Tax Effect on Above Adjustment		(0.08)
	Profit as per Ind AS		**6.48**

Notes to the reconciliation between previous GAAP and Ind AS

A Prior Period Adjustments

The Company has made certain errors in adoption of accounting policies under Previous GAAP. During the current year, on transition to IndAS, the Company has rectified these errors by restating the financial Statement for the respective years. These adjustments are on account of:-

A1 The Company has not adjusted its Income tax paid amount against its tax liability and the whole balance stands under the head Other Current Assets. The same has been adjusted against Current tax Liability and the balance has been included in Other Expenses as Income tax paid.

A2 Bifurcation of Security Deposits has been made in Current and Non Current but the same was taken care while conversion to Ind As Balance sheet so will not be the part of Reconciliation.

A3 Provision for Leave Encashment has been recognised during restatement. The Same will also Impact the Provision for Leave encashment made during the year 2023-24 due to opening balance of FY 2023-24 and the same is reduced from the Provision reflected in Employee Benefit Expenses during FY 23-24.

B On account of implementation of IND AS

B1 Due to Implementation of IND AS the company had made various provisions effective from previous years and the same had accounted as prior period items in the year of transition. Accordingly, the company has adjusted the Opening Reserves as on date of transition.

B2 Deferred tax

a) Deferred tax adjustments has been made in accordance with Ind AS, under balance sheet approach for all the items which have differential book base from that of tax base and which temporarily gets reversed due to timing difference including adjustments arising from Ind AS transition.

B3 The transition from the Previous GAAP to Ind AS did not have material impact on the statement of cash flow.

B4 Appropriate adjustments have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profits and Loss and Restated Statement of Cash Flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Ind AS financial statements of the Company prepared in accordance with Schedule III of Companies Act 2013, in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

As per our Report of even date
For SANMARKS & ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**
(Santosh Kumar Agrawal)	**(Pankaj Rastogi)**	**(Amit Dhawan)**
Partner	**Managing Director**	**Director**
FRN: 003343N, M. No.: 091127	**(DIN: 11307172)**	**(DIN 03031778)**
Place: Faridabad	**Sd/-**	**Sd/-**
Date: July 23, 2026	**(Ajay Kumar)**	**(Sourabh Bansal)**
UDIN: 26091127VWQRQH5935	**Chief Financial Officer**	**Company Secretary**
		M. No. A49529

OTHER FINANCIAL INFORMATION

Accounting ratios derived from the Restated Financial Information

The accounting ratios derived from Restated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below. The table below should be read in conjunction with the sections titled "Risk Factors", "Other Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 22, 371 and 374, respectively:

(₹ in millions, except per share data)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Share Capital	102.30	91.40	73.72
Other Equity	523.41	87.70	91.54
Net worth/ Equity attributable to owners of our Company [1]	625.71	179.10	165.27
Revenue from Operations	494.28	626.37	499.57
Other income	3.63	19.99	6.08
Total Income	497.91	646.37	505.65
Restated profit for the period / year (after comprehensive income)	(126.29)	13.84	6.48
Earnings per Share (face value of Equity Shares of ₹ 10 each) (as per Restated Financial Information)			
Basic [2 3 4]	(6.52)	0.76	0.44
Diluted [2 3 4]	(6.52)	0.76	0.39
Net Asset Value per Equity Share [5] (for Equity Shares of face value ₹ 5 each) (after considering adjustment and impact for conversion of CCPS into Equity Shares, issue of bonus shares and split of face value of equity shares from ₹ 10 to ₹ 5 on the number of shares considered for respective periods)	30.58	9.80	9.04
Total Borrowings [6]	498.93	275.02	275.85

[1] Net Worth is computed as the sum of the aggregate of paid up equity share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account.

[2] Earnings per Equity Share (Basic) = Restated profit for the period / year attributable to the equity holders of our Company / Weighted average number of equity shares outstanding during the period / year. The weighted average number of Equity Shares outstanding is adjusted for issue of bonus equity shares by the Company.

[3] Earnings per Equity Share (Diluted) = Restated profit for the period / year attributable to equity holders of our Company / Weighted average number of equity shares outstanding during the period / year considered for deriving basic earnings per share and the weighted average number of Equity Shares which could have been issued for potential dilution of Equity Shares. The weighted average number of Equity Shares outstanding is adjusted for issue of bonus equity shares by the Company.

[4] Basic EPS and Diluted EPS calculations are in accordance with Indian Accounting Standard 33 'Earnings per Share'. Pursuant to the Shareholders resolution passed at the Extra Ordinary General Meeting held on November 30, 2023, our Company has allotted bonus shares in the ratio of thirty one bonus Equity Shares of face value ₹ 10 each for every one then existing Equity Share of face value ₹ 10 each held in the meeting of the Board of Directors held on December 09, 2023 and Reserved Bonus Equity Shares of face value ₹ 10 each allotted in the meeting of the Board of Directors held on March 18, 2025. Accordingly, the earnings per Equity Share have been adjusted for the aforementioned bonus issue. Further, the EPS so calculated above has also been adjusted for split of face value of equity shares of the Company from ₹ 10 each to ₹ 5 each in their Extra Ordinary General Meeting held on November 10, 2025.

[5] Net Asset Value per Equity Share = Net worth as per the Restated Financial Information / number of Equity Shares outstanding as at the end of the year / period. The number of Equity Shares as at the end of the respective periods have been adjusted for (i) allotment of bonus shares in the ratio of thirty one bonus Equity Shares of face value ₹ 10 each for every one then existing Equity Share of face value ₹ 10 each held in the meeting of the Board of Directors held on December 09, 2023 and Reserved Bonus Equity Shares of face value ₹ 10 each allotted in

the meeting of the Board of Directors held on March 18, 2025; and (ii) split of face value of equity shares of the Company from ₹ 10 each to ₹ 5 each in their Extra Ordinary General Meeting held on November 10, 2025.
[6] Total borrowings are computed as aggregate of current borrowings, non-current borrowings and unsecured loans.

Non-GAAP measures
In addition to our results determined in accordance with Ind AS, we believe the following non-GAAP measures are useful to Bidders in evaluating our operating performance and liquidity. We use the following non-GAAP financial information to evaluate our ongoing operations. The non-GAAP financial information, when taken collectively with financial measures disclosed in financial statements and prepared in accordance with Ind AS, may be helpful to Bidders because it provides an additional tool for Bidders to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these non-GAAP measures in isolation or as an alternative to financial measures of our performance and liquidity that is not required by, or presented in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. Further, these non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the years / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP.

Non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information disclosed in financial statements and presented in accordance with Ind AS. Non-GAAP financial information are not standardised terms, hence a direct comparison of these non-GAAP Measures between companies may not be possible and these measures may be different from similarly titled non-GAAP measures used by other companies. Other companies may calculate these non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Non-GAAP financial measures are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Our non-GAAP financial measures are not a measurement of financial performance or liquidity under these accounting standards and should not be construed in isolation or construed as an alternative to cash flows, restated loss for the period or any other measures of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated from our operating, investing or financing activities, derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by Ind AS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. A reconciliation is provided below for the non-GAAP financial measures to the most directly comparable financial measure disclosed in financial statements. Bidders are encouraged to review the related Ind AS financial measures and the reconciliation of non-GAAP financial measures to their most directly comparable Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business.

Reconciliation of Non-GAAP Measures
Reconciliation for the various Non-GAAP Measures included in this Prospectus are given below:

EBITDA, Operating EBITDA, EBITDA Margin (%), Operating EBITDA Margin (%)

The table below sets out certain financial parameters for the Financial Year ended March 31, 2026, March 31, 2025 and March 31, 2024:

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Revenue from operations	494.28	626.37	499.57
Total income	497.91	646.37	505.65
EBITDA	(99.42)	89.17	64.05
EBITDA margin (%)	(19.97%)	13.80%	12.67%
Operating EBITDA	(103.05)	69.17	57.97
Operating EBITDA margin (%)	(20.85%)	11.04%	11.60%
Profit after tax (before other comprehensive income)	(126.29)	14.03	5.57

Particulars	Financial year ended March 31,		
	2026	2025	2024
Profit after tax (after other comprehensive income)	(126.95)	13.84	6.48
PAT margin (%)	(25.36%)	2.17%	1.10%
Return on Equity (ROE)(%)	(20.29%)	7.73%	3.92%
Debt to Equity Ratio	0.80	1.54	1.67
Interest Coverage Ratio	(3.81)	1.79	1.44
Return on Capital Employed (ROCE)(%)	(17.69%)	22.13%	14.11%
Current Ratio	1.47	1.07	1.09
Net Capital Turnover Ratio	1.58	19.50	16.43

a) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information.

b) EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations & exceptional items.

c) EBITDA Margin refers to EBITDA during a given period as a percentage of total income during that period.

d) Operating EBITDA refers to EBITDA less other income i.e. only revenue from operations.

e) Operating EBITDA Margin refers to operating EBITDA during a given period as a percentage of revenue from operations during that period.

f) Net Profit Ratio / Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes but before other comprehensive income by our total income.

g) Return on Equity is equal to profit after tax and after comprehensive income for the year divided by the shareholder's equity as at the end of the Fiscal and is expressed as a percentage.

h) Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).

i) Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBITDA by Interest and lease payments & principal repayment due in twelve months.

j) RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by total equity plus non-current debt plus current outstanding of non-current debt.

k) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

l) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by working capital (i.e., current assets less current liabilities).

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATION

The following discussion is intended to convey the management's perspective on our financial condition and results of operations for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 and should be read in conjunction with 'Restated Financial Information' on page 295.

The Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in the Prospectus. For further information, see 'Forward-Looking Statements' on page 21.

Our Company's Financial Year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Financial Year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for the Financial Year ended March 31, 2026, March 31, 2025 and March 31, 2024 and included herein is derived from the Restated Financial Information, included in the Prospectus. For further information, see 'Restated Financial Information' on page 295. Ind AS differs in certain respects from Indian GAAP, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Also see "Risk Factor 56 - We track certain operational metrics and non-generally accepted accounting principles, measures with internal systems and tools and do not independently verify such metrics. Certain of our operational metrics are subject to inherent challenges in measurement and any real or perceived inaccuracies in such metrics may adversely affect our business and reputation." on page 70.

Unless otherwise indicated, industry and market data used in this section has been derived from the report titled 'Industry Research Report on Railway Propulsion Equipment Industry' released on July 23, 2026, prepared by CARE Analytics and Advisory Private Limited, which has been commissioned and paid for by our Company in connection with the Issue. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CareEdge Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. Sundae Capital Advisors Private Limited was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management or BRLM. A copy of the CareEdge Report is available on the website of our Company at www.mvelectrosystems.com. Unless otherwise indicated, financial, operational, industry and other related information derived from the CareEdge Report and included herein with respect to any particular calendar year/ Financial Year refers to such information for the relevant calendar year / Financial Year. For further information, see "Risk Factor 52 - Certain sections of the Prospectus contain information from the CareEdge Report which we commissioned and paid for and any reliance on such information for making an investment decision in the Issue is subject to inherent risks." on page 68. Also see, 'Certain conventions, presentation of financial, industry and market data and currency of presentation' on page 16.

BUSINESS OVERVIEW

For information on our business, see "Our Business" on page 213.

PRESENTATION OF FINANCIAL INFORMATION

The restated financial information of our Company comprise the restated statement of assets and liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024, the restated statement of profit and loss (including other comprehensive income), the restated statement of changes in equity and the restated statement of cash flows for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, and the material accounting policies and other explanatory information (collectively, the "**Restated Financial Information**").

The Restated Financial Information have been compiled from the audited financial statements of our Company as at and for the financial year ended March 31, 2026 and March 31, 2025 prepared in accordance with the Indian Accounting Standards (referred to as "**Ind AS**") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and the Ind AS converged financial statements of our Company for the financial year ended March 31, 2024.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

We are a technology-driven company engaged in the design and development of advanced power electronics solutions for the Indian Railway industry. Our Research, Design and Development (R&D) Centre has played a pivotal role in shaping our business and technological capabilities. At present, we are involved in the assembly and manufacturing of railway power electronics used in rolling stock, including IGBT-based 3-phase drive propulsion systems for electric locomotives. Our product portfolio further comprises switchgear & rail coach / EMU panels, cable protection and management systems, and a wide range of electrical components, systems, and sub-systems. With a strong emphasis on indigenous innovation and sustainable rail transportation, we continue to invest in strengthening our design and development capabilities. Our ongoing efforts are directed toward achieving cost efficiency and deeper localisation across both our manufacturing processes and products. For further details, see "Our Business - Our Strategies" on page 225.

Our ability to effectively execute our expansion strategy depends on our ability to open new stores successfully. We have made significant investments in research, design and development for power electronics in the past and will continue to undertake such efforts to improve our existing propulsion system, as per requirement of Indian Railways and newer markets & opportunities, hardware and software for controlling such power electronics and design and develop new power electronics equipment. Our R&D efforts have a crucial role in enabling us to cater to evolving market preferences in the Indian Railways and our investment in such activities will further increase as our product lines expand. Our in-house Research, Design & Development Centre based at Faridabad, Haryana, India is the technological backbone of our operations, dedicated to innovation, engineering and advancement of complex and high-performance power electronics and other railway systems. It plays a pivotal role in enabling in-house product development capabilities complying with international standards that align with the evolving needs of Indian Railways and international customers including End-to-end product engineering, Compliance-Driven Development, Indigenous Design Capability and Test and Validation Infrastructure.

Ability to expand our product offerings, retain existing customers and attract new customers

Present products for which approvals received

The existing business operations of our Company has sustained the investments made by us in building and maintaining our team and other R&D related costs over the past five years. With our sustained efforts, we have successfully developed 3-Phase Propulsion Equipment for which we have received approval from CLW, Indian Railways on September 15, 2025. As on June 30, 2026, we have an executable outstanding order book for supply of 564 (five hundred sixty four) 3-Phase Propulsion Equipment to Chittranjan Locomotive Works, Banaras Locomotive Works and Patiala Locomotive Works, all three units of Indian Railways, having an aggregate order value of ₹ 9,216.40 million (excluding GST and AMC). Further, the said orders also contain an aggregate value of annual maintenance contract equivalent to a sum of ₹ 676.78 million (excluding GST) for the maintenance period of 3 years after completion of the warranty period.

New products under development

With the completion of design and development of 3-Phase Propulsion Equipment, our R&D team is now focussing on development of the following new products / opportunities available in the railway industry:

(a) We have received a Letter of Acceptance dated June 27, 2026 from Modern Coach Factory, Raebareli, Indian Railways to place order with our Company for Design, Development, Manufacture, Supply, Testing and Commissioning of Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes). The said order is for 6 (six) MEMU (On Board - 12 Car Rakes) for an aggregate value of ₹ 865.46 million and five years comprehensive annual maintenance contract for aggregate value of ₹ 46.86 million, both excluding GST.
(b) We have received a developmental order for IGBT based 3-Phase Drive Propulsion Equipment with Composite Converter for WAP-7 locomotives from CLW, Indian Railways on September 10, 2025 for one (1) such equipment for an aggregate value of ₹ 25.11 million (excluding GST) and three years comprehensive annual maintenance contract for an aggregate value of ₹ 1.48 million (excluding GST).
(c) We have received a developmental order dated December 01, 2025 for one (1) set of 2x500 KVA IGBT based Hotel Load Converter for 3-Phase Electric Locomotives WAP-7 locos for aggregate value of ₹ 8.00 million

and three years comprehensive annual maintenance charges for aggregate value of ₹ 0.30 million, both excluding GST.

(d) We have entered into a Business Cooperation Agreement with PNC Technologies Co. Ltd., South Korea on August 13, 2025 for a period of three years, to collaborate exclusively for the marketing, manufacturing, supply and distribution of Auto Fault Locator system for the Indian market, to fulfil the condition of minimum 51% Indian content under "Make in India" policy and to participate in the tenders and also provide after sales services with support of PNC Technologies.

(e) Recently, Ministry of Railways has approved for procurement of integrated propulsion kit for 50 nos each by BLW and CLW respectively, subject to design approval and prototype clearance including by RDSO / Indian Railways. Procurement of such integrated propulsion kit by locomotive works factories of Indian Railways creates an opportunity for us to further diversify into production of other products required in delivery of such integrated propulsion kit. Such integrated propulsion kit includes propulsion equipment, traction motors, traction transformer, complete bogies, suspension system, transmission system and any such product as may be included by BLW or CLW. Procurement of such integrated propulsion kit by locomotive works factories of Indian Railways creates an opportunity to further diversify into production of other products required in delivery of such integrated propulsion kit.

Customer

Our strategy is focused on significantly expanding our product development and market presence in Rolling Stock manufacturing, including focus on propulsion equipment required for various types of rolling stocks and focus on Power conversion Systems for other industries like Solar Power, Wind Power, Energy Storage, Industrial/Commercial Systems and Electric Mobility.

Maintain operational efficiencies

In order for us to grow our operations and become profitable with new products and orders, we have to maintain operational efficiencies which depends on various factors including our R&D cost, cost of production and efficient supply chain for raw material.

Cost of procuring raw materials and manufacturing our products

Insulated Gate Bipolar Transistors are key components in modern railway propulsion equipment because they efficiently convert electrical power, enabling high-speed, reliable, and energy-efficient control of traction motors, resulting in smoother acceleration and braking, lower maintenance, and reduced energy consumption. Their high power-handling capability, fast switching speeds, and ability to support regenerative braking make them crucial for electric and diesel-electric locomotives, metro trains, and high-speed trains. Similarly, DC link capacitors act as an energy buffer to stabilize the switch-mode inverters and filter out high-frequency noise generated by the inverters. Also, our Vehicle Control Unit is developed on high performance microprocessor based modular systems that provide complete traction and propulsion control of the entire locomotive hauled train with continuous monitoring and extensive fault diagnostics. Similarly, we will be required to create efficient supply chain for other products including semiconductors, micro processors, thyristor, etc used for production of propulsion system.

Majority of such key components are imported or sourced by us through local office of the importer or their supplier in India and we will be dependent on foreign suppliers for the supply of such key components. We do not have history of long term agreement / arrangement of trades to be undertaken with them including terms such as price and quantum, we face more pronounced risks relating to the availability and pricing of electric components. These risks include disruptions in the supply of electric components due to a demand surplus for such components or quality issues. Such suppliers may also undertake supplies to other customers which may limit the quantity of such components available for sale to us.

The prices and supply of these and other materials depend on factors beyond our control, including general economic conditions, competition, production levels and regulatory factors such as import duties. To the extent, we cannot pass on some or all of the increase in the cost of raw materials, any such increases could have an adverse effect on revenue and results of operations. Similarly, to the extent we are able to reduce costs of raw materials, such savings improve our overall results of operations.

Bids / Tenders

Our Company participates in these tenders and may not always qualify as lowest bidder or match the bid of the lowest bidder and hence, the conversion of participation in the tenders vis-à-vis successful award of order is low. The summary of the tenders participated by us and the orders awarded during the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 are as under:

(₹ in millions)

Particulars	For the Financial Year ended March 31,					
	2026		2025		2024	
	No. of Bids / Tenders	Value of Tender	No. of Bids / Tenders	Value of Tender	No. of Bids / Tenders	Value of Tender
Bids / Tenders participated	462	49,960.00	435	46,305.13	233	35,877.46
Bids / Tenders awarded to us	75	10,023.00	115	2,175.16*	71	316.31
Bids / Tenders not awarded to us	387	39,937.00	320	44,129.97	162	35,561.15
Bid / Tenders success ratio	16.23%	20.06%	26.44%	4.70%	30.47%	0.88%
EMD deposited by the Company						
Amount during the respective year / period		5.00		34.31		21.09

** Includes two purchase orders aggregating to ₹ 1,539.29 million for supply of 74 (seventy four) 3-Phase Propulsion Equipment, proto type approval for which was received by us on September 15, 2025.*

NON-GAAP MEASURES

Gross Profit, Gross Margin, Return on Capital Employed, Net Debt, Net Debt / Equity, EBITDA, EBITDA Margin, Operating EBITDA and Operating EBITDA Margin (together, "**Non-GAAP Measures**"), presented in the Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS, U.S. GAAP or any other GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS, U.S. GAAP or any other GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS, U.S. GAAP or any other GAAP. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Reconciliation of Non-GAAP measures

Reconciliation of Gross Profit and Gross Margin

The table below reconciles revenue from operations to Gross Profit and Gross Margin.

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Revenue from operations (A)	494.28	626.37	499.57
Less: Cost of raw material consumed (B)	383.62	384.83	247.23
Less: Changes in inventories of finished goods, work in progress and stock in trade (C)	(34.85)	(12.27)	14.35
Gross Operating Profit (D = A - B - C)	145.51	**253.81**	**237.99**
Gross Margin (D / A) (in %age)	**29.44%**	**40.52%**	**47.64%**

Reconciliation of Net Asset Value per Equity Share

The table below reconciles total equity to Net Asset Value per Equity Share.

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Total Equity (A)	625.71	179.10	165.27
Number of shares outstanding* (B)	2,04,59,200	1,82,80,000	1,82,80,000
NAV per Equity Share (A / B) (in ₹)	30.58	9.80	9.04

** on fully diluted basis, after considering impact of conversion of CCPS into Equity Shares, issue of bonus equity shares and split of face value of equity shares from ₹ 10 to ₹ 5 for the paid up capital outstanding on the respective periods*

Reconciliation of Return on Net Worth

The table below reconciles profit for the period / year to Net Worth

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Profit for the year (A)	(126.95)	13.84	6.48
Total Equity (B)	625.71	179.10	165.27
Return on Net Worth (A / B) (in %age) *	**(20.29%)**	**7.73%**	**3.92%**

** Return on Net Worth is equal to profit after tax and after comprehensive income for the year divided by the average shareholder's equity during that period and is expressed as a percentage.*

Reconciliation of Debt / Equity

The table below reconciles the Debt Equity ratio of the Company for the period

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Secured Borrowings (Non Current)	95.43	49.73	50.65
Secured Borrowings (Current)	403.50	224.29	203.70
Total secured borrowings	498.93	**274.02**	**254.35**
Unsecured borrowings	-	1.00	21.50
Total borrowings (A)	498.93	**275.02**	**275.85**
Paid up share capital (including Preference Shares)	102.30	91.40	73.72
Reserves and Surplus	523.41	87.70	91.54
Net Worth (B)	625.71	**179.10**	**165.27**
Debt to Equity Ratio (A / B)	**0.80**	**1.54**	**1.67**

Reconciliation of EBITDA, EBITDA Margin, Operating EBITDA and Operating EBITDA Margin to Profit Before Tax

The table below reconciles profit before tax to EBITDA. EBITDA is calculated as loss before tax plus depreciation and amortization expense plus finance cost while EBITDA Margin is calculated as EBITDA as a percentage of total income. Operating EBITDA is calculated as EBITDA less other income while Operating EBITDA Margin is calculated as Operating EBITDA as a percentage of revenue from operations.

(₹ in millions)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Profit before exceptional items and tax	(167.97)	24.02	10.96
Add: Depreciation and Amortization	33.65	34.73	28.39
Add: Finance Costs	34.90	30.42	24.70
EBITDA	**(99.42)**	**89.17**	**64.05**
Less: Other Income	3.63	19.99	6.08
Operating EBITDA	**(103.05)**	**69.17**	**57.97**
EBITDA% *	**(19.97%)**	**13.80%**	**12.67%**

Particulars	Financial year ended March 31,		
	2026	2025	2024
Operating EBITDA% **	**(20.85%)**	**11.04%**	**11.60%**

** EBITDA Margin refers to EBITDA during a given period as a percentage of total income during that period.*
*** Operating EBITDA Margin refers to operating EBITDA during a given period as a percentage of revenue from operations during that period.*

MATERIAL ACCOUNTING POLICIES

Significant Accounting Policies

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) The financial statements of the company have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Investments are measured at fair value.
(ii) Defined benefit plan- plan assets measured at fair value.

The financial statements are presented in INR millions

These Statements have been prepared by the Management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, issued by the Securities and Exchange Board of India ('SEBI') on 11September 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") for the purpose of inclusion in the Red Herring Prospectus ('RHP') in connection with its proposed initial public offering of equity shares of face value of Rs. 5 each of the Company comprising a fresh issue of equity shares (the "Offer"), prepared by the Company in terms of the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act, 2013(the "Act").

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time; and

(c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

a) The Restated Financial Information of the Company comprise of the Restated Statement of Assets and Liabilities as at, 31 March 2026, 31st March 2025 and 31 March 2024, Restated Statement of Profit and Loss (including Other Comprehensive Income) for the year ended 31 March 2026 and 31 March 2025 and 31 March 2024 and Restated Statement of Cash Flow and Restated Statement of Changes in Equity for the year ended 31March2026 and 31March 2025 and31 March 2024, the Summary statement of Significant Accounting Policies and Notes to Restated Financial Information (collectively, the 'Restated Financial Information' or 'Statements').

b) The Restated Financial Information have been compiled from:

a. Audited Special Purpose Financial Statements of the Company as at and for the year ended 31 March 2026, 31 March 2025 and 31 March 2024 prepared in accordance with the Indian Accounting Standards ('IndAS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013 which have been approved by the Board of Directors at their meeting held on July 23, 2026.

The financial statement for the period ended 31st March 2025 is the first set of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the transition date to IND AS is 01 April 2022. Upto the Financial year ended March 31, 2024; the Company prepared its financial statements in accordance with accounting standards notified under the

Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014("Indian GAAP" or "Previous GAAP") due to which the Special purpose Ind AS financial statements were prepared for the purpose of Initial Public Offer (IPO).

The Special purpose Ind AS Financial Statements as at and for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101)consistent with that used at the date of transition to Ind AS (April 01, 2022) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the year ended 31st March, 2025.

c) In pursuance to ICDR Regulations, the Company is required to provide Financial Statements (FS) prepared in accordance with Indian Accounting Standard (Ind AS) for all the three years audited and certified by the statutory auditor(s) who holds a valid certificate by the Peer Review Board of the Institute of Chartered Accountants of India(ICAI).To comply with such requirements, the company has prepared special purpose Ind AS financial statements for the financial years ending March 31, 2026, March 31, 2025 and March 31, 2024.The special purpose Ind AS financial statements with required restatement have been included in the restated financial information prepared for the purpose of filing the RHP.

d) The Restated Financial Information have been prepared to contain information/disclosures and incorporating adjustments set out below in accordance with the ICDR Regulations: -

(i) Adjustments to the profits or losses of the earlier periods for the changes in accounting policies if any to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods and of material errors, if any;

(ii) Adjustments for reclassification/regroupings of the corresponding items of income, expenses, assets and liabilities retrospectively in the years ended March 31, 2025, and March 31, 2024, in order to bring them in line with the groupings as per the Audited Financial statement of the Company for the period ended March 31st 2026 and the requirements of the SEBI Regulations, if any; and

e) Historical cost convention

The Restated Financial Information have been prepared on a historical cost basis

f) The Restated Financial Information 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.

