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Dated: January 08, 2026

IC ELECTRICALS COMPANY LIMITED
(Formerly Known As "IC Electricals Company Private Limited")
CIN: U31909DL2005PLC139412

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Delhi and Haryana dated August 05, 2005, with the name 'IC Electricals Company Private Limited' bearing Corporate Identification Number U31909DL2005PTC139412. Subsequently our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on August 06, 2024, and the name of our Company was changed from "IC Electricals Company Private Limited" to "IC Electricals Company Limited". A fresh Certificate of Incorporation was granted to our Company consequent upon conversion into public limited company dated September 23, 2024, bearing Corporate Identification Number U31909DL2005PLC139412 by the Registrar of Companies, Central Processing Centre, at present, the registered office of the company is situated at 156 DSIDC Okhla INDL Area Phase I, New Delhi 110020, India. For details of change in name and registered office of our Company, please refer to chapter titled "Our History and Certain Other Corporate Matters" beginning on page no. 257 of this Draft Red Herring Prospectus.

Registered Office: 156 DSIDC Okhla INDL Area Phase I, New Delhi 110020, India
Corporate Office: 1002, 10th Floor, DLF Tower-A, Jasola, New Delhi -110025, India, Tel: +91 11 49050732/49050733
Tel: 011-41613270/3271; **Fax:** N.A.; **Website:** www.iclectricals.in; **E-mail:** info@iclectricals.in

Contact Person: Mr. Subodh Kumar, Company Secretary and Compliance Officer

OUR PROMOTERS: MR. SUNIL KUMAR VERMA, MRS. RENU VERMA, MS. AAKANSHA VERMA, MS. DAVISHA VERMA, MRS. SAVITA SACHDEVA, M/S SHBD LLP AND M/S SAFE SYSTEM INDIA PRIVATE LIMITED

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JULY 16, 2025: NOTICE TO INVESTORS (THE "ADDENDUM")

INITIAL PUBLIC OFFERING UP TO 48,40,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") OF IC ELECTRICALS COMPANY LIMITED ("ICEL" OR THE "COMPANY") FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO RS. [●] LAKHS ("THE ISSUE"). OUT OF THE ISSUE 2,43,200 EQUITY SHARES AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 45,96,800 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS IS HEREAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.50% AND 25.17%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Potential Bidders may note the following:

- The Chapter titled "Definition and Abbreviation" beginning on page 2 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Definition and Abbreviation chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Summary of Offer Documents" beginning on page 20 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Summary of Offer Documents chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Risk Factor" beginning on page 30 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Risk Factor chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Capital Structure" beginning on page 99 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Capital Structure chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Object of the Issue" beginning on page 119 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Object of the Issue chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Basis of the Issue" beginning on page 129 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Basis of the Issue chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Our Business" beginning on page 199 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Our Business chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Our Management" beginning on page 262 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Our Management chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Our Promoters" beginning on page 283 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Our Promoters chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Our Promoter Group" beginning on page 290 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Our Promoter Group chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Our Subsidiary" beginning on page 292 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Our Subsidiary chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Our Group Entities" beginning on page 294 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Our Group Entities chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Financial Statement as Restated" beginning on page 300 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Financial Statement as Restated chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Management's Discussion and Analysis of Financial Condition and Result of Operation" beginning on page 302 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Management's Discussion and Analysis of Financial Condition and Result of Operation chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Financial Indebtedness" beginning on page 329 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Financial Indebtedness chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Outstanding Litigations and Material Development" beginning on page 334 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Outstanding Litigations and Material Development chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Government and Other Approval" beginning on page 352 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Government and Other Approval chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Other Regulatory and Statutory Approval" beginning on page 357 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Other Regulatory and Statutory Approval chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Issue Structure" beginning on page 416 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Issue Structure chapter of this addendum. Please note that all other details will be carried out in the offer document.
- The Chapter titled "Declaration" beginning on page 460 of Draft Red Herring Prospectus has been updated to amend and add the details mentioned in Declaration chapter of this addendum. Please note that all other details will be carried out in the offer document.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



