**(Please scan this QR Code to view the Addendum to DRHP)**

# VANS ELECTROENGINEERINGS LIMITED

**CIN**: U27104TZ2022PLC038141

Our Company was originally incorporated as a Private Limited Company in the name of "VANS Electroengineerings Private Limited" under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated on February 07, 2022 issued by the Registrar of Companies, Central Registration Centre, bearing CIN: U31900TZ2022PTC038141. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Extraordinary General Meeting, held on May 06, 2026 and consequently the name of our Company was changed from "VANS Electroengineerings Private Limited" to "VANS Electroengineerings Limited" vide a fresh certificate of incorporation consequent upon conversion from private company to public company dated May 21, 2026 issued by the Registrar of Companies, Central Processing Centre, bearing CIN: U31900TZ2022PLC038141. Further, a Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s) dated May 26, 2026 issued by the Registrar of Companies, Central Processing Centre bearing CIN: U27104TZ2022PLC038141.

**Registered Office:** Plot 17, SIDCO Women's Industrial Estate, Karuppur, Salem – 636011, Tamil Nadu, India;
**Corporate Office:** B-21, Scooter India Ancillary Estate, Nadarganj, Amausi, Lucknow – 226008, Uttar Pradesh, India;
**Tel No:** +91 9677114470/ +91 522 4558905; **E-mail:** cs@vanselectroengineerings.com ; **Website:** www.vanselectroengineerings.com
**Contact Person:** Ashutosh Pandey, Company Secretary & Compliance Officer

**PROMOTERS OF OUR COMPANY: BALAKRISHNAN SRINIVASAN, VIRAJ BANSAL, ABHISHEK SARAFF, NITIN JAIN, POOJA BANSAL AND HOTSPOT INFODOT PRIVATE LIMITED**

## ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JULY 17, 2026: NOTICE TO THE INVESTORS ("THE ADDENDUM")

**INITIAL PUBLIC ISSUE OF UPTO 28,80,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE "EQUITY SHARES") OF VANS ELECTROENGINEERINGS LIMITED ("OUR COMPANY" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS ("PUBLIC ISSUE") COMPRISING OF A FRESH ISSUE OF 28,80,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (THE "FRESH ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION") AND UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION AND EMPLOYEE RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹[●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

## ISSUER ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring 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 makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

Potential Bidders may note the following:

1. The Chapter titled **"Definitions and Abbreviations"** beginning on page 1 of the Draft Red Herring Prospectus has been updated;
2. The Chapter titled **"Risk Factors"** beginning on page 21 of the Draft Red Herring Prospectus has been updated;
3. The Chapter titled **"Objects of the Issue"** beginning on page 78 of the Draft Red Herring Prospectus has been updated;
4. The Chapter titled **"Our Business"** beginning on page 108 of the Draft Red Herring Prospectus has been updated;
5. The Chapter titled **"Outstanding Litigation and Material Developments"** beginning on page 218 of the Draft Red Herring Prospectus has been updated;
6. The Chapter titled **"Other Regulatory and Statutory Disclosures"** beginning on page 231 of the Draft Red Herring Prospectus has been updated;
7. The Chapter titled **"Issue Structure"** beginning on page 251 of the Draft Red Herring Prospectus has been updated;

8. The Chapter titled **"Material Contracts and Documents for Inspection"** beginning on page 297 of the Draft Red Herring Prospectus has been updated;
9. The Chapter titled **"Declaration"** beginning on page 298 of the Draft Red Herring Prospectus has been updated;
10. Please note that all other details in, and updates to the Red Herring Prospectus/ Prospectus with respect to Issue price and/or other relevant details will be carried out in the Red Herring Prospectus, as and when filed with ROC, SEBI and the Stock Exchange.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus/ Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

**On behalf of VANS Electroengineerings Limited**

Sd/-
**Ashutosh Pandey**
**Company Secretary & Compliance Officer**

Place: Lucknow, Uttar Pradesh
Date: September 17, 2026

| BOOK RUNNING LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|---|---|
| Hem Securities | Bigshare Services Pvt. Ltd. |
| **HEM SECURITIES LIMITED**<br>**Address:** 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road,<br>Lower Parel, Mumbai-400013, Maharashtra, India.<br>**Tel. No.:** +91- 22- 4906 0000;<br>**Email:** ib@hemsecurities.com<br>**Investor Grievance Email:** redressal@hemsecurities.com<br>**Website:** www.hemsecurities.com<br>**Contact Person:** Ajay Jain<br>**SEBI Registration Number**: INM000010981<br>**CIN:** U67120RJ1995PLC010390 | **BIGSHARE SERVICES PRIVATE LIMITED**<br>**Address:** S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, India.<br>**Tel No:** +91 22 6263 8200;<br>**Email:** ipo@bigshareonline.com<br>**Investor Grievance ID:** investor@bigshareonline.com<br>**Contact Person:** Aniket Seebag<br>**Website:** www.bigshareonline.com<br>**SEBI Registration No.:** MB/INR000001385<br>**CIN:** U99999MH1994PTC076534 |

| BID/ ISSUE PROGRAMME | | |
|---|---|---|
| **ANCHOR PORTION ISSUE OPENS/CLOSES ON*: [●]** | **BID/ ISSUE OPENS ON**: [●]** | **BID/ ISSUE CLOSES ON**: [●] ***** |

**Our Company, in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Issue Opening Date.*

***Our Company, in consultation with the BRLM, may decide to close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date, in accordance with the SEBI (ICDR) Regulations.*

****The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.*

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## SECTION I – GENERAL

## DEFINITIONS AND ABBREVIATIONS

**Company related terms**

| Term | Description |
| --- | --- |
| Director(s) / Our Directors | The Director(s) of our Company, unless otherwise specified.<br><br>For further details of our Directors, please refer to section titled ***"Our Management"*** beginning on page 143 of this Draft Red Herring Prospectus. |

## SECTION II: RISK FACTORS

3. ***We derive a significant portion of our revenue from the sale of our two-key product verticals i.e. Vacuum Circuit Breakers and Vacuum Interrupters. Any decline in the sales of our key product/s could have an adverse impact on our business, results of operations and financial condition.***

We generate a significant portion of our revenue from our two-key product verticals i.e. Vacuum Circuit Breakers and Vacuum Interrupters which contributed to 85.51% of our total revenue in financial year 2025-26 amounting to ₹ 1,953.13 lakhs, 99.52% of our total revenue in financial year 2024-25 amounting to ₹ 1349.84 lakhs and 94.58% of our total revenue in financial year 2023-24 amounting to ₹ 245.50 lakhs. Even though we are planning towards diversification of our product portfolio, still any decline in the sales of vacuum circuit breakers and vacuum interrupters on account of any reason including increased competition, pricing pressures or fluctuations in the demand for or supply of such products may adversely affect our business, results of operations and financial condition. We cannot assure you that we will be able to maintain the same levels of sales of the key products in the future. Any inability on our end to anticipate and adapt to technological changes or evolving consumer preferences and/or any decrease in the demand for our key products may adversely impact our business prospects and financial performance. The following table sets forth information on our product mix in terms of revenue contribution in the financial years indicated:

***(Amount in ₹ lakhs expect percentages)***

| **Particulars** | **For the financial year ended on** | | | | | |
|---|---|---|---|---|---|---|
| | **March 31, 2026** | **% to total sales** | **March 31, 2025** | **% to total sales** | **March 31, 2024** | **% to total sales** |
| Double Pole Vacuum Interrupters | 696.71 | 30.50% | 414.63 | 30.57% | 117.15 | 45.13% |
| Single Pole Vacuum Interrupters | 470.78 | 20.61% | 384.27 | 28.33% | 18.95 | 7.30% |
| Double Pole Vacuum Circuit Breakers | 420.00 | 18.39% | 420.75 | 31.02% | 102.85 | 39.62% |
| Single Pole Vacuum Circuit Breakers | 365.64 | 16.01% | 130.19 | 9.60% | 6.55 | 2.52% |
| Overhead Equipment | 279.18 | 12.22% | - | - | - | - |
| Braided Flexible Connector | 41.02 | 1.80% | - | - | - | - |
| Others* | 10.97 | 0.48% | 6.40 | 0.47% | 14.07 | 5.42% |
| **TOTAL** | **2,284.30** | **100.00%** | **1,356.24** | **100.00%** | **259.57** | **100.00%** |

**Others include copper strips, ancillary articles for vacuum interrupters and vacuum circuit breakers.*

4. ***A significant portion of our revenue from operations is derived from a limited number of customers and our inability to maintain existing customer relationships or secure repeat business may adversely affect our business and results of operations.***

A substantial portion of our revenue from operations is generated from a limited number of customers operating within the railway and railway electrification ecosystem. Our business model is dependent upon continued engagement with existing customers, repeat purchase orders and successful participation in procurement programs undertaken by such customers.

Our top 1 customer contributed approximately 76.77%, 61.60% and 42.66% of our revenue from operations during Financial Year 2025-26, Financial Year 2024-25 and Financial Year 2023-24, respectively. Further, our top five customers contributed approximately 65.74%, 82.14% and 97.48% of our revenue from operations during the same periods. Details of revenue from operations from our top customers have been provided below. Further, as we conduct business with these customers without long-term contractual commitments, there can be no assurance that such customers will continue to place orders with us in the future.