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, reported balances of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual result and estimates are recognised in the period in which the results are known/materialise.

c. Current vs 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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting 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 liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d. Foreign currencies

The Company's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Transaction and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

e. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements.

Based on the Educational Material on Ind AS 18 issued by the ICAI, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from erection and services and revenue from job work is recognised as per the contractual terms and as and when services are rendered.

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

Rental Income
Rental income arising from operating leases on investment properties is accounted for on an actual basis and is included under the head “other income” in the statement of profit and loss

f. Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (q) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

g. Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. 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.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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 utilised. 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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss in other comprehensive income. Deferred tax items are recognised in correlation to the underlying transaction in OCI.

h. Property, Plant and Equipment

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment **recognised as of April 1, 2022** (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as at the transition date.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. All the property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised 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 recognised in profit or loss as incurred.

In case of other assets, depreciation has been provided on written down value method on the economic useful life prescribed by Schedule II to the Companies Act'2013. Depreciation on addition to or on disposal of Fixed Asset is calculated on pro rata basis.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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.

i. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Amortisation of the finite intangible assets is allocated on systematic basis over the best estimate of their useful life and accordingly softwares are amortised on straight line basis over the period of six years or license period whichever is lower.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised. The Company has no intangible assets with an indefinite life.

j. Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost, including related transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The Investment Property consists of Land and Building and as land in a non-depreciable asset so Based on technical evaluation and consequent advice, the management believe that only building will be depreciated over a period of 30 years on written down value basis.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment property is derecognised either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

The cost of investment property at 1 April 2022, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

k. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a. <u>Company as a lessee</u>

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Particulars	Useful life (years)
Leasehold Land and Building	5-10

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

b. Lease Liabilities

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

c. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of land, building, machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

d. Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

m. Inventories

Inventories are valued as follows: -

Raw materials, Stores, Spares, Other Materials and Traded Goods including packing material: -

Lower of cost and net realizable value. However, materials and other supplies 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. Cost is determined on FIFO basis.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods: -

Lower of cost and net realizable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on FIFO basis.

Work in Progress: -

Work in Progress is valued at the lower of actual cost incurred or net realizable value. Cost includes direct materials, labour and proportionate overheads.

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.

n. 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 is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount 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. When 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.

o. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a pre-tax rate that reflects when appropriate, the risks specific to the liability.

p. Retirement and other employee benefits

(i) Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(ii) Gratuity is a defined benefit plan and provision is being made on the basis of actuarial valuation carried out by an independent actuary at the year-end using 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 and the return on plan assets (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:
► The date of the plan amendment or curtailment, and
► The date that the Group recognises related restructuring costs
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:
► Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
► Net interest expense or income

Compensated Absences

Accumulated leave which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures 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 treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to statement of Profit and Loss in the period in which they occur.

q. 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
► Debt instruments at amortised cost
► Debt instruments at fair value through other comprehensive income (FVTOCI)
► Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
► Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised 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 the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income 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 P&L, 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 P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

► 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 (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets. The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that 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 a 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 entity reverts to recognising impairment loss allowance based on 12-month 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
► 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 (P&L). This amount is reflected under the head 'other expenses' in the P&L.

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, trade and other payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit and financial guarantee contracts.

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 hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in 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 risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through Statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

r. Derivative financial instruments

The Company does not use derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks respectively. Any gains or losses arising from changes in the foreign currency rates are taken directly to profit or loss in the year of realization /payment

s. Fair Value measurement

The Company measures financial instruments, such as, investment 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 the 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 a 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.

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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.

t. Contingent liability

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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions and contingent liabilities are reviewed at each balance sheet date.

u. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

v. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share when applicable are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares when applicable are deemed converted as of the beginning of the period, unless they have been issued at a later date.

Significant accounting judgements, estimates and assumptions: -

The preparation of the Company's financial statements requires management to make judgements, 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 assets or liabilities affected in future periods.

Judgements: - In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements

Determining the lease term of contracts with renewal and termination options - Company as lessee The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has a 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.

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 that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans: -

The cost of the defined benefit plans and other employment benefits and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation 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. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country

Further details about defined benefit obligations are provided in Note 37.

Taxes: -

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Recent Accounting Pronouncements:

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has amendments primarily focused on liability classification (Ind AS 1), new disclosure norms for supplier financing (Ind AS 7/107), and global tax rules (Ind AS 12). These amendments to the existing standards are not expected to have a material impact on the company during the current financial year.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Revenue from operations
Revenue from operations comprises sale of products which includes 3-Phase Propulsion Equipment (supplies for which commenced in March 2026) switchgear & rail coach / EMU panels, cable protection and management products, and a range of electrical components, systems, and sub-systems. The Company is also presently engaged in design and development of power electronics equipment for railways, including Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU, Hotel Load Converter and Composite Converter. Since the creation of design and development is being done in-house with proprietary know how, the creation of such power electronics and other components has a larger gestation period. Our Company supplied its first 3-Phase Propulsion Equipment to CLW for commencing trials to ensure that the same complies with the requirements of RDSO specifications in the Fiscal 2024, trial run for which completed on September 15, 2025 and commercial supplies commenced in March 2026. For details of order book, refer to "Our Business – Order book for 3-Phase Propulsion Equipment" on page 216.

Other Income
Other income includes (i) interest on fixed deposits and others; (ii) foreign exchange fluctuation; (iii) profit from sale of investments; (iv) rental income; and (v) one time income on account of maturity proceeds of unit linked insurance policy issued for the life coverage of two of the directors of the Company, namely Mohit Vohra and Sumit Dhawan.

Expenses
Our expenses comprise (i) cost of raw materials consumed; (ii) changes in inventories of finished goods and work-in-progress; (iii) employee benefits expense; (iv) finance costs; (v) depreciation and amortisation expense; and (vi) other expenses.

Cost of Raw Materials Consumed
Cost of raw materials consumed comprise raw material consumed at the end of the relevant Financial Year.

Changes in Inventory of Finished Goods, and Work-in-Progress
Changes in inventories of finished goods, work-in-progress is calculated based on the inventories at the beginning of period / year for finished goods and work-in-progress less and inventories at the end of the period / year for finished goods and work-in-progress.

Employee Benefits Expense
Employee benefit expense comprises (i) salaries, and wages; (ii) contribution to provident and other funds; (iii) gratuity expenses; and (iv) staff welfare expenses.

Finance Costs
Finance costs include: (i) interest expense on (a) term loans from banks and financial institutions; and (b) lease liability.

Depreciation and Amortisation Expenses
Depreciation and amortisation expenses comprise (i) depreciation of property, plant and equipment; (ii) amortization of other intangible assets; and (iii) depreciation on right-of-use assets.

Other Expenses
Other expenses primarily comprises (i) power and fuel; (ii) freight and transportation; (iii) job work charges; (iv) installation charges; (v) repair and maintenance; (vi) legal professional and technical expenses; (vii) liquidated damage charges; (viii) rates, fees and taxes; (ix) rent; (x) insurance; (xi) testing and inspection charges; (xii) interest and penalties; (xiii) internet and telephone expenses; (xiv) conveyance and travelling expenses; (xv) commission expenses; (xvi) printing and stationary; (xvii) postage and courier expenses; (xviii) security charges; (xix) bad debt written off; (xx) business promotion; (xxi) bank charges; (xxii) auditors remuneration; and (xxiii) miscellaneous expenses.

RESULTS OF OPERATIONS

The following table sets forth certain selected financial information from our restated financial information of profit and loss with respect to our results of operations for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, the components of which are also expressed as a percentage of our total income for such periods:

(₹ in millions)

Particulars	For financial year ended March 31, 2026		For financial year ended March 31, 2025		For financial year ended March 31, 2024	
	Amount	%age	Amount	%age	Amount	%age
INCOME:						
I Income from operations	494.28	99.27%	626.37	96.91%	499.57	98.80%
II Other income	3.63	0.73%	19.99	3.09%	6.08	1.20%
III Total Income (I+II)	**497.91**	100.00%	**646.37**	**100.00%**	**505.65**	**100.00%**
IV. Expenses:						
Cost of Materials consumed	383.62	77.05%	384.83	59.54%	247.23	48.89%
Changes in inventories of Work in progress and finished goods	(34.85)	(7.00%)	(12.27)	(1.90%)	14.35	2.84%
Employee benefits expense	137.60	27.63%	95.66	14.80%	92.01	18.20%
Finance costs	34.90	7.01%	30.42	4.71%	24.70	4.89%
Depreciation and amortization expense	33.65	6.76%	34.73	5.37%	28.39	5.61%
Other expenses	110.96	22.28%	88.98	13.77%	88.01	17.41%
Total expenses	**665.88**	133.74%	**622.35**	**96.28%**	**494.69**	**97.83%**
V. Profit before exceptional items and tax (III-IV)	**(167.97)**	(33.74%)	**24.02**	**3.72%**	**10.96**	**2.17%**
VI. Exceptional items	-	-	1.63	0.25%	-0.80	-0.16%

Particulars	For financial year ended March 31, 2026		For financial year ended March 31, 2025		For financial year ended March 31, 2024	
	Amount	%age	Amount	%age	Amount	%age
VII Profit/(loss) before tax (V-VI)	**(167.97)**	(33.74%)	**25.65**	**3.97%**	**10.16**	**2.01%**
VIII Tax expense:						
(1) Current tax	-	0.00%	19.24	2.98%	8.02	1.59%
(2) Deferred tax	(41.69)	(8.37%)	(7.63)	(1.18%)	(3.43)	(0.68%)
Total Tax Expense	**(41.69)**	**(8.37%)**	**11.61**	**1.80%**	**4.59**	**0.91%**
IX Profit / (loss) for the period from continuing operation (VII-VIII)	**(126.29)**	**(25.36%)**	**14.03**	**2.17%**	**5.57**	**1.10%**

Comparison of Financial Year ended March 31, 2026 to Financial Year ended March 31, 2025

Revenue

Total Income
Our total income reduced by 22.97% to ₹ 497.91 million in Fiscal 2026 as compared to ₹ 646.37 million in Fiscal 2025.

Revenue from Operations
The revenue from operations of our Company reduced by 21.09% to ₹ 494.28 million for the Fiscal 2026 compared to ₹ 626.37 million in the Fiscal 2025. The fall in revenue was primarily on account of lower sale of goods to the Indian Railways. Such business is secured through a tendering process wherein the award of contracts is dependent upon various technical parameters and the competitiveness of bids received. Consequently, the outcome of such tenders remains subject to factors beyond the control of our Company. While participating in these tenders, our Company adopts a balanced and prudent approach towards bid participation and decision-making, taking into consideration several qualitative and quantitative factors, including the nature of the product, size of the order, input costs, and the overall business opportunity. Further, for the 3-Phase Propulsion Equipment, our Company has commenced deliveries in Fiscal 2026 and earned revenue from operation for ₹ 46.98 million, which was Nil in the previous financial yer

Such revenue from operations also include realisation from sale of scrap, primarily metal, generated in our fabrication process at our assembling cum manufacturing facility, which aggregated to ₹ 0.27 million for the Fiscal 2026 compared to ₹ 0.02 million in the Fiscal 2025.

Other Income
In the Fiscal 2025, our Company received maturity proceeds of unit linked insurance policy issued for the life coverage of two of the directors of the Company, namely Mohit Vohra and Sumit Dhawan. Such maturity proceeds received by our Company aggregated to ₹ 14.69 million and no benefit has been paid by our Company to abovementioned Directors. Excluding such proceeds of unit linked insurance policy, the other income for the Fiscal 2025 was ₹ 5.30 million in the Fiscal 2025, which reduced to ₹ 3.63 million in the Fiscal 2026 on account of reduced rental income earned by our Company on investment property. Since it is planned to use this investment property for proposed Unit 2, our Company has gradually taken possession for half of the property and possession for the remaining will be taken in future.

Expenditure

Cost of materials consumed & Changes in inventories of Work in progress and finished goods

The aggregate cost of raw materials consumed in the manufacturing process of our Company was ₹ 383.62 million in the Fiscal 2026 as against ₹ 384.83 million in the Fiscal 2025. Further, the Changes in inventories of Work in progress and finished goods was ₹ (34.85) million in Fiscal 2026 as against ₹ (12.27) million in Fiscal 2025.

The total cost of goods sold during this period was as under:

(₹ in million)

Particulars	Fiscal 2026				Fiscal 2025	
	R&D and propulsion related business		Remaining business operations		Total operations	
	Amount	%age*	Amount	%age*	Amount	%age*
Cost of materials consumed	68.92	146.70%	314.70	69.79%	384.83	59.54%
Changes in inventories of Work in progress and finished goods	-19.59	-41.70%	-15.25	-3.38%	(12.27)	(1.90%)
Total	**49.33**	**104.99%**	**299.45**	**66.41%**	**372.56**	**57.64%**
Less: Cost of materials consumed and Changes in inventories of Work in progress and finished goods relating to R&D activities	- ^	- ^	- ^	- ^	(6.18)	(0.96%)
Total cost of goods sold for revenue income generated	- ^	- ^	- ^	- ^	**378.74**	**58.60%**

** As percentage of total income for the respective period from such business*
^ Since commercial supplies for 3-Phase Propulsion Equipment has comments, the line item disclosure is disclosed as a bifurcation in the above table and these figures are not required.

The cost of goods sold was higher due to change in product mix in which control panel margins dropped significantly as compared to previous financial year.

For 3-Phase Propulsion Equipment, the Company had purchased certain raw material in the past, which were bought under minimum order quantity or primary packaging quantity and did not had flexibility to take advantage of pricing under bulk ordering. Such quantity procured in the past at high cost resulted in higher cost of good sold in the Fiscal 2026 for 3-Phase Propulsion Equipment.

Employee benefit expense
The total employee benefit expenses of our Company increased from ₹ 95.66 million which comprised 14.80% of the total income of our Company in the Fiscal 2025 to ₹ 137.60 million which comprised 27.64% of the total income of our Company which showcased in increase of 43.84% on year on year basis as percentage of revenue from operations. The cost as a percentage to total income is higher as a result of lower total income in the Fiscal 2025 and also increase in the number of employees by our Company as a result of commencement of commercial supplies for 3-Phase Propulsion Equipment. The total number of permanent employees increased from 96 in March 2025 to 208 in March 2026.

The employee benefit expenses during this period for business operations, and R&D and propulsion related business is bifurcated as under:

(₹ in million)

Particulars	Fiscal 2026		Fiscal 2025	
	Amount	%age*	Amount	%age*
Employee benefit expenses towards R&D and propulsion related business	90.15	18.11%	54.75	8.47%
Other Employee benefit expenses towards routine business operations	47.45	9.53%	40.91	6.33%
Total	**137.60**	**27.64%**	**95.66**	**14.80%**

** As percentage of total income for the respective period*

Finance Costs
The aggregate finance costs of the company in the Fiscal 2025 aggregated to ₹ 30.42 million constituting 4.71% of the total income which increased in Fiscal 2026 to ₹ 34.90 million constituting 7.01% of the total income. There was an increase of 14.73% in the finance costs primarily a result of higher utilisation of limits availed by our Company and also additional funding obtained for business operations and equipment finance. Of the said finance cost, lease liabilities during the Fiscal 2025 was ₹ 5.25 million which marginally reduced to ₹ 5.11 million in the Fiscal 2026 in accordance with provisioning under Ind AS 116.

Depreciation and Amortization Expenses
In the Fiscal 2025, the depreciation and amortization expenses was ₹ 34.73 million representing 5.37% of the total income, which marginally reduced to ₹ 33.65 million in the Fiscal 2026 representing 6.76% of the total income. The same was higher as a percentage of total income on account of lower total income. However the investment in property, plant and equipment increased from ₹ 67.92 million in Fiscal 2025 to ₹ 213.52 million in Fiscal 2026 on account of installation of SMT (Surface-Mount Technology) machine and test set up for testing of 3-Phase Propulsion Equipment, which commenced operation towards the end of the Fiscal 2026.

Further, the depreciation on right of use assets (ROU) in accordance with Ind AS 116, included in above, increased from ₹ 9.37 million in Fiscal 2025 to ₹ 10.69 million in Fiscal 2026.

Other Expenses
The other expenses increased to ₹ 110.96 million in the Fiscal 2026 (representing 22.28% of the total income) as compared to ₹ 88.98 million in the Fiscal 2025 (representing 13.77% of the total income).

The other expenses incurred by our Company during this period for R&D and propulsion related business and remaining business operations is bifurcated as under:

(₹ in million)

Particulars	Fiscal 2026		Fiscal 2025	
	Amount	%age*	Amount	%age*
Other expenses towards R&D and propulsion related business	27.28	5.48%	16.15	2.50%
Other expenses towards remaining business operations	83.67	16.80%	72.84	11.27%
Total	**110.96**	**22.28%**	**88.98**	**13.77%**

** As percentage of total income for the respective period*

The year-on-year changes in the material other expenditure incurred by the Company for an amount exceeding ₹ 2.49 million (i.e. 0.50% of the total income) in Fiscal 2026 is as under:

(₹ in million)

Expenditure head	Fiscal 2026		Fiscal 2025		%age change in Fiscal 2026 vis-à-vis Fiscal 2025	Reason
	Amount	%age*	Amount	%age*		
R&D and propulsion related business						
Power and Fuel	5.17	1.04%	3.21	0.50%	61.02%	The increase in cost is on account of commencement of production of 3-Phase Propulsion Equipment in the Fiscal 2026
Job Work Charges	4.61	0.93%	0.66	0.10%	601.95%	The increase in cost is on account of commencement of production of 3-Phase Propulsion Equipment in the Fiscal 2026
Legal, Professional and technical Expenses	4.40	0.88%	-	-	NA	The increase in cost is on account of commencement of production of 3-Phase Propulsion Equipment in the Fiscal 2026 for which certain technical services were used
Rent	4.73	0.95%	5.54	0.86%	(14.67%)	The rent reduced since the Company has entered into long term lease agreement for the R&D office and the same is being amortised as

Expenditure head	Fiscal 2026		Fiscal 2025		%age change in Fiscal 2026 vis-à-vis Fiscal 2025	Reason
	Amount	%age*	Amount	%age*		
						right to use asset under IndAS and being charged to depreciation
Remaining business operations						
Power and Fuel	5.44	1.09%	4.70	0.73%	15.89%	The increase in Power & Fuel cost is on account of higher fuel consumption. Freight & Transportation cost is increased as a result of higher procurement of of raw materials.
Freight & Transportation	17.98	3.61%	15.25	2.36%	17.90%	
Labour Charges	18.74	3.76%	18.18	2.81%	3.04%	
Bank Charges	3.89	0.78%	4.11	0.64%	-5.47%	The Bank charges reduced marginally as a result optimization of banking services
Liquidated Damages Charges	4.07	0.82%	2.52	0.39%	61.94%	The liquidated damages charges increased on account of delayed delivery to the customer
Insurance	3.32	0.67%	2.03	0.31%	63.83%	The insurance charges increased on account of medical insurance expense increased due to higher number of employees covered under the policy and additional insurance was taken for new plant and machinery
Interest and penalties	2.60	0.52%	0.41	0.06%	528.02%	The interest and penalties paid on taxes was higher during the Fiscal 2026 due to the interest paid on the income tax relating to the previous financial year has been recognized
Conveyance & travelling expenses	9.87	1.98%	6.80	1.05%	45.18%	The conveyance and travelling expenses were higher owing to business related travels.

***** *As percentage to total income for the respective period*

Profit before Tax

Loss before tax, for the reasons above, was ₹ 167.97 million after exceptional items in the Fiscal 2026, which is about (33.74%) of the total income for such year vis-à-vis ₹ 25.65 million profit before tax but after exceptional items in the Fiscal 2025, which is about 3.97% of the total income for such year.

The summary of the profit before tax from R&D and propulsion related business and remaining business operations is as under:

(₹ in million)

Particulars	Fiscal 2026		Fiscal 2025	
	Amount	%age*	Amount	%age*
R&D and propulsion related business				
Total income	46.98	9.44%	-	-

Particulars	Fiscal 2026		Fiscal 2025	
	Amount	%age*	Amount	%age*
Less: Expenses				
- Cost of materials consumed and Changes in inventories of Work in progress and finished goods relating to R&D activities	49.33	9.91%	(6.18)	(0.96%)
- Employee benefit expenses	90.15	18.11%	54.75	8.47%
- Finance Cost	11.99	2.41%	-	-
- Depreciation and Amortization Expenses	15.90	3.19%	4.98	0.77%
- Other expenses	27.28	5.48%	16.15	2.50%
Profit / (Loss) before exceptional items and tax	**(147.66)**	**(29.66%)**	**(69.69)**	**(10.78%)**
Remaining business operations				
Total income	450.92	90.56%	646.37	100.00%
Less: Expenses				
- Cost of materials consumed and Changes in inventories of Work in progress and finished goods relating to R&D activities	299.45	60.14%	378.74	58.60%
- Employee benefit expenses	47.45	9.53%	40.91	6.33%
- Finance Cost	22.92	4.60%	30.42	4.71%
- Depreciation and Amortization Expenses	17.75	3.57%	29.75	4.60%
- Other expenses	83.67	16.81%	72.84	11.27%
Profit / (Loss) before exceptional items and tax	**(20.32)**	**(4.08%)**	**93.71**	**14.50%**

** As percentage of total income for the respective period*

Tax Expenses

The deferred tax asset was ₹ 41.69 million during the Fiscal 2026 as against deferred tax asset of ₹ 7.63 million in the Fiscal 2025. Since the Company has incurred loss during the Fiscal 2026, no current tax liability was created vis-à-vis ₹ 19.24 million in the Fiscal 2025.

Profit after Tax

For the various reasons discussed above, the profit after tax was ₹ (126.29) million during the Fiscal 2026 as against ₹ 14.03 million during the Fiscal 2025. Further, profit after tax and other comprehensive income was ₹ (126.95) million during the Fiscal 2026 as against ₹ 13.84 million during the Fiscal 2025.

Comparison of Financial Year ended March 31, 2025 to Financial Year ended March 31, 2024

Revenue

Total Income

Our total income increased by 27.83% to ₹ 646.37 million in Fiscal 2025 as compared to ₹ 505.65 million in Fiscal 2024.

Revenue from Operations

The revenue from operations of our Company increased by 25.38% to ₹ 626.37 million for the Fiscal 2025 compared to ₹ 499.57 million in the Fiscal 2024. The increase in revenue was primarily on account of higher sales of goods to the Indian Railways. Such business is secured through a tendering process wherein the award of contracts is dependent upon various technical parameters and the competitiveness of bids received. Consequently, the outcome of such tenders remains subject to factors beyond the control of our Company. While participating in these tenders, our Company adopts a balanced and prudent approach towards bid participation and decision-making, taking into consideration several qualitative and quantitative factors, including the nature of the product, size of the order, input costs, and the overall business opportunity.

Further, during the Fiscal 2024, our Company had also supplied one 3-Phase Propulsion Equipment to CLW, Indian Railways valued at ₹ 14.96 million, which had undergone for trial run, as per the RDSO standards for approval of such propulsion equipment. No such sale of propulsion equipment has been made during the Fiscal 2025.

Such revenue from operations also include realisation from sale of scrap, primarily metal, generated in our fabrication process at our assembling cum manufacturing facility, which aggregated to ₹ 0.02 million for the Fiscal 2025 compared to ₹ 0.76 million in the Fiscal 2024.

Other Income
There was a significant increase of 228.62% in the other income earned by our Company i.e. from ₹ 6.08 million in the Fiscal 2024 representing 1.20% of the total income to ₹ 19.99 million in the Fiscal 2025 representing 3.09% of the total income for such period. The same was higher on account of receipt of maturity proceeds of unit linked insurance policy issued for the life coverage of two of the directors of the Company, namely Mohit Vohra and Sumit Dhawan. Such maturity proceeds received by our Company aggregated to ₹ 14.69 million and no benefit has been paid by our Company to abovementioned Directors. The maturity proceeds of the unit linked insurance policy was credited to the bank account of the Company and thereafter used for normal business operations, including working capital.

Excluding such proceeds of unit linked insurance policy, the other income for the Fiscal 2025 was ₹ 5.30 million as against ₹ 6.08 million in the Fiscal 2024. The other income comprises of the interest income, foreign exchange fluctuation, fair value gain on Sovereign Gold Bonds held by our Company and rental income earned on the investment property.

Expenditure

Cost of materials consumed & Changes in inventories of Work in progress and finished goods
The aggregate cost of raw materials consumed in the manufacturing process of our Company was ₹ 384.83 million in the Fiscal 2025 as against ₹ 247.23 million in the Fiscal 2024. Further, the Changes in inventories of Work in progress and finished goods was ₹ (12.27) million in Fiscal 2025 as against ₹ 14.35 million in Fiscal 2024.

The total cost of goods sold during this period was as under:

(₹ in million)

Particulars	Fiscal 2025		Fiscal 2024	
	Amount	%age*	Amount	%age*
Cost of materials consumed	384.83	59.54%	247.23	48.89%
Changes in inventories of Work in progress and finished goods	(12.27)	(1.90%)	14.35	2.84%
Total	**372.56**	**57.64%**	**261.59**	**51.73%**
Less: Cost of materials consumed and Changes in inventories of Work in progress and finished goods relating to R&D activities	(6.18)	(0.96%)	7.92	1.57%
Total cost of goods sold for revenue income generated	**378.74**	**58.60%**	**253.67**	**50.17%**

** As percentage of total income for the respective period*

The cost of goods sold was higher due to change in product mix in which control panel margins dropped significantly as compared to previous financial year.

Employee benefit expense
The total employee benefit expenses of our Company increased from ₹ 92.01 million which comprised 18.20% of the total income of our Company in the Fiscal 2024 to ₹ 95.66 million which comprised 14.80% of the total income of our Company which showcased a reduction of 3.98% on year on year basis as percentage of revenue from operations. The cost as a percentage to total income is lower as a result of higher total income in the Fiscal 2025.

The employee benefit expenses during this period for business operations, and R&D and propulsion related business is bifurcated as under:

(₹ in million)

Particulars	Fiscal 2025		Fiscal 2024	
	Amount	%age*	Amount	%age*
Employee benefit expenses towards R&D and propulsion related business	54.75	8.47%	56.44	11.16%
Other Employee benefit expenses towards routine business operations	40.91	6.33%	35.57	7.03%

Particulars	Fiscal 2025		Fiscal 2024	
	Amount	%age*	Amount	%age*
Total	**95.66**	**14.80%**	**92.01**	**18.20%**

** As percentage of total income for the respective period*

Finance Costs

The aggregate finance costs of the company in the Fiscal 2024 aggregated to ₹ 24.70 million constituting 4.89% of the total income which increased in Fiscal 2025 to ₹ 30.42 million constituting 4.71% of the total income. There was an increase of 23.14% in the finance costs primarily a result of higher utilisation of limits by our Company. Further, there was a substantial increase in the interest on lease liabilities during the period which increased from ₹ 1.19 million in Fiscal 2024 to ₹ 5.25 million in the Fiscal 2025 in accordance with provisioning under Ind AS 116.