NEXGEN Financial Solutions Private Limited

Address: 709, Madhuban Building 55, Nehru Place, South Delhi, New Delhi, Delhi, India, 110019

Telephone: +91 1141407600

Email: ipo@nexgenfin.com

Website: www.nextgenfin.com

Contact Person: Mr. Hasan Ullah

SEBI Registration Number: INM000011682

CIN: U74899DL2000PTC106340

Skyline Financial Services Private Limited

Address: D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, India

Telephone: 011-40450193-197

Email: ipo@skylinerta.com

Website: www.skylinerta.com

Contact Person: Mr. Anuj Rana

SEBI Registration Number: INR000003241

CIN: U74899DL1995PTC071324

BID/ISSUE PERIOD

Anchor Bid opens on: [●] *

Bid/ Issue open 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 Issue Opening Date.



Please scan this QR Code to view the DRHP.



Trust & Technology Delivered

IC ELECTRICALS COMPANY LIMITED
("Formerly known as "IC Electricals Company Private Limited")
CIN: U31909DL2005PLC139412

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
156 DSIDC Okhla INDL Area Phase I, New Delhi 110020, India	1002, 10 th Floor, DLF Tower-A, Jasola, New Delhi -110025, India	Mr. Subodh Kumar Company Secretary & Compliance Officer	Regd Office: 011-41613270/3271 Corporate Office: +91 011 49050732/49050733 & info@iclectricals.in	www.iclectricals.in

NAME OF PROMOTER(S) OF THE COMPANY

MR. SUNIL KUMAR VERMA, MRS. RENU VERMA, MS. AAKANSHA VERMA, MS. DAVISHA VERMA, MRS. SAVITA SACHDEVA, M/S SHBD LLP AND M/S SAFE SYSTEM INDIA PRIVATE LIMITED

DETAILS OF THE OFFER TO PUBLIC, PROMOTERS/ SELLING SHAREHOLDERS

TYPE	*FRESH ISSUE SIZE (BY NO. OF SHARES OR BY AMOUNT IN LAKHS)	OFS* SIZE (BY NO. OF SHARES OR BY AMOUNT IN LAKHS)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Up to 48,40,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] Lakhs	NIL	Up to 48,40,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] Lakhs	This Offer is being made in terms of Regulation 229(2) And 253(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. For details in relation to share reservation among QIB's, NII's and RIB's, see "Issue Structure" on page 416 of this Draft Red Herring Prospectus.

*OFS: Offer for sale

DETAILS OF OFS BY PROMOTER(S)/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDER

NAME	TYPE	NO. OF SHARES OFFERED	WACA PER EQUITY SHARE (IN RS.) *
N.A.			

P: Promoter, PG: Promoter Group, WACA: Weighted Average Cost of Acquisition on fully diluted basis.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of our Equity Shares is ₹ 10 each and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager as stated in "Basis for Issue Price" on page 129 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 30 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, 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.

LISTING

The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE or NSE Emerge") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



NEXGEN FINANCIAL SOLUTIONS PRIVATE LIMITED

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

Address: 709, Madhuban Building, 55, Nehru Place, New Delhi-110019

Address: D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, India

Telephone: +91 1141407600

Telephone: 011-40450193-197

Email: ipo@nexgenfin.com

Email: ipo@skylinerta.com

Website: www.nexgenfin.com

Website: www.skylinerta.com

Contact Person: Mr. Hasan Ullah

Contact Person: Mr. Anuj Rana

SEBI Registration Number: INM000011682

SEBI Registration Number: INR000003241

CIN: U74899DL2000PTC106340

CIN: U74899DL1995PTC071324

BID/ISSUE PERIOD

Anchor Bid opens on ⁽¹⁾ : [●] *	Bid/ Issue open on: [●]	Bid/ Issue Closes on ⁽²⁾⁽³⁾ : [●]
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*Subject to Finalization of Basis of Allotment

1. 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 Issue Opening Date.

2. Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

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



IC ELECTRICALS COMPANY LIMITED
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CIN: U31909DL2005PLC139412

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Registered Office: 156 DSIDC Okhla INDL Area Phase I, New Delhi 110020, India
Corporate Office: 1002, 10th Floor, DLF Tower-A, Jasola, New Delhi -110025, India, **Tel:** +91 11 49050732/49050733
Tel: 011-41613270/3271; **Fax:** N.A.; **Website:** www.icellectricals.in; **E-mail:** info@icellectricals.in

Contact Person: Mr. Subodh Kumar, Company Secretary and Compliance Officer

OUR PROMOTERS: MR. SUNIL KUMAR VERMA, MRS. RENU VERMA, MS. AAKANSHA VERMA, MS. DAVISHA VERMA, MRS. SAVITA SACHDEVA, M/S SHBD LLP AND M/S SAFE SYSTEM INDIA PRIVATE LIMITED

THE ISSUE

INITIAL PUBLIC OFFERING UP TO 48,40,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH (“EQUITY SHARES”) OF IC ELECTRICALS COMPANY LIMITED (“ICEL” OR THE “COMPANY”) FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO RS. [●] LAKHS (“THE ISSUE”). OUT OF THE ISSUE 2,43,200 EQUITY SHARES AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”), THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 45,96,800 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS IS HERINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.50% AND 25.17%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND HINDI EDITION OF [●], (HINDI BEING THE REGIONAL LANGUAGE OF DELHI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE EMERGE”) FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

*Subject to Finalization of Basis of Allotment

THE FACE VALUE OF THE EQUITY SHARES IS RS.10/- EACH AND THE FLOOR PRICE AND CAP PRICE ARE [●] TIMES AND [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES, RESPECTIVELY.

In case of any revision in the Price Band, the Bid / Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid / Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of one Working Day, subject to the Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price band and the revised Bid / Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a public notice and also by indicating the change on the website of the BRLM and at the terminals of the Syndicate Members and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis (“Anchor Investor Portion”). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (“Net QIB Portion”). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Further, not less than 15.00% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Offer shall be available for allocation to Individual Investors who applies for minimum application size in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see “Issue Procedure” on page 381 of this Draft Red Herring Prospectus.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10/-. The Issue Price, Floor Price or the Price band as stated under the chapter titled “Basis for the Issue Price” beginning on page 129 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 30 of this Draft Red Herring Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue which is material in the context of this 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 make 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.

LISTING

The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



NEXGEN Financial Solutions Private Limited
Address: 709, Madhuban Building 55, Nehru Place, South Delhi, New Delhi, Delhi, India, 110019
Telephone: +91 1141407600
Email: ipo@nexgenfin.com
Website: www.nextgenfin.com
Contact Person: Mr. Hasan Ullah
SEBI Registration Number: INM000011682
CIN: U74899DL2000PTC106340

Skyline Financial Services Private Limited
Address: D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, India
Telephone: 011-40450193-197
Email: ipo@skylinerta.com
Website: www.skylinerta.com
Contact Person: Mr. Anuj Rana
SEBI Registration Number: INR000003241
CIN: U74899DL1995PTC071324

BID/ISSUE PERIOD

Anchor Bid opens on: [●]*

Bid/ Issue open 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 Issue Opening Date

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Conventional or General Terms

Term	Description
“IC Electricals Company Limited” or “ICEL”, “We” or “us” or “the Issuer” or “the/our Company”	Unless the context otherwise requires, refers to IC Electricals Company Limited (previously known as “IC Electricals Company Private Limited”), a Company incorporated under the Companies Act, 1956, vide Corporate Identification Number U31909DL2005PLC139412 and having its registered office at 156 DSIDC Okhla INDL Area Phase I, New Delhi 110020, India.

Issue Related Terms

Terms	Description
Price Band	The price band ranging from the Floor Price of Rs. [●] per Equity Share to the Cap Price of Rs. [●] per Equity Share, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company in consultation with the BRLM, will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being regional language of Delhi, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the minimum application size.