**Top 10 customers for F.Y. 2023-24**

***Amount in Rs. Lakhs***

| **S. No.** | **Name of Customer** | **Amount** | **% to total sales** |
|---|---|---|---|
| 1 | Top 1 Customer | 199.28 | 76.77 |
| 2 | Top 2 Customer | 25.52 | 9.83 |
| 3 | Top 3 Customer | 16.80 | 6.47 |
| 4 | Top 4 Customer | 7.65 | 2.95 |
| 5 | Top 5 Customer | 3.80 | 1.46 |
| 6 | Top 6 Customer | 2.75 | 1.06 |
| 7 | Top 7 Customer | 2.15 | 0.83 |
| 8 | Top 8 Customer | 1.62 | 0.62 |
| | **Total** | **259.57** | **100.00** |

**Top 10 customers for F.Y. 2024-25:**

***Amount in Rs. Lakhs***

| S.no | Name of Customer | Amount | % to total sales |
|---|---|---|---|
| 1 | Top 1 Customer | 835.50 | 61.60 |
| 2 | Top 2 Customer | 142.60 | 10.51 |
| 3 | Top 3 Customer | 52.50 | 3.87 |
| 4 | Top 4 Customer | 47.00 | 3.47 |
| 5 | Top 5 Customer | 36.50 | 2.69 |
| 6 | Top 6 Customer | 33.35 | 2.46 |
| 7 | Top 7 Customer | 25.20 | 1.86 |
| 8 | Top 8 Customer | 23.85 | 1.76 |
| 9 | Top 9 Customer | 17.40 | 1.28 |
| 10 | Top 10 Customer | 17.15 | 1.26 |
| | **Total** | **1231.05** | **90.76** |

**Top 10 customers for F.Y. 2025-26:**

***Amount in Rs. Lakhs***

| S. No. | Name of Customer | Amount | % to total sales |
|---|---|---|---|
| 1 | Top 1 Customer | 974.40 | 42.66 |
| 2 | Top 2 Customer | 166.19 | 7.28 |
| 3 | Top 3 Customer | 137.84 | 6.03 |
| 4 | Top 4 Customer | 130.24 | 5.7 |
| 5 | Top 5 Customer | 92.96 | 4.07 |
| 6 | Top 6 Customer | 85.50 | 3.74 |
| 7 | Top 7 Customer | 69.00 | 3.02 |
| 8 | Top 8 Customer | 65.66 | 2.87 |
| 9 | Top 9 Customer | 63.10 | 2.76 |
| 10 | Top 10 Customer | 60.90 | 2.67 |
| | **Total** | **1845.79** | **80.80** |

Our reliance on a limited customer base exposes us to risks including reductions, delays or cancellations of orders, adverse changes in terms of business, financial difficulties faced by key customers, or termination of relationships by significant customers. In addition, to retain certain customers, we may be required to extend commercial terms that could constrain our resources or compress our margins. Any reduction in business from our significant customers, change in their business strategies, or preference for competitors may have an adverse effect on our business, financial condition, results of operations and cash flows.

There can be no assurance that such customers will continue to procure products from us at historical levels or at all. Any reduction in customer spending, loss or suspension of approved vendor status, changes in procurement practices or preference towards competing suppliers may adversely affect our revenues, profitability, cash flows and results of operations.

**5.** ***We are contractually and commercially subject to stringent quality, performance and delivery obligations and any failure to comply with such obligations may expose us to claims, penalties, cancellation of orders and reputational harm.***

The products manufactured by us are used in critical railway electrification and traction power applications where product reliability, operational safety and compliance with technical specifications are of significant importance. Our customers require our products to meet prescribed quality standards, performance parameters and technical specifications, and are often subject to inspection, testing and acceptance procedures by customers and/or designated inspection agencies prior to dispatch or commissioning.

Any failure to meet required specifications, quality requirements, testing standards, contractual obligations or delivery schedules may result in rejection of products, cancellation of orders, liquidated damages, penalties, warranty obligations or withholding of payments. Further, delays in procurement, manufacturing, testing, inspection or logistics may impact our ability to satisfy contractual delivery commitments.

Our purchase orders and contracts generally do not cap our liability for warranty claims and quality defaults, and we may be required to bear costs of repair, replacement or rectification without any contractual monetary ceiling. Supply of defective products could also result in litigation initiated by our customers, divert management attention and expose us to legal costs and various claims.

During the last three financial years, there have been no instances where our company has failed to meet customer specifications, quality standards, testing requirements or delivery schedules.

Defects in supplied products may also result in product replacement costs, customer claims, reputational damage and potential legal proceedings. While we have not been subject to material product liability claims in the recent past, there can be no assurance that such claims will not arise in the future or that they will be resolved in our favour. Any such developments may materially and adversely affect our business, financial condition, results of operations and future growth prospects.

**6. *We depend on the timely availability of raw materials and components from suppliers, and any disruption in supply, increase in prices or inability to procure such materials may adversely affect our business.***

Our manufacturing operations require the continuous availability of various raw materials, components, assemblies and engineering inputs from domestic suppliers and vendors. The timely procurement of such materials is critical for maintaining production schedules and meeting customer delivery commitments. We generally procure raw materials through purchase orders and may not have long-term supply arrangements with all suppliers. Accordingly, we may be exposed to fluctuations in the availability, pricing and timely procurement of raw materials and components, which may adversely affect our manufacturing operations and margins.

We may be dependent on a limited number of suppliers for certain critical raw materials and components. For Financial Year 2025-26, Financial Year 2024-25 and Financial Year 2023-24, purchases from our top 1 supplier represented approximately 64.18%, 56.86% and 25.24% of our total raw material consumed, respectively. Purchases from our top suppliers during the past 3 financial years are detailed below. Any disruption in supply arising from supplier insolvency, production interruptions, transportation issues, supplier capacity constraints, regulatory restrictions, labour disputes or geopolitical events may adversely affect our ability to manufacture products in a timely manner.

**Top 10 suppliers for F.Y. 2023-24**

***Amount in Rs. Lakhs***

| S.no | Name of Supplier | Amount | % to total Purchase |
|---|---|---|---|
| 1 | Top 1 supplier | 77.86 | 64.18 |
| 2 | Top 2 supplier | 10.88 | 8.97 |
| 3 | Top 3 supplier | 3.00 | 2.47 |
| 4 | Top 4 supplier | 2.76 | 2.27 |
| 5 | Top 5 supplier | 2.59 | 2.13 |
| 6 | Top 6 supplier | 2.58 | 2.13 |
| 7 | Top 7 supplier | 2.30 | 1.9 |
| 8 | Top 8 supplier | 1.93 | 1.59 |
| 9 | Top 9 supplier | 1.81 | 1.49 |
| 10 | Top 10 supplier | 1.73 | 1.42 |
| | **Total** | **107.43** | **88.55** |

**Top 10 suppliers for F.Y. 2024-25:**

***Amount in Rs. Lakhs***

| S.no | Name of Supplier | Amount | % to total Purchase |
|---|---|---|---|
| 1 | Top 1 supplier | 382.2 | 56.86 |
| 2 | Top 2 supplier | 55.74 | 8.29 |
| 3 | Top 3 supplier | 19.31 | 2.87 |
| 4 | Top 4 supplier | 19.10 | 2.84 |
| 5 | Top 5 supplier | 17.66 | 2.63 |
| 6 | Top 6 supplier | 16.38 | 2.44 |
| 7 | Top 7 supplier | 13.86 | 2.06 |
| 8 | Top 8 supplier | 11.59 | 1.72 |
| 9 | Top 9 supplier | 10.48 | 1.56 |
| 10 | Top 10 supplier | 9.35 | 1.39 |
| | **Total** | **555.68** | **82.66** |

**Top 10 suppliers for F.Y. 2025-26:**

***Amount in Rs. Lakhs***

| S.no | Name of Supplier | Amount | % to total Purchase |
|---|---|---|---|
| 1 | Top 1 supplier | 327.43 | 25.24 |
| 2 | Top 2 supplier | 228.56 | 17.62 |
| 3 | Top 3 supplier | 90.69 | 6.99 |
| 4 | Top 4 supplier | 49.09 | 3.78 |
| 5 | Top 5 supplier | 44.63 | 3.44 |
| 6 | Top 6 supplier | 42.29 | 3.26 |

| | | | |
|---|---|---|---|
| 7 | Top 7 supplier | 40.93 | 3.15 |
| 8 | Top 8 supplier | 39.49 | 3.04 |
| 9 | Top 9 supplier | 38.83 | 2.99 |
| 10 | Top 10 supplier | 38.43 | 2.96 |
| | **Total** | **940.36** | **72.48** |

Further, raw material prices are determined by demand and supply conditions in the markets and may also be impacted by inflationary pressures and other macroeconomic factors. Any unexpected price fluctuations after placement of orders, shortage, and delay in delivery or quality defects may result in cost overruns and adversely affect our business, financial performance and cash flows. We may also face risks associated with compensating for or passing on increases in our cost of production to customers, particularly where the price of our products with relevant customers has already been fixed.

Any shortage of raw materials, delay in supply, deterioration in quality standards or inability to identify alternate suppliers may adversely affect our manufacturing operations, customer relationships, financial condition and results of operations.

7. ***Our business requires substantial working capital and any inability to obtain adequate financing or effectively manage working capital requirements may adversely affect our operations and growth plans.***

Our operations require significant working capital for procurement of raw materials, maintenance of inventory, payment to suppliers, manufacturing activities and funding receivables arising from credit extended to customers. Accordingly, our business is dependent upon the availability of adequate working capital at all times.