Depreciation and Amortization Expenses

In the Fiscal 2024, the depreciation and amortization expenses was ₹ 28.39 million representing 5.61% of the total income, which increased to ₹ 34.73 million in the Fiscal 2025 representing 5.37% of the total income. The same was higher on account of higher depreciation due to addition of fixed assets. Further, the depreciation on right of use assets (ROU) in accordance with Ind AS 116 increased from ₹ 6.71 million in Fiscal 2024 to ₹ 9.37 million in Fiscal 2025 resulting in further increase in the depreciation on year on year basis.

Other Expenses

The other expenses reduced slightly to ₹ 88.98 million in the Fiscal 2025 (representing 13.77% of the total income) as compared to ₹ 88.01 million in the Fiscal 2024 (representing 17.41% of the total income).

The other expenses incurred by our Company during this period for R&D and propulsion related business and remaining business operations is bifurcated as under:

(₹ in million)

Particulars	Fiscal 2025		Fiscal 2024	
	Amount	%age*	Amount	%age*
Other expenses towards R&D and propulsion related business	16.15	2.50%	17.89	3.54%
Other expenses towards remaining business operations	72.84	11.27%	70.12	13.87%
Total	**88.98**	**13.77%**	**88.01**	**17.41%**

** As percentage of total income for the respective period*

The year-on-year changes in the material other expenditure incurred by the Company for an amount exceeding ₹ 3.21 million (i.e. 0.50% of the total income) in Fiscal 2025 is as under:

(₹ in million)

Expenditure head	Fiscal 2025		Fiscal 2024		%age change in Fiscal 2025 vis-à-vis Fiscal 2024	Reason
	Amount	%age*	Amount	%age*		
R&D and propulsion related business						
Power and Fuel	3.21	0.50%	3.44	0.68%	(6.51%)	The reduction in cost is on account of higher total income in the Fiscal 2025 vis-à-vis Fiscal 2024
Rent	5.54	0.86%	5.19	1.03%	6.86%	Increase in rental for Research, Design and Development centre
Remaining business operations						
Power and Fuel	4.70	0.73%	5.31	1.05%	(11.56%)	The reduction in cost is on account of higher total
Freight & Transportation	15.25	2.36%	12.53	2.48%	21.77%	

Expenditure head	Fiscal 2025		Fiscal 2024		%age change in Fiscal 2025 vis-à-vis Fiscal 2024	Reason
	Amount	%age*	Amount	%age*		
Labour Charges	18.18	2.81%	17.83	3.53%	2.01%	income in the Fiscal 2025 vis-à-vis Fiscal 2024
Bank Charges	4.11	0.64%	2.24	0.44%	83.51%	The Bank charges increased due to issuance of bank guarantee
Conveyance and Travelling expenses	6.80	1.05%	4.58	0.91%	48.56%	The conveyance and travelling expenses were higher owing to business related travels.

** As percentage to total income for the respective period*

Profit before Tax

Profit before tax, for the reasons above, was ₹ 25.65 million after exceptional items in the Fiscal 2025, which is about 3.97% of the total income for such year vis-à-vis ₹ 10.16 million after exceptional items in the Fiscal 2024, which is about 2.01% of the total income for such year.

The summary of the profit before tax from R&D and propulsion related business and remaining business operations is as under:

(₹ in million)

Particulars	Fiscal 2025		Fiscal 2024	
	Amount	%age*	Amount	%age*
R&D and propulsion related business				
Total income	-	-	14.96	2.96%
Less: Expenses				
- Cost of materials consumed and Changes in inventories of Work in progress and finished goods relating to R&D activities	(6.18)	(0.96%)	7.92	1.57%
- Employee benefit expenses	54.75	8.47%	56.44	11.16%
- Finance Cost	-	-	-	-
- Depreciation and Amortization Expenses	4.98	0.77%	6.76	1.34%
- Other expenses	16.15	2.50%	17.89	3.54%
Profit / (Loss) before exceptional items and tax	**(69.69)**	**(10.78%)**	**(74.05)**	**(14.64%)**
Remaining business operations				
Total income	646.37	100.00%	490.69	97.04%
Less: Expenses				
- Cost of materials consumed and Changes in inventories of Work in progress and finished goods relating to R&D activities	378.74	58.60%	253.67	50.17%
- Employee benefit expenses	40.91	6.33%	35.57	7.03%
- Finance Cost	30.42	4.71%	24.70	4.89%
- Depreciation and Amortization Expenses	29.75	4.60%	21.63	4.28%
- Other expenses	72.84	11.27%	70.12	13.87%
Profit / (Loss) before exceptional items and tax	**93.71**	**14.50%**	**85.00**	**16.81%**

** As percentage of total income for the respective period*

Tax Expenses

The deferred tax liability was ₹ (7.63) million during the Fiscal 2025 as against deferred tax liability of ₹ (3.43) million in the Fiscal 2024. Further, the current tax liability was ₹ 19.24 million in the Fiscal 2025 vis-à-vis ₹ 8.02 million in the Fiscal 2024.

Further, the current tax for the Fiscal 2025 was ₹ 19.24 million as against ₹ 8.02 million in the Fiscal 2024 on account of disallowance of expenditure incurred beyond specified time limit. However the same will be allowed as deductible expenditure in the next accounting period when the same are paid.

Profit after Tax
For the various reasons discussed above, we recorded a profit after tax of ₹ 14.03 million during the Fiscal 2025 as against ₹ 5.57 million during the Fiscal 2024. Further, profit after tax and other comprehensive income was ₹ 13.84 million during the Fiscal 2025 as against ₹ 6.48 million during the Fiscal 2024.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through owned funds, internal accruals and debt financing. From time to time, we may obtain further loan facilities to finance our short-term working capital or long term capex requirement. Further, after taking into account the expected cash to be generated from our business and operations, the Net Proceeds from the Fresh Issue and the proceeds from our existing bank loans, we will have sufficient capital to meet our anticipated capital requirements for our working capital and capital expenditure requirements for the 12 months following the date of the Prospectus.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in the periods indicated:

(₹ in million)

Particulars	Financial year ended March 31,		
	2026	2025	2024
Net cash (used in) / generated from operating activities	(575.45)	50.39	(52.15)
Net cash (used in) / generated from investing activities	(178.69)	(14.85)	(35.56)
Net cash (used in) / generated from financing activities	755.16	(36.32)	65.74
Net increase / (decrease) in cash and cash equivalents	1.02	(0.77)	(21.97)
Cash and cash equivalents at the end of the period / year	1.78	0.76	1.53

INDEBTEDNESS

As of March 31, 2026, we had total secured borrowings of ₹ 498.93 million (consisting of non-current borrowings of ₹ 95.43 million and current borrowings of ₹ 403.50 million). Our debt to equity ratio was 0.80 as at March 31, 2026.

For details of the terms of the borrowings availed by us and the repayment obligation, refer to "Management Discussion and Analysis of Financial Conditions and Results of Operations" on page 374.

CHANGES IN PAID UP SHARE CAPITAL AFTER THE DATE OF LAST AUDITED FINANCIAL STATEMENTS

There has been no change in the paid up share capital of our Company after the date of the last audited financial statements, i.e. March 31, 2026

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

Our Contingent liability for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 was as under:

(₹ in million)

Particulars	As at		
	March 31, 2026	March 31, 2025	March 31, 2024
Claims against the company not acknowledged as debts			
Bank guarantee issued	30.62	28.33	34.32
GST Liability	4.80	4.80	-
Total	**35.42**	**33.13**	**34.32**

	As at		
Particulars	**March 31, 2026**	**March 31, 2025**	**March 31, 2024**
Net worth	**625.71**	**179.10**	**165.27**
Contingent liability as percentage of net worth	**5.66%**	**18.50%**	**20.77%**

Further, in the past in one instance, our Company had given a corporate guarantee for working capital facilities availed by one of the Group Company, namely MV Mobility Limited from Indian Overseas Bank for its business operations vide sanction letter dated March 03, 2023, and the same was reflecting under contingent liability in the books of MV Electrosystems Limited as on March 31, 2023. Thereafter, the said facility was fully repaid by MV Mobility Limited in the year 2023-24 and consequently the loan amount outstanding by MV Mobility Limited to Indian Overseas Bank was Nil as on March 31, 2024.

Thereafter, the charge created in favour of Indian Overseas Bank by MV Mobility Limited was satisfied in the year 2024-25 upon receipt of NOC from Indian Overseas Bank. The Issuer Company has confirmed that except as above there had been no other corporate guarantee given by them and outstanding as on March 31, 2026, March 31, 2025 and March 31, 2024.

Further, the above was given by our Company as a corporate guarantee in the nature of contingent liability and no actual funds were remitted / received by the Company at any time during the period such guarantee subsisted.

Thereafter no such corporate guarantee was given by our Company.

Commitments and contingencies

As of March 31, 2026, we did not have any commitments and contingencies in our Restated Financial Information. Except as disclosed in the Restated Financial Information or elsewhere in the Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

CAPITAL EXPENDITURES

For the Financial Year ended March 31, 2026, March 31, 2025 and March 31, 2024, our capital expenditure towards additions to investment property, plant and equipment, right-of-use assets, capital work-in-progress, and other intangible assets were ₹ 197.46 million, ₹ 25.49 million and ₹ 147.89 million, respectively. The following table sets forth our non-current assets for period / Financial Year indicated:

(₹ in million)

	As at		
Particulars	**March 31, 2026**	**March 31, 2025**	**March 31, 2024**
Property, plant and equipment	213.52	67.92	68.59
Investment property	105.15	109.51	114.33
Capital WIP	15.65	-	-
Intangible Asset WIP	3.83	1.95	7.48
Intangible Asset	0.35	0.45	0.62
Right-of-use asset	55.91	50.77	60.14
Total	**394.39**	**230.59**	**251.16**

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business and at arm's length basis. These related party transactions principally include (i) sale of goods and services to the entities where any of our directors/KMPs or their relatives have control or significant influence; (ii) sale/ purchase of goods and services to/from related parties; (iii) Availing/ repayment of unsecured loan from/to related parties; (iv) Employees making repayment of amount advanced to them; (v) remuneration paid to KMPs; (vi) expenses incurred on behalf of related parties and (vii) guarantees given to lenders against borrowings.

The summary of the related party transactions during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 is as under:

(₹ in millions)

Nature of transaction	For the Financial Year ended March 31,					
	2026		2025		2024	
	Amount	%age	Amount	%age	Amount	%age
Sale transactions with related parties [(1)]	24.88	5.03%	4.55	0.73%	10.48	2.10%
Purchase transactions with related parties [(2)]	25.61	7.34%	137.09	36.80%	34.58	13.22%
Asset purchased [(3)]	-	-	`-	-	0.02	0.003%
Rent received [(1)]	2.40	0.49%	4.50	0.72%	5.60	1.12%
Rent paid [(1)]	0.40	0.08%	-	-	-	-
Loan received [(3)]	30.10	2.07%	51.00	6.88%	26.00	3.96%
Loan repaid [(3)]	31.10	2.13%	71.50	9.65%	4.50	0.69%
Reimbursement of expenses and amount paid by / on behalf of related party [(1)]	0.26	0.05%	5.39	0.86%	0.08	0.02%
Salary paid to Directors and Key Managerial personnel & Sitting Fees to Director [(1)]	12.85	2.60%	5.20	0.83%	2.02	0.40%

[(1)] As percent of revenue from operations during the respective financial year
[(2)] As percent of cost of goods sold during the respective financial year
[(3)] As percent of total assets of the Company as at the end of the respective financial year

For further information relating to our related party transactions, see "Summary of Related Party Transactions" on page 86 and "Restated Financial Information - Note 34: Related Party Transactions" on page 348.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in our accounting policies during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024. For further information, see "Restated Financial Information" on page 295.

AUDITOR'S QUALIFICATIONS

There has been no qualification in the audited financial statements of the Company for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include loans, borrowings, term deposits, and investments.

(i) Foreign currency risk
The payments made by the Company towards consideration for import of raw material and inventory are denominated in foreign currency, mostly the USD. Accordingly, we have currency exposures relating to forex payments, other than in Indian Rupees, particularly the USD. During financial years ended March 31, 2026, March 2025 and March 2024 our net imports amounted to ₹ 117.40 million, ₹ 20.87 million and ₹ 18.58 million respectively. Further, the significant portion of the components for manufacture of Rolling Stock Electrics and Propulsion Systems will be imported including hardware and electronic components, namely, IGBTs, semi conductors, micro processors, capacitors, etc and the exposure to foreign currency risk may increase in future.

The %age of import of goods from various countries during the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 is as under:

(₹ in million)

Name of countries	March 31, 2026		March 31, 2025		March 31, 2024	
	Amount	%age	Amount	%age	Amount	%age
Material						
China	53.36	43.19%	20.59	98.70%	15.32	82.46%
Switzerland	-	0.00%	0.10	0.48%	-	-
Taiwan	0.94	0.76%	0.05	0.26%	0.24	1.31%
USA	5.94	4.80%	0.07	0.35%	2.92	15.71%
Bulgaria	-	0.00%	-	-	0.06	0.31%
UK	16.11	13.04%	-	-	0.04	0.21%
Germany	-	0.00%	-	-	-	-
Hongkong	17.81	14.42%	-	-	-	-
UAE	0.35	0.28%				
Fixed Assets						
China	0.19	0.16%	0.04	0.21%	-	-
Singapore	20.89	16.91%	-	-	-	-
South Korea	7.96	6.44%	-	-	-	-
Total value of imports made by the Company	**123.55**	**100.00%**	**20.87**	**100.00%**	**18.58**	**100.00%**

** As a percentage to the total value of import of Material and services and includes customs duty paid on such imports.*

(ii) Interest rate risk

The Company is exposed to risk due to interest rate fluctuation on long term and short term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. The Company mitigates this risk by regularly assessing the market scenario. The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in millions)

Particulars	At at		
	March 31, 2026	March 31, 2025	March 31, 2024
Loans - Variable Rates * #			
Long Term Loan	126.33	65.93	66.04
Short Term Loan	372.60	208.10	188.31
Total	**498.93**	**274.02**	**254.35**

***** Does not include non fund based limits outstanding on these dates.

Does not include the loans extended by the Promoter and Promoter Group as these do not carry any interest.

Impact on Interest Expenses for the year on 1% change in Interest rate:

(₹ in millions)

Particulars	As at		
	March 31, 2026	March 31, 2025	March 31, 2024
Impact on Profit / (Loss)	4.99	2.74	2.54
Total	**4.99**	**2.74**	**2.54**

(iii) Commodity price risk

We are exposed to risks in respect of price and availability of raw material used for our manufacturing operations. Since the majority of our business is with Indian Railways, most of the orders being executed by us contains price variation clause which may allow us to pass on changes in the cost of our primary raw materials to our customers. However, we may not be able to do so immediately or fully, and so strong and rapid fluctuations in the prices of these raw materials could affect our operating results.

Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to our Group. Our exposure to credit risk is influenced mainly by cash and cash equivalents and trade receivables. We continuously monitor defaults of customers and other counterparties and incorporate this information into its credit risk controls. However, majority of our total sales comprises of sales to Indian Railways details of which are as under:

(₹ in millions)

Nature of customers	March 31, 2026		March 31, 2025		March 31, 2024	
	Sales #	%age*	Sales #	%age*	Sales	%age*
Indian Railways (through Zonal railways / their divisions / production units)	379.22	76.72%	457.00	72.96%	338.69	67.80%
Revenue from operations	**494.28**	**100.00%**	**626.37**	**100.00%**	**499.57**	**100.00%**

** As %age to revenue from operations.*

 # In terms of 'Technical specification for design, development, supply and commissioning of IGBT Based 3-Phase Drive Propulsion System' issued by RDSO, the supply of propulsion systems can be commenced upon successful commissioning of such propulsion system developed in one locomotive and thereafter defect free service trials for a minimum of 50,000 kms, subject to other terms as specified by Ministry of Railways and the payment for the same is receivable on successful completion of trail run of aforesaid 50,000 kms. Our Company has supplied one 3-Phase Propulsion Equipment on February 29, 2024 for a value of ₹ 17.66 millions, prototype approval for which was received by our Company on September 15, 2025. Hence the payment for same was outstanding during the aforesaid periods.

The outstanding receivables (including more than 6 months) is as under:

(₹ in millions)

Nature of customers	March 31, 2026		March 31, 2025		March 31, 2024	
	Sales	%age*	Sales	%age*	Sales	%age*
Indian Railways (through Zonal railways / their divisions / production units)	87.99	84.36%	79.30	54.32%	62.12	49.23%
Total outstanding receivables	**104.30**	**100.00%**	**145.98**	**100.00%**	**126.18**	**100.00%**

Furthermore, we are also exposed to credit risk in relation to the corporate guarantee or retention money or earnest money given / retained on behalf of our Company for business generated from Indian Railways and PSUs to secure the obligations as per the requirement of tender under which such contracts were awarded.

Credit risk on cash and cash equivalents is limited as the Company utilises its cash credit facility for reducing borrowings in short term.

Liquidity Risk

Liquidity risk is the risk that our Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. Our approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Our management monitors rolling forecasts of our liquidity position and cash and cash equivalents on the basis of expected cash flows and the due dates for repayment of term loans. We are confident of managing our financial obligation through available cash and bank balances, short term borrowings and liquidity management.

INFORMATION REQUIRED AS PER ITEM (II) (C) (IV) OF PART A OF SCHEDULE VI TO THE SEBI ICDR REGULATIONS:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. **Unusual or infrequent events or transactions**

   There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

2. **Significant economic changes that materially affected or are likely to affect income from continuing operations.**

   We do not foresee any significant economic changes that will affect our operations.

3. **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section "Risk Factors" on page 22, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Our Company's future costs and revenues will be determined by growth of industry in which we operate, economic activities and government policies and consumer preferences.

5. Increases in net sales or revenue and Introduction of new services or increased sales prices.

Our Company has invested time and resources over the last six years in undertaking in-house design and development of 3-Phase Propulsion Equipment in accordance with the specifications of RDSO. Post receipt of final inspection certificate (prototype clearance) dated September 15, 2025 from CLW, Indian Railways, our Company has commenced the supply of 3-Phase Propulsion Equipment in March 2026. As on June 30, 2026, we have an executable outstanding order book for supply of 564 (five hundred sixty four) 3-Phase Propulsion Equipment to Chittranjan Locomotive Works, Banaras Locomotive Works and Patiala Locomotive Works, all three units of Indian Railways, having an aggregate order value of ₹ 9,216.40 million (excluding GST and AMC). Further, the said orders also contain an aggregate value of annual maintenance contract equivalent to a sum of ₹ 676.78 million (excluding GST) for the maintenance period of 3 years after completion of the warranty period.

We have further received (i) a Letter of Acceptance dated June 27, 2026 from Modern Coach Factory, Raebareli, Indian Railways to place order with our Company for Design, Development, Manufacture, Supply, Testing and Commissioning of Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes). The said order is for 6 (six) MEMU (On Board - 12 Car Rakes) for an aggregate value of ₹ 865.46 million and five years comprehensive annual maintenance contract for aggregate value of ₹ 46.86 million, both excluding GST; (ii) developmental order for IGBT based 3-Phase Drive Propulsion Equipment with Composite Converter for WAP-7 locomotives from CLW, Indian Railways for 1 such equipment for an aggregate value of ₹ 25.11 million and three years comprehensive annual maintenance contract for aggregate value of ₹ 1.48 million, both excluding GST; and (iii) developmental order for one (1) set of 2x500 KVA IGBT based Hotel Load Converter for 3-Phase Electric Locomotives WAP-7 locos for aggregate value of ₹ 8.00 million and three years comprehensive annual maintenance charges for aggregate value of ₹ 0.30 million, both excluding GST.

For the abovementioned MEMU order, our Company has signed a Letter of Intent dated March 11, 2026 and subsequent Consortium Agreement dated July 2, 2026 signed between our Company, Hansung Heavy Industrial Co Limited (Republic of Korea) and Param Enterprises Private Limited (India) for participating in the MEMU tender issued by Modern Coach Factory Raebareli, Indian Railways for Design, Development, Manufacture, Supply, Testing and Commissioning of Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes). Our Company will be responsible for design, development, supply and installation of traction and Auxiliary converter-inter system, Train Control Management System, design supply & co-ordinate the installation and commissioning of complete scheme and specifications of system & specific aggregates / components, and comprehensive maintenance of the system & after sales service support to Indian Railways. Hansung Heavy Industrial Co Limited will be responsible for design, development and supply of Traction motors and extend complete technical support and training for this item. Param Enterprises Private Limited shall be responsible for on-site installation of the aggregates and equipment inside the coaches.

We have also entered into a Business Cooperation Agreement with PNC Technologies Co. Ltd., South Korea on August 13, 2025 for a period of three years, to collaborate exclusively for the marketing, manufacturing, supply and distribution of Auto Fault Locator system for the Indian market and to fulfil the condition of minimum 51% Indian content under "Make in India" policy and to participate in the tenders.

6. Total turnover of each major industry segment in which the Issuer company operates.

Presently, the entire revenue of our Company is from sale of goods to Indian Railways or OEM suppliers to Indian Railways. For details of our revenue from operations, refer to "Our Business - Sales mix and geographical presence" on page 218.

7. Status of any publicly announced New Service or Business Segment

Except as disclosed above, there is no new service of business segment of our Company.

8. The extent to which business is seasonal

We have not seen any seasonality impact in our business vertical.

9. Any significant dependence on a single or few suppliers or customers

Our business and revenues are substantially dependent on the policies of the Ministry of Railways and operations of Indian Railways and tenders awarded by different Railway Zones or their zones or production units and orders from private sector companies. We do not have any long term arrangements with any of our customers for purchase of our products in the future, at the current prices or at all. We generate sales by subscribing and fulfilling of tenders invited by Indian Railways directly or different Railway Zones or their division / production units, selling to private sector companies which have received award of contract from railways. In case of sales to Railways Zones or PSUs, our Company bids in the prospective tenders where bidders are scrutinised for technical and financial qualifications. Quality and reliability of the products, competitive bids at which the tenders are subscribed, ability to perform the tenders within time, etc. are some of the major criteria upon which orders are awarded to us.

Sales mix and geographical presence

The primary customer of our Company is Indian Railways or the OEM suppliers to the Indian Railways and therefore geographical mix of product mix is not relevant.

However, the sales mix of revenue from operations of our Company, based on the direct supply to Indian Railways and the OEM suppliers to Indian Railways is as under:

(₹ in millions)

Nature of customers	For the Financial Year ended March 31,					
	2026		2025		2024	
	Amount	%age*	Amount	%age*	Amount	%age*
Indian Railways (through Zonal railways / their divisions / production units)	379.22	76.16%	457.00	70.70%	338.69	66.98%
OEM Suppliers to Indian Railways / Private Sector & others	115.06	23.11%	169.36	26.20%	160.88	31.82%
Revenue from Operations (A)	494.28	99.27%	**626.37**	**96.91%**	**499.57**	**98.80%**
Other income (B)	3.63	0.73%	19.99	3.09%	6.08	1.20%
Total Income (A)+(B)	497.91	100.00%	**646.37**	**100.00%**	**505.65**	**100.00%**

***** *As %age to total income*

[#] *Revenue from Operations includes Scrap Sales as well*

Our customers and suppliers

The following is the breakup of the top one, three five and ten customers of our Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(₹ in millions)

Nature of customers	For the Financial Year ended March 31,					
	2026		2025		2024	
	Amount	%age *	Amount	%age *	Amount	%age *
Top one customer ^	379.22	76.72%	457.00	72.96%	338.69	67.80%
Top three customers	408.73	82.69%	502.91	80.29%	382.96	76.66%
Top five customers	428.41	86.67%	532.02	84.94%	402.67	80.60%
Top ten customers	459.86	93.04%	576.35	92.01%	433.30	86.73%

***** *As %age to revenue from operations.*

^ *Indian Railways is the top customer and the invoices raised to multiple units of Indian Railways has been considered as one customer.*

The details of the top ten customers are as under:

(₹ in millions)

Name of customer	Whether related party	Revenue earned	%age *
Financial Year ended March 31, 2026			
Indian Railway	No	379.22	76.72%
Quadrant Future Tek Limited	Yes	18.56	3.75%
Iboard India Private Limited	Yes	10.84	2.19%
Customer 4	No	10.26	2.08%
Customer 5	No	9.42	1.91%
Customer 6	No	7.56	1.53%
Customer 7	No	7.04	1.42%
Prime Electronics	Yes	6.85	1.39%
Customer 9	No	5.32	1.08%
Abrol Engineering Company Private Limited	No	4.68	0.95%
Total		**459.86**	**93.04%**
Financial Year ended March 31, 2025			
Indian Railway	No	457.00	72.96%
Customer 2	No	26.55	4.24%
Customer 3	No	19.36	3.09%
Abrol Engineering Company Private Limited	No	15.95	2.55%
Customer 5	No	13.16	2.10%
Customer 6	No	10.71	1.71%
Customer 7	No	9.11	1.45%
Customer 8	No	9.08	1.45%
Customer 9	No	7.75	1.24%
Customer 10	No	7.67	1.23%
Total		**576.35**	**92.01%**
Financial Year ended March 31, 2024			
Indian Railway	No	338.69	67.80%
Customer 2	No	29.53	5.91%
Customer 3	No	14.74	2.95%
Customer 4	No	10.54	2.11%
Customer 5	No	9.18	1.84%
Customer 6	No	7.79	1.56%
Abrol Engineering Company Private Limited	No	6.78	1.36%
Iboard India Private Limited	Yes	6.71	1.34%
Customer 9	No	4.70	0.94%
Customer 10	No	4.64	0.93%
Total		**433.30**	**86.73%**

** As %age to revenue from operations.*

Name of certain customers have not been disclosed here due to non-receipt of consent / confidentiality.