Technical / Industry related Terms

Term	Description
AAC	All Aluminium Conductor
AADR	Andaura Railway Station
ACSR	Aluminium Conductor Steel Reinforced
ACTM	AC Traction Manual
AC	Alternating Current
ADEE	Assistant Divisional Electrical Engineer
ATs	Auto Transformers
BOM	Bill of Materials
B2G	Business-to-Government
BRML	Baramulla Railway Station
BAHL	Banihal Railway Station
CERL	Central Electrical Railways Laboratory
CP Coil	Commutating Pole
CRGO	Cold Rolled Grain Oriented Silicon Steel
CRS	Commissioner of Railway Safety
C/w	Complete With
DC	Direct Current
DFCCIL	Dedicated Freight Corridor Corporation of India Limited
DFC	Dedicated Freight Corridor
DEE	Divisional Electrical Engineer

DBD	Distribution Board
DLI Division	Delhi Division
DSIDC	Delhi State Industrial and Infrastructure Development Corporation
ELU	Emergency Light Unit
EN 45545	European Norm 45545
EPC	Engineering, Procurement and Construction
ERRU	Electronic Rectifier-cum-Regulating Units
FKA	Fazilka
FZR	Firozpur
GE	General Electric
GPS	Global Positioning System
GVK	GVK Power & Infrastructure Limited
Hz	Hertz
HRIDC	Haryana Rail Infrastructure Development Corporation
IEC 61373	International Electrotechnical Commission Standard 61373
IQC	Incoming Quality Check
IREPS	Indian Railways E-Procurement System
IGBT	Insulated Gate Bipolar Transistor
ISO	International Organization for Standardization
J&K	Jammu and Kashmir
JAT	Jammu Tawi
kV AC	kilovolt Alternating Current
kW	kilowatt
KKP	Kotkapura
KMPH	Kilometers Per Hour
KKDE	Kalka Depot
LED	Light Emitting Diode
MOZ Yard	Moradabad Yard
NEFT	National Electronic Funds Transfer
NDLS	New Delhi Railway Station
NRE	Narela
MEMU	Mainline Electric Multiple Unit
MTC – SRE	Major Technical Clearance and Sub-Sectioning and Regulation Equipment
MNCs	Multinational Corporations
OCU	Oil Cooling Units
OEMs	Original Equipment Manufacturers
OHE	Overhead Equipment
PAPIS	Passenger Announcement & Passenger Information System
PCB	Printed Circuit Board
PO	Purchase Order
PTFE	Polytetrafluoroethylene
PTKC	Pathankot Cantt
QA	Quality Assurance
QC	Quality Control
RE	Railway Electrification
RBC	Regulated Battery Charger
RDSO	Research Designs and Standards Organization
Rev.1	Revision 1
RGO	Rolled Grain Oriented Silicon Steel
RKM	Route Kilometer
RRU	Rectifier-cum-Regulating Unit
ROB	Road Over Bridge
SP	Sectioning Post



SSP	Sub-Sectioning Post
SVDK	Shri Mata Vaishno Devi Katra
SCADA	Supervisory Control and Data Acquisition
SUNR-VG	Sunderabad and Vijaygarh
TKM	Track Kilometer
TPI	Third Party Inspection
TRD	Traction Distribution
TSS	Traction Sub-Station
UPSIDC	Uttar Pradesh State Industrial Development Corporation
UP	Uttar Pradesh
VCD	Vigilance Control Device
VPI	Vacuum Pressure Impregnation
VRLA	Valve Regulated Lead Acid

Abbreviations

Abbreviation	Full Form
CDSL	Central Depository Services (India) Limited
COGS	Cost of Goods Sold
CPI	Consumer Price Index
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EBIT	Earnings Before Interest and Taxes
FCFE	Free Cash Flow to Equity
GFCF	Gross Fixed Capital Formation
GVA	Gross Value Added
IIP	Index of Industrial Production
ROCE	Return on Capital Employed
WPI	Wholesale Price Index