As of Financial Year 2025-26, our working capital requirements amounted to ₹ 1,115.06 lakhs. Our working capital requirement for the FY 2026-27 and FY 2027-28 are projected to stand at ₹ 2,771.40 lakhs and ₹ 3,718.85 lakhs respectively. Such requirements are funded through a combination of internal accruals and short-term working capital facilities availed from banking institution. Continued increases in working capital requirements may require us to raise additional funds through incurrence of debt, which would increase our interest and debt repayment obligations and subject us to additional covenants.

Further, inventories and trade receivables represent a substantial component of our current assets, and our results of operations are significantly dependent on our ability to manage them effectively. Effective inventory management requires us to accurately forecast customer demand and supply requirements and procure inventory accordingly. Any inaccuracy in anticipating customer demand could result in either inventory shortages or the accumulation of excess inventory, either of which may adversely impact our operations. Our inventory levels stood at ₹ 220.08 lakhs, ₹ 157.29 lakhs and ₹ 313.72 lakhs for financial year 2025-26, 2024-25 and 2023-24, respectively.

Similarly, effective management of trade receivables requires us to accurately assess the creditworthiness of our customers and extend appropriate credit terms to sustain our business relationships, while minimizing exposure to risk. Any failure to adequately evaluate customer creditworthiness could result in bad debts, delayed recoveries and/or write-offs, potentially causing liquidity constraints that adversely affect our business and results of operations. Our trade receivables stood at ₹ 1,314.16 lakhs, ₹ 39.10 lakhs and ₹ 213.56 lakhs for financial year 2025-26, 2024-25 and 2023-24, respectively.

Any increase in working capital requirements arising from growth in business, delays in collection of receivables, increase in inventory levels, adverse changes in supplier credit terms or inability to obtain additional financing may adversely affect liquidity and operational efficiency. We must also be able to accurately evaluate the credit worthiness of our customers to ensure timely recovery of receivables; any failure in this regard may lead to bad debts or delays in recovery, resulting in a liquidity crunch and higher finance costs.

**(₹ in lakhs except stated)**

| Particulars | FY 2023-24 | | FY 2024-25 | | FY 2025-26 | |
|---|---|---|---|---|---|---|
| | Amount | % to revenue from operations | Amount | % to revenue from operations | Amount | % to revenue from operations |
| Revenue from Operations | 259.57 | | 1,356.24 | | 2,284.30 | |
| Inventories | 313.72 | 120.86% | 157.29 | 11.60% | 220.08 | 9.63% |
| Trade Receivables | 213.56 | 82.27% | 39.1 | 2.88% | 1,314.16 | 57.53% |
| Trade Payables | 30.88 | 11.90% | 1.19 | 0.09% | 324.99 | 14.23% |

Further, there can be no assurance that additional financing, if required, will be available on commercially acceptable terms or at all. Any inability to adequately fund working capital requirements may adversely affect our business, cash flows, financial condition and future growth prospects.

8. ***We operate our manufacturing facility and registered office from rented and leased premises and any termination, non-renewal or disruption in our lease arrangements may adversely affect our business operations.***

Our manufacturing facility and registered office are situated in the state of Tamil Nadu. Our registered office is located at Plot 17, SIDCO Women's Industrial Estate, Karuppur, Salem - 636011, Tamil Nadu, India and manufacturing facility at Plot 15, 16, 17, SIDCO Women's Industrial Estate, Karuppur, Salem - 636011, Tamil Nadu, India. These premises are operated under rent agreements. As we do not own the premises from which we conduct our manufacturing and administrative operations, our continued occupation and use of such premises are subject to the terms and conditions of the applicable agreements.

The following table sets forth the location and other details of the material properties held by our Company:

<table>
<tr><th>S. No</th><th>Nature of premise</th><th>Address of premise</th><th>Details of Lessor/Licensor</th><th>Whether the lessor is a related party (Yes/No)</th></tr>
<tr><td>1.</td><td>Registered Office</td><td>Plot 17, SIDCO Women's Industrial Estate, Karuppur, Salem - 636011, Tamil Nadu, India</td><td rowspan="2">For Plot 15 SIDCO Women's Industrial Estate, Karuppur, Salem - 636011, Tamil Nadu, India - The Rent Agreement dated May 21, 2026 was executed at Salem, Tamil Nadu for a period of 11 months commencing from May 21, 2026 at monthly rent of ₹ 50,600/-<br><br>For Plot 16 SIDCO Women's Industrial Estate, Karuppur, Salem - 636011, Tamil Nadu, India - The Rent Agreement dated May 21, 2026 was executed at Salem, Tamil Nadu for a period of 11 months commencing from May 21, 2026 at monthly rent of ₹ 48,000/-<br><br>For Plot 17 SIDCO Women's Industrial Estate, Karuppur, Salem - 636011, Tamil Nadu, India - The Lease Deed dated September 16, 2026 was executed at Salem, Tamil Nadu for a period of 5 Years commencing from June 01, 2026 at monthly rent of ₹ 82,000/-</td><td rowspan="2">No</td></tr>
<tr><td>2.</td><td>Manufacturing facility</td><td>Plot 15, 16, 17, SIDCO Women's Industrial Estate, Karuppur, Salem - 636011, Tamil Nadu, India</td></tr>
<tr><td>3.</td><td>Corporate Office</td><td>B-21, Scooter India Ancillary Estate, Nadarganj, Amausi, Lucknow – 226008, Uttar Pradesh, India</td><td>The Sub Lease Agreement dated May 23, 2026 was executed at Lucknow, Uttar Pradesh for a period of 11 months commencing from May 22, 2026 at monthly rent of ₹ 10000/-</td><td>Yes</td></tr>
</table>

Any termination, expiry without renewal, dispute relating to the lease and rent agreements, non-performance by the contracting parties, adverse governmental action, or any interruption in our possession of such premises may require us to relocate our operations or reinstall machinery and equipment. Such relocation may involve significant costs, disruption of manufacturing activities, delays in production schedules, interruption in customer deliveries and diversion of management resources.

Furthermore, in the event that the premise owner chooses not to renew the agreement/s or seek to alter its terms materially, we may be compelled to negotiate at less favorable terms or seek alternative premises at potentially higher costs. The availability of suitable industrial premises in or near our current location cannot be assured, and identifying and commissioning alternate facilities can be a time-consuming process involving significant capital expenditure and potential regulatory re-approvals, customer approvals, where applicable, and operational disruptions.

There can be no assurance that suitable alternate premises would be available on commercially acceptable terms or within the required time frame. Any interruption in the availability of our manufacturing facility may adversely affect our business operations, financial condition, cash flows and results of operations.

For details on the duration of existing lease/rent agreements for our premises, please refer to the section titled **“*Our Business - Material Properties*”** beginning on page 119 of this Draft Red Herring Prospectus.

**9.** ***Significant fluctuations in trade receivables, extended collection periods, and business seasonality may adversely affect our working capital, liquidity, and operational cash flows.***

***(Amount in ₹ lakhs)***

| Particulars | For the financial year ended on | | |
|---|---|---|---|
| | March 31, 2024 | March 31, 2025 | March 31, 2026 |
| | Restated | Restated | Restated |
| Trade Receivables | 213.56 | 39.10 | 1314.16 |
| Revenue from Operations | 259.57 | 1,356.24 | 2,284.30 |
| % to revenue from operations | 82.28% | 2.88% | 57.53% |

Our Revenue from Operations experienced significant growth alongside fluctuations in Trade Receivables over historical periods. Revenue from operations grew from ₹259.57 lakhs in FY 2023-24 to ₹1,356.24 lakhs in FY 2024-25, and further to ₹2,284.30 lakhs in FY 2025-26. During these same financial years, our Trade Receivables stood at ₹213.56 lakhs (82.28% of Revenue), ₹39.10 lakhs (2.88% of Revenue), and ₹1,314.16 lakhs (57.53% of Revenue), respectively.

These historical variations are primarily driven by the underlying seasonality of our business operations, where sales realization were concentrated in specific halves of the financial year. In FY 2023-24 and FY 2025-26, revenue generation shifted predominantly toward the second half of the financial year, accounting for 97.05% (₹251.92 lakhs) and 75.33% (₹1,720.72 lakhs) of annual revenues, respectively. This strong sales concentration near year-end naturally led to elevated outstanding receivables and longer collection cycles at the close of those fiscal years. Conversely, in FY 2024-25, 70.88% (₹ 961.35 lakhs) of revenue was realized in the first half, allowing adequate time for collections before year-end and resulting in a significantly lower receivable ratio.

Such operational seasonality and delayed realization of receivables create working capital pressures and unpredictable cash flow cycles. While we continually focus on strengthening credit control, improving collection efficiency, and managing seasonal liquidity requirements, any extended delay in recovering outstanding dues or persistent concentration of billing near year-end could adversely affect our working capital, business operations, and overall financial condition. For further details, kindly refer to "***Management's discussion and analysis of financial results and result of operations***" under section "***Financial Information of the company***" on page 209 of this Draft Red Herring Prospectus.