The following is the breakup of the top one, three, five and ten suppliers of our Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(₹ in millions)

Particulars	For the Financial Year ended March 31,					
	2026		2025^		2024	
	Amount #	%age *	Amount #	%age *	Amount #	%age *
Top one supplier	136.86	39.24%	137.09 ^	36.80%	40.90	15.64%
Top three suppliers	205.43	58.90%	190.08	51.02%	92.17	35.24%
Top five suppliers	255.29	73.20%	224.11	60.15%	124.91	47.75%

Top ten suppliers	330.89	94.87%	284.51	76.37%	174.79	66.82%

 # value of purchase of material and consumables during the period
** As %age to cost of goods sold (i.e., cost of raw material consumed, adjusted for changes in inventory of finished goods, work in progress and stock in trade)*
^ Includes goods in transit as on March 31, 2025

The details of the top ten suppliers are as under:

(₹ in millions)

Name of supplier	Whether related party	Value of material purchased	%age*
Financial Year ended March 31, 2026			
Pelf Power Electronics Private Limited	No	136.86	39.24%
Supplier 2	No	35.22	10.10%
Lupin Steels Inc	No	33.35	9.56%
Quadrant Future Tek Limited	Yes	25.59	7.34%
Fabx Engineering LLP	No	24.27	6.96%
Mahavir Metal Works	No	17.36	4.98%
SS Electricals	No	15.61	4.48%
Thakural Electric Works	No	15.46	4.43%
Rasika International Rail Private Limited	No	15.24	4.37%
Supplier 10	No	11.93	3.42%
Total		**330.89**	**94.88%**
Financial Year ended March 31, 2025			
Quadrant Future Tek Limited ^	Yes	137.09	36.80%
Supplier 2	No	26.72	7.17%
Supplier 3	No	26.27	7.05%
Supplier 4	No	17.12	4.60%
Supplier 5	No	16.91	4.54%
Lupin Steels Inc	No	14.65	3.93%
S S Electricals	No	14.19	3.81%
Supplier 8	No	11.95	3.21%
Fabx Engineering LLP	No	10.05	2.70%
Rasika International Rail Private Limited	No	9.56	2.57%
Total		**284.51**	**76.37%**
Financial Year ended March 31, 2025			
Kumra Electric Store	No	40.90	15.63%
Quadrant Future Tek Limited	Yes	31.99	12.23%
Supplier 3	No	19.28	7.37%
Supplier 4	No	18.49	7.07%
Lupin Steels INC	No	14.25	5.45%
Fabx Engineering LLP	No	12.85	4.91%
Ningbo Saishun Plastic Electrical	No	10.93	4.18%
Supplier 5	No	10.18	3.89%
Rasika International Rail Private Limited	No	9.28	3.55%
S.B. Syscon Private Limited	No	6.64	2.54%
Total		**174.79**	**66.82%**

** As %age to cost of goods sold (i.e., cost of raw material consumed, adjusted for changes in inventory of finished goods, work in progress and stock in trade)*
^ Includes goods in transit as on March 31, 2025

Name of certain suppliers have not been disclosed here due to non-receipt of consent / confidentiality.

10. Competitive conditions

There are a limited number of suppliers for propulsion equipment to Indian Railways, however railway sector is characterized by intense competition with established players, including domestic and international rail

electric equipment manufacturers, some of whom may benefit from competitive advantages, including longer operating histories, better brand recognition, advanced technology, superior R&D capabilities and more established supply chain relationships. Our primary competitors in the propulsion equipment segment of railway sector are established manufacturers with strong design & development and production capabilities and also Indian suppliers who have either designed or development such system in India or have technology tie-up with a foreign supplier. However, indigenously designed & developed technology helps us to save a considerable cost against our competitors who are foreign companies or have technology tie-up with foreign counterparts. Our competitors who own their proprietary technology for development of these converters inverter systems are very limited. We can potentially face competition from Indian and other developing country suppliers, but because of the high entry barriers, it becomes difficult for a new entrant to compete on scale.

We are actively working to gain a foothold in power electronics equipment. We will be required to compete effectively with our existing and potential competitors, to maintain and grow our market share and in turn, our results of operations. The indigenously designed and developed propulsion equipment with thrust on make in India puts railways as an emerging sector in India, presenting both opportunities and challenges as domestic manufacturing capabilities expand.

Competitive conditions are as described under the section titled "Industry Overview" and "Our Business" on pages 159 and 213, respectively.

11. Details of material developments after the date of last balance sheet i.e. March 31, 2026

Except as stated below no material developments have arisen after the date of last balance sheet i.e. March 31, 2026:

(a) We have received a Letter of Acceptance dated June 27, 2026 from Modern Coach Factory, Raebareli, Indian Railways to place order with our Company for Design, Development, Manufacture, Supply, Testing and Commissioning of Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes). The said order is for 6 (six) MEMU (On Board - 12 Car Rakes) for an aggregate value of ₹ 865.46 million and five years comprehensive annual maintenance contract for aggregate value of ₹ 46.86 million, both excluding GST. For details, refer to "Our Business - Order book under developmental category for Microprocessor Controlled IGBT based 3 Phase Propulsion Equipment for MEMU (On Board - 12 Car Rakes), Composite Converter and Hotel Load Converter" on page 217.
(b) Our Company has entered into a lease agreement dated April 09, 2026 to take an additional premise admeasuring 36,000 sq. ft. on lease w.e.f. June 01, 2026 situated at Industrial Plot & Building No. 5, Site No. 1, 14/3, Mathura Road, Faridabad-121 003, Haryana, India for setting up of second Research, Design and Development Centre. For details, refer to "Our Business - Property" on page 248.
(c) Our Company has received the Consent to Operate for its proposed Unit 2 at Nangla Bhiku, Palwal, Haryana. For details of the same, refer to "Government and Other Approvals" on page 415.

None of the above could materially and adversely affect or are likely to affect, our trading, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

Further, our company has neither incorporated any subsidiary / associate nor invested in any company after March 31, 2026.

CAPITALISATION STATEMENT

(₹ in million)

Particulars	Pre Issue as at March 31, 2026	As adjusted for the Issue
Borrowings		
Current borrowings (A)	372.60	372.60
Non-current borrowings (including current maturity) (B)	126.33	126.33
Total borrowings (C) = (A) + (B)	498.93	498.93
Equity		
Equity share capital (D)	102.30	136.41
Instruments in the nature of Equity	-	-
Other Equity (E)	523.41	3,389.29
Total Equity (F) = (D) +(E)	625.71	3,525.71
Non-current borrowings (including current maturity of long-term debt) / equity ratio (times) (B / F)	0.20	0.04
Total borrowings / equity ratio (times) (C / F)	0.80	0.14

1. The above has been computed on the basis on amounts derived from Restated Financial Information as on March 31, 2026.
2. The corresponding post-Issue capitalization data for each of the above amounts given in the table is not determinable at this stage pending the completion of book building process and hence, the same have not been provided in the above statement.

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of business for the purpose of working capital requirements. For the Issue, our Company has obtained the necessary consents required under the relevant loan documentations for undertaking activities, such as change in its capital structure, change in its shareholding pattern or change or amendment to the constitutional documents of our Company.

As on the date of filing of the Prospectus, the overall borrowings of our Company do not exceed the overall limit as specified under Section 180(1)(c) of the Companies Act, 2013.

Set forth below is a brief summary of all the borrowings of our Company together with a brief description of certain significant terms of such financing arrangements.

The Articles, subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 authorize the Board to from time to time at its discretion or by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed ₹ 5,000 million (Rupees five hundred crore).

The summary for the overall loan facilities availed by our Company is as under:

(₹ in million)

Name of lender	Nature of facility	Amount sanctioned *	Outstanding as on June 30, 2026 ^
Indian Overseas Bank	Secured working capital term loan and cash credit	246.20	246.10
HDFC Bank Limited	Secured working capital term loan, cash credit and bank guarantee	265.11	204.95
Bajaj Finance Limited	Equipment financing	70.00	66.50
Multiple banks	Vehicle loans	32.51	20.57
Total		**613.82**	**538.13**

***** includes non fund based limits / sub-limits

^ includes only the fund based limits utilised

The Company has availed an additional MSME Insta Fund for 150 days for an amount aggregating to ₹ 54.00 million after June 30, 2026

DETAILS OF THE SECURED WORKING CAPITAL TERM LOANS AND CASH CREDIT FACILITIES AVAILED BY OUR COMPANY FROM THE LENDERS

B. Indian Overseas Bank: Statement of principal terms of secured loans and assets charged as security is as under:

(₹ in million)

Nature of Credit Facility	Sanctioned limits	Amount Outstanding as on June 30, 2026	Rate of interest as per sanction letter	Current Rate of Interest (p.a.)	Maturity Period / Tenure (Month / Days)	EMI payable as on date
Cash Credit	180.00	179.90	RLLR (8.35%+0.30%, i.e. 8.65% p.a., at present #)	8.65% p.a.	To be renewed annually	Not Applicable

Nature of Credit Facility	Sanctioned limits	Amount Outstanding as on June 30, 2026	Rate of interest as per sanction letter	Current Rate of Interest (p.a.)	Maturity Period / Tenure (Month / Days)	EMI payable as on date
Sub limit under Cash Credit (Letter of Guarantee inland performance / financial) ^	50.00	-	Applicable commission as per circular in force	NA	As per term of LC / BG	Not Applicable
Sub limit under Cash Credit (Letter of Credit inland / foreign) ^	100.00	-	Applicable commission as per circular in force	NA	As per term of LC / BG	Not Applicable
Term Loan – Emergency credit line guarantee scheme 5.0	66.20	66.20	RLLR (8.10%+0.75%, i.e. 8.85% p.a., at present #)	8.85% p.a.	To be renewed annually	Repayment in EMI with 48 equal monthly installments ₹ 13,79,166.67 after the moratorium period of 12 months. The total tenor of the loan should not exceed 60 months.
Total	**246.20**	**246.10**				

^ *Being sub-limit, not included in total (As certified by Bilimoria Mehta & Co., Chartered Accountant, pursuant to their certificate dated July 23, 2026)*
 # RLLR refers to 'Repo Linked Lending Rate'

The above facilities are due for renewal every 12 months, latest renewal being received vide letter July 05, 2025 and May 30, 2026 (for Term Loan – Emergency credit line guarantee scheme 5.0). Loan is secured by way of following security:

Securities Offered	
Security-Primary	First charge on pari passu basis with HDFC Bank on the current assets viz., stock of raw materials, stock in progress, finished goods, consumable stores & spares and book debts, bill whether documentary or clean, outstanding monies, receivables of the company, both present and future.
	Hypothecation of machinery purchased out of term loan
Security-Collateral	**Equitable Mortgage on Residential House** situated at Plot No. 444 and 445P Sector 21C, in Faridabad, Haryana in the name of Mohit Vohra and Anu Vohra
	Equitable Mortgage on Industrial Building situated at Plot No. 79, Pragati Vihar, Sector 59, Ballabhgarh, Faridabad, Haryana owned by Avinash Mehta and Pallavi Dhawan
Personal Guarantee	Personal Guarantee of Mohit Vohra, Sumit Dhawan, Rahul Dhawan, Amit Dhawan, Pallavi Dhawan, Avinash Mehta and Anu Vohra

Events of Default:
The borrowing arrangements entered into by us with the lender contains certain instances, occurrence of which may result into an event of default, including:

a) In terms of directives in force now or as modified from time to time, default in repayment of instalments and/ or servicing interest for a notified period (presently 90 days) automatically results in categorization of all borrowal accounts as Non-Performing Asset (NPA): such categorization renders the borrower ineligible from seeking (i) Additional/ Ad-hoc credit facilities (Fund Based and/or Non-Fund Based), (ii) Waiver of overdue interest and (iii) Soft recovery measures.
b) Bank is under no obligation to consider the request of the borrower, if any, for additional credit facility(ies) without a comprehensive review of the existing credit limits, operation in accounts and past performance in meeting commitments such as servicing of interest charged to the Loan account(s), repayment of loan installments, prompt submission of stock statements, unkeep of records and books of accounts, unkeep of machinery financed honouring commitments under the LC/LG promptly etc., as applicable to the purpose for which credit facility has been extended.
c) In the event of borrowal account being overdrawn without prior agreement or exceeding the agreed borrowing limit or in the event of delay/ non-submission of stock statement, the bank shall levy penal charges at the rates specified from time to time.
d) If audited financials and certified stock statement as on March 31 of every year are not submitted before October 31, the bank shall levy penal charges from 1st November till the date of submission.
e) In case development of LC has taken place consecutively for 2 times, all concessions allowed shall be withdrawn and applicable charges as per the rating and circulars in force shall be charged for the limit.

This is an indicative list and there may be additional consequences of an event of default under the various borrowing arrangements entered into by us. Further, upon acceptance of the revised sanction letter with enhanced cash credit limit and signing of fresh loan documents, the terms related to above key covenants and events of default may also undergo a change.

C. HDFC Bank Limited: Statement of principal terms of secured loans and assets charged as security is as under:

(₹ in million)

Nature of Credit Facility	Sanctioned limits	Amount Outstanding as on June 30, 2026	Rate of interest as per sanction letter	Current Rate of Interest (p.a.)	Tenure	EMI payable as on date
Bank Guarantee	31.00	24.44	Not Applicable	Not Applicable	3 years (to be renewed annually)	Not Applicable
Working Capital Term Loan - Guaranteed Emergency Credit Line Extension	17.11	5.59	Linked with EBLR#	8.65% p.a.	61 months (last EMI due on May 07, 2027)	0.53
Working Capital Term Loan	50.00	26.03	Repo Rate + spread of 2.45%	7.70% p.a.	81 months (last EMI due on March 07, 2031)	0.58
Cash Credit	167.00	148.89	Repo Rate + spread of 4.00%	9.50% p.a.	To be renewed annually	Not Applicable
Bank Guarantee (*sub-limit of Cash Credit*) ^	10.00	-	Not Applicable	Not Applicable	3 years (to be renewed annually)	Not Applicable
Total	**265.11**	**204.95**				

^ *Being sub-limit, not included in total (As certified by Bilimoria Mehta & Co., Chartered Accountant, pursuant to their certificate dated July 23, 2026)*
 # External Benchmark Lending Rate

The above facilities are due for renewal every 12 months, latest renewal being received vide letter dated September 17, 2025. Loan is secured by way of following security:

Securities Offered	
Security-Primary	Building, Debtor, Fixed Deposit for Bank Guarantee and Stock
Security-Collateral	Industrial Property, Personal Guarantee of Property owner and Director: Immovable property owned by our Company measuring 15 Kanal 13 Marla Killa No. 20 (8-0) situated at Nangla Bhiku, Palwal, Haryana. Comprised In Rect. No. 31, Killa No. 19/2 (7-13) & Rect. No. 31 Village Nangla Bhiku Palwal Haryana - 121 102

Events of Default:
The borrowing arrangements entered into by us with the lender contains certain instances, occurrence of which may result into an event of default, including:

a) In event of Overdue Unserviced Interest Amount, Bank reserves the right to recover the monthly overdue interest amount on the 7th of the subsequent month from your current account under the same customer ID. This transaction will take place subject to the availability of funds in the current account.Only for CC/OD Facility.
b) HDFC Bank would levy Annual charges, Pre closure charges and Penal charges in case of an Event of default, as per the Facility documents/Master Facility Agreement/Term Loan Agreement.
c) The insurance on stock and property to be assigned in favor of HDFC Bank within 30 days after the date of disbursement in the event of noncompliance of the same HDFC Bank reserves the right to debit the credit facility A/c/Current account for the insurance premium and get the policy assigned in the favor of the bank.
d) The Borrower shall notify the Bank within 24 (twenty-four) hours from the date of either (1) receipt of any demand notice from creditors (financial or operational), which may lead to proceeding under the bankruptcy code 2016, or 2 Occurrence of default with creditors (Operational or financial).

This is an indicative list and there may be additional consequences of an event of default under the various borrowing arrangements entered into by us. Further, upon acceptance of the revised sanction letter with enhanced cash credit limit and signing of fresh loan documents, the terms related to above key covenants and events of default may also undergo a change.

D. Bajaj Finance Limited ("BFL"): Statement of principal terms of secured loans and assets charged as security is as under:

(₹ in million)

Nature of Credit Facility	Sanctioned limits	Amount Outstanding as on June 30, 2026	Rate of interest as per sanction letter	Present Rate of Interest (p.a.)	Maturity Period / Tenure (Month / Days)	EMI payable as on date
Term Loan	70.00	66.50	Floating rate of interest linked to BFL Floating Reference Rate + spread of 1.0%	9.35% p.a.	66 Months including 6 months moratorium from date of first disbursement subject to annual review.	Repayment in EMI with fixed principle repayment of ₹ 0.67 million and interest payable on the outstanding principle on reducing balance
Total	**70.00**	**66.50**				

(As certified by Bilimoria Mehta & Co., Chartered Accountant, pursuant to their certificate dated July 23, 2026)

Further, Mohit Vohra, Rahul Dhawan, Sumit Dhawan, Amit Dhawan and Sonali Dhawan have given personal guarantee for the above-mentioned cash credit.

Securities Offered	
Security	Exclusive charge over movable free assets of the Company with minimum Fixed Assets Coverage Ratio of 1.33x procured using BFL funds
	Plant and Machinery located at Unit 1: 7/19/1/2/2 19/2/2/2, Baghola Tatarpur Road, Prithala Industrial Zone, District Palwal, Haryana, India - 121 102.

Events of Default:
The borrowing arrangements entered into by us with the lender contains certain instances, occurrence of which may result into an event of default, including:

a) Standard events of default for transactions of the present nature and as may be required by BFL, including, but not limited to Default in payment of any sum due under the Facility.
b) The Security or any part thereof being jeopardized or becoming unenforceable.
c) Misrepresentation, breach of any term, covenant, warranty. undertakings or other obligation under the Facility and/or security documents by Borrower/Holding Company/guarantor/security provider.
d) Occurrence of material adverse change or circumstances which would or may prejudicially or diversely affect in any manner the capacity of the Borrower with respect to repayment of Facility.
e) Application made or proceedings commenced under Insolvency and Bankruptcy Code, 2016 or any applicable law against the Borrower, Guarantor/s or any of its group companies or any winding up proceedings are commenced.
f) Default committed in any other loan availed by the *Borrower/Co-borrower/Guarantor/Security provider with BFL and/or any other Lender.

This is an indicative list and there may be additional consequences of an event of default under the various borrowing arrangements entered into by us.

E. Vehicle loans

Statement of principal terms of secured loans (Vehicle Loans):

(₹ in million)

Name of Lender	Sanctioned limits	Amount Outstanding as on June 30, 2026	Rate of Interest	Maturity Period / Tenure (Month)
HDFC Bank Limited	2.13	1.75	9.10%	60 months
	0.72	0.55	9.40%	48 months
	2.21	0.04	7.65%	60 months
Indian Overseas Bank	3.70	1.80	7.75%	60 months
	1.50	0.85	8.80%	84 months
	4.85	4.50	8.80%	84 months
Union Bank of India	17.40	11.08	9.00%	84 months
Total	**32.51**	**20.57**		

These vehicle loans are on the vehicles purchased by the company for official use.

Further, our Company has received "No Objection" from Indian Overseas Bank and HDFC Bank Limited, vide their respective letters dated October 09, 2025 and September 20, 2025, for the proposed IPO by our Company and any other steps that our Company may take in respect thereof.

Our Company do not have any unsecured loan as on the date of the Prospectus.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

We are involved in various legal proceedings from time to time, mostly arising in the ordinary course of business. These legal proceedings are primarily in the nature of, amongst others, civil suits, criminal proceedings, regulatory proceedings and tax disputes pending before various authorities. These legal proceedings may have been initiated by us or by customers, regulators, or other parties, and are pending at different levels of adjudication before various courts, quasi-judicial bodies, tribunals, enquiry officers and appellate tribunals.

Except as disclosed in this section, there is no outstanding (i) criminal proceeding; (ii) action taken by regulatory or statutory authorities; (iii) claim related to direct and indirect taxes; and (iv) other pending litigation as determined to be material pursuant to the Materiality Policy in each case involving our Company, our Directors and Our Promoters. Our Company do not have any subsidiary as on the date of the Prospectus.

*Our Company has, in accordance with the resolution passed by our Board in its meeting held on November 27, 2025 solely for the purpose of this Issue, disclosed in this section (i) all outstanding criminal litigation and tax proceedings involving our Company; (ii) all outstanding civil litigation involving our Company which exceeds 2% of turnover of the Company, as per the Restated Financial Information of the Company for the latest financial year (based on Restated Financial Information for March 31, 2026), 2% of net worth of the Company, as per the Restated Financial Information of the Company for the latest financial year, except in case the arithmetic value of the net worth is negative (based on Restated Financial Information for March 31, 2026), or **5%** of the average of absolute value of profit or loss after tax, as per the last three years based on Restated Financial Information of the Company (the aggregate value based on Restated Financial Information for March 31, 2026, March 31, 2025 & March 31, 2024) ("**Materiality Threshold**"), whichever is lower; (iii) all outstanding actions by statutory or regulatory authorities involving any of our Company; (iv) any other outstanding litigations involving our Company where the monetary sum involved is not quantifiable or is below the Materiality Threshold, where an adverse outcome would, in the opinion of the Board, materially and adversely affect the business, operations, prospects, reputation or financial position of our Company, and (v) any litigations involving the Directors and Promoters of our Company, an adverse outcome in which shall have a material impact on the Company.*

Further, other than as disclosed in this section, (i) there is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years immediately preceding the year of circulation of the Prospectus and no directions have been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (ii) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 in the last three years immediately preceding the year of circulation of the Prospectus involving our Company, nor are there any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of the Prospectus involving our Company except as disclosed below; (iii) there are no defaults in payment of (a) undisputed statutory dues; (b) debentures and interest thereon; (c) deposits and interests thereon; and (d) any loan obtained from any bank or financial institution and interest thereon by our Company, as of the date of the Prospectus; (iv) there are no material frauds committed against us in the last three years; (v) there are no defaults in annual filing of our Company under the Companies Act and the rules made thereunder; (vi) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; or (vii) there are no reservations, qualifications or adverse remarks of auditors in the last five Fiscal Years immediately preceding the year of circulation of the Prospectus.

It is clarified that for the purposes of the above, pre-litigation notices received by any of our Company, our Directors and/or our Promoters from third parties (excluding statutory / regulatory / governmental authorities or notices threatening criminal action) shall, not be considered as litigation proceedings till such time that any of our Company, our Directors and/or our Promoters, are impleaded as parties in any such litigation proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

In addition, outstanding dues as on March 31, 2026, owed by our Company to micro, small and medium enterprises in terms of Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 and creditors other than micro, small and medium enterprises and Material Creditors have been disclosed hereunder.

Unless stated to the contrary, the information provided below is as of the date of the Prospectus. Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.

I. Involving our Company

➢ Against our Company

A. Criminal Proceedings

As on the date of the Prospectus, there are no criminal proceedings against our Company.

B. Action by Regulatory and Statutory Authorities

As on the date of the Prospectus, there have been no action taken by any Regulatory and Statutory Authorities against our Company.

C. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Company in the last five financial years including outstanding action

Neither any disciplinary action has been taken by SEBI or stock exchanges in the last five financial years nor any action is outstanding against our Company.

D. Material Civil Litigations

As on the date of the Prospectus, there are no material civil litigations against our Company.

E. Material Tax proceedings

Except as disclosed, there are no material tax proceeding(s) involving our company. The aggregate details of the tax proceeding(s) against our company are disclosed below:

Particulars	Number of Proceedings	Amount involved (in millions)
Direct Taxation	3	- *
Indirect Taxation	1	4.79 ^

** (a) Our Company has received a communication from Income Tax Department on February 28, 2019 under Section 143(1)(a) of the Income Tax Act for the assessment year 2018-19 for inconsistency in the amount of exempt income in the income tax return for the said period and disallowance of expenditure in respect to the extent of amount not credited to the employee account on or before due date on account of contribution of provident fund and other employee welfare fund. The aggregate of such amount is ₹ 1.19 million. No further communication has been received thereafter in this regard.*

(b) Our Company has received a communication from Income Tax Department on November 22, 2024 under Section 143(1)(a) of the Income Tax Act for the assessment year 2024-25 for proposed adjustment to the total income. The same is pending for disposal by Income Tax Department and no further communication has been received thereafter in this regard.

(c) Our Company has received a communication from Income Tax Department on January 23, 2026 under Section 143(1)(a) of the Income Tax Act for the assessment year 2025-26 for proposed adjustment. Our Company has not submitted any response to the said letter and the same is pending for disposal by the Income Tax Department. No further communication has been received thereafter in this regard.

^ Our Company has received a Notice dated October 08, 2024, from the Department of Central Goods & Service Tax Commissionerate, Faridabad, Haryana, for excess ITC claimed from cancelled suppliers under rule 142(1A) of the GST Rules in terms of Section 16 of the CGST Act amounting to ₹ 4.79 million (including penalty of ₹ 0.43 million). We have filed a response dated December 27, 2024, and no further communication has been received by us in this regard.

➢ By our Company

A. Criminal Proceedings

As on the date of the Prospectus, there are no criminal proceedings initiated by our Company.

B. Material Civil Litigations

As on the date of the Prospectus, no material civil litigations have been initiated by our Company.

C. Material Tax proceedings

As on the date of the Prospectus, we have not filed any appeal in tax proceedings which are material.

D. Adjudication application filed by our Company suo moto

Our Company jointly with Rahul Dhawan, Director had voluntarily filed an application for adjudication before the Registrar of Companies, National Capital Territory of Delhi and Haryana on November 26, 2025 vide SRN AB9310447 under section 454 of the Companies Act, 2013, for the following non-compliances and irregularities under Companies Act, 2013.