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SECTION II - SUMMARY OF OFFER DOCUMENTS

PROMOTERS OF OUR COMPANY

The promoters of our Company are Mr. Sunil Kumar Verma, Mrs. Renu Verma, Ms. Aakansha Verma, Ms. Davisha Verma, Mrs. Savita Sachdeva, M/s SHBD LLP And M/s Safe System India Private Limited. For detailed information please refer chapter titled “Our Promoters” and “Our Promoter Group” on page number 283 and 290 respectively of this Draft Red Herring Prospectus.

SHAREHOLDING OF PROMOTER / PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY

Following are the details of the shareholding of the Promoters and Promoter Group and additional Top 10 shareholders, as on date of Advertisement:

S.No.	Pre-Issue shareholding as at the date of Draft Red Herring Prospectus			Post-Issue shareholding as at Allotment*			
	Shareholders	Number of Equity Shares	Share Holding (in %)	At the lower end of the price band (Rs. [●])		At the upper end of the price band (Rs. [●])	
				Number of Equity Shares	Share holding (in %)	Number of Equity Shares	Share holding (in %)
Promoters							
1.	Sunil Kumar Verma	13,53,840	10.09%	[●]	[●]	[●]	[●]
2.	Renu Verma	7,77,300	5.79%	[●]	[●]	[●]	[●]
3.	Aakansha Verma	4,05,000	3.02%	[●]	[●]	[●]	[●]
4.	Davisha Verma	-	-	[●]	[●]	[●]	[●]
5.	Savita Sachdeva	5,58,840	4.16%				
6.	SHBD LLP	15,00,000	11.18%	[●]	[●]	[●]	[●]
7.	Safe System India Private Limited	52,69,620	39.26%	[●]	[●]	[●]	[●]
Total – A		93,05,760	73.50%	[●]	[●]	[●]	[●]
Promoter Group							
6.	Safe Insulation Technologies Private Limited	5,62,500	4.19%	[●]	[●]	[●]	[●]
	Aakash Sachdeva	5,52,000	4.11%				
	Aditi Sachdeva	1,50,000	1.12%				
Total – B		12,64,500	9.42%	[●]	[●]	[●]	[●]
Public							
7.	Public						
	i. Sanjai Vishwakarma	4,12,500	3.07%	[●]	[●]	[●]	[●]
	ii. Pradyumna Ashish Singhanian	1,92,000	1.43%	[●]	[●]	[●]	[●]
	iii. Sunil Kumar Gupta	84,480	0.63%	[●]	[●]	[●]	[●]
	iv. Shitu Gupta	76,800	0.57%	[●]	[●]	[●]	[●]
	v. Dhanacharya Advisors LLP	66,600	0.50%	[●]	[●]	[●]	[●]
	vi. Vivek Kumar Bhauka	57,600	0.43%	[●]	[●]	[●]	[●]
	vii. Aatish Sharma	49,600	0.37%	[●]	[●]	[●]	[●]
	viii. RNR Wealth Management Private Limited	48,000	0.36%	[●]	[●]	[●]	[●]
	ix. Rajesh Garg	48,000	0.36%	[●]	[●]	[●]	[●]
	x. Manish Kumar	48,000	0.36%	[●]	[●]	[●]	[●]
	Other Shareholders	12,09,320	9.01%				
Total-C		22,92,900	17.08%	[●]	[●]	[●]	[●]



Total A+B+C	1,34,22,000	100.00%	[•]	[•]	[•]	[•]
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SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

(Amount in Lakhs)

Name	By/Against	Civil Proceeding	Criminal Proceeding	Tax Proceeding	Actions by regulatory authorities	Amount Involved
Company	By	2	NIL	NIL	NIL	232.17
	Against	7	2	8	NIL	1,245.04
Individual Promoters/Directors	By	NIL	NIL	NIL	NIL	NIL
	Against	NIL	NIL	7	NIL	26.68
Body Corporate Promoters	By	NIL	NIL	NIL	NIL	NIL
	Against	1	NIL	7	NIL	75.41
Group Companies	By	NIL	NIL	NIL	NIL	NIL
	Against	NIL	NIL	10	NIL	15.55
KMPs and SMPs	By	NIL	NIL	NIL	NIL	NIL
	Against	NIL	NIL	NIL	NIL	NIL