**10.** ***We experience the effects of seasonality, which may result in our operating results fluctuating significantly and also, reduce our sales.***

Our sales could be affected due to seasonal trends and accordingly, due to the inherent seasonality of our business, results of one reporting period (quarter/half year/year) may not be necessarily comparable with preceding or succeeding reporting periods. Below are the details of Half Year-wise turnover from our business operations:

***(Amount in ₹ lakhs except percentages)***

| Particulars | Financial Year 2025-26 | | Financial Year 2024-25 | | Financial Year 2023-24 | |
|---|---|---|---|---|---|---|
| | Amount | % to revenue from operations | Amount | % to revenue from operations | Amount | % to revenue from operations |
| Half Year 1 (*April – September*) | 563.58 | 24.67% | 961.35 | 70.88% | 7.65 | 2.95% |
| Half Year 2 (*October – March*) | 1,720.72 | 75.33% | 394.88 | 29.12% | 251.92 | 97.05% |
| **TOTAL** | **2,284.30** | **100.00%** | **1,356.24** | **100.00%** | **259.57** | **100.00%** |

Thus, we are subject to seasonal factors, which make our operational results very unpredictable. During periods of lower sales activities, we continue to incur substantial operating expenses, but our revenues remain usually lower. The sales that were supposed to take place during one financial year may get added to sales of the next financial year and therefore results of even full financial year may not necessarily be comparable to the other financial year. Further, any change in weather conditions, could adversely affect our business, financial condition, results of operations, and prospects.

**11.** ***Optimizing our manufacturing capacity remains a key driver for maximizing operational efficiency and profitability. Any under-utilisation might affect our business operations adversely and impact financial position.***

Our manufacturing infrastructure has been developed based on anticipated production requirements, projected demand levels and future growth expectations. Accordingly, our profitability is dependent, in part, upon maintaining adequate utilisation of available manufacturing capacity. The level of our capacity utilization can materially impact our operating results. For the Financial Year 2025-26, Financial Year 2024-25 and Financial Year 2023-24, our overall capacity is detailed below:

| Components | UOM | FY 2025-26 | | |
|---|---|---|---|---|
| | | Installed Capacity | Actual Production | Capacity Utilisation |
| Double Pole Vacuum Circuit Breaker | NOS | 450 | 75 | 16.66% |
| Single Pole Vacuum Circuit Breaker | NOS | 450 | 104 | 23.11% |
| Double Pole Vacuum Interrupters | NOS | 450 | 106 | 23.55% |
| Single Pole Vacuum Interrupters | NOS | 450 | 193 | 42.88% |
| **Grand Total** | | **1,800** | **478** | |

*Annual installed capacity in single shift of 8 hours.*

| Components | UOM | FY 2024-25 | | |
|---|---|---|---|---|
| | | Installed Capacity | Actual Production | Capacity Utilisation |
| Double Pole Vacuum Circuit Breaker | NOS | 450 | 90 | 20.00% |
| Single Pole Vacuum Circuit Breaker | NOS | 450 | 49 | 10.88% |
| Double Pole Vacuum Interrupters | NOS | 450 | 89 | 19.77% |
| Single Pole Vacuum Interrupters | NOS | 450 | 159 | 35.33% |
| **Grand Total** | | **1,800** | **387** | |

*Annual installed capacity in single shift of 8 hours.*

| Components | UOM | FY 2023-24 | | |
|---|---|---|---|---|
| | | Installed Capacity | Actual Production | Capacity Utilisation |
| Double Pole Vacuum Circuit Breaker | NOS | 450 | 22 | 4.88% |
| Single Pole Vacuum Circuit Breaker | NOS | 450 | 2 | 0.44% |
| Double Pole Vacuum Interrupters | NOS | 450 | 24 | 5.33% |
| Single Pole Vacuum Interrupters | NOS | 450 | 9 | 2.00% |
| **Grand Total** | | **1,800** | **57** | |

*Annual installed capacity in single shift of 8 hours.*

*The information related to the installed capacity is based on the certificate received from Er. Sabariraja Natarajan, Chartered Engineer holding membership registration no. M-1591821 with The Institution of Engineers (India) vide certificate dated July 16, 2026. Our installed capacity has been on the basis of a single shift of eight hours per day and may vary depending upon production schedules, operational efficiencies and shift utilization.*

Further, under-utilization can be contributed to orders being received from Indian Railways and associated EPC contractors and vendors. As we have incurred significant revenue from Indian Railways and associated EPC contractors and vendors, we are dependent towards orders made by them for procurement of products being supplied by the company, hence, contributing towards constricted revenue from other than Indian Railways and associated EPC contractors and vendors. Also, it can be attributed to vendor status of the company in the period under consideration. For the past financial years, we have received approvals for developmental vendor status for some products whereas have received upgradation towards approved vendor status. This allows us to increase supply of product leading to increased utilization over the period.

Any reduction in customer orders, slowdown in railway infrastructure spending, delays in project execution, cancellation of contracts or adverse market conditions may result in lower utilisation levels. Under-utilisation of manufacturing facilities increases the fixed cost burden allocated to each unit of production and adversely affects operating margins. Our capacity utilisation levels are also influenced by factors beyond our control, including market demand, procurement cycles, competitive conditions and customer procurement schedules.

In the event that we are unable to procure sufficient raw materials or if adverse industry or market conditions persist, we would not be able to achieve full capacity utilization of our manufacturing facilities, resulting in operational inefficiencies which could have a material adverse effect on our business prospects and financial performance. Furthermore, under-utilization may impair return on capital invested in manufacturing assets and infrastructure.

There can be no assurance that our manufacturing capacity will be utilised at optimal levels in future periods. Any prolonged under-utilisation of manufacturing facilities may adversely affect operational efficiency, profitability, financial condition and return on invested capital.

Further, Information relating to our installed capacities and the historical capacity utilization of our manufacturing facility included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels and operational efficiencies. Though the details related to our installed capacities and actual utilization is certified by Er. Sabariraja Natarajan, Chartered Engineer, vide certificate dated July 16, 2026, the actual utilization rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our installed capacity or historical estimated capacity utilization information for our existing facilities included in this Draft Red Herring Prospectus.

12. ***Defects, malfunctions or failures in our products may expose us to warranty obligations, liability claims, contractual disputes and reputational damage.***

The products manufactured by us are deployed in critical railway electrification and power infrastructure applications where reliability, safety and operational performance are of significant importance. Although there have been no instance of any product failures, defects, malfunctions, warranty claims, customer complaints, product replacements, or product recalls, but any defects, malfunctions, design failures or performance deficiencies in our products in future may have serious consequences for customers and end users.

If our products fail to perform in accordance with prescribed specifications or customer expectations, we may be required to undertake repairs, replacements, warranty servicing or other remedial actions. Such obligations may result in additional costs and operational disruptions. Customers may assert contractual claims, seek compensation for damages, impose liquidated damages, withhold payments or initiate legal proceedings against us. Product failures in safety-critical railway applications may also result in regulatory scrutiny and could adversely affect our approved vendor status.

Furthermore, any of the warranty liabilities on the products supplied could trigger unforeseen remediation outlays, necessitating increased financial liabilities that adversely impact cash flows and profitability.

Product failures or quality issues may necessitate product recalls, rework, replacement or suspension of supplies, which could result in increased costs, operational disruptions and diversion of management attention. Further, any actual or perceived deficiency in the quality or reliability of our products could adversely affect our reputation and ability to secure future tenders or retain existing contracts.

Although we maintain quality assurance procedures and testing protocols, there can be no assurance that defects or performance issues will not arise in future. Any significant product-related claims or failures may materially and adversely affect our business, financial condition and results of operations.

13. ***Our cash flows may fluctuate significantly from period to period, and any negative cash flow from operations or deterioration in operating cash flows may adversely affect our business and financial condition.***

Our business is subject to fluctuations in cash flows arising from various factors including timing of customer payments, procurement cycles, project execution schedules, inventory requirements and working capital utilization.

***(Amount in ₹ lakhs)***

| Particulars | Financial Year 2025-26 | Financial Year 2024-25 | Financial Year 2023-24 |
|---|---|---|---|
| Net cash flow from operating activities | (307.36) | 551.01 | (278.92) |
| Net cash flow from investing activities | (6.52) | (10.10) | (4.13) |
| Net cash flow from financing activities | 118.37 | (331.41) | 249.00 |

During the FY 2025-26, company experienced seasonality as it accounted for 75.33% of revenue from operations in second half year, hence, trade receivables remained largely outstanding which contributed towards negative cash flow from operating activities by ₹1,275.06 lakhs negatively affecting the changes in working capital. Negative operating cash flow was further contributed by higher levels of closing inventory as on March 31, 2026, which again was outstanding due to same above stated reasons. This contributed negatively by ₹ 62.79 lakhs. Similar reasons contributed towards negative cash flow from operating activities for the FY 2023-24 as the revenue from operations for the second half year contributed around 97.05% of the total revenue from operations for the year.

Negative cash flows from operations, if sustained, could limit our ability to fund day-to-day operations and service debt obligations.

Any delay in realization of receivables, increase in operating expenses, and slowdown in customer payments, unexpected capital expenditure requirements or adverse market conditions may negatively impact our cash flows. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans.

There can be no assurance that we will continue to generate sufficient cash flows from operating activities in future periods. Any material deterioration in cash flows may adversely affect our business, financial condition and results of operations. For further details, kindly refer section titled **"*Financial Information of the Company*"** beginning on Page 167 of this Draft Red Herring Prospectus.

**14. *Certain regulatory, statutory and corporate compliance matters have occurred in the past and any adverse action by regulatory authorities may affect our business, financial condition and reputation.***

In the ordinary course of business, companies are required to comply with various provisions of the labour laws, taxation laws, environmental regulations, industry-specific regulations and other applicable statutory requirements. Certain instances of non-compliance, delays in filings, procedural lapses or other regulatory matters may have occurred in the past in relation to our Company, Promoters, Directors or Key Managerial Personnel.