Section	Particulars of Non-Compliance
Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and Section 73 of the Companies Act, 2013 read with Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014.	Incorrect disclosure was made in the report of board of directors of the Company inadvertently regarding the Unsecured Loans taken by the Company from its director and such unsecured loan was also not disclosed in form DPT-3 i.e., Return of Deposits (*Particulars of transactions by a company not considered as deposit as per rule 2(1)(c) of the Companies (Acceptance of Deposit) Rules, 2014*) for the financial year 2022-23.
Section 42 and Section 62 of the Companies Act, 2013 and Rule 12 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.	In order to meet its capital requirements during the financial year 2014-15, the Company has raised funds by issuing equity shares to the Promoter and Promoter Group of the Company through preferential allotment by way of private placement of securities under Section 62(1)(c) read with Section 42 of Companies Act, 2013. The Company had undertaken two different private placements of equity shares (i.e. 47,000 equity shares of face value ₹ 10 each on August 11, 2014 and 7,500 equity shares of face value ₹ 10 each on October 28, 2014) and had raised funds aggregating to ₹ 3.01 million but failed to obtain the requisite approval from members of the Company by way of special resolution, thereby resulting in non-compliance with Section 62(1)(c) of the Companies Act 2013. Further, the Company failed to open a separate bank account for receipt of the share application money and utilisation thereof prior to the allotment of equity shares and obtain valuation report in this regard, which is a non-compliance under Section 42 and 62 of the Companies Act 2013.
Section 29(1A) of the Companies Act, 2013 read with Rules 9A(2) and 9A(3)(b) of the Companies (Prospectus and Allotment of Securities) Rules, 2014.	Our Company had issued compulsorily convertible preference shares of face value of ₹ 10 each to Ramendra Pratap Singh and Sangeeta Singh in their meeting held on July 10, 2023. Further, our Company had issued bonus equity shares of face value ₹ 10 each to the shareholders of the Company in their meeting held on November 11, 2023. In terms of the provisions of Section 29 of the Companies Act 2013, read with Rule 9A (2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, every unlisted public company making any offer for the issue of securities shall ensure that, prior to making such offer, the entire holding of securities of its promoters, directors, and key managerial personnel is dematerialised in accordance with the provisions of the Depositories Act, 1996 and the regulations made thereunder. However, two of the Promoter Group shareholder, namely Avinash Mehta and Rahul Dhawan, could not timely open their demat account and get their 36,560 equity shares dematerialised. Due to such shareholding being held in physical form as on the date of issue and allotment of compulsorily convertible preference shares and bonus equity shares, the Company had defaulted with the provisions of Section 29 of the Companies Act 2013, read with Rule 9A (2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Incorrect mention of the date of allotment in the return of allotment filed by the Company for allotment of	The date of allotment of 57,025 equity shares and 17,67,775 reserved bonus shares was made in the adjourned board meeting on March 18, 2025, which was originally scheduled on March 17, 2025. Since the date of Board Meeting for such adjourned meeting is considered as the date on which it was initially convened, inadvertently

Section	Particulars of Non-Compliance
57,025 equity shares upon conversion of CCPS and 17,67,775 Reserved Bonus Equity Shares	the date of allotment was mentioned as March 17, 2025 in the return of allotment instead of March 18, 2025. The said erroneous mention of date in the form of allotment will not invalidate the allotment made by the Company.

In this regard, we have received a communication dated July 01, 2026 from the office of Deputy Registrar of Companies, Registrar of Companies, Haryana, advising our Company to file separate e-form GNL-1 for each default in place of one consolidated application as filed above. The Company is in the process of filing of the adjudication applications in terms of the said communication.

II. Involving our Promoter

- **Against our Promoters:**

A. Criminal Proceedings

As on the date of the Prospectus, there are no criminal proceedings against our Promoters.

B. Action by Regulatory and Statutory Authorities

As on the date of the Prospectus, there have been no action taken by any Regulatory and Statutory Authorities against our Promoters, except as disclosed below:

However, one of our Group Company, Quadrant Future Tek Limited ("Quadrant"), had filed two adjudication applications with the Registrar of Companies, in which penalties have been levied on such Group Company and also on Mohit Vohra and Amit Dhawan, who are Promoters and Director of our Company. The summary of such matters is as under:

(a) **Outstanding proceedings**: Failure to open a separate bank account for receipt of share application money and for use of monies thereof prior to allotment in compliance with Section 42 of the Companies Act

In order to meet the capital needs in the initial years of incorporation, Quadrant had raised funds by issuing equity shares to its promoter and promoter group through preferential allotment by way of private placement of securities under Section 62(1)(c) read with Section 42 of Companies Act, 2013. Quadrant had undertaken six different private placement of equity shares from time to time but failed to open a separate bank account for receipt of the share application money and utilisation thereof prior to the allotment of equity shares, which is a non compliance under Section 42 of the Companies Act.

To regularize such non-compliance Quadrant had filed an adjudication application before RoC under Section 454 read with Section 42 of Companies Act, 2013. In this regard, Registrar of Companies & Adjudication Officer, Punjab and Haryana had passed an order dated August 08, 2024 levying a total penalty of ₹ 15.80 million, for default of Section 42(4) and 42(6) of the Companies Act, 2013 as under:

Name	Penalty levied (₹ in million)
Quadrant Future Tek Limited	6.00
Mohit Vohra, Whole Time Director*	1.20
Amit Dhawan, Whole Time Director*	1.20
Other six directors & Company Secretary of Quadrant	7.40
Total	**15.80**

** Promoters of MV Electrosystems Limited*

Pursuant to the above-mentioned order of RoC, Quadrant had filed an appeal against the abovementioned order on October 07, 2024 before the Regional Director, North Region, Ministry of Corporate Affairs, New Delhi pursuant to the provisions of Section 454(5) of the Companies Act, 2013 and rule 4(1) of the Companies (Adjudication of Penalties) Rules, 2014. The said appeal has been disposed off by the office of the Regional Director on January 30, 2026 as under:

- Violation of the proviso to Section 42(6) of the Act and penalty under the order has been upheld

- Violation of the proviso to Section 42(4) of the Act has been set aside and accordingly no penalty is leviable under such Section.

Subsequently, Quadrant Future Tek Limited and other petitioners, including Mohit Vohra and Amit Dhawan have filed a writ petition with the Hon'ble High Court of Punjab and Haryana, Chandigarh on May 19, 2026 against the aforesaid order dated January 30, 2026 issued by the Regional Director, North Region, Ministry of Corporate Affairs, New Delhi for setting aside the penalties levied. The matter is listed for hearing on September 14, 2026.

The said order does not have any impact on the operations and financial position of MV Electrosystems Limited.

(b) **Proceedings closed**: Failure to appoint an independent director on the Board of Directors of Quadrant and non-compliance in relation to constitution of audit committee and nomination and remuneration committee

Quadrant was converted into an unlisted public limited company with effect from October 21, 2021. In terms of the provisions of Section 177 read with Section 178 of the Companies Act and relevant rules made thereunder, the Board of Directors of Quadrant was required to constitute an Audit Committee and Nomination and Remuneration Committee of the Board upon such conversion. Such Audit Committee was formed by the Board of Quadrant on December 30, 2021 and Nomination and Remuneration Committee was formed on December 30, 2021. Hence, Quadrant was non compliant with the above provisions for the period from the date of conversion of Quadrant till the respective date of formation of such committee(s). Also, the composition of the Audit Committee and Nomination and Remuneration Committee was not in compliance with the requirement of Companies Act since Quadrant did not had any independent director(s).

Further, subsequent to conversion of Quadrant into an unlisted public company, it was required to appoint independent directors on its board in light of the requirement envisaged under Section 149 of the Companies Act read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Such failure to have independent director on Board of Directors of Quadrant subsisted for a period from conversion of Quadrant till March 08, 2024.

With regard to non-compliances specified above submitted by Quadrant, the Registrar of Companies & Adjudication Officer, Punjab and Haryana had passed an order dated September 24, 2024 levying an aggregate penalty of ₹ 1.40 million on Quadrant and all the officers in default, for aforesaid default as under:

Name	Penalty levied (₹ in million)
Quadrant Future Tek Limited	0.30
Mohit Vohra, Whole Time Director*	0.10
Amit Dhawan, Whole Time Director*	0.10
Other six directors, Company Secretary and Chief Financial Officer of Quadrant	0.90
Total	**1.40**

** Promoters of MV Electrosystems Limited*

The said penalties have been paid by respective parties and the matter stands closed as on date. Further, the said order does not had any impact on the operations and financial position of MV Electrosystems Limited.

C. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five financial years including outstanding action

Neither any disciplinary action has been taken by SEBI or stock exchanges in the last five financial years nor any action is outstanding against our Promoters.

D. Material Civil Litigations

As on the date of the Prospectus, there are no material civil litigations against our Promoters.

E. Material Tax proceedings

As on the date of the Prospectus, there are no material tax proceedings against our Promoters.

- **By our Promoters**

A. Criminal Proceedings

As on the date of the Prospectus, there are no criminal proceedings initiated by our Promoters.

B. Material Civil Litigations

As on the date of the Prospectus, there are no material civil proceedings initiated by our Promoters.

C. Material Tax proceedings

As on the date of the Prospectus, our Promoters have not filed any appeal in tax proceedings which are material.

III. Involving our Directors

- **Against our Directors**

A. Criminal Proceedings

As on the date of the Prospectus, there are no criminal proceedings against our Directors.

B. Action by Regulatory and Statutory Authorities

As on the date of the Prospectus, there have been no action taken by any Regulatory and Statutory Authorities against our Directors.

C. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Directors in the last five financial years including outstanding action

As on the date of the Prospectus, there are no material civil litigations against our Directors.

D. Material Civil Litigations

Except as disclosed below, there are no material civil litigations against our Directors:

(a) Litigation against Vipin Sharma, Independent Director

Bank of India ("BOI") has instituted recovery proceedings before the Debts Recovery Tribunal-I, New Delhi ("DRT"), against Urbanfresh Agrofood Products Private Limited ("Urbanfresh") and other defendants, including Vipin Sharma (former Director of Urbanfresh) and Poonam Sharma (wife of Vipin Sharma and also one of the guarantors), for recovery of Rs. 11.19 million, alongwith interest, costs and other charges. The proceedings arise from credit facilities sanctioned by BOI on May 30, 2017, comprising of Cash Credit facility of Rs. 3.90 million and a Term Loan of Rs. 1.00 million for Urbanfresh's business, which were subsequently enhanced by BOI, and were secured by hypothecation of assets. The loan account was classified as a Non-Performing Asset on October 15, 2022, following which BOI issued a legal notice for recovery on May 24, 2023. Vipin Sharma served as a Director of Urbanfresh from May 01, 2017 to July 28, 2017. The matter is presently pending and the next date of hearing is September 11, 2026.

E. Material Tax proceedings

As on the date of the Prospectus, there are no material tax proceedings against our Directors.

- **By our Directors**

1. Criminal Proceedings

As on the date of the Prospectus, there are no criminal proceedings initiated by our Directors.

2. Material Civil Litigations

As on the date of the Prospectus, there are no material civil litigations by our Directors

3. Material Tax proceedings

As on the date of the Prospectus, our Directors have not filed any appeal in tax proceedings which are material.

IV. Involving our Key Managerial Personnel and Senior Managerial Personnel

As on the date of the Prospectus, our Key Managerial Personnel and Senior Managerial Personnel have not been involved in any litigation which may have an adverse impact on our Company.

Outstanding dues to creditors

In accordance with the Materiality Policy, a creditor to whom ₹ 10.96 million, which is 5.00% of the total trade payables of our Company as at the end of the latest period of the Restated Financial Information, is due by the Company, have been considered as 'material' creditors.

Based on the above, the details of outstanding dues (trade payables) owed to micro, medium and small enterprises, material creditors and other creditors, as at March 31, 2026, are set out below:

S. No.	Particulars	Number of cases	Aggregate amount involved (in ₹ million)
1.	Material creditors		
	- Micro, medium and small enterprises	1	13.27
	- Other than Micro, medium and small enterprises	2	53.08
2.	Micro, medium and small enterprises	45	36.07
3.	Other creditors	211	116.81
	Total	**259**	**219.23**

The details pertaining to outstanding over dues to the material creditors along with names and amounts involved for each such material creditor are available on the website at www.mvelectrosystems.com.

F. Material developments

Except as disclosed in the chapter titled "Management Discussion and Analysis of Financial Condition and Results of Operations - Details of material development after the date of last balance sheet i.e. March 31, 2026" on page 411, no circumstances have arisen since March 31, 2026, the date of the last Restated Financial Information disclosed in the Prospectus, any circumstances which materially and adversely affect or are likely to affect the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein and in 'Risk Factors', on page 22, our Company has received the following material consents, licenses, permissions, registrations and approvals from the relevant governmental, statutory and / or regulatory authorities in India, which are necessary for undertaking our present business activities. Unless stated otherwise, these material approvals are valid as on the date of the Prospectus.

In addition to these approvals, we have also disclosed below (i) Approvals in relation to the Issue; (ii) Material approvals obtained in relation to our business and operations and (iii) Material approvals or renewals for which applications are currently pending before relevant authorities. For further details in connection with the applicable regulatory and legal framework, see 'Key Regulations and Policies' on page 251.

I. Approvals in relation to the Issue

For details of approvals and authorisations in relation to the Issue, see 'Other Regulatory and Statutory Disclosures - Authority for the Issue' on page 435.

II. Material approvals obtained in relation to our business and operations

Our Company has obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements under relevant law.

A. Incorporation details of our Company

a. Certificate of incorporation dated July 03, 2009 issued to our Company by the RoC, in the name of MV Electrosystems Private Limited '.

b. Fresh Certificate of Incorporation dated November 26, 2021 issued to our Company by the RoC, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from 'MV Electrosystems Private Limited' to 'MV Electrosystems Limited'.

B. Tax related and general approvals obtained by our Company

Sr. No.	Particulars of License	License/ Consent/ Approval/ Ref No.	Issued by	Date of Issuance	Date of Expiry
1.	Permanent Account Number issued by the Income Tax Department, Government of India under the Income Tax Act, 1961.	AAGCM0867N	Income Tax Department	Not available	-
2.	Tax Deduction Account number issued by the Income Tax Department, Government of India under the Income Tax Act, 1961.	DELM17391D	Income Tax Department	May 30, 2022	-
3.	GST Registration Certificate	06AAGCM0867N2Z1	Government of India	July 01, 2017 (last modified on June 29, 2022)	-
4.	MSME Registration Certificate	UDYAM-HR-20-0000716	Ministry of Micro, Small and Medium Enterprises	October 29, 2020	Permanent Approval
5.	Importer Exporter Code	0509071341	Directorate General of Foreign Trade, Ministry of Commerce and Industry	January 01, 2010 (last modified on	Permanent approval-

Sr. No.	Particulars of License	License/ Consent/ Approval/ Ref No.	Issued by	Date of Issuance	Date of Expiry
				November 04, 2025)	
6.	Legal Entity Identifier	9845006F2C666CDD7D04	Legal Entity Identifier India Limited	July 05, 2023	July 05, 2027
7.	EPFO	HRFBD0013942000	Employees Provident Fund Organisation	February 20, 2018	Permanent Approval
8.	ESI	13000458260000604	Asstt. Director, ESI Corporation	October 28, 2010	Permanent Approval

C. Regulatory approvals of our Company

Sr. No.	Particulars of License	License/ Consent/ Approval/ Ref No.	Issued by	Date of Issuance	Date of Expiry
Research, Design and Development Centre (Plot No. 7, Site 2, 14/3, Mathura Road, Faridabad, Haryana)					
1.	Registration and License to work as a Factory under the Factories Act: Factory license issued to Company with maximum capacity of 60 persons and maximum power capacity of 1274 Horse Power for Plot No. 7, Site 2, 14/3, Mathura Road, Faridabad, Haryana	FBD-ONLINE-CHD-M-416	Chief Inspector of Factories, Department of Labour, Haryana at Chandigarh	November 17, 2025	December 31, 2030
2.	Fire Safety Certificate for Plot No. 7, Site 2, 14/3, Mathura Road, Faridabad, Haryana	FS/2025/254	Assistant Divisional Fire Officer/Fire Station Officer	August 26, 2025	August 25, 2028
3.	Certificate of Registration for in house R&D unit registered with Department of Scientific & Industrial Research (DSIR) for Plot No. 7, Site 2, 14/3, Mathura Road, Faridabad, Haryana for the purpose of availing customs duty exemption	F.No. TU/IV-RD/5284/2026	Department of Scientific and Industrial Research, Ministry of Science and Technology	June 12, 2026	March 31, 2029
Unit 1 (7//19/1/2/2, 19/2/2/2, Baghola, Tatarpur Road, Palwal, Haryana)					
1.	Registration and License to work as a Factory under the Factories Act: Factory license issued to Company with maximum capacity of 400 persons and maximum power capacity of 2682 Horse Power for 7//19/1/2/2, 19/2/2/2, Baghola, Tatarpur Road, Palwal, Haryana	PWL-ONLINE-GGN-M-115	Chief Inspector of Factories, Department of Labour, Haryana at Chandigarh	June 05, 2026	December 31, 2026
2.	Fire Safety Certificate for 7//19/1/2/2, 19/2/2/2, Baghola, Tatarpur Road, Palwal, Haryana	FS/2024/47	Assistant Divisional Fire Officer/Fire Station Officer, Palwal, Haryana	September 25, 2024	September 24, 2027
3.	Soil Test Report for 7//19/1/2/2, 19/2/2/2, Baghola, Tatarpur Road, Palwal, Haryana	AEL/MEL/28032025/W/01	Asia Enviro Labs	April 02, 2025	N.A.

Sr. No.	Particulars of License	License/ Consent/ Approval/ Ref No.	Issued by	Date of Issuance	Date of Expiry
4.	Pollution Exemption Certificate for 7//19/1/2/2, 19/2/2/2, Baghola, Tatarpur Road, Palwal, Haryana	HSPCB/PAL/2025/2028	Regional Office, Palwal Region, Haryana State Pollution Control Board	January 05, 2026	-
5.	Engagement of contract labour under the Contract Labour (Regulation & Abolition) Act, 1970	CLA/PSA/REG/PWL/LC-Cum-CIF/0013105	Office of Labour Commissioner, Haryana & Registering Officer	December 12, 2025	-
6.	Sanction Letter of EOL to 901KW with CD to 950KVA under HT Industry Category	660	Dakshin Haryana Bijli Vitran Nigam Limited	February 18, 2026	-
Unit 2 (Khasra No. 31//19/2, 20, in Village Nangla Bhiku, District Palwal, Haryana)					
1.	Change in Land Use Permission for area admeasuring 7916.59 Sqm. falling in Village Nangla Bhiku, Palwal, Haryana	CLU/PL-1788A/CTP/35161/2022	Directorate of Town and Country Planning, Haryana	November 23, 2022	-
2.	Occupation Certificate for area admeasuring 7916.59 Sqm. falling in Village Nangla Bhiku, Palwal, Haryana	DTP/M 4176	Office of District Town Planner, Palwal, Haryana	October 09, 2024	-
3.	Consent to Establish assembling cum manufacturing facility and installation of DG set for 320 KVA	12074148425PALCTE123288658	Haryana State Pollution Control Board	December 09, 2025	December 08, 2030
4.	Registration and License to work as a Factory under the Factories Act: Factory license issued to Company with maximum capacity of 50 persons and maximum power capacity of 65 Horse Power for Khasra No. 31//19/2, 20, in the Revenue Estate of Village Nangla Bhiku, Tehsil and District Palwal, Haryana	PWL-ONLINE-GGN-M-314	Chief Inspector of Factories, Haryana, Chandigarh	January 12, 2026	December 31, 2029
5.	Fire Safety Certificate for Khasra No. 31//19/2, 20, in Village Nangla Bhiku, Palwal, Haryana	FS/2026/324	Deputy Director - I for Director General, Fire Service, Haryana, Panchkula	March 03, 2026	March 02, 2029
6.	Consent to Operate assembling cum manufacturing facility	12074148426PALCTO141031993	Haryana State Pollution Control Board	June 22, 2026	December 31, 2030

D. Quality Management Approvals and other material approvals of our Company

Sr. No.	Particulars of License	License/ Consent/ Approval/ Ref No.	Issued by	Date of Issuance	Date of Expiry
1.	Certificate of Environmental Management System under ISO 14001:2015 with the following scope: Design and manufacturing of 4.5 KW regulated battery charger cum emergency battery charger. IGBT based Propulsion Systems, train control & traffic management and	25MEEUN44	Magnitude Management Services Private Limited	September 20, 2025	September 19, 2028

Sr. No.	Particulars of License	License/ Consent/ Approval/ Ref No.	Issued by	Date of Issuance	Date of Expiry
	associated devices, electronic interlocking & signaling systems, train collison prevention systems, fog train assistance systems, public information systems, cable management products, electrical panels & switch gears, electrical connectors & wiring harness, roof mounted air conditioning units.				
2.	Certificate of Quality Management System under ISO 9001:2015 with the following scope: IGBT based Propulsion Systems, train control & traffic management and associated devices, electronic interlocking & signalling systems, train collision prevention systems, fog train assistance systems, public information systems, cable management products, electrical panels, & switch gears, electrical connectors& wiring harness, roof mounted air conditioning units.	25MEQTX11	Magnitude Management Services Private Limited	February 04, 2025	February 03, 2028
3.	Certificate of Occupational Health & safety Management System under ISO 45001:2018 with the following scope: Design and manufacturing of 4.5 kw regulated Battery Charger cum Emergency Battery Charger, IGBT based Propulsion Systems, Train Control & Traffic Management and Associated Devices, Electronic Interlocking & Signalling Systems, Train Collison Prevention Systems, Fog Train Assistance Systems, Public Information Systems, Cable Management Products, Electrical Panels & Switch Gears, Electrical Connectors & Wiring Harness, Roof Mounted Air Conditioning Units.	25MEOUY81	Magnitude Management Services Private Limited	November 13, 2025	November 12, 2028
4.	Certificate of Compliance, IRIS Certification Rules: 2017 and based on ISO/TS 22163: 2017 for design and manufacturing of 4.5 kw regulated battery charger cum emergency battery charger, IGBT based propulsion systems, train control & traffic management and associated devices, electronic interlocking & signaling systems, train collison prevention systems, fog train assistance systems, public information systems, cable management products, electrical panels, & switch gears, electrical connectors & wiring harness, roof mounted air conditioning units	UQ-26012	US Certification and Inspection Limited	July 06, 2026	July 05, 2029

III. Material approvals or renewals for which we have submitted application(s) and the same are pending

before relevant authorities

(a) Approvals in respect to Unit 1 (7/19/1/2/2, 19/2/2/2, Baghola Tatarpur Road, Prithla Industrial Zone, Village Baghola, Palwal - 121 102, Haryana):

Sr. No.	Particulars of Application	Application No.	Filed with	Date of Application
1.	Application for increase of power load[#]	F42-326-315	Dakshin Haryana Bijli Vitran Nigam Limited	March 23, 2026

 # The original application no. F42-825-117 dated August 08, 2025 for increase in power load to 1999 KW was suo moto withdrawn by our Company and new application No. F42-126-274 dated January 23, 2026 was submitted for increase in power load to 901 KW. The same was approved via Memo No. 660 dated February 18, 2026 and included in Table C above. Subsequently, current application for increase of power load was filled with the Dakshin Haryana Bijli Vitran Nigam Limited for increase in power load from 901 KW to 1999 KW.

(b) We have made an application for the trademark approval, the details of which are as follows:

Sr. No.	Particulars of Application	Application No.	Filed with	Date of Application
1.	Trademark application for Wordmark of "MV Electrosystems"	7178093	Trademark Registry	August 14, 2025

(c) Our Company has entered into two separate lease deed, both dated April 09, 2026, between our Company and (i) N. K. Mahajan, Lalit Mahajan for 18,000 sq. ft area; and (ii) Rajneesh Behari Mathur for 18,000 sq. ft area to set up a new R&D Centre at Eastern and Western Portion of Industrial Plot and Building No. 5, Site No. 1, 14/3 Mathura Road, Faridabad - 121 003, Haryana, India. This will be a new infrastructure setup being created by the Company for expansion of R&D activities and will not impact the present business operations. Our Company will make necessary approvals for the same in due course including Registration and License to work as a Factory under the Factories Act and Fire NOC.

IV. Intellectual Property

As on the of the Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act:

Date of Issue	Trademark Holder	Trademark no.	Class of Registration	Trade Mark
March 03, 2025	MV Electrosystems Limited	5580737	9	

GROUP COMPANIES

Under the SEBI ICDR Regulations, the definition of 'group companies' includes (a) such companies (other than the promoters and subsidiaries) with which there were related party transactions in accordance with IndAS 24, during the period for which financial information is disclosed, as covered under applicable accounting standards, and (b) such other companies as are considered material by our Board. Accordingly, for (a) above, all such entities with which our Company had related party transactions during the period covered in the Restated Financial information, as covered under the applicable accounting standards, are considered as Group Companies in terms of the SEBI ICDR Regulations.

Pursuant to a Board resolution dated November 27, 2025, our Board formulated a materiality policy with respect to companies which it considered material to be identified as group companies. Accordingly, in relation to point (b) above, a company (other than the companies covered in the schedule of related party transactions) shall be considered material and will be disclosed as a Group Company in the Prospectus if it is a part of the Promoter Group with which there were one or more transactions during the most recent completed financial year (and the relevant stub period, as applicable) in the Restated Financial Information included in the Prospectus, which individually or cumulatively in value, exceeds 2% of the total restated revenues or 2% of the net worth of our Company as per the Restated Financial Information for the most recent completed financial year included in the Prospectus.

Set forth below, based on the aforementioned criteria, are the detail(s) of our Group Companies as on the date of the Prospectus:

1. MV Mobility Limited
2. Quadrant Future Tek Limited
3. Iboard India Limited
4. Prime Electronics, Partnership Firm
5. RR Electrical and Allied Industries, Proprietorship Firm

A. Details of our group companies based on the total revenue as on March 31, 2026 or March 31, 2025, as audited, of respective group companies:

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three Financial Years, extracted from their respective audited financial statements (as applicable), are required to be hosted on the websites of the respective Group Companies. Such financial information of the Group Companies and other information provided on their respective websites does not constitute a part of the Prospectus. Such information should not be considered as part of information that any investor should consider before making any investment decision. A link for all such the financial information of group companies is also uploaded on our website which is available at:

Website link	QR Code
https://www.mvelectrosystems.com/financials-and-annual-returns.php#financial	

Except for Quadrant Future Tek Limited, equity shares of which are listed on the NSE & BSE, none of the companies / entities mentioned under the group companies are listed on stock exchanges. Further, none of the group companies are a not for profit organizations and all of these are incorporated in India.

1. Quadrant Future Tek Limited

Quadrant Future Tek Limited, a company incorporated under the Companies Act, 2013 and having its registered office at Village Basma Tehsil Banur, Distt Mohali - 140 417, Punjab, India. The corporate identification number (CIN) of the company is L74999PB2015PLC039758 and GST registration number is 03AAACQ3957B1ZU.

Financial Information

The audited financial results of Quadrant Future Tek Limited for the financial years ended on March 31, 2026, March 31, 2025 and March 31, 2024 are set forth below:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Total Income	1,583.44	1,529.40	1,518.49
Profit after Tax	(429.42)	(196.75)	116.56
Equity share capital	400.00	400.00	100.00
Reserves & Surplus	2,179.29	2,579.08	365.11
Net Worth	2,579.29	2,979.08	465.11
Book Value / Net Asset Value per share of face value ₹ 10 each (in ₹)	64.48	74.48	46.51
Earnings per share of face value ₹ 10 each (in ₹) (Basic)	(10.71)	(6.12)	11.62
Earnings per share of face value ₹ 10 each (in ₹) (Diluted)	(10.61)	(6.03)	11.62

As required by the SEBI ICDR Regulations, the above financial information is available on the website of Quadrant Future Tek Limited at www.quadrantfuturetek.com.