For further details, please refer to the chapter titled "Outstanding Litigations & Material Developments" beginning on page 334 of this Draft Red Herring Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, the following are details of transactions during the year with related parties of the company as defined in AS 18:

Related Party Transaction during the year on Consolidated basis:

Name of Related Party	Relationship
Sunil Kumar Verma	Key Managerial Personnel (KMP)
Renu Verma	Non – Executive Director
Savita Sachdeva	Non – Executive Director
Sanjai Vishwakarma	Non – Executive Director
Rahul Varma	Key Managerial Personnel (KMP)
Subodh Kumar	Key Managerial Personnel (KMP)
Davisha Verma	Key Managerial Personnel (KMP)
Akansha Verma	Shareholder and Relative of KMP
Akash Sachdeva	Shareholder and Relative of KMP
Shivram Yashwant Pachorkar	Director of Subsidiary Company
Aditi Sachdeva	Shareholder and Relative of KMP
Narendra Kumar Verma	Relative of KMP
Anita Vishwakarma	Relative of Director
Prabha Vishwakarma	Relative of Director
R L Vishwakarma	Relative of Director



Sujata Vishwakarma	Relative of Director
Anbhyuday Vishwakarma	Relative of Director
SHBD LLP	Entity over which Key Managerial Personnel having significant influence
Safe Insulation Technologies (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel having significant influence
Safe System India (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel are able to exercise significant influence
EMC ICECPL JV	Joint Venture

(Amount in Lakhs)

Nature of Transactions	For the Financial Year 2025		For the Financial Year 2024		For the Financial Year 2023	
	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation
Transaction during the year						
Director's Remuneration						
Sunil Kumar Verma	39.00	0.32%	12.96	0.13%	23.85	0.24%
Sanjai Vishwakarma	-		3.20	0.03%	9.60	0.10%
Shivram Yashwant Pachorkar	33.09	0.27%	15.00	0.15%	15.00	0.15%
Rahul Varma	12.00	0.10%	-	0.00%	-	-
Director's Sitting Fees						
Sanjai Vishwakarma	0.75	0.01%	-	-	-	-
Savita Sachdeva	4.75	0.04%	-	-	-	-
Renu Verma	4.75	0.04%	-	-	-	-
Key Managerial Personnel						
Davisha Verma (CFO w.e.f. 25-11-2024)	17.88	0.15%	14.16	0.14%	14.16	0.14%
Subodh Kumar (CS w.e.f. 25-11-2024)	4.62	0.04%	-	-	-	-
Remuneration to Relative of Directors						
Anita Vishwakarma	4.50	0.04%	-	-	4.50	0.05%
Prabha Vishwakarma	1.10	0.01%	2.64	0.03%	2.64	0.03%
Purchase of Goods						
Safe System India Private Limited	138.77	1.14%	47.13	0.47%	105.87	1.08%
Safe Insulation Technologies Private Ltd.	48.38	0.40%	11.39	0.11%	13.68	0.14%
Sales of Goods						
Safe System India Private Limited	838.89	6.88%	928.63	9.36%	194.61	1.99%
Safe Insulation Technologies Private Ltd.	112.15	0.92%	-	-	-	-
Rental Paid						
Safe System India Private Limited	33.60	0.28%	33.60	0.34%	33.60	0.34%
Unsecured Loan received						
Sunil Kumar Verma	434.30	3.56%	427.80	4.31%	81.53	0.83%
Safe System India Private Limited	700.00	5.74%	-	-	150.00	1.54%
Sanjai Vishwakarma	0.14	0.00%	0.50	0.01%	0.62	0.01%
Akansha Verma	12.50	0.10%	19.75	0.20%	0.61	0.01%
Akash Sachdeva	-	0.00%	-	-	0.82	0.01%