Although we have undertaken corrective measures wherever required and continue to strengthen our internal compliance framework, there can be no assurance that regulatory authorities will not initiate proceedings, impose penalties or require further corrective actions in relation to such matters. In particular, any delays in filing of statutory forms, non-disclosure of requisite information, or procedural lapses in relation to various applicable laws may attract penalties as per applicable provisions.

Any adverse observations, penalties, prosecutions, adjudication proceedings or regulatory actions may adversely affect our reputation, result in financial liabilities and divert management attention from business operations. Further, any future non-compliance with applicable laws may expose us to additional liabilities and regulatory scrutiny, which may adversely affect our business, financial condition and results of operations.

The details of the number of employees for which the Provident Fund and ESIC is applicable and paid has been provided below:

| **Particulars** | | **March 31, 2026** | **March 31, 2025** | **March 31, 2024** |
|---|---|---|---|---|
| Provident Fund | Statutory dues paid (₹ in lakhs) | 13.31 | 5.9 | N.A. |
| | No. of employees as on the year ended for whom such payments are applicable | 26 | 19 | N.A. |
| Employee State Insurance Act, 1948 | Statutory dues paid (₹ in lakhs) | 1.05 | 1.27 | 0.78 |
| | No. of employees as on the year ended for whom such payments are applicable | 16 | 21 | 12 |

The details of delays, in payment of ESIC and PF has been provided below for the Financials Period.

| **Particulars** | **Financial Year 2025 - 26** | | **Financial Year 2024 - 25** | | **Financial Year 2023 - 24** | |
|---|---|---|---|---|---|---|
| | **Number of instances** | **Amount (₹ lakhs)** | **Number of instances** | **Amount (₹ lakhs)** | **Number of instances** | **Amount (₹ lakhs)** |
| Provident Fund | 01 | 1.04 | 09 | 3.88 | NA | NA |
| ESIC | 02 | 0.16 | 10 | 1.05 | 12 | 0.78 |

The Issue Proceeds, including any allocation made towards General Corporate Purposes, shall not be utilized for payment of any fees, fines or penalties arising from the stated non-compliances.

Further, all compliances related to bonus issue as laid out under the Companies Act have been complied with before making bonus issue.

Although the delays in remittance of provident fund contributions and ESIC contributions have been regularized and the applicable dues have been paid, there can be no assurance that the relevant statutory authorities will not initiate or continue proceedings, levy interest, damages, and penalties or take any other regulatory action in relation to such past delays or any other historical non-compliances. Any such action may result in financial liabilities, increased compliance costs, diversion of management time and resources, reputational harm and could materially and adversely affect our business, financial condition, cash flows and results of operations.

***15. There are certain discrepancies/errors and delay noticed in some of our corporate records relating to forms filed with the Registrar of Companies under the Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future, for such discrepancies and delay in such compliances could impact the reputation and financial position of the Company to that extent.***

Our Company has, in the past, been subject to several instances of discrepancies/errors and delays in relation to secretarial, statutory and regulatory requirements under the Companies Act, 2013. Certain discrepancies were noticed in some of our corporate records and statutory filings with Registrar of Companies, including incorrect reporting of Board Meetings in annual returns, incorrect or incomplete attachments, typographical and clerical errors in e-forms and certain instances where notices, explanatory statements, Board's Reports and other secretarial documents were not fully aligned with the applicable provisions of the Secretarial Standards. Also, there has been delays in filing of certain statutory forms required to be filed under Companies act 2013 with Registrar of Companies, which were subsequently filed with payment of additional fees to the RoC.

| S. No. | Identified Non -Compliances | Current Status |
|---|---|---|
| 1 | Incorrect reporting of Board Meetings in Annual Return | The company has in past had reported incorrect details of Board Meetings in the Annual Return for which Company filed Form GNL-1 to take corrective action and revised form MGT-7 for the same was filed. |
| 2. | There has been delays in filing of certain statutory forms required to be filed under Companies Act 2013 with Registrar of Companies | There has been instances where the company had failed to file the forms within due course of time and the same were filed with Additional filing Fees, which increase based on extent of the delay. |

| S. No. | Form | Date of Event | Period | Due Date of Filling | Date of Filling | Delay in Days |
|---|---|---|---|---|---|---|
| 1 | DPT-3 | 18/03/2026 | FY 2022-23 | 30/06/2023 | 18/03/2026 | 992 |
| 2 | DPT-3 | 18/03/2026 | FY 2023-24 | 30/06/2024 | 18/03/2026 | 626 |
| 3 | DPT-3 | 18/03/2026 | FY 2024-25 | 30/06/2025 | 18/03/2026 | 261 |
| 4 | BEN-2 | 27/04/2026 | FY 2022-23 | 08/02/2022 | 27/04/2026 | 1539 |
| 5 | MGT-14 | 25/05/2026 | FY 2025-26 | 30/04/2026 | 25/05/2026 | 25 |
| 6 | MSME | 16/03/2026 | 01/04/2024 to 30/09/2024 | 31/10/2024 | 16/03/2026 | 501 |
| 7 | MSME | 16/03/2026 | 01/10/2024 to 31/03/2025 | 30/04/2025 | 16/03/2026 | 319 |
| 8 | MSME | 29/04/2026 | 01/04/2025 to 30/09/2025 | 31/10/2025 | 29/04/2026 | 180 |
| 9 | MSME | 03/07/2026 | 01/04/2023 to 30/09/2023 | 31/10/2023 | 03/07/2026 | 976 |
| 10 | MSME | 03/07/2026 | 01/10/2023 to 31/03/2024 | 30/04/2024 | 03/07/2026 | 794 |
| 11 | ADT-1 | 08/02/2022 | FY 2021-2022 | 22/02/2022 | 14/10/2022 | 234 |
| 12 | CHG-1 | 09/02/2023 | FY2022-2023 | 11/03/2023 | 03/04/2023 | 23 |
| 13 | MGT-7A | 30/09/2024 | FY 2023-2024 | 29/11/2024 | 25/12/2024 | 26 |
| 14 | AOC-4 | 30/09/2024 | FY 2023-2024 | 30/10/2024 | 27/12/2024 | 58 |

The Issue Proceeds, including any allocation made towards General Corporate Purposes, shall not be utilized for payment of any fees, fines or penalties arising from the stated non-compliances.

The aforesaid discrepancies/errors/delay filings occurred due to absence of a dedicated compliance officer in the company. We have, however, taken steps to regularize our compliances to the extent possible by filing the forms with late fees, and has also appointed Ashutosh Pandey as Company Secretary and Compliance Officer for better management of compliances and to reduce the risk of non-compliance in the future. Although, there are no regulatory or legal proceedings have been initiated against us in relation to such non-compliances as on the date of this Draft Red Herring Prospectus, we cannot assure you that the relevant regulatory authorities will not initiate any action in the future or that such records will not be required for any regulatory, legal, or corporate purposes. Any adverse regulatory action, adjudication proceedings, imposition of penalties or other enforcement measures, or any inability to produce or regularize historical corporate records, if required by the relevant authorities, could adversely affect our reputation, result in financial liabilities, divert management time and resources and materially and adversely affect our business, financial condition, cash flows and results of operations.

16. ***Our business is substantially dependent on a single manufacturing facility and is exposed to various operational risks, shutdowns, and disruptions, which could materially and adversely affect our business, financial condition, cash flows, and results of operations.***

Our business is substantially dependent on a single manufacturing facility located at Plot 15, 16, 17, SIDCO Women's Industrial Estate, Karuppur, Salem – 636011, Tamil Nadu, India. This centralized site houses all our primary operations, including product assembly, testing infrastructure, quality control, storage facilities, and core administration, leaving us highly vulnerable to location-specific risks without immediate geographic alternatives.

Our daily operations face continuous exposure to complex operational risks, equipment breakdowns, power failures, process inefficiencies, and technology obsolescence. Furthermore, workforce disruptions such as labor disputes, strikes, lockouts, or an inability to effectively manage personnel can severely compromise our operational output. Any such failures directly impede our ability to adhere to scheduled manufacturing timelines and satisfy critical customer deliverables.

Hazardous industrial events, fire incidents, severe accidents, natural disasters, civil disturbances, or restrictive governmental directives represent additional unpredictable threats to our physical infrastructure and personnel safety. Such incidents expose us to third-party claims, legal litigation, regulatory penalties, and significant compliance liabilities. Relocating or rebuilding an alternate facility to remedy these disruptions would demand extensive management bandwidth, regulatory approvals, and substantial capital outlay.

Ultimately, any temporary or prolonged shutdown will lead to delayed order executions, increased production costs, breach of contractual commitments, and severe reputational damage. Despite implementing safety protocols and maintaining insurance, policy limits may not fully cover all incurred losses or damages. As per the information available there have been no disruption, shutdown or loss of the manufacturing facility as on the date. Consequently, any unmitigated operational disruption at this single site will materially and adversely impact our financial condition, overall business performance, and cash flows.