Shareholding Pattern

The equity shares of the Company are listed on NSE & BSE. The shareholding pattern for the quarter ended March 31, 2026 is available on the website of NSE and BSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=QUADFUTURE&tabIndex=equity and https://www.bseindia.com/stock-share-price/quadrant-future-tek-ltd/quadfuture/544336/qtrid/129.00/shareholding-pattern/mar-2026 respectively.

2. MV Mobility Limited

The registered office of MV Mobility Limited is situated at 118/1, First Floor, Gali No. 2, Govind Puri, New Delhi - 110 019, India. The corporate identification number (CIN) of the company is U24130DL2012PLC240133 and GST registration number is 06AAKCA8134G1ZP.

Financial Information

The audited financial results of MV Mobility Limited for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are set forth below:

(₹ in million)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Total Income	306.45	924.09	842.56
Profit after Tax	(70.57)	10.86	21.57
Equity Share Capital	75.81	75.81	25.27
Preference Share Capital	6.32	6.32	NA
Reserves & Surplus	43.75	116.06	114.04
Net Worth	125.88	198.18	139.31
Book Value/Net Asset Value per share of face value ₹ 10 each (in ₹)	125.04	197.35	55.13
Earnings per share of face value ₹ 10 each (in ₹) (Basic)	(9.31)	1.43	8.54
Earnings per share of face value ₹ 10 each (in ₹) (Diluted)	(8.59)	1.32	8.54

As required by the SEBI ICDR Regulations, the above financial information is available on the website of MV Mobility Limited at www.mvmobility.in.

Shareholding Pattern

The shareholding pattern of MV Mobility Limited as on July 03, 2026 is as follows:

A. Equity Share Capital

Sr. No.	Name of shareholders	No. of shares held	% of shareholding
1	Mohit Vohra	22,50,936	29.69%
2	Anu Vohra	9,46,005	12.48%
3	Amit Dhawan	18,33,318	24.18%
4	Sumit Dhawan	11,08,500	14.62%
5	Viwaswat Raj Singh	10,26,564	13.54%
6	Ranveer Vohra	4,10,625	5.42%
7	Sonali Dhawan	2,415	0.03%
8	Shruti Dhawan	2,415	0.03%
9	Ramendra Pratap Singh	300	Negligible
	Total	**75,81,078**	**100.00%**

B. Preference Share Capital

Sr. No.	Name of shareholders	No. of shares held	% of shareholding
1	Ramendra Pratap Singh	3,15,816	50.00%
2	Sangeeta Singh	3,15,816	50.00%
	Total	**6,31,632**	**100.00%**

3. Iboard India Limited

The registered office of IBoard India Limited is situated at Plot No. 78, Sector - 59, Pragati Vihar Industrial Area, Faridabad - 121 004, Haryana, India. The corporate identification number (CIN) of the company is U31900HR2020PLC086803 and GST registration number is 06AAFCI6648L1Z4.

Financial Information

The audited financial results of Iboard India Limited for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are set forth below:

(₹ in million)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Total Income	12.02	26.16	22.14
Profit after Tax	(28.04)	(9.03)	(1.62)
Equity Share capital (Fully paid up)	99.00	1.00	1.00
Equity share capital (Partly paid up for ₹ 1.98 per Equity Share)	3.46	NA	NA
Reserves & Surplus	(32.06)	(10.66)	(1.63)
Net Worth	70.40	(9.66)	(0.63)
Book Value/Net Asset Value per share of face value ₹ 10 each (in ₹)	6.87	(96.60)	(6.32)
Earnings per share of face value ₹ 10 each (in ₹) (Basic)	(6.16)	(90.28)	(16.19)
Earnings per share of face value ₹ 10 each (in ₹) (Diluted)	(6.16)	(90.28)	(21.56)

As required by the SEBI ICDR Regulations, the above financial information is available on the website of Iboard India Limited at www.iboardmobility.com.

Shareholding Pattern

The shareholding pattern of Iboard India Limited as on July 03, 2026 is as follows:

Sr. No.	Name of shareholders	No. of shares held	% of shareholding
1	Mohit Vohra	38,61,000	33.15%
2	Anu Vohra	2,97,000	2.55%
3	Amit Dhawan	19,39,240	16.65%
4	Sumit Dhawan	20,79,000	17.85%
5	Ramendra Pratap Singh	8,73,500	7.50%
6	Sangeeta Singh	8,73,500	7.50%
7	Adigam Associates LLP	7,92,000	6.80%
8	Pallavi Arora	1,39,760	1.20%

Sr. No.	Name of shareholders	No. of shares held	% of shareholding
9	Lakhvir Singh	3,96,000	3.40%
10	Ajay Kuamar Kumawat	3,96,000	3.40%
	Total	**1,16,47,000**	**100.00%**

4. Prime Electronics

The address of Prime Electronics is situated at Phase V, Plot No. 220, Kundli, Sonipat - 131 028, Haryana, India. The GST number of the firm is 06AAVFP9502H1ZT. The partners of the Partnership firm are Mohit Vohra, Sonali Dhawan and Meenu Kapoor with share of capital and profit or loss in the ratio of 40%, 40% and 20%, respectively. Further, as per the deed, Meenu Kapoor will not have any rights on the assets of the firm as she will be only the working partner.

Financial Information

The audited financial results of Prime Electronics for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are set forth below:

(₹ in millions)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Sales	355.88	360.19	416.20
Net Profit	28.83	17.66	18.75
Partners' Capital	46.25	23.59	8.61

5. RR Electrical and Allied Industries

The address of RR Electricals And Allied Industries is situated at 79, Sector 59, Mathura Road, Faridabad - 121 004, Haryana, India. The GST number of the firm is 06ALJPD9139K1ZT. The proprietor of the firm is Rahul Dhawan.

Financial Information

The audited financial results of RR Electrical and Allied Industries for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are set forth below:

(₹ in millions)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Sales	94.48	143.85	39.82
Net Profit	1.28	0.85	1.16

B. Nature and extent of interests of our Group Companies

a) Business interest of our Group Companies in our Company

Except as disclosed in the section Restated Financial Information - Notes forming part of the Restated Financial Information - Note 34: Related Party Disclosures" on page 348, our Group Companies have no business interests in our Company.

b) In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

c) In the properties acquired by our Company in the three years preceding the date of filing of the Prospectus or proposed to be acquired by our Company

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the date of Prospectus or proposed to be acquired by our Company.

d) In transactions for acquisition of land, construction of building and supply of machinery, etc.

None of our Group Companies are interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

C. Litigations

Except as stated in "Outstanding Litigation and Other Material Developments" on page 418, our Group Companies are not a party to any pending litigation which will have a material impact on our Company. We cannot

assure you that any adverse decision in such proceeding will not have a material adverse effect on our business, result of operations and financial conditions.

D. Common Pursuits between our Group Companies and our Company

Our Promoters are engaged in other ventures which are engaged in the railways industry. However none of our Group Companies have main objects similar to the business as we do. Being in railway industry, conflicts of interests may arise in allocating new business opportunities amongst our Company and Promoter Group, in circumstances where our respective interests diverge. For details of such ventures and their operations refer to "Our Promoters and Promoter Group - Common Pursuits" on page 290.

Accordingly, there can be no assurance that these Group Companies will not in future engage in any competing business activity or acquire interests in competing ventures. If so, conflict of interest may arise in the future and in the absence of a non compete arrangement, we may not be able to suitably resolve any such conflict without an adverse effect on our business or operations. Our Company shall adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any instances of conflict of interest, if and when they may arise.

E. Related Business Transactions within our Group Company and significance on the financial performance of our Company

Except as disclosed under see "Summary of Related Party Transactions" on page 86 and "Restated Financial Information - Note 34 - Related Party Disclosures" on page 348, there are no related business transactions with the Group Companies.

F. Utilisation of Issue Proceeds

There are no material existing or anticipated transactions in relation to utilisation of the Issue Proceeds with our Group Companies.

Other confirmations

Our Group Companies do not have a conflict of interest with third party service providers (crucial for operations of the Company) or with lessors of our immovable property (crucial for operations of the Company).

Except for **Quadrant Future Tek Limited**, whose equity shares are listed on NSE and BSE, none of our Group Companies have any securities listed on any Stock Exchange, Further, **Quadrant Future Tek Limited**, which undertook an Initial Public Offer, none of our Group Companies have made any public or right issue (as defined under the SEBI ICDR Regulations) during the three years preceding the date of Prospectus. Details of such issue by Quadrant Future Tek Limited as set forth below:

Particulars	Details
Year of Issue	2024-25
Type of Issue (Public/Rights/Composite)	Initial Public Offer
Amount of Issue	₹ 2,900 million
Issue Price	₹ 290 per Equity Share
Current Market Price Closing price as on July 07, 2026 at NSE)	₹ 444.60 per Equity Share
Date of Closure of Issue	January 09, 2025
Date of allotment and credit of securities to dematerialized account of investors	Allotment made on January 10, 2025. The corporate action for credit of securities was made on January 13, 2025
Date of completion of the project, where object of the issue was financing the project	NA
Rate of Dividend paid	Nil

OTHER REGULATORY AND STATUTORY DISCLOSURE

Authority for the Issue

The Issue has been authorized by resolution passed by our Board in their meeting held on December 10, 2024 and November 05, 2025 and by our Shareholders pursuant to a special resolution passed in their meeting held on November 10, 2025.

The Prospectus has been approved by our Board pursuant to its resolution passed on July 23, 2026 for filing with the SEBI and the Stock Exchanges.

In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letter LO\IPO\SK\IP\738\2025-26 dated March 04, 2026 and letter Ref.: NSE/LIST/6474 dated March 04, 2026, respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, the members of our Promoter Group, and our Directors, persons in control of our Company and the persons in control of our Corporate Promoter are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority / court.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities. None of our individual Promoters or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Our Company, our Promoters and our Directors have neither been declared as Wilful Defaulters nor Fraudulent Borrowers, as defined in the SEBI ICDR Regulations.

Neither our Company, not any of our Group Companies, Promoter Group, entities where promoter is a director and other related entities have been involved in the act of money mobilization in any manner and there have been no such action by any regulator / agency against them.

Directors associated with the Securities Market

None of our Directors are in any manner, associated with securities market and there is no outstanding action initiated by SEBI against the Directors of our Company in the 5 years preceding the date of the Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of the Prospectus.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 6(2) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

'An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy-five per cent. of the net issue to qualified institutional buyers and to refund the full subscription money if it fails to do so.'

We are an unlisted company that does not satisfy the condition specified in Regulation 6(1)(b) of the SEBI ICDR Regulations, i.e., our Company does not have an average operating profit of at least fifteen crore rupees on the basis of restated financial information and is therefore required to allot not less than 75% of the Offer to QIBs to

meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations. In the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations..

(₹ in million)

Particulars	For the Financial year ended / as at March 31,		
	2025	2024	2023
Net tangible assets as at, as restated * (A)	109.38	88.18	106.89
Pre-tax Operating profit/ (loss) for the year ended, as restated **	36.08	28.78	32.51
Net worth as at, as restated ***	176.20	164.13	125.37
Monetary assets as at, as restated **** (B)	0.76	1.53	23.50
Monetary assets, as restated and consolidated, as a % of net tangible assets, as restated (%) (B)/(A)	0.69%	1.74%	21.98%

Notes:
* Net Tangible Assets, on restated basis have been computed as sum of all assets of the Company excluding other intangible assets, intangible assets under development, right-of- use assets, investment properties - right-of-use assets goodwill and deferred tax assets (net) and reduced by total liabilities excluding deferred tax liabilities (net), non-current liabilities-financial liabilities-lease liabilities and current liabilities-financial liabilities-lease liabilities of the Company.
** Restated Pre-tax Operating Profit has been calculated as restated profit/ (loss) before tax excluding finance costs and other income.
*** Net Worth is computed as the sum of the aggregate of paid up equity share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account.
**** Monetary assets represent cash and cash equivalents, bank balances other than cash and cash equivalent, Bank deposits remaining maturity within 12 months of the reporting date.

Our Company undertakes to comply with Regulation 6(2) of the SEBI ICDR Regulations. Accordingly, our Company is required to Allot not less than 75% of the Issue to QIBs and in the event that we fail to do so, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable laws.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Issue shall be not less than 1,000 failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulations 7(2) and 7(3) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulations 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable.

The status of our compliance with Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, the Promoters, the members of our Promoter Group and our Directors are not debarred from accessing the capital markets by SEBI;
(ii) The companies with which our Promoters or our Directors are associated as promoter or director are not debarred from accessing the capital markets by SEBI;
(iii) Neither our Company, nor our Promoters nor our Directors have been identified as a Wilful Defaulter or a Fraudulent Borrower (as defined in the SEBI ICDR Regulations);
(iv) Neither our individual Promoters nor our Directors has been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
(v) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of the Red Herring Prospectus;
(vi) Our Company, along with the Registrar to the Issue, has entered into tripartite agreements dated February 21, 2024 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;
(vii) The Equity Shares of our Company held by our Promoters are in dematerialised form;

(viii) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of the Red Herring Prospectus;
(ix) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance;
(x) Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letter LO\IPO\SK\IP\738\2025-26 dated March 04, 2026 and letter Ref.: NSE/LIST/6474 dated March 04, 2026, respectively;
(xi) Our Company has appointed NSE as the Designated Stock Exchange; and
(xii) Our Company shall not make an Allotment if the number or prospective allottees is less than 1,000 in accordance with Regulation 49(1) of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS / PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS / PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEING SUNDAE CAPITAL ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS / PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS / PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, BEING SUNDAE CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 27, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS / PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS / PROSPECTUS.

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 30, 32 and 33 of the Companies Act.

Disclaimer from our Company, our Promoters, our Directors and the BRLM

Our Company, our Promoters, our Directors and the BRLM accept no responsibility for statements made otherwise than in the Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, www.mvelectrosystems.com, or the respective websites of our Promoter, the members of our Promoter Group, Group Companies or any affiliate of our Company, would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement and as will be set out in the Underwriting Agreement.

All information was made available by our Company and the BRLM to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriter, the BRLM and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriter, the BRLM and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for our Company our Promoters, the members of our Promoter Group, Subsidiaries, and their respective directors and officers, Group Companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company, our Directors, our Promoters, officers, agents, Group Companies, or their respective affiliates or associates for which they have received, and may in future receive compensation.

Disclaimer in respect of jurisdiction

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Faridabad, Haryana, India only.

This Issue is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares. The Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares issued hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be issued, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. The delivery of the Prospectus, shall not, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises the Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

The delivery of the Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date thereof or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be issued 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 in accordance with any 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 under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of the Draft Red Herring Prospectus was submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Red Herring Prospectus, by way of its in-principle approval dated March 04, 2026 is as under:

"**BSE Limited ("the Exchange") has given vide its letter dated March 04, 2026, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:**

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer clause of NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, by way of its in-principle approval dated March 04, 2026 is as under:

"**As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/6474 dated March 04, 2026, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this**

draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid 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 in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Listing

The Equity Shares issued through the Prospectus are proposed to be listed on the Stock Exchanges. NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being issued and sold in the Issue.

If the permission to deal in the Equity Shares is not granted by both the Stock Exchanges, our Company will forthwith repay, without interest, all monies received from the Bidders in pursuance of the Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days of the Bid/Issue Closing Date. If our Company does not allot Equity Shares pursuant to the Issue within three Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% p.a., for the delayed period.

Consents

Consents in writing of: (a) our Directors, our Promoters, our Company Secretary and Compliance Officer, Chief Financial Officer, Bankers to our Company, Legal Counsel appointed for the Issue, the BRLM, the Registrar to the Issue, the Statutory Auditor, the Independent Chartered Engineer and the Independent Chartered Accountant in their respective capacities, have been obtained and such consents have not been withdrawn as on the date of the Prospectus; (b) the Monitoring Agency, the Syndicate Member, the Banker(s) to the Issue/ Escrow Collection Bank(s) / Refund Bank(s), Sponsor Bank(s), Underwriter(s) to act in their respective capacities, will be obtained and filed along with a copy of the Prospectus with the RoC as required under the Companies Act.

Expert opinion

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated July 23, 2026 from our Statutory Auditors namely, SANMARKS and Associates, Chartered Accountants, holding a valid peer review certificate from ICAI to include their name as 'expert' as required under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report, dated July 23, 2026 on our Restated Financial Information; and the statement of special tax benefits dated July 07, 2026 included in the Prospectus, and such consent has not been withdrawn as on the date of the Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated July 06, 2026 from Sapient Services Private Limited, Independent Chartered Engineer to include their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as Independent Chartered Engineer in respect of the report dated July 07, 2026 issued by them in connection with *inter alia* the installed capacity, actual production, capacity utilisation and such consent has not been withdrawn as of the date of the Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Particulars regarding public or rights issues undertaken by our Company during the last 5 years

Our Company has not made any public issue or rights issue, as defined under the SEBI ICDR Regulations, during the last 5 years immediately preceding the date of the Prospectus.

Particulars regarding capital issues by our Company and listed group companies, or associate entity during the last 3 years

Except as disclosed below, none of our Group Companies which have listed securities (equity or debt) have undertaken capital issues during the previous three years:

Quadrant Future Tek Limited

Particulars	Details
Year of Issue	2024-25
Type of Issue (Public/Rights/Composite)	Initial Public Offer
Amount of Issue	₹ 2,900 million
Issue Price	₹ 290 per Equity Share
Current Market Price Closing price as on July 07, 2026 at NSE)	₹ 444.60 per Equity Share
Date of Closure of Issue	January 09, 2025
Date of allotment and credit of securities to dematerialized account of investors	Allotment made on January 10, 2025. The corporate action for credit of securities was made on January 13, 2025
Date of completion of the project, where object of the issue was financing the project	NA
Rate of Dividend paid	Nil

Commission and brokerage paid on previous issues of Equity Shares in the last 5 years

Since this is the initial public issue of the Equity Shares, our Company has not raise any funds from public issue or rights issue in the 5 years preceding the date of the Prospectus.

Performance *vis-à-vis* objects - Public/ rights issue of our Company

Our Company has not made any public issue or rights issue as defined under the SEBI ICDR Regulations in the 5 years immediately preceding the date of the Prospectus.

Performance *vis- à-vis* objects: Public/ rights issue of the listed subsidiaries and listed promoters

As of the date of the Prospectus, our Company does not have a listed subsidiary or listed corporate promoters.

Website track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in Circular reference bearing number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLM at https://www.sundaecapital.com/track-record/.

Name of the BRLM	Website link	QR code to access track record
Sundae Capital Advisors Private Limited	https://www.sundaecapital.com/track-record/	

Price information of past issues handled by the BRLM

Sundae Capital Advisors Private Limited has undertaken Price information of past issues handled by Sundae Capital Advisors Private Limited (during the current Financial Year and two Financial Years preceding the current Financial Year):

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
	SME IPO							
1.	Proventus Agrocom Limited #	695.38	771.00	June 05, 2023	821.00	53.87% [4.28%]	34.92% [4.53%]	58.11% [9.00%]
2.	Nukleus Office Solutions Limited*	317.02	234.00	March 04, 2025	187.20	-26.50% [5.55%]	-23.85% [12.10%]	-31.62% [10.43%]
	Main board IPO							
1.	Quadrant Future Tek Limited #	2,900.00	290.00	January 14, 2025	370.00	95.91% [-0.56%]	74.31% [-1.50%]	63.12% [8.52%]

Notes:

1. Price on Designated Stock Exchange of the respective Issuer is considered for all of the above calculations.
2. In the event any day falls on a holiday, the price / index of the immediately preceding trading day has been considered.
3. Source: www.nseindia.com / www.bseindia.com for price information and prospectus / basis for allotment for issue details

Nifty 50 is considered as the Benchmark Index.

* Sensex 50 is considered as the Benchmark Index.

Summary statement of price information of past public issues handled by Sundae Capital Advisors Private Limited:

Financial Year	Total no. of IPOs	Total fund raised (₹ million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
SME IPO														
2026-27	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024-25	1	317.02	Nil	1	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil
2023-24	1	695.38	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil
Main board IPO														
2026-27	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024-25	1	2,900.00	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil
2023-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-

** The information is as on the date of this Issue Document.*

The information for each of the financial years is based on issues listed during such financial year

Stock market data of the Equity Shares

As the Issue is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of the Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

SEBI, by way of its Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism, inter alia, in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries / SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Per the Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Banks containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Member to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

In terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable) and subject to applicable laws, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% p.a. for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. Further, in terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances. In respect of electronic forms received by it, the Registrar to the Issue shall maintain the relevant electronic records for a minimum period of three years. In addition to the above, the Registrar to the Issue shall retain physical application forms submitted by UPI Bidders using the UPI Mechanism, for a period of six months and thereafter forward the same to the Company.

All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or

UPI ID in case of UPI Bidders applying through the UPI mechanism in which the amount equivalent to the Bid Amount is blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM with whom the Bid cum Application Form was submitted by the Anchor Investor.

All grievances relating to Bids submitted with the Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Issue. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove. For helpline details of the BRLM pursuant to the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), see '*General Information - Book Running Lead Manager*' on page 94.

Disposal of investor grievances by our Company

Our Company will obtain authentication on the SCORES and will comply with the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and any amendment thereto, in relation to redressal of investor grievances through SCORES, prior to filing the Prospectus.

Our Company has not received any investor grievances in the present Financial Yeat and the last three Financial Years prior to the filing of the Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of the Prospectus. Our Company estimates that the average time required by our Company and/or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Sourabh Bansal, as our Company Secretary and Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue related problems at the following address:

Sourabh Bansal
Company Secretary & Compliance Officer
Plot No. 7, Site No. 2
14/3, Mathura Road
Faridabad - 121 003, Haryana, India
Tel. No.: +91 92 1199 9711
E-mail: cs@mvelectrosystems.com
Website: www.mvelectrosystems.com

For further information, see 'General Information - Company Secretary and Compliance Officer' on page 94.

Further, our Board has also constituted the Stakeholders' Relationship Committee comprising Kanika Bhutani, Independent Director, as Chairperson, and Rahul Dhawan and Sumit Dhawan as members, inter alia, to review and redress shareholder and investor grievances. For further information, see 'Our Management - Committees of our Board - Stakeholders' Relationship Committee' on page 281.

Disposal of investor grievances by listed Group Companies and Subsidiaries

No investor grievances in relation to our listed Group Company i.e Quadrant Future Tek Limited is pending against them as on the date of the Prospectus. Further, we do not have any subsidiary company as on the date of the Prospectus.

SECTION VIII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Allotted in the Issue will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, and the Prospectus, the Bid cum Application Form, the Revision Form, the Abridged Prospectus and other terms and conditions as may be incorporated in the CAN (for Anchor Investors), Allotment Advice and other documents and certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities, issued from time to time, by SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as maybe prescribed by SEBI, the Government of India, the Stock Exchange, the RoC, the RBI and/or other authorities while granting approval for the Issue.

Ranking of Equity Shares

The Equity Shares being Allotted pursuant to the Issue are subject to the provisions of the Companies Act, 2013, our Memorandum of Association and our Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends. Upon Allotment of Equity Shares under the Issue, the Allottees, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see "Description of Equity Shares and Main Provisions of the Articles of Association" on page 478.

Mode of payment of dividend

Our Company will pay dividends, if declared, to the Shareholders, as per the provisions of the Companies Act, 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect. Any dividends declared, after the date of Allotment in this Issue, will be payable to the Allottees who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For more information, see "Dividend Policy" and "Description of Equity Shares and Main Provisions of the Articles of Association" on pages 294 and 478, respectively.

Face Value, Issue Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 5 and the Issue Price at the lower end of the Price Band is ₹ 400 per Equity Share ("**Floor Price**") and at the higher end of the Price Band is ₹ 425 per Equity Share ("**Cap Price**"). The Anchor Investor Issue Price is ₹ 425 per Equity Share.

The Price Band and the minimum Bid Lot was decided by our Company, in consultation with the BRLM, and published by our Company in all editions of Business Standard, English and Hindi language (a widely circulated English national daily newspaper) (Hindi also being the regional language of Haryana, where our Registered Office is located) at least two Working Days prior to the Bid/Issue Opening Date, and was made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price was pre-filled in the Bid-cum-Application Forms and was made available at the respective websites of the Stock Exchanges. The Issue Price was determined by our Company, in consultation with the BRLM, after the closure of the Issue, on the basis of assessment of market demand for the Equity Shares issued by way of the Book Building Process.

At any given point in time there will be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, the Equity Shareholders will have the following rights:

- right to receive dividends, if declared;
- right to attend general meetings and exercise voting powers, unless prohibited by law;
- right to vote on a poll either in person or by proxy and e-voting in accordance with the provisions of the Companies Act, 2013;
- right to receive offers for rights shares and be allotted bonus shares, if announced;
- right to receive any surplus on liquidation, subject to any statutory and preferential claims being satisfied;
- right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "Description of Equity Shares and Main Provisions of the Articles of Association" on page 478.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. Hence, the Equity Shares offered can be applied for in dematerialised form only. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Issue:

- Tripartite agreement dated February 21, 2024 among our Company, NSDL and Registrar to the Issue; and
- Tripartite agreement dated February 21, 2024 among our Company, CDSL and Registrar to the Issue.

Market Lot and Trading Lot

Since trading of the Equity Shares shall only be in dematerialised form, the tradable lot is one Equity Share. Allotment will be only in electronic form in multiples of 1 Equity Shares of face value of ₹ 5, subject to a minimum Allotment of 34 Equity Shares of face value of ₹ 5. For the method of Basis of Allotment, see "Issue Procedure" on page 456.

Jurisdiction

Exclusive jurisdiction for the purposes of this Issue is with the competent courts/authorities in New Delhi, India.

Joint Holders

Subject to the provisions of our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Period of operation of subscription list

For period of operation of subscription list, refer "Bid / Issue Period" on page 447.

Nomination Facility

In accordance with Section 72 of the Companies Act, read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled, if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to

Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination/cancel nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the Registrar and Transfer Agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, as amended, will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participants.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserve the right not to proceed with the entire or portion of the Issue for any reason at any time after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks, in case of UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and the BRLM shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed simultaneously.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of the Bid/Issue Closing Date or such other time period as prescribed under Applicable Law; (ii) also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be and (iii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company in consultation with the BRLM, withdraws the Issue at any stage, including after the Bid/Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly.