***17. Our insurance coverage may not be adequate to protect us against all potential losses arising from our business operations.***

Our business is subject to loss due to theft or occurrence of any unforeseen event such as fire, earthquake, other natural calamities, terrorism and force majeure events. We maintain insurance for the same, which includes Shri Enterprise Fire Insurance policy from Shriram General Insurance Company Limited, which provides appropriate coverage in relation to STFI, RSMD, earthquake, theft, etc. for the registered office and manufacturing facility situated at Salem, Tamil Nadu. Along with the same, we have also taken Burglary Standard Policy which provide coverage against theft for the stock in the manufacturing facility premises. Further, we have taken Marine Cargo Insurance (Open Policy) to cover inland transit of products in trade. We maintain insurance policies that we believe are appropriate for our business operations, including coverage relating to property damage, fire, theft, burglary, marine transit and certain other operational risks. However, our insurance coverage may not be sufficient to protect us against all potential losses, liabilities or business interruptions.

**(Amount in ₹ lakhs)**

| Particulars | Date of Expiry | Sum Insured (Amount) |
|---|---|---|
| Shri Ram General Burglary standard Policy | 03/03/2027 | 420.00 |
| Shri Ram Fire Insurance Policy | 03/03/2027 | |

Certain risks may not be fully insured, may be subject to exclusions, limitations, deductibles or policy conditions, or may not be economically insurable. In addition, there can be no assurance that insurance proceeds will be adequate to compensate us for losses suffered or that claims made by us will be accepted by insurers in a timely manner. The occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events or risks not covered by insurance policies, could materially harm our cash flows, financial condition and future results of operations.

Furthermore, insurance premiums may increase significantly in future or certain types of coverage may become unavailable on commercially acceptable terms. Any uninsured or inadequately insured losses may require us to bear substantial costs directly. The occurrence of any significant event not covered by insurance, or inadequately covered by insurance, may adversely affect our business operations, financial condition, cash flows and results of operations.

Following presents the insurance coverage as a % of total assets of the last 3 Financial Years i.e. 2025-26, 2024-25 and 2023-24:

***(Amount in ₹ lakhs except percentages)***

| Particulars | FY 2025-26 | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| Insurable Assets | 263.97 | 194.17 | 339.08 |
| Insurance Coverage | 420.00 | 310.00 | 200.00 |
| **% of Insurance Coverage** | **159.11** | **159.65** | **58.98** |

**18.** ***Our historical performance is not indicative of our future growth or financial results and we may not be able to sustain our historical growth rates despite significant increases in Revenue from Operations and Profit After Tax.***

*(₹ in lakhs)*

| Particulars | For the financial year | | |
|---|---|---|---|
| | 2025-26 | 2024-25 | 2023-24 |
| Revenue from Operations | 2,284.30 | 1,356.24 | 259.57 |
| Profit after Tax | 539.23 | 172.96 | 2.14 |
| PAT Margin | 23.61% | 12.75% | 0.83% |

Our business has experienced significant growth in prior periods. Our revenue from operations has increased from ₹ 259.57 lakhs in Financial Year 2023-24 to ₹ 1356.24 lakhs and ₹ 2284.30 lakhs in Financial Year 2024-25 and Financial Year 2025-26 respectively experiencing a CAGR of 196.39% and our profit after tax has increased from ₹ 2.14 lakhs in Financial Year 2023-24 to ₹ 172.96 lakhs and ₹ 539.23 lakhs in Financial Year 2024-25 and Financial Year 2025-26 respectively. We cannot assure you that we will be able to sustain the levels of revenue and profit growth that we have had in the past. Further, a number of our strategic initiatives are in initial stages. While we may experience initial success with such initiatives, there is no assurance that these will succeed in the long term.

If we are unable to manage our growth effectively or maintain our operational efficiency, our operating revenues and margins may decline. Consequently, our business prospects, cash flows, financial condition, and the trading price of our Equity Shares may be materially and adversely affected. We cannot assure you that we will achieve similar financial metrics or growth trajectories in future financial periods. For further details, kindly refer to "***Management's discussion and analysis of financial***

***results and result of operations***" under section "***Financial Information of the company***" on page 209 of this Draft Red Herring Prospectus.

**19.** ***We have in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.***

In the ordinary course of business, we have entered into transactions with related parties, including our Promoters, Directors, Group Entities and other related persons. Such transactions may include purchase and sale of goods and services, reimbursement arrangements, commission expenses, loans, advances or other commercial transactions. All such related party transactions have been conducted on an arm's length basis in accordance with applicable laws and have been approved by our Board in accordance with the Companies Act, 2013.

However, there can be no assurance that future related party transactions will not give rise to actual or perceived conflicts of interest. The terms of related party transactions may not always be the most favorable commercially available terms, and we cannot assure you that we could not have obtained better and more favorable terms from unrelated third parties. Further, any failure to comply with applicable legal and regulatory requirements governing related party transactions may expose us to regulatory scrutiny, penalties or reputational risks.

Although all related-party transactions that we may enter into in the future are subject to approval by Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions are not entered into with related parties. For details, please refer to "***Annexure-AB- Restated Statement of Related Party Transactions***" under Section titled **"*Financial Information of the Company*"** of this Draft Red Herring Prospectus.

***(Amount in ₹ Lakhs)***

| Sr. No. | Particulars | FY 2025-26 | | FY 2024-25 | | FY 2023-24 | |
|---|---|---|---|---|---|---|---|
| | | Amount | % to total revenue | Amount | % to total revenue | Amount | % to total revenue |
| | **Revenue from Operations** | 2,284.30 | | 1,356.24 | | 259.57 | |
| 1 | **Nitin Jain** | | | | | | |
| | Professional Fees | 10 | 0.44% | 12 | 0.88% | - | - |
| | Opening Balance of Loan Taken by the Company | 40 | 1.75% | 145.17 | 10.70% | 52.17 | 20.10% |
| | Loan Taken by the Company during the Year | 58 | 2.54% | - | - | 93 | 35.83% |
| | Loan Repaid by the Company during the Year | 36.71 | 1.61% | 115.08 | 8.49% | - | - |
| | Interest on Loan | 4.12 | 0.18% | 11.02 | 0.81% | - | - |
| 2 | **Abhishek Saraff** | | | | | | |
| | Director Remuneration | 12 | 0.53% | 12 | 0.88% | - | - |
| | Opening Balance of Loan Taken by the Company | 40 | 1.75% | 152 | 11.21% | 55 | 21.19% |
| | Loan Taken by the Company during the Year | 58 | 2.54% | - | - | 97 | 37.37% |
| | Loan Repaid by the Company during the Year | 36.73 | 1.61% | 122.28 | 9.02% | - | - |
| | Interest on Loan | 4.14 | 0.18% | 11.42 | 0.84% | - | - |
| 3 | **Balakrishnan Srinivasan** | | | | | | |
| | Director Remuneration | 12 | 0.53% | 12 | 0.88% | - | - |
| | Opening Balance of Loan Taken by the Company | - | - | 11 | 0.81% | 11 | 4.24% |
| | Loan Repaid by the Company during the Year | - | - | 11 | 0.81% | - | - |
| 4 | **Viraj Bansal** | | | | | | |
| | Director Remuneration | 12 | 0.53% | 12 | 0.88% | - | - |
| | Remuneration Payable | - | - | - | - | - | - |
| | Reimbursement of Expenses | 0.66 | 0.03% | 2.17 | 0.16% | - | - |
| **(ii) Enterprises in which KMP/Relatives of KMP can exercise significant influence** | | | | | | | |
| 1 | **Atlantic Trade Engineers LLP** | | | | | | |
| | Sales during the Year | 1.5 | 0.07% | 0.11 | 0.01% | - | - |

| Sr. No. | Particulars | FY 2025-26 | | FY 2024-25 | | FY 2023-24 | |
|---|---|---|---|---|---|---|---|
| | | Amount | % to total revenue | Amount | % to total revenue | Amount | % to total revenue |
| | Percentage to total revenue from operations | 0.07% | 0.00% | 0.01% | 0.00% | | 0.00% |
| | Purchase & Other Expense during the Year | 233.96 | 10.24% | 1.2 | 0.09% | 0.43 | 0.17% |
| | Opening Balance of Loan Taken by the Company | - | - | - | - | - | - |
| | Loan Taken by the Company during the Year | - | - | - | - | 44 | 16.95% |
| | Loan Repaid by the Company during the Year | - | - | - | - | 44 | 16.95% |
| **2** | **Atlantic Tradelinks Private Limited** | | | | | | |
| | Purchase & Other Expense during the Year | - | - | - | - | 3.73 | 1.44% |
| | Loan Taken by the Company during the Year | - | - | - | - | 72 | 27.74% |
| | Loan Repaid by the Company during the Year | - | - | - | - | 72 | 27.74% |
| **3** | **Sumo Pullman Private Limited** | | | | | | |
| | Sales during the FY | - | - | - | - | - | - |
| | Commission Paid | - | - | 24 | 1.77% | - | - |
| **4** | **M/s Sriwin Electric** | | | | | | |
| | Sales during the Year | 64.99 | 2.85% | 3.72 | 0.27% | 11.7 | 4.51% |
| | Percentage to total revenue from operations | 2.85% | 0.00% | 0.27% | 0.00% | 4.51% | 0.02% |
| | Purchases during the Year | 347.4 | 15.21% | 383.7 | 28.29% | 79.05 | 30.45% |
| | Purchase of PPE | - | - | 2.84 | 0.21% | - | - |
| **5** | **Hotspot Infodot Private Limited** | | | | | | |
| | Purchases during the Year | 51.34 | 2.25% | 6.58 | 0.49% | - | - |
| | Purchase of PPE | 13.16 | 0.58% | - | - | - | - |
| | Opening Balance of Loan Taken by the Company | 40 | 1.75% | 148.5 | 10.95% | 88 | 33.90% |
| | Loan Taken by the Company during the Year | 27 | 1.18% | - | - | 60.5 | 23.31% |
| | Loan Repaid by the Company during the Year | 5.71 | 0.25% | 118.49 | 8.74% | - | - |
| | Interest on Loan | 4.12 | 0.18% | 11.1 | 0.82% | - | - |
| **6** | **M/s Global Switchgear** | | | | | | |
| | Purchase during the FY | 13.52 | 0.59% | - | - | - | - |

***30. Our business may be exposed to risks arising from the operations of Infowin Electric Private Limited, our subsidiary, which may have overlapping product and market opportunities with the Company in the electrical equipment sector.***

Details of the subsidiary incorporated are as follows:

| Name of Company | Nature of Relationship | Description of Business | Similarities with VANS Electroengineerings Limited | Key Distinguishing Factors | Customer Profile | Supplier / Vendor Profile |
|---|---|---|---|---|---|---|
| VANS Electro engineerings Limited | Issuer Company | Manufacturing and supplying components of traction power supply and overhead equipment system | Operate within the broader electrical equipment and switchgear industry | Product portfolio, end-use applications | Indian Railways and associated vendors | Various vendors |
| Infowin Electric Private Limited | Subsidiary | Developing and manufacturing electrical equipment and other related switchgear and | | Product portfolio, end-use applications and target | -* | -* |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | electrical equipment, primarily for the utility and power distribution sector | | customer segments | | |

**As the company has not generated any revenue during the FY 2024-25 and FY 2025-26, hence, no customer/ supplier profile can be drawn.*

Further, the Company and Infowin may pursue business opportunities in the broader power and electrical equipment sector, and there can be no assurance that the existing segregation of their respective businesses will continue to remain absolute. Any future expansion or diversification by either entity may result in increased competition for business opportunities, resources, customers or personnel and may give rise to potential conflicts of interest.

Any such overlap or conflict, if it arises and is not appropriately managed, could adversely affect the Company's business, financial condition, results of operations and prospects. There can be no assurance that the measures adopted by the Company and its management to maintain segregation between the businesses of the two entities will be adequate to prevent any potential conflict of interest or that Infowin will not in the future undertake activities that may compete, directly or indirectly, with the Company's business.

***40. The educational qualification documents of one of our Promoter and Whole Time Director, Pooja Bansal, are not traceable and her educational qualification has been disclosed as "Not Available" in the Draft Red Herring Prospectus.***

One of our Promoter and Whole Time Director, Pooja Bansal, has informed us that she completed her Bachelor's of Science in around the year 1992. However, the original educational certificates, which had been kept in a locker for safekeeping, were misplaced and could not be traced. As a result, neither Pooja Bansal nor the Company has been able to furnish documentary evidence of her educational qualification.

Accordingly, her educational qualification has been disclosed as "Not Available" in the Draft Red Herring Prospectus. We have been unable to independently verify these details. Further, there can be no assurances that she will be able to trace the relevant documents pertaining to his educational qualifications in the future, or at all.

***47. Negative publicity concerning our Company, Promoters, Directors, employees, suppliers, customers or the industries in which we operate may adversely affect our reputation and business prospects.***

Our reputation is an important asset and contributes significantly to our ability to maintain customer relationships, secure new business opportunities and attract employees and business partners. Negative publicity, whether justified or otherwise, concerning our Company, Promoters, Directors, employees, suppliers, customers or other stakeholders may adversely affect public perception and confidence in our business.

Such publicity may arise from litigation, regulatory actions, operational incidents, customer disputes, social media activity, media reports or other events. In the railway sector, where public and institutional trust is critical, any such adverse publicity, regardless of its accuracy or the entity directly involved, can materially affect perception and erode stakeholder confidence. Reputational damage, once incurred, may be difficult, time-consuming and costly to repair.

Further, there have been no instances in the past where negative publicity concerning our company, promoters, directors, employees, suppliers, customers or the industries in which we operate have adversely affected our reputation and business prospects. Also, any negative developments affecting the railway sector, infrastructure sector or industries served by us may indirectly affect market perception regarding our business and operations. Any deterioration in our reputation may adversely affect our ability to secure new orders, retain customers, attract qualified personnel and maintain business relationships, which may adversely affect our business, financial condition and results of operations.

**61.** ***Employee misconduct or failure of our internal processes or procedures could harm us by impairing our ability to attract and retain customers and subject us to significant legal liability and reputational harm.***

Our business is exposed to the risk of employee misconduct or the failure of our internal processes and procedures. For example, misconduct by employees could involve the improper use or disclosure of any confidential information, which could result in costly litigation and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures and internal policies, the precautions we take to prevent and detect such activity may not be effective in all cases and we may be unable to adequately prevent or deter such activities in all cases.

Further, there have been no instances in the past where employee misconduct or failure of our internal processes or procedures has harmed us by impairing our ability to attract and retain customers and subjecting us to significant legal liability and reputational harm. However, there could be instances of fraud and misconduct by our employees which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, including claims for alleged negligence, in connection with any such unauthorized transaction, fraud or misappropriation by our employees, which could adversely affect our reputation, business prospects and future financial performance.

## SECTION III: INTRODUCTION

## OBJECTS OF THE ISSUE

**Details of Estimation of Working Capital Requirement are as follows:**

*(₹ in lakhs)*

| S. No. | Particulars | Notes | FY 24 Restated | FY 25 Restated | FY 26 Restated | FY 27 Projected | FY 28 Projected |
|---|---|---|---|---|---|---|---|
| | ***Current Assets*** | | | | | | |
| a) | Inventory | | 313.72 | 157.29 | 220.08 | 1,108.26 | 1,398.22 |
| b) | Trade Receivables | | 213.56 | 39.10 | 1,314.16 | 2,301.37 | 2,852.71 |
| c) | Short term loans and advances | | 61.32 | 44.78 | 73.16 | 129.42 | 165.19 |
| d) | Other Current Assets | | 3.03 | 7.46 | 12.04 | 13.21 | 14.53 |
| | **Total - Current Assets** | **A** | **591.63** | **248.63** | **1,619.44** | **3,552.26** | **4,430.65** |
| | ***Current Liabilities*** | | | | | | |
| a) | Trade Payables | | 30.88 | 1.19 | 324.99 | 579.90 | 493.92 |
| b) | Other Current Liabilities | | 2.13 | 30.19 | 101.42 | 110.54 | 117.13 |
| c) | Short term Provisions | | 0.00 | 0.01 | 77.96 | 90.42 | 100.75 |
| | **Total - Current Liabilities** | **B** | **33.01** | **31.39** | **504.37** | **780.86** | **711.80** |
| | **Net Working Capital Requirement** | **C = A-B** | **558.62** | **217.24** | **1,115.06** | **2,771.40** | **3,718.85** |
| | **Funding Pattern** | | | | | | |
| | Short term Borrowings | | - | - | - | 1,271.40 | 2,718.85 |
| | Internal Accruals | | 558.62 | 217.24 | 1,115.06 | | |
| | **IPO Proceeds** | | **-** | **-** | **-** | **1,500.00** | **1,000.00*** |

*As certified by M/s H R H & Associates, Statutory Auditors through their certificate dated September 09, 2026*
**To be utilised by December 31, 2027.*

***Assumptions for working capital requirements***

| Particulars | Unit | March 31, 2024 | March 31, 2025 | March 31, 2026 | March 31, 2027 | March 31, 2028 |
|---|---|---|---|---|---|---|
| | | Restated | | | Projected | |
| Debtors | Days | 155 | 34 | 108 | 94 | 99 |
| Creditor | Days | 255 | 9 | 46 | 35 | 33 |
| Inventory | Days | 1,175 | 104 | 56 | 64 | 80 |

**Justification:**

| S. No. | Particulars |
|---|---|
| Debtors | For FY 2023-24, outstanding debtors amounted to ₹ 213.56 lakhs and debtor turnover days stood at 155 days. Considering FY 2023-24 as one of the initial years of business and the seasonality experienced, the business mainly remained skewed towards second half of the financial year.<br><br>For FY 2024-25, outstanding debtors amounted to ₹ 39.10 lakhs and debtor turnover days stood at 34 days. This was mainly caused due to seasonality experienced by the business, skewing majority of the business first half of the financial year as 70.88% of the total revenue from operations amounting ₹ 961.35 lakhs. Further, the decrease as compared to previous FY can be attributed to the mentioned factor. Further, reduction can be attributed to improved collection efficiency, which ultimately resulted in lower debtor days.<br><br>For FY 2025-26, outstanding debtors amounted to ₹ 1,314.16 lakhs and debtor turnover days stood at 108 days. Again, the higher number of days can be attributed to seasonality experienced by the business in the second half of the financial year. The revenue from operations in second half of the year amounted to ₹ 1,720.72 lakhs taking 75.33% of the total revenue from operations. Thus, the fluctuation can be attribute to the mentioned factor. Further, increase can be attributed to higher sales volume and an overall increase in revenue from operations to ₹ 2,284.30 lakhs and extension of credit to customers.<br><br>Receivables are expected to increase from ₹ 1,314.16 lakhs in FY 2025-26 to ₹ 2,301.37 lakhs in FY 2026-27 and ₹ 2,852.71 lakhs in FY 2027-28, driven by expected substantial revenue growth and expansion of business operations. The Company expects to continue extending credit to reputed railways, resulting in receivable days in a range of 94–99 days. |
| Creditors | Trade payables decreased from ₹ 30.88 lakhs in FY2023-24 to ₹1.19 lakhs in FY2024-25, primarily due to the |