Bid / Issue Period

BID/ISSUE OPENED ON	Thursday, July 30, 2026
BID/ ISSUE CLOSED ON	Monday, August 03, 2026

An indicative timetable in respect of the Issue is set out below:

FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE	On or about Tuesday, August 04, 2026
INITIATION OF REFUNDS, IF ANY, FOR ANCHOR INVESTORS / UNBLOCKING OF FUNDS FROM ASBA ACCOUNT	On or about Wednesday, August 05, 2026

CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS OF ALLOTTEES	On or about Wednesday, August 05, 2026
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGES	On or about Thursday, August 06, 2026

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of fund. The Book Running Lead Manager shall in their sole discretion, identify and fix liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable. The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The above timetable is indicative and does not constitute any obligation on our Company or the BRLM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid/Issue Closing Date or such period as may be prescribed by SEBI, with reasonable support and co-operation, the timetable may change due to various factors, including but not limited to, any delay in receiving the final listing and trading approval from the Stock Exchanges. Our Company shall within two Working Days from the closure of the Issue or such period as may be prescribed, refund the subscription amount received in case of non-receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Issue Closing Date or such time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI vide circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time period for listing of shares in public issue from 6 days to 3 days from the date of closure of the issue. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 01, 2023 and mandatory on or after December 01, 2023. Accordingly, the Issue will be made under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

Any circular or notification from SEBI after the date of the Prospectus may result in changes to the listing timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Issue Period (except the Bid / Issue Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time ("**IST**")
Bid/Issue Closing Date*	
Submission of electronic applications (online ASBA through 3 in 1 accounts) – For Retail Individual Bidders	Only between 10.00 a.m. and 5.00 p.m. IST
Submission of electronic applications (Bank ASBA through online channels like internet banking, mobile banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹ 0.50 million)	Only between 10.00 a.m. and 4.00 p.m. IST
Submission of electronic applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and 3.00 p.m. IST
Submission of physical applications (Bank ASBA)	Only between 10.00 a.m. and 1.00 p.m. IST
Submission of physical applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs where Bid Amount is more than ₹ 0.50 million)	Only between 10.00 a.m. and 12.00 p.m. IST
Modification / Revision / cancellation of Bids	
Upward revision of Bids by QIBs and Non-Institutional Investors[#]	Only between 10.00 a.m. on the Bid/Issue Opening Date and up to 4.00 p.m. IST on Bid/Issue Closing Date
Upward or downward revision of Bids or cancellation of Bids by RIIs	Only between 10.00 a.m. on the Bid/Issue Opening Date and up to 5.00 p.m. IST on Bid/Issue Closing Date

[#]*QIBs and Non-Institutional Investors could neither revise their Bids downwards nor cancel/ withdraw their Bids.*

On the Bid/Issue Closing Date, the Bids were required to be uploaded until:

i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors where the Bid Amount is in excess of ₹ 0.50 million; and
ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Investors.

On Bid / Issue Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on a daily basis within 60 minutes of the bid closure time from the Bid/Issue Opening Date till the Bid/Issue Closing Date by obtaining such information from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Manager and the Registrar to the Issue not later than the next working day from the finalization of basis of allotment by the Registrar to the Issue, as per the format prescribed in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, on a daily basis.

To avoid duplication, the facility of re-initiation provided to the Members of the Syndicate shall be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and, Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, shall be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in the Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that could not be uploaded shall not be considered for allocation under the Issue. None among our Company or any member of the Syndicate is liable for

any failure in (i) uploading the Bids due to faults in any software / hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank(s) on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism. Bids and any revision in Bids shall be accepted on the Stock Exchange platform only during Working Days, during the Bid/Issue Period and as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, revisions shall not be accepted on Saturdays, Sundays and public/bank holidays. The Designated Intermediaries shall modify select fields to be uploaded in the Stock Exchange platform during the Bid/Issue Period till 5.00 pm on the Bid/Issue Closing Date after which the Stock Exchange(s) send the Bid information to the Registrar to the Issue for further processing.

Our Company, in consultation with the BRLM, reserve the right to revise the Price Band during the Bid / Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band or in case of force majeure, banking strike or similar circumstances, the Bid / Issue Period will be extended by at least three (3) additional Working Days following such as event, subject to the Bid / Issue Period not exceeding ten (10) Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will 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 BRLM and at the terminals of the Syndicate Member and by intimation to Self-Certified Syndicate Banks ("SCSBs"), the Sponsor Bank, and other Designated Intermediaries, as applicable. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

Neither the Company nor any member of the Syndicate is liable for any failure in uploading of the Bids due to any faults in any software / hardware or the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank(s) on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunction or breakdown in, or otherwise, in the UPI Mechanism.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic ASBA Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment. Further, in case of such a discrepancy, the Registrar to the Issue shall ask for rectified data.

Minimum Subscription

If our Company does not receive the minimum subscription in the Issue as specified under Rule 19(2)(b) of the SCRR including through devolvement of Underwriter, or the minimum subscription of 90% of the Issue on the date of the closure of the Issue is not achieved; or there are withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the Issue, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 (to the extent applicable). If there is a delay beyond two Working Days or such period as may be prescribed after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum or such other rate as prescribed under applicable law.

Undersubscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In the event of delay, if any, in unblocking of respective ASBA Accounts of the Bidders within such time as prescribed under the applicable laws, our Company shall be liable to pay interest on the application money in accordance with the applicable laws.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be treated in dematerialised form only, and the market lot for the Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Issue.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of pre-Issue equity shareholding of our Company, lock-in of the minimum Promoters' Contribution pursuant to SEBI ICDR Regulations and Anchor Investor lock-in, as detailed in "Capital Structure" on page 102 and as provided in our Articles as detailed in "Description of Equity Shares and Main Provisions of the Articles of Association" on page 478, there are no restrictions on transfers and transmission of shares / debentures and on their consolidation or splitting.

ISSUE STRUCTURE

Initial public offering of 68,23,528 Equity Shares for cash at price of ₹ 425 per Equity Share of face value ₹ 5 each (including a premium of ₹ 420 per Equity Share) aggregating to ₹ 2,900.00 million by our Company. The Issue is being made through the Book Building Process. The Issue constituted 25.01% of our post-Issue paid-up Equity Share capital.

In terms of Rule 19(2)(b) of the SCRR, the Issue is being made through the Book Building Process, in compliance with Regulation 6(2) and 31 of the SEBI ICDR Regulations.

Particulars	QIBs [(1)]	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment / allocation* [(2)]	Not less than 51,17,680 Equity Shares of face value ₹ 5 each	Not more than 10,23,502 Equity Shares of face value ₹ 5 each	Not more than 6,82,346 Equity Shares of face value ₹ 5 each
Percentage of Issue size available for Allotment / allocation	Not less than 75% of the Issue being available for allocation to QIBs. However, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion (excluding the Anchor Investor Portion). Unsubscribed portion in the Mutual Fund Portion could have been added to the Net QIB Portion.	Not more than 15% of the Issue was available to Non-Institutional Bidders out of which (i) one third of such portion shall be reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1 million; and (ii) two thirds of such portion shall be reserved for applicants with application size of more than ₹ 1.00 million	Not more than 10% of the Issue
Basis of Allotment / allocation if respective category oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) 1,02,354 Equity Shares was made available for allocation on a proportionate basis to Mutual Funds only; and (b) 19,44,739 Equity Shares was made available for allocation on a proportionate basis to all QIBs, including Mutual funds receiving allocation as per (a) above. Our Company in consultation with the BRLM, allocated 30,70,587 Equity shares on a discretionary basis to Anchor Investors of which 40% was reserved as under (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the price at which Equity Shares could have been allocated to the Anchor Investors ("Anchor Investor Allocation Price"), in accordance with the SEBI ICDR Regulations. The under-subscription	The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Category shall be subject to the following: (a) One-third of the Non-Institutional Category being 3,41,167 Equity Shares, will be available for allocation to Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1 million; and (b) Two-thirds of the Non-Institutional Category being 6,82,335 Equity Shares, will be available for allocation to Bidders with a Bid size of more than ₹ 1 million. The unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors. The allotment of specified securities to each Non-Institutional Investor shall not	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For details, see '*Issue Procedure'* on page 456.

Particulars	QIBs [1]	Non Institutional Bidders	Retail Individual Bidders
	in the reserved category specified in clause (ii) above, was allocated to domestic Mutual Funds.	be less than the minimum application size, subject to availability in the Non-Institutional Category, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations.	
Minimum Bid	Such number of Equity Shares and in multiples of 34 Equity Shares so that the Bid Amount exceeds ₹ 0.20 million.	For Non-Institutional Investors applying under one-third of the Non- Institutional Category (with application size of more than ₹0.20 million and up to ₹ 1 million) Such number of Equity Shares and in multiples of 34 Equity Shares so that the Bid Amount exceeds ₹ 0.20 million. For Non-Institutional Investors applying under two-thirds of the Non-Institutional Category (with application size of more than ₹ 1 million) such number of Equity Shares in multiples of 34 Equity Shares such that the Bid Amount exceeds ₹1 million.	34 Equity Shares and in multiples of 34 Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares in multiples of 34 Equity Shares not exceeding the Issue Size (excluding the Anchor Investor Portion), subject to applicable limits to each bidder under applicable law.	For Non-Institutional Investors applying under one-third of the Non- Institutional Category (with application size of more than ₹0.20 million and up to ₹ 1 million) Such number of Equity Shares and in multiples of 34 Equity Shares such that the Bid Amount does not exceeds ₹ 1 million. For Non-Institutional Investors applying under two-thirds of the Non-Institutional Category (with application size of more than ₹ 1 million) Such number of Equity Shares in multiples of 34 Equity Shares not exceeding the Issue Size (excluding the QIB Portion), subject to applicable limits to each bidder under applicable law.	Such number of Equity Shares in multiples of 34 Equity Shares so that the Bid Amount does not exceed ₹ 0.20 million.
Bid Lot	34 Equity Shares and in multiples of 34 Equity Shares thereafter.		
Mode of allotment	Compulsorily in dematerialised form		

Particulars	QIBs [1]	Non Institutional Bidders	Retail Individual Bidders
Allotment Lot	Minimum of 34 Equity Shares and in multiples of 1 Equity Share thereafter. For NIIs allotment shall not be less than the minimum non institutional application size.		
Trading Lot	1 (One) Equity Share		
Who can apply [3]	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, mutual funds registered with SEBI, Eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, multilateral and bilateral development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹ 250.00 million, pension fund with minimum corpus of ₹ 250.00 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 in accordance with applicable law and National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies	Resident Indian individuals, Eligible NRIs on a non-repatriable basis, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta) applying for Equity Shares such that the Bid amount does not exceed ₹ 0.20 million in value.
Terms of payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids. [4] **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism (for UPI Bidders) that is specified in the ASBA Form at the time of submission of the ASBA Form.		
Mode of Bidding ^	Only through the ASBA process (excluding the UPI Mechanism) except for Anchor Investors.	Only through the ASBA process (including UPI Mechanism for Bids up to ₹ 0.50 million).	Only through the ASBA process (including the UPI Mechanism).

** Assuming full subscription of the Issue*

^ SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, the Stock Exchanges shall, for all categories of investors viz. QIBs, Non-Institutional and Retail Individual Investors, and also for all modes through which the applications are processed, accept the ASBA applications in the electronic book building platform only with a mandatory confirmation on the application monies blocked.

[1] Our Company, in consultation with the BRLM, allocated 60% of the QIB Portion, in consultation with the BRLM, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations, out of which 40% of the Anchor Investor Portion, within the limits specified under the SEBI ICDR Regulations was reserved - (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for life insurance companies and pension funds at or above the Anchor Investor Allocation Price. Any under-subscription in the reserved category specified for such life insurance companies and pension funds was allocated to other anchor investors at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was available for allocation on a proportionate

basis to Mutual Funds only, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIBs Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion could have been added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Issue Procedure" on page 456.

(2) Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Issue was allocated on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion was available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Issue 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 could have been added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not more than 15% of the Issue was available for allocation on a proportionate basis to Non-Institutional Bidders, out of which one-third of the Non- Institutional Portion was available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion was available for allocation to Bidders with an application size of more than ₹ 1.00 million, and not more than 10% of the Issue was available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see 'Terms of the Issue' on page 445.

(3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. In its absolute discretion, except as otherwise permitted under the applicable laws, under any or all categories, our Company reserves the right to reject, all or any multiple bids.

(4) Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Issue Price, shall be payable by the Anchor Investor pay-in date as mentioned in the CAN. The Bids by FPIs with (i) structures as mentioned in "Issue Procedure - Bids by FPIs" on page 463 and (ii) same PAN may be collated and identified as a single Bid in the Bidding Process. Such successful Bidders (with same PAN) may proportionately share the Equity Shares allocated and allotted to them under the Issue.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriter, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by the SEBI and the UPI Circulars (the "General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI ICDR Regulations which is a part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document will be available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of Bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through the UPI Circulars introduced an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and timeline of T+6 days ("UPI Phase I"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism with timeline of T+6 days was applicable for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), with effect from July 1, 2019, by SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. Further, as per the SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II was further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders ("UPI Phase III") had been made voluntary for public issues opening on or after September 01, 2023, and mandatory for public issues opening on or after December 01, 2023. Accordingly, the Issue has been made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time, including pursuant to the SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. Further, SEBI vide circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.

Furthermore, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 0.50 million, shall use the UPI Mechanism. Individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 0.20 million and up to ₹ 0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through the Syndicate, sub-Syndicate Members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 01, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Our Company, the BRLM and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Issue was made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations. The issue was made through the Book Building Process, in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Issue was made available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLM, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which 40% was reserved as under: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the price at which Equity Shares will be allocated to the Anchor Investors ("Anchor Investor Allocation Price"), in accordance with the SEBI ICDR Regulations. The under-subscription in the reserved category specified in clause (ii) above, was allocated to domestic Mutual Funds. Further, not more than 15% of the Issue was made available for allocation on a proportionate basis, to Non-Institutional Investors of which one-third of the Non-Institutional Portion was made available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion was made available for allocation to Bidders with an application size of more than ₹ 1.00 million and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Further, not more than 10% of the Issue was made available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, shall be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange, subject to receipt of valid Bids having been received at or above the Issue Price. Under-subscription, if any, in the Net QIB Portion, was not allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders are required to ensure that their PAN is linked with Aadhar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021, circular no. 7 of 2022 issued by the Central Board of Direct Taxes, dated March 30, 2022, read with press release dated March 28, 2023.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares issued in the Issue, subject to applicable laws.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIIs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular bearing number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, pursuant to SEBI circular dated March 30, 2020, this phase was extended till further notice. Under this phase, submission of the ASBA Form without UPI by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Member, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Further, the timeline for this phase was extended till further notice vide SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020.

Phase III: This phase was applicable on a voluntary basis for all public issues opening on or after September 01, 2023 and has become applicable on a mandatory basis for all public issues opening on or after December 1, 2023 as per the SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. In this phase, the time duration from public issue closure to listing has been reduced from six Working Days to three Working Days. Accordingly, the Issue will be made under Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time, including pursuant to the SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). This was advertised in all editions of Business Standard, English and Hindi language (a widely circulated English national daily newspaper) (Hindi also being the regional language of Haryana, where our Registered Office is located), prior to the Bid / Issue Opening Date and such advertisement was also made available to the Stock Exchanges for uploading the same on their websites.

Pursuant to SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, all individual investors applying in public issues where the application amount is upto ₹0.5 million and opening on or after May 01, 2022, shall use UPI Mechanism.

All SCSBs offering the facility of making application in public issues are also required to provide facility to make application using UPI. Our Company has appointed sponsor bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of UPI Bidders using UPI Mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Issue BRLM(s) will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed; and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

Electronic registration of Bids

f) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the offline data file into the online facilities for Book Building on a regular basis before the closure of the Issue.
g) On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus and in the Prospectus.
h) Only Bids that are uploaded on the Stock Exchanges Platform will be considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the Bid information to the Registrar to the Issue for further processing.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be made available with the Designated Intermediaries at the Bidding Centres, and at our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will be made available for download on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be made available at the offices of the BRLM.

All Bidders (other than Anchor Investors) are required to mandatorily participate in the Issue only through the ASBA process, which shall include the UPI Mechanism in the case of UPI Bidders.

UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) are required to Bid using the UPI Mechanism and provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by UPI Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders using the UPI Mechanism could also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Bids by ASBA Bidders

ASBA Bidders are required to provide either (i) the bank account details and authorization to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that did not contain such details are liable to be rejected. Applications made by the Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders are required to ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

For all initial public offerings opening on or after September 01, 2022, as specified in SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed. ASBA Bidders could submit the ASBA Form in the manner below:

(a) RIIs (other than the RIIs using UPI Mechanism) shall submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
(b) UPI Bidders shall submit their ASBA Forms with the Syndicate, sub-syndicate members, SCSBs, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
(c) QIBs and NIIs (other than NIIs using UPI Mechanism) shall submit their ASBA Forms with SCSBs, Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs.

The ASBA Bidders, including UPI Bidders, are required to ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, effective from September 01, 2022.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	White
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors^^	White

*Excluding the electronic Bid cum Application Form.
^Electronic Bid cum Application Form was made available for download on the website of the BSE (www.bseindia.com) and NSE (www.nseindia.com).
^^Bid cum Application Forms for Anchor Investors was made available at the offices of the BRLM.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For UPI Bidders using the UPI Mechanism, the Stock Exchanges will share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB where the Bidder had an ASBA bank account and did not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges validated the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis through API integration to enable the Sponsor Banks to initiate UPI Mandate Request to the UPI Bidders, for blocking of funds. The Sponsor Banks shall initiate request for blocking of funds through NPCI to the UPI Bidders, who accepted the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Banks, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shared the audit trail of all disputed transactions/investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue provided the audit trail to the BRLM for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no.

SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022. In accordance with circular issued by NSE having reference no. 25/2022 dated August 3, 2022, and the notice issued by BSE having reference no. 20220803-40 dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Banks initiated requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders using through the UPI Mechanism accepted UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time lapsed.

The Sponsor Banks are required to undertake a reconciliation of Bid responses received from Stock Exchanges and send to NPCI and ensure that all the responses received from NPCI are send to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks are required to undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI shall be required to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

a. Cut-off time for acceptance of UPI mandate shall be up to 5:00 p.m. on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the issue and Depository Participants shall continue till further notice;
b. There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;
c. Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 4.00 p.m. for QIBs and Non-Institutional Bidders categories and up to 5.00 p.m. for Retail Individual Bidders on the initial public offer closure day;
d. QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids;
e. The Stock Exchanges shall display Issue demand details on its website and for UPI bids the demand shall include/consider UPI bids only with latest status as RC 100–black request accepted by Investor/ client, based on responses/status received from the Sponsor Bank(s).

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and, unless so registered, 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 only being offered and sold outside the United States to investors in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by the Promoters and the members of the Promoter Group, the BRLM, associates and affiliates of the BRLM and the Syndicate Member and the persons related to the Promoters, the members of the Promoter Group, BRLM and the Syndicate Member

The BRLM and the Syndicate Member were not allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their respective underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Member could Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription could be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Member, were required to be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLM nor any persons related to the BRLM could apply in the Issue under the Anchor Investor Portion:

i. Mutual Funds sponsored by entities which are associates of the BRLM;
ii. insurance companies promoted by entities which are associates of the BRLM;
iii. AIFs sponsored by the entities which are associates of the BRLM; or
iv. FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLM; or
v. pension funds (registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013) sponsored by entities which are associates of the BRLM.

Further, an Anchor Investor shall deemed to be an "associate of the BRLM" if:
(i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
(iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.

Our Promoters and the members of our Promoter Group shall not participate in the Issue. Further, persons related to our Promoters and Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

For the purposes of the above, a QIB who has any of the following rights shall deemed to be a "person related to the Promoters or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoters or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate is required to be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds are required to specifically state the names of the concerned schemes for which such Bids were made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund are not treated as multiple Bids provided that the Bids clearly indicated the scheme concerned for which the Bid had been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs can obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms should authorize their SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders through the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("**FCNR**") accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms are required to authorize their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts or accept the UPI Mandate Request (in case of UPI Bidders through the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or

share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation of Eligible NRIs in the Issue was subject to the FEMA Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange was considered for allotment.

For details of restrictions on investment by NRIs, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 476.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership directly or indirectly of more than 50% or common control) is required to be below 10% of our post-Issue equity share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI, of an investor group, is required to be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments are required to be the sectoral caps applicable to our Company, which is 100% of the total paid-up equity share capital of our Company on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up equity share capital of our Company, on a fully diluted basis, or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%).

FPIs were permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs was included. Bids by FPIs which utilized the multi-investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs were not be treated as multiple Bids. A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company, in consultation with BRLM, reserved the right to reject any Bid without assigning any reason. Pursuant to SEBI Circular bearing no. IMD/FPIC/CIR/P/2018/114 dated July 13, 2018, at the time of finalisation of the Basis of Allotment, the Registrar shall:

(i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and
(ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the

event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms as specified by SEBI; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

1. such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents. Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilized the multiple investment manager structure in accordance with the operational guidelines for FPIs and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as "**MIM Structure**"), provided such Bids are made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment manager in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected.

Further, in the following cases, Bids by FPIs are not treated as multiple Bids:

- FPIs which utilized the MIM structure, indicating the name of their respective investment managers in such confirmation;
- Offshore derivative instruments which obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtained separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund had multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above-mentioned seven structures and having same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares Allotted in the Bid shall be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids were liable to be rejected.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The SEBI VCF Regulations, amongst others, prescribe the investment restrictions on VCFs, registered with SEBI. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by such regulations until the existing fund or scheme managed by the fund is wound up. The SEBI AIF Regulations, amongst others, prescribe investment restrictions on AIFs. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs. VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering. Accordingly, the holding

in any company by any individual VCF or FVCIs (under Schedule I of the FEMA Non- Debt Rules) registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations. Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least one year from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders are treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall also be subject to the FEMA Rules.

Further, the shareholding of VCFs, Category I AIFs or Category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, shall be required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee were required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act, (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banking company's interest on loans / investments made to a company, (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank, and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap does not apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid up share capital and reserves.

The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed); (ii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and (iii) investment in excess of 30% of the paid-up share capital of the investee company.

Bids by Self-Certified Syndicate Banks

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs were required to ensure that for making applications on their own account using ASBA, they should have had a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, are broadly set forth below:

1. equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;
2. the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or the above limit of 10% shall stand substituted as 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurance companies participating in the Issue were required to comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds / Pension Funds

In case of Bids made by provident funds or pension funds (registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013) with minimum corpus of ₹ 250.00 million, subject to applicable law, a certified copy of certificate of registration issued by the Pension Fund Regulatory and Development Authority (with respect to pension funds) and a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing

this, our Company, in consultation with the BRLM reserved the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250.00 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250.00 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, a certified copy of the power of attorney or the relevant resolution or authority, as the case was required to be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM, in their absolute discretion, reserved the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLM, may deem fit.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below:

(a) Anchor Investor Application Forms was made available for the Anchor Investor Portion at the offices of the BRLM.
(b) The Bid must have been for a minimum of such number of Equity Shares so that the Bid Amount exceeded ₹ 100.00 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹ 100.00 million.
(c) One-third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above Anchor Investor Allocation Price.
(d) Bidding for Anchor Investors opened one Working Day before the Bid/Issue Opening Date, and shall be completed on the same day.
(e) Our Company finalized allocation to the Anchor Investors and the basis of such allocation shall be on a discretionary basis by the Company, in consultation with the BRLM, provided that the minimum number of Allottees in the Anchor Investor Portion were not less than:
    (i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion shall be up to ₹ 100.00 million;
    (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion was more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and
    (iii) in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million, subject to minimum Allotment of ₹ 50.00 million per Anchor Investor.
(f) Allocation to Anchor Investors shall be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLM before the Bid / Issue Opening Date, through intimation to the Stock Exchanges.
(g) Anchor Investors could not withdraw or lower the size of their Bids at any stage after submission of the Bid.
(h) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price was required to be paid by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Issue Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

(i) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares Allotted to Anchor Investors shall be locked-in for a period of 30 days from the date of Allotment.
(j) Neither the BRLM nor any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies and family offices, which are associate of the BRLM or pension funds sponsored by entities which are associates of the BRLM or pension funds sponsored by entities which are associates of the BRLM) could apply in the Issue under the Anchor Investor Portion. For details, see "Issue Procedure" on page 456. Further, no person related to our Promoters or members of our Promoter Group shall apply in the Issue under the Anchor Investor Portion.
(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not be considered multiple Bids.

The aggregate demand in this portion was greater than 30,70,587 Equity Shares of face value of ₹ 5 each at or above the Issue Price, the allocation was made on a discretionary basis.

For the method of proportionate basis of Allotment, see "*Issue Procedure*" on page 456.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Issue.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the NBFC-SI, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. NBFC-SI participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be as prescribed by RBI from time to time.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus. Further, each Bidder where required agreed in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Information for Bidders

The relevant Designated Intermediary is required to enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip is non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he/she was required to surrender the earlier Acknowledgement Slip and request for

a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system could not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager was cleared or approved by the Stock Exchanges; nor did it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor did it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor did it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or Red Herring Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bid(s) during the Bid/Issue Period and withdraw or lower the size of their Bid(s) until Bid/Issue Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

Do's:

- Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
- Ensure that you have Bid within the Price Band;
- For Bids by RIIs, do not Bid for a Bid Amount exceeding ₹ 0.20 million;
- Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
- Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
- UPI Bidders using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
- Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
- UPI Bidders Bidding in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
- Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
- Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 pm on the Bid/Issue Closing Date;
- Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
- Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
- Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
- Investors must ensure that their PAN is linked with Aadhaar and is in compliance with the Central Board of Direct Taxes notification dated February 13, 2020 bearing notification number 11/2020 and press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.
- Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
- Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws; Bids received from FPIs bearing the same PAN were not treated as multiple Bids in the event such FPIs utilize the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.
- UPI Bidders using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
- Since the Allotment will be in dematerialized form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders) and PAN available in the Depository database;
- In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in);
- Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of UPI Bidders, ensure that you authorize the UPI Mandate Request raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Issue, which is UPI 2.0 certified by NPCI;
- Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Banks issues the Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

- Bidders bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using their UPI PIN. Upon the authorization of the mandate using their UPI PIN, a UPI Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;
- UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
- UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.
- UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount in the RII's ASBA Account.
- The ASBA bidders shall ensure that bids above ₹ 0.50 million, are uploaded only by the SCSBs.
- Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices which are re-categorized as Category II FPI and registered with SEBI for a Bid Amount of less than ₹ 0.20 million would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 0.20 million would be considered under the Non-Institutional Portion for allocation in the Issue; and
- Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM.

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 was liable to be rejected.