| S. No. | Particulars |
|---|---|
| | timely settlement of supplier dues and lower year-end outstanding balances. Subsequently, trade payables increased significantly to ₹ 324.99 lakhs in FY2025-26 in line with the sharp increase in revenue from ₹ 1,356.24 lakhs in FY2024-25 to ₹ 2,284.30 lakhs in FY2025-26, resulting in higher procurement of raw materials and components required for manufacturing operations. Further, this fluctuation can be further attributed to seasonality experienced by the business for FY 2023-24 and FY 2025-26, majority of the revenue remained skewed towards second half of the financial year contributing 97.05% and 75.33%, respectively, of the total revenue from operations achieved.<br><br>Trade payables are projected to increase from ₹ 324.99 lakhs in FY 2025-26 to ₹ 579.90 lakhs in FY 2026-27 and ₹ 493.92 lakhs in FY 2027-28 in line with higher raw material procurement and production requirements. However, creditor days are expected to remain moderate as the Company maintains timely payments to suppliers to ensure uninterrupted material availability and favourable commercial relationships.<br><br>This can also be attributed to the fact that the company intends to increase its range of products, which would require higher levels of purchases to be made in respect of the increased product range. |
| Inventories | The inventory for the FY 2023-24 stood at ₹313.72 lakhs and inventory turnover days stood at 1175 days majorly contributed by the factor being one of the initial years of business along with the business experienced seasonality skewing majority of the revenue in second half of the mentioned financial year.<br><br>For the FY 2024-25, the inventory stood at ₹ 157.29 lakhs and average inventory turnover days at 104 days. This fluctuation can be attributed to the seasonality experienced by the business as 70.88% of the turnover amounting ₹ 961.35 lakhs have been incurred in first half of the financial year reducing the closing inventory leading to overall reduction in the average inventory turnover days.<br><br>Further, for FY 2025-26, the inventory stood at ₹ 220.08 lakhs and average inventory turnover days stood at 56 days. The subsequent increase in inventory in FY2025-26 was driven by higher production requirements and revenue growth necessitating the stocking of raw materials to support expanding operations and order execution schedules. Further, the decrease in average inventory days can be attributed to the mentioned factors.<br><br>Inventory is projected to increase from ₹220.08 lakhs in FY 2025-26 to ₹ 1,108.26 lakhs in FY 2026-27 and ₹ 1,398.22 lakhs in FY 2027-28 due to significant growth in turnover, expansion of manufacturing capacity as well as expected, increase in product range to be supplied by the company, stocking of raw materials and components and maintenance of adequate inventory levels to meet expected order execution schedules. The Company intends to maintain sufficient inventory to avoid supply-chain disruptions and support the timely delivery of products. |
| Short-Term Borrowings | For the financial year 2023-24, short-term borrowings amounted to ₹ 516.65 lakhs which have been availed from Bank and financial institutions along with related parties and others for business purposes which decreased to ₹ 120.00 lakhs in FY 2024-25. This decrease can be attributed to the fluctuations in business cycles as the majority of the business for FY 2024-25 was conducted in the first half year as opposed to business being carried out in second half year for FY 2023-24.<br><br>Further, for the FY 2025-26, short-term borrowings amounted to ₹254.89 lakhs as a result of increase in business operations and again a shift in business cycle towards second half year leading higher closing balance at the year end. |
| Other Current Liabilities | For Other Current Liabilities, major constituents comprised of Statutory dues payables, Advance received from customers, salary & wages payables and payables for expenses. For the FY 2023-24, Other Current Liabilities stood at ₹ 2.13 lakhs which increased to ₹ 30.19 lakhs in FY 2024-25 reflecting a significant increase as a result of increase in overall business operations of the company. Further, increase was noticed in FY 2025-26, where it stood at ₹101.42 lakhs as result of further increase overall business operations of the company which resulted in higher levels of statutory dues payables which increased to ₹ 89.95 lakhs, being a major contributor of the component. |

**<u>Justification for Working capital requirements:</u>**

**For FY 2026-27**

Working capital requirements are expected to be increase in accordance with expected increase in revenue from operations as result of increase in business operations of the company. Further, as provided for the order book outstanding as on September 05, 2026 amounting ₹ 5,061.85 lakhs, the requirements increase in tandem to fulfil the order requirements.

**For FY 2027-28:**

The projected growth in working capital is expected to be supported by a combination of factors, including:

1. **Expansion of product portfolio:** The Company is progressively expanding its product offerings, including products such as single bottle circuit breakers, earthing switches and multipliers. The introduction and scaling-up of these products is expected to increase the addressable customer base and provide additional avenues for Revenue from Operations.
2. **Improvement in customer/vendor approvals:** Developmental and approved vendor status for various products is expected to improve the Company's ability to participate in a wider range of customer requirements and tender/order opportunities, thereby supporting future order inflows and Revenue from Operations.
3. **Higher operational throughput:** As the business scales, improved utilisation of manufacturing resources and increased execution capability are expected to support higher production and delivery volumes.
4. **Historical scalability of Revenue from Operations:** The Company's current growth phase, supported by increasing customer acceptance, broader product offerings, higher capacity and an expanding order pipeline, provides the underlying basis for the projected increase in Revenue from Operations.

*(₹ in lakhs)*

| Particulars | FY 2025-26 | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| Revenue from Operations | 2,284.30 | 1,356.24 | 259.57 |
| Year-on-Year Growth | 68.43% | 422.49% | N.A. |

# SECTION IV: ABOUT THE COMPANY

## OUR BUSINESS

### OUR PRODUCT PORTFOLIO

**Single Pole VCB/VI:** Primarily utilized at Sectioning Posts and Sub-Sectioning Posts for switching, isolation and protection of the respective traction circuits/sections.

**Double Pole VCB/VI:** Primarily utilized at Traction Sub-Stations for switching and protection of the two-pole traction supply arrangement, as required by the 2 × 25 kV AT feeding system.

## SECTION VI: LEGAL AND OTHER INFORMATION

## OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

### II. LITIGATIONS INVOLVING THE PROMOTERS/DIRECTORS OF THE COMPANY

**c. Other pending material litigations against the Promoters / Directors of the Company**

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigation against the Promoters / Directors of the Company.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

**Eligibility for the Issue:**

2. The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for at least 2 financial years out of preceding three financial years and its net-worth as on March 31, 2026, March 31, 2025 and March 31, 2024 is positive as under:

***(₹ in Lakhs)***

| Particulars | For the year ended on | | |
|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2024 |
| Operating Profits<br>(Earnings Before Interest, Depreciation and Tax) | 722.41 | 247.55 | 2.06 |
| Net worth | 917.18 | 377.94 | 104.98 |

# SECTION VII: ISSUE RELATED INFORMATION

## ISSUE STRUCTURE

**Details of Pre-IPO Placement**

We do not propose to undertake any pre-IPO Placement before the Issue.

# SECTION IX: OTHER INFORMATION

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

### Material Documents

16. Approvals from the Research Designs and Standards Organization ("RDSO") dated March 05, 2024 and March 03, 2026 and Central Organisation for Railway Electrification ("CORE") dated November 20, 2024.
17. Valuation Report dated June 25, 2026 from Independent Registered Valuer Mr. Gaurav Maheshwari,
18. Certificate on Working Capital Requirement of the Company from Statutory Auditor of the Company M/s H R H & Associates, Chartered Accountants dated September 09, 2026.

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| **Balakrishnan Srinivasan**<br>Chairman & Joint Managing Director<br>DIN: 09495514 | Sd/- |

Date: September, 17, 2026
Place: Salem, Tamil Nadu

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| **Viraj Bansal**<br>Joint Managing Director<br>DIN: 07553008 | Sd/- |

Date: September, 17, 2026
Place: New Delhi

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| **Pooja Bansal**<br>Whole Time Director<br>DIN: 01895851 | Sd/- |

Date: September, 17, 2026
Place: New Delhi

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| **Abhishek Saraff**<br>Non - Executive Director<br>DIN: 00355289 | Sd/- |

Date: September, 17, 2026
Place: Lucknow, Uttar Pradesh

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| **Nitin Jain**<br>Non - Executive Director<br>DIN: 03385362 | Sd/- |

Date: September, 17, 2026
Place: Lucknow, Uttar Pradesh

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| **Abhishek Mishra**<br>Independent Director<br>DIN: 08790634 | Sd/- |

Date: September, 17, 2026
Place: Lucknow, Uttar Pradesh

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| **Mridusha Havelia**<br>Independent Director<br>DIN: 11716283 | Sd/- |

Date: September, 17, 2026
Place: Lucknow, Uttar Pradesh

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| **Shikhar Gupta**<br>Independent Director<br>DIN: 11717379 | Sd/- |

Date: September, 17, 2026
Place: Lucknow, Uttar Pradesh

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| **Amisha Bisen**<br>Chief Financial Officer | Sd/- |

Date: September, 17, 2026
Place: Lucknow, Uttar Pradesh

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| **Ashutosh Pandey**<br>Company Secretary & Compliance officer<br>M. No.: A67349 | Sd/- |

Date: September, 17, 2026
Place: Lucknow, Uttar Pradesh