Don'ts:

- Do not Bid for lower than the minimum Bid Lot;
- Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
- Do not Bid for a Bid Amount exceeding ₹ 0.20 million for Bids by Retail Individual Investors;
- Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
- Do not Bid/revise the Bid amount to less than the floor price or higher than the cap price;
- Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
- Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
- Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not submit the Bid for an amount more than funds available in your ASBA account;
- Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
- Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- Do not Bid for Equity Shares more than specified by the respective Stock Exchanges for each category;
- In case of ASBA Bidders (other than UPI Bidders), do not submit more than one Bid cum Application Form per ASBA Account;
- If you are a UPI Bidder, do not submit more than one Bid cum Application Form for each UPI ID;
- Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
- Anchor Investors should not bid through the ASBA process;

- Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
- Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
- Do not submit the GIR number instead of the PAN;
- Anchor Investors should submit Anchor Investor Application Form only to the BRLM;
- Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
- If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Issue Closing Date;
- Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
- Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder, do not submit the ASBA Form directly with SCSBs;
- Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Issue;
- Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
- Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders;
- UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;
- Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders; and
- In case of ASBA Bidders (other than 3 in 1 Bids), Members of the Syndicate shall ensure that they do not upload any bids above ₹ 0.50 million.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "General Information - Book Running Lead Manager" on page 94.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors may reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "General Information - Company Secretary and Compliance Officer" on page 94.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

For helpline details of the BRLM pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see "General Information - Book Running Lead Manager" on page 94.

Names of entities responsible for finalizing the Basis of Allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by Securities Exchange Board of India from time to time

Our Company will not make any Allotment in excess of the Equity Shares issued through the Issue except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Issue to public may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to Bidders other than to the RIIs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not more than 15% of the Issue was made available for allocation to Non-Institutional Investors. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, was subject to the following: (i) one-third of the portion available to Non-Institutional Investors was reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Investors was reserved for applicants with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may have been allocated to applicants in the other sub-category of Non-Institutional Investors. The allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares.

Payment into Escrow Account for Anchor Investors

Our Company, in consultation with the BRLM, in their absolute discretion, decided the list of Anchor Investors to whom the CAN was sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names was notified to such Anchor Investors. Anchor Investors were not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors transferred the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Anchor Investor Escrow Account was required to be drawn in favour of:

(a) In case of resident Anchor Investors: **MV Electrosystems Limited - Escrow Anchor Investor - R**

(b) In case of Non-Resident Anchor Investors: **MV Electrosystems Limited - Escrow Anchor Investor - NR**

Anchor Investors were required to note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, our Company, after filing the Red Herring Prospectus with the RoC, published a pre-Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of Business Standard, English and Hindi language (a widely circulated English national daily newspaper) (Hindi also being the regional language of Haryana, where our Registered Office is located). In the pre-Issue advertisement, our Company had stated the Bid / Issue Opening Date and the Bid / Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the BRLM and the members of the Syndicate were not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Bidders / applicants were advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Allotment Advertisement

Our Company, the BRLM and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of Business Standard, English and Hindi language (a widely circulated English national daily newspaper) (Hindi also being the regional language of Haryana, where our Registered Office is located).

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the BRLM and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Bidders / applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and filing with the Registrar of Companies, Delhi & Haryana

Our Company and the Underwriter shall enter into an Underwriting Agreement after the finalization of the Issue Price. After signing the Underwriting Agreement, the Prospectus will be filed with the RoC. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, the Issue size, and underwriting arrangements and is complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013, for fraud involving an amount of at least ₹ 1.00 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1.00 million or one per cent of the turnover of the Company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5.00 million or with both.

Undertakings by our Company

Our Company undertakes the following that:

- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- Promoter's contribution, if any, shall be brought in advance before the Bid/ Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if the Issue is withdrawn after the Bid/Issue Closing Date, our Company shall be required to file an Issue Document with SEBI, in the event a decision is taken to proceed with the Issue subsequently;
- that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received;
- It shall not issue any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Issue, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Issue;
- if Allotment is not made within the prescribed timelines under applicable laws, the application monies will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable laws for the delayed period;

- all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within three Working Days from the Bid/ Issue Closing Date or such period as may be prescribed by SEBI under applicable law;
- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made from the date of the Prospectus till the Equity Shares offered through the Prospectus are listed or until the Bid monies are refunded/unblocked in the relevant ASBA Accounts / refunded on account of non-listing, undersubscription, etc. and
- adequate arrangements shall be made to collect all Bid cum Application Forms from Bidders and that they will be considered similar to non-ASBA Applications while finalizing the Basis of Allotment.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, and Issue Price, will be taken by our Company in consultation with the BRLM, in accordance with applicable law.

Depository Arrangements

Pursuant to Section 29 of the Companies Act, 2013, the Allotment of the Equity Shares in the Issue shall be only in a dematerialised form (i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). Further, As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite Agreement dated February 21, 2024, among CDSL, our Company and the Registrar to the Issue; and
2. Tripartite Agreement dated February 21, 2024, among NSDL, our Company and the Registrar to the Issue.

Utilization of Issue proceeds

Our Board, specifically confirms and declares that:

a) all monies received out of the Issue shall be credited / transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013**;**
b) details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
c) details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Industrial Policy freely permits foreign investment (unless specifically restricted) in all sectors of the Indian Economy upto any extent without any prior approvals subject to prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals under the Consolidated FDI Policy and FEMA are the concerned ministries or departments of the Government of India and the RBI.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) ("**DPIIT**"), issued the Consolidated FDI Policy by way of circular bearing number DPIIT File Number 5(2)/2020-FDI Policy dated October 15, 2020 ("**Consolidated FDI Policy**"), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. Except for the sectors/ activities which are listed in the FDI Policy, FDI is permitted upto 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions, in companies engaged in other sectors/activities. The Government proposes to update the consolidated circular on Consolidated FDI Policy once every year and therefore, the Consolidated FDI Policy will be valid until the DPIIT issues an updated circular.

On October 17, 2019, the Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate the Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Bid / Issue Period.

The foreign investment in the Company is governed by, inter-alia, the FEMA, as amended, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes. In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. For details of the aggregate limit of investments by NRIs and FPIs in our Company, see "*Issue Procedure - Bids by Eligible NRIs*" and "*Issue Procedure - Bids by FPIs*" on pages 462 and 463, respectively.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and such transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government, OCBs cannot participate in the Issue. For further details, see "*Issue Procedure*" on page 456.

The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be issued 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 in accordance with any 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 under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.

SECTION IX: DESCRIPTION OF EQUITY SHARES AND MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

INTERPRETATION

(1) (A) In these Regulations unless the context otherwise require:

(a) "The Company" or this company' means: **MV ELECTROSYSTEMS LIMITED**

(b) "the Act" means the Companies Act, 2013 and every statutory modification or reenactment thereof and references to Sections or Rules of the Act shall be deemed to mean and include references to sections enacted in modification or replacement thereof.

(c) "these Regulations" means these Articles of Association as originally framed or as altered, from time to time.

(d) "the Office" means the Registered Office for the time being of the Company.

(e) "the Seal" means the common seal of the Company.

(f) Words imparting the singular shall include the plural and vice versa, words imparting the masculine gender shall include the feminine gender and words imparting persons shall include bodies corporate and all other persons recognised by law as such.

(g) "month" and "year" means a calendar month and calendar year respectively.

(h) Expression referring to writing shall be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in visible form.

(i) Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.

(B) The Regulations contained in Table F in Schedule 1 to the Companies Act, 2013 shall not apply to the Company and the Regulations herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the company and its members as if they are the terms of an agreement between them.

(2) The Company is a Public Company within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly: -

"Public company" means a company which

(i) is not a private company.

(ii) has a minimum paid-up share capital as may be prescribed

Note:
**The company got converted into public limited company in the duly called Extra-ordinary General Meeting held on 18/11/2021 from “MV Electrosystems Private Limited” to “MV Electrosystems Limited”

SHARE CAPITAL AND VARIATION OF RIGHTS

1. (i) Subject to the provisions of the section 62 of the Act and these Articles, the shares in the Capital of the Company for the time being shall be under the control of the Board, who may, issue, allot or otherwise dispose off the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par or at a discount and at such times as they may from time to time think fit and with the sanction of the Company in General Meeting to give to any person or persons the option or right to call for any shares either at par or premium

during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting

(ii) The authorized share capital of the Company shall be as prescribed in the Memorandum of Association.

(iii) **Terms of Issue of Shares**: New shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the Board/General Meeting, as applicable, resolving upon the creation whereof shall direct. The rights to exercise a call on shares of the Company cannot be given to any person except with the sanction of the Board/ General Meeting as applicable

(iv) **Terms of Issue of Debentures**: Any debentures, debenture-stock or other securities may be issued by the Company with or without an option to convert into shares either wholly or partly, in terms of the applicable provisions of the Act

(v) **Further issue of Shares**: - Whenever it is proposed to increase the subscribed capital of the Company by issue of further Shares either out of the unissued capital or out of the increased share capital then

(a) such further Shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion as near as circumstances admit, to the capital paid up on these Shares at the date;

b) such offer shall be made by a notice specifying the number of shares offered and limiting a time within which the offer, if not accepted, will be deemed to have been declined;

c) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in Sub-Clause (b) hereof in favour of any person and the notice shall contain a statement of this right. Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any Member may renounce the shares offered to him;

d) after expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose off them in such manner and to such person(s) as they may think fit, in their sole discretion

(vi) Notwithstanding anything contained in the above clause hereof, the further shares aforesaid may be offered to any person (including to employees under a scheme of employee's stock option, and whether or not those persons include the persons referred to in Clause II.1.(v) (a) hereof) in any manner whatsoever:

a) a special resolution to that effect is passed by the Company in General Meeting, or

b) where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in the General Meeting (including the casting vote, if any of the Chairperson) by the Members who, being entitled to do so, vote in person, or where Proxies are allowed, by Proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government/any other designated authority/body is satisfied on an application made by the Board of Directors in this behalf that the proposal be approved

(vii) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

(viii) Nothing in Sub-Clause (c) of II.1(v) hereof shall be deemed:

a) to extend the time within which the offer should be accepted; or

b) to authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(ix) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:

a) to convert such debentures or loans into shares in the Company; or

b) to subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with rules, if any, made by that Government in this behalf; and

b) in the case of debentures or loans or other than debentures issued to or loans obtained from Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

(x) Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

(iv) Notwithstanding anything contained in these Articles but subject to the provisions of the Act and other applicable laws, the Company shall be entitled to dematerialize or rematerialize its Shares and other Securities (both existing and future) admitted with a Depository.

(v) Every person subscribing to Shares offered by the Company shall have the option to receive the relevant certificates thereof or to hold the Shares in dematerialized form with a Depository. Such shares under one or more person who is the Beneficial Owner of Shares can, at any time, opt out of a Depository, if permitted by applicable law in respect of any Shares, in the manner provided under the applicable laws including the Depositories Act, and the Company shall in such manner and within such prescribed time, issue to the Beneficial Owner, the required certificate(s) corresponding with such Shares. If a person opts to hold any Share(s) with a Depository, the Company shall intimate such Depository the details of allotment of the Share to enable the Depository to enter in its record the name of such person as the Beneficial Owner of the relevant Share

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of such fees, not exceeding as prescribed under the Act. The issue of new Share certificate(s) shall be inconformity with the relevant provisions of the Act and other applicable laws.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company

4. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder

5. (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith

8. (i) Issue of Preference Shares: Subject to these Articles, the applicable provisions of the Act and other applicable laws, the Company shall have the power to issue or re-issue preference Shares of one or more classes, which are liable to be redeemed and/or converted into equity Shares, on such terms and conditions, and in the manner provided in the resolution authorizing such issue and in absence of any specific condition of their issue in that behalf, in such manner as the Board may think fit.

(ii) Issue of sweat equity Shares: Subject to these Articles, the applicable provisions of the Act and other applicable laws, the Company may, with the necessary approval of the shareholders, issue sweat equity Shares, on such terms and conditions and in the manner provided in the resolution authorizing such issue, and in absence of any specific condition of their issue in that behalf, in such manner as the Board may deem fit.

PREFERENCE SHARES

9. (A) Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act, shall have the power to issue preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(B) Convertible Redeemable Preference Shares
The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

(C) Provisions in case of Preference Shares
Upon the issue of preference shares pursuant to Article 8 above, the following provisions shall apply:

a) No such preference shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;

b) No such shares shall be redeemed unless they are fully paid;

c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;

d) Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "Capital Redemption Reserve Account" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;

e) The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;

f) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and

g) Whenever the Company shall redeem any redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar as required by Section 64 of the Act.

LIEN

10. (i) The company shall have a first and paramount lien-

a) on every share (not being a fully paid share), for all monies (whether called, presently payable or not)called, or payable at a fixed time, in respect of that share; and

b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

11. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made-

a) Unless a sum in respect of which the lien exists is presently payable; or

b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

12. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(ii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

13. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

14. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

(iv) That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings

15. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof

17. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof,the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

18. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the

purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

19. The Board-

a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not entitle the holder of the share to participate in respect thereof, in a dividend subsequently declared.

c) The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

TRANSFER OF SHARES

20. (i) the instrument of transfer shall be in writing. In respect of all transfer of shares and registration thereof:

a) the Company shall use a common form of transfer; and

b) the Company shall comply with all provisions of the Companies Act 2013 and modification thereof, for the time being.

(ii) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(iii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(iv) Notwithstanding anything contained in these Articles, the provisions of the Depositories Act, 1996 (including rules and regulations made thereunder), any statutory modification or re-enactment thereof, shall apply, in case of transfer and transmission of Shares held in electronic or fungible form.

(v) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

21. The Board may, subject to the right of appeal conferred by section 58 decline to register-

a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

b) any transfer of shares on which the company has a lien.

However, registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever;

22. The Board may decline to recognize any instrument of transfer unless-

a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

c) The instrument of transfer is in respect of only one class of shares.

23. On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

24. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

25. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-

a) to be registered himself as holder of the share; or

b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

26. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

27. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses, or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

28. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall:

a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

33. (i) A duly verified declaration in writing that the declarant is a director, the manager, or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum,to be divided into shares of such amount, as may be specified in the resolution.

36. Subject to the provisions of section 61, the company may, by ordinary resolution: -

a) consolidate and divide all or any of its share capital into shares of larger amount than its

existing shares;

b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock: -

a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit;

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law-

a) its share capital;

b) any capital redemption reserve account; or

c) any share premium account.

CAPITALISATION OF PROFITS

39. (i) The company in general meeting may, upon the recommendation of the Board, resolve-

a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and

b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

c) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (ii), either in or towards-

d) paying up any amounts for the time being unpaid on any shares held by such members respectively;

e) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully

paid-up, to and amongst such members in the proportions aforesaid;

f) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

g) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

The Board shall give effect to the resolution passed by the company in pursuance of this regulation

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-

a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

b) generally, do all acts and things required to give effect thereto.

(ii) The Board shall have power-

a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

44. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided insection 103.

45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

48. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so, directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

49. a) Subject to any rights or restrictions for the time being attached to any class or classes of shares-

b) on a show of hands, every member present in person shall have one vote; and

on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

50. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

51. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

52. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

53. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

54. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

55. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

56. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

57. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

58. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

59. The number of Directors of the Company shall not be less than three and not more than fifteen. Following are the First Directors of the Company: -

a) Vivek Sardana
b) Mohit Vohra

60. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) Subject to the provisions of the Act, the Company may pay such sum as sitting fee to its directors, for attending meetings of the Board or committees thereof, as may be decided by the Board from time to time.

(iii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them

a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

b) in connection with the business of the company.

61. The Board may pay all expenses incurred in getting up and registering the company

62. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register in any country outside India in accordance with the provisions of the aforementioned section; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

63. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments,and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

64. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

65. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

(iii) The Board shall have the power to appoint any person or persons as Director(s) nominated by any bank, financial institution, or any other lender to the Company in pursuance of the provisions of any law for the time being in force or any agreement.

(iv) The Board may, subject to the provisions of the Act, appoint a person (not being a person holding any alternate directorship for any other director in the Company), to act as an alternate director for a Director and such alternate director shall exercise all such powers, rights and authorities of a director as provided under the Act.

PROCEEDINGS OF THE BOARD

66. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

67. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

68. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

69. (i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

70. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

71. (i) A committee may elect a chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

72. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

73. All acts done in any meeting of the Board or of a committee thereof or by any person acting as

a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

74. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

75. Subject to the provisions of the Act: -

(i) A chief executive officer, manager, company secretary, or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary, or chief financial officer so appointed maybe removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary, or chief financial officer.

76. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary, or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary, or chief financial officer.

THE SEAL

77. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

78. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

79. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

(i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of

the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

(i) No dividend shall bear interest against the company.

(ii) Where the Company has declared a dividend but which has not been paid or claimed or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall, within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "MV Electrosystems Limited - Unpaid Dividend Account" of the Company and transfer to the said account, the total amount of dividend which remains unpaid/unclaimed or in relation to which no dividend warrant has been posted.

(iii) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company alongwith interest accrued to the fund established under Section 125 of the Act (viz. Investor Education and Protection Fund) in accordance with the provisions of Section 124(5) and other applicable provisions of the Act.

(iv) No unclaimed or unpaid dividend shall be forfeited by the Board and all unclaimed dividends shall be dealt with in accordance with the provisions of the Act.

(v) The Board may retain dividend payable upon Shares in respect of which any person is, under the Articles regarding transmission hereinbefore contained, entitled to become a Member, until such person shall become a Member in respect of such Shares.

ACCOUNTS

85. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

86. Subject to the provisions of Chapter XX of the Act and rules made thereunder-

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property ofthe same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

87. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) that are, or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office between 10 a.m. and 5 p.m. on all Working Days and will also be available at www.mvelectrosystems.com from the date of the Red Herring Prospectus until the Bid / Issue Closing Date.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts

1. Issue Agreement dated November 27, 2025 entered between our Company and the BRLM.

2. Registrar Agreement dated November 27, 2025 entered between our Company and the Registrar to the Issue.

3. Cash Escrow and Sponsor Bank Agreement dated July 23, 2026 entered between our Company, the Registrar to the Issue, the BRLM, the Syndicate Member, the Escrow Collection Bank(s) and the Banker to the Issue.

4. Syndicate Agreement dated July 23, 2026 entered between our Company, the BRLM, the Syndicate Member and the Registrar to the Issue.

5. Underwriting Agreement dated August 03, 2026 entered between our Company and the Underwriter.

6. Monitoring Agency Agreement dated July 08, 2026 entered between our Company and the Monitoring Agency.

B. Material Documents

1. Certified copy of Memorandum and Articles of Association of our Company, as amended

2. Certificate of Incorporation dated July 03, 2009, issued to our Company, under the name of 'MV Electrosystems Private Limited' and Certificate of Registration of Regional Director order for Change of State dated January 14, 2026 for shifting of registered office of the Company from New Delhi to the State of Haryana.

3. Fresh Certificate of Incorporation dated November 26, 2021, issued by the RoC, Delhi & Haryana to our Company consequent upon conversion of our Company from private limited to public limited and consequent change of name of our Company to 'MV Electrosystems Limited'.

4. Resolution of the Board of Directors of our Company dated December 10, 2024 and November 05, 2025 approving the fresh issue of Equity Shares through IPO.

5. Resolution of our Shareholders passed in their meeting held on November 10, 2025 approving the fresh issue of Equity Shares through IPO.

6. Resolution of our Board dated July 23, 2026 approving the Red Herring Prospectus for filing with the SEBI and the Stock Exchanges.

7. Copies of IndAS financial statements of our Company for the Financial Year ended March 31, 2026, March 31, 2025 and IndAS converged financial statements, based on audited financial statements, of the our Company for the Financial Year ended March 31, 2024.

8. Consent letter dated July 23, 2026 from our Statutory Auditors (FRN 003343N) holding a valid peer review certificate from ICAI, for inclusion of their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations in the Red Herring Prospectus and the Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated July 23, 2026 on our Restated Financial Information; and (ii) the statement of special tax benefits available to our Company and our Shareholders dated July 07, 2026 included in the Prospectus and such consent has not been withdrawn as on the date of the Prospectus; and copy of Restated Financial Information and Statement of Special Tax Benefits.

9. Certificates dated July 23, 2026 issued by SANMARKS & Associates, Statutory Auditors with respect to the summarized annexure for the assets and liabilities of our Company bifurcated into "Propulsion and R&D" and "Other Business" for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024.

10. Certificate dated July 23, 2026 issued by Taruna Kalra & Associates, Company Secretaries, with respect to the forms which have been filed with the Registrar of Companies with delay.

11. Consents of the Directors, our Promoters, our Company Secretary and Compliance Officer, our Chief Financial Officer, the Bankers to our Company, the Legal Counsel to our Company appointed in relation to the Issue, the BRLM, the Registrar to the Issue, Syndicate Member, Underwriter, Monitoring Agency and practicing Company Secretary as referred to in their specific capacities.

12. Consent letter dated July 23, 2026 from Bilimoria Mehta & Co., Chartered Accountants, (FRN 101490W) holding a valid peer review certificate from ICAI, for inclusion of their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations in the Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act in respect of the certificates issued by them in their capacity as Independent Chartered Accountants and as included in the Prospectus and such consent has not been withdrawn as on the date of the Prospectus.

13. Certificates issued by Bilimoria Mehta & Co., Independent Chartered Accountants with respect to the Issue.

14. Consent letter dated July 06, 2026 from Sapient Services Private Limited, Chartered Engineers, for inclusion of their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations in the Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act in respect of the certificates issued by them in their capacity as Chartered Engineers and as included in the Prospectus and such consent has not been withdrawn as on the date of the Prospectus.

15. Resolution of the Audit Committee dated July 23, 2026 approving the Key Performance Indicators.

16. Industry report released on July 23, 2026 titled 'Industry Research Report on Railway Propulsion Equipment Industry', prepared and issued by CARE Analytics and Advisory Private Limited, appointed by our Company pursuant to an engagement letter dated August 28, 2025, exclusively commissioned and paid our Company in connection with the Issue, which is available on the website of our Company at https://www.mvelectrosystems.com/rhp.php.

17. Consent letter dated July 23, 2026 from CARE Analytics and Advisory Private Limited, to rely on and reproduce part or whole of their report and include their name in the Prospectus

18. Copies of tender no. 08250000 from BLW, 20251052 from PLW, 70251134A from CLW, 70241134A from CLW, 20241097 from PLW, 70201134 from CLW, 06201237A from DMW (now BLW) and 20196249B from DMW (now BLW), all units of Indian Railways, under which our Company has received purchase orders for 3-Phase Propulsion Equipment.

19. Letter dated September 15, 2025 received from CLW, Indian Railways approving the Proto type of the 3-Phase Propulsion Equipment developed by our Company.

20. Copies of reference from IREPS website (GeM portal, www.ireps.gov.in) w.r.t. the visibility of the procurement of Propulsion Equipment by Indian Railways for the 5 years plan which forms one of the basis for estimation of the working capital requirement.

21. Copy of anonymous complaints received by our Company and the reply submitted with SEBI.

22. The Securities Subscription Agreement dated August 11, 2023, executed among the Company, Ramendra Pratap Singh, Sangeeta Singh, Mohit Vohra, Sumit Dhawan and Rahul Dhawan and Amendment to Securities Subscription Agreement' dated November 10, 2025 for cessation of all special rights of Ramendra Pratap Singh and Sangeeta Singh except to the extent of survival of fundamental warranties and the indemnification solely in respect of any breach of Fundamental Warranties.

23. Valuation report issued by GAM & Associates, Chartered Accountants dated May 10, 2023 in relation to the Share Subscription Agreement dated August 09, 2023 entered by Ramendra Pratap Singh, Sangeeta Singh, Mohit Vohra, Sumit Dhawan, Rahul Dhawan and our Company.

24. Valuation report issued by Abhinav Agarwal, Registered Valuer (SFA) dated March 31, 2025 in relation to the Equity Share of face value ₹ 10 each allotted on August 25, 2025 and October 01, 2025

25. Agreement for transfer of Equity Shares dated September 19, 2025, entered into by Mohit Vohra, Amit Dhawan, Sumit Dhawan, Rahul Dhawan and Sonali Dhawan with Pankaj Rastogi, then Chief Technical Officer and presently designated as Managing Director.

26. Agreement for transfer of Equity Shares dated September 19, 2025, entered into by Mohit Vohra, Amit Dhawan, Sumit Dhawan, Rahul Dhawan and Sonali Dhawan with Sanjay Mann, General Manager - R&D (Software).

27. Tripartite agreement between NSDL, our Company and Registrar to the Issue dated February 21, 2024.

28. Tripartite agreement between CDSL, our Company and Registrar to the Issue dated February 21, 2024.

29. Due diligence certificate dated November 27, 2025 from the BRLM.

30. In principle listing approval granted vide letter no. LO\IPO\SK\IP\738\2025-26 dated March 04, 2026 and NSE/LIST/6474 dated March 04, 2026 issued by BSE and NSE, respectively.

31. SEBI final observation letter no. HO/49/11/11(108)2026-CFD-RAC-DIL2 dated April 23, 2026.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertaking made in the Prospectus is contrary to the provisions of the Companies Act the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertaking in the Prospectus are true and correct.

Signed by the Director of our Company

Sanjeev Mehta
Chairman

Place: Gurugram
Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertaking made in the Prospectus is contrary to the provisions of the Companies Act the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertaking in the Prospectus are true and correct.

Signed by the Director of our Company

Pankaj Rastogi
Managing Director

Place: Faridabad
Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertaking made in the Prospectus is contrary to the provisions of the Companies Act the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertaking in the Prospectus are true and correct.

Signed by the Director of our Company

Vipin Sharma
Independent Director

Place: Faridabad
Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertaking made in the Prospectus is contrary to the provisions of the Companies Act the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertaking in the Prospectus are true and correct.

Signed by the Director of our Company

Kanika Bhutani
Independent Director

Place: Faridabad
Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertaking made in the Prospectus is contrary to the provisions of the Companies Act the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertaking in the Prospectus are true and correct.

Signed by the Director of our Company

Mohit Vohra
Director

Place: Faridabad
Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertaking made in the Prospectus is contrary to the provisions of the Companies Act the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertaking in the Prospectus are true and correct.

Signed by the Director of our Company

Amit Dhawan
Director

Place: Faridabad
Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertaking made in the Prospectus is contrary to the provisions of the Companies Act the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertaking in the Prospectus are true and correct.

Signed by the Director of our Company

Sumit Dhawan
Director

Place: Faridabad
Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertaking made in the Prospectus is contrary to the provisions of the Companies Act the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertaking in the Prospectus are true and correct.

Signed by the Director of our Company

Rahul Dhawan
Whole Time Director

Place: Faridabad
Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertaking made in the Prospectus is contrary to the provisions of the Companies Act the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertaking in the Prospectus are true and correct.

Signed by the Director of our Company

Sanjay Kumar Singh
Director

Place: Noida
Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertaking made in the Prospectus is contrary to the provisions of the Companies Act the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertaking in the Prospectus are true and correct.

Signed by the Chief Financial Officer of our Company

Ajay Kumar
Chief Financial Officer

Place: Mumbai
Date: August 03, 2026