Trust & Technology Delivered

Aditi Sachdeva	-	0.00%	-	-	0.23	0.00%
Davisha Verma	43.00	0.35%	13.20	0.13%	1.15	0.01%
Renu Verma	-	0.00%	5.10	0.05%	4.63	0.05%
Savita Sachdeva	-	0.00%	4.45	0.04%	0.84	0.01%
SHBD LLP	41.75	0.34%	270.24	2.72%	-	-
Unsecured Loan Repaid						
Sunil Kumar Verma	564.85	4.63%	74.40	0.75%	102.50	1.05%
Narendra Kumar Verma	-	0.00%	44.50	0.45%	-	-
Safe System India Private Limited	-	0.00%	300.00	3.02%	-	-
Sanjai Vishwakarma	-	0.00%	0.51	0.01%	0.30	0.00%
Akansha Verma	8.15	0.07%	2.00	0.02%	-	-
Akash Sachdeva	0.62	0.01%	-	-	0.20	0.00%
Davisha Verma	8.00	0.07%	-	-	-	-
Renu Verma	1.00	0.01%	-	-	-	-
SHBD LLP	127.50	1.05%	4.60	0.05%	-	-

Balance outstanding:

(Amount in Lakhs)

Nature of Transactions	For the Financial Year 2025		For the Financial Year 2024		For the Financial Year 2023	
	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation
Trade Payables						
Safe System India Private Limited	-	-	51.25	0.52%	108.35	1.11%
Safe Insulation Technologies Private Ltd.	-	-	22.83	0.23%	-	-
Trade Receivables						
Safe Insulation Technologies Private Ltd.	41.36	0.34%	-	-	-	-
Safe System India Private Limited	-	-	506.02	5.10%	-	-
Unsecured Loan						
Sunil Kumar Verma	328.07	2.69%	458.62	4.62%	149.73	1.53%
Safe System India Private Limited	700.00	5.74%	-	-	300.00	307%
Sanjai Vishwakarma	0.45	0.00%	0.31	0.00%	0.32	0.00%
Akansha Verma	22.71	0.19%	18.36	0.18%	0.61	0.01%
Akash Sachdeva	-	0.00%	0.62	0.01%	0.62	0.01%
Aditi Sachdeva	0.23	0.00%	0.23	0.00%	0.22	0.00%
Davisha Verma	49.35	0.40%	14.35	0.14%	1.15	0.01%
Renu Verma	8.73	0.07%	9.73	0.10%	4.63	0.05%
Savita Sachdeva	5.29	0.04%	5.29	0.05%	0.83	0.01%
SHBD LLP	179.89	1.48%	265.64	2.68%	-	-
Advance from Customer						
Safe System India Private Limited	503.02	4.13%	-	-	-	-
Advance to Supplier						
Safe Insulation Technologies Private Ltd.	16.49	0.14%	-	-	-	-
Salary Payable						
Sunil Kumar Verma	-	-	-	-	0.54	0.01%

Sanjai Vishwakarma	-	-	0.04	0.00%	-	-
Rahul Varma	4.80	0.04%	-	-	7.69	0.08%
Davisha Verma (CFO w.e.f. 25-11-2024)	6.68	0.05%	1.21	0.01%	4.55	0.05%
Subodh Kumar (CS w.e.f. 25-11-2024)	1.08	0.01%	-	-	1.02	0.01%
Anita Vishwakarma	3.38	0.03%	-	-	3.78	0.04%
Prabha Vishwakarma	3.73	0.03%	2.63	0.03%	2.63	0.03%

Related Party Transaction during the year on Standalone basis:

Name of Related Party	Relationship
Sunil Kumar Verma	Key Managerial Personnel (KMP)
Renu Verma	Non – Executive Director
Savita Sachdeva	Non – Executive Director
Sanjai Vishwakarma	Non – Executive Director
Rahul Varma	Key Managerial Personnel (KMP)
Subodh Kumar	Key Managerial Personnel (KMP)
Davisha Verma	Key Managerial Personnel (KMP)
Akansha Verma	Shareholder and Relative of KMP
Akash Sachdeva	Shareholder and Relative of KMP
Aditi Sachdeva	Shareholder and Relative of KMP
Narendra Kumar Verma	Relative of KMP
Anita Vishwakarma	Relative of Director
Prabha Vishwakarma	Relative of Director
R L Vishwakarma	Relative of Director
Sujata Vishwakarma	Relative of Director
Anbhyuday Vishwakarma	Relative of Director
SHBD LLP	Entity over which Key Managerial Personnel having significant influence
Safe Coils India (P) Ltd.	Subsidiary
Safe Insulation Technologies (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel having significant influence
Safe System India (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel are able to exercise significant influence
EMC ICECPL JV	Joint Venture

(Amount in Lakhs)

Nature of Transactions	For the Financial Year 2025		For the Financial Year 2024		For the Financial Year 2023	
	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation
Transaction during the year						
Director's Remuneration						
Sunil Kumar Verma	39.00	0.32%	24.60	0.25%	23.85	0.25%
Sanjai Vishwakarma	-		3.20	0.03%	9.60	0.10%
Rahul Varma	12.00	0.10%	-		-	-
Director's Sitting Fees						
Sanjai Vishwakarma	0.75	0.01%	-	-	-	-
Savita Sachdeva	4.75	0.04%	-	-	-	-
Renu Verma	4.75	0.04%	-	-	-	-



Key Managerial Personnel						
Davisha Verma (CFO w.e.f. 25-11-2024)	17.88	0.15%	14.16	0.14%	14.16	0.15%
Subodh Kumar (CS w.e.f. 25-11-2024)	4.62	0.04%	-	-	-	-
Remuneration to Relative of Directors						
Anita Vishwakarma	4.50	0.04%	-	-	4.50	0.05%
Prabha Vishwakarma	1.10	0.01%	2.64	0.03%	2.64	0.03%
Purchase of Goods						
Safe System India Private Limited	138.77	1.14%	47.13	0.48%	105.87	1.11%
Safe Insulation Technologies Private Ltd.	48.38	0.40%	11.39	0.11%	13.68	0.14%
EMC ICECPL JV	-	-	-	-	2.31	0.02%
Sales of Goods						
Safe System India Private Limited	838.89	6.91%	928.63	9.36%	194.61	2.04%
Safe Insulation Technologies Private Ltd.	112.15	0.92%	-	-	-	-
Safe Coils India (P) Ltd.	536.52	0.92%	945.67	9.53%	468.10	4.90%
EMC ICECPL JV	-	-	-	-	-	-
Rental Paid						
Safe System India Private Limited	33.60	0.28%	33.60	0.34%	33.60	0.35%
Unsecured Loan received						
Sunil Kumar Verma	434.30	3.58%	427.80	4.31%	81.53	0.85%
Safe System India Private Limited	700.00	5.76%	-	-	150.00	1.57%
Sanjai Vishwakarma	0.14	0.00%	0.50	0.01%	0.62	0.01%
Akansha Verma	12.50	0.10%	19.75	0.20%	0.61	0.01%
Akash Sachdeva	-	-	-	-	0.82	0.01%
Aditi Sachdeva	-	-	-	-	0.23	0.00%
Davisha Verma	43.00	0.35%	13.20	0.13%	1.15	0.01%
Renu Verma	-	-	5.10	0.05%	4.63	0.05%
Savita Sachdeva	-	-	4.45	0.04%	0.84	0.01%
SHBD LLP	41.75	0.34%	270.24	2.72%	-	-
Unsecured Loan Repaid						
Sunil Kumar Verma	564.85	4.65%	74.40	0.75%	102.50	1.07%
Narendra Kumar Verma	-	-	44.50	0.45%	-	-
Safe System India Private Limited	-	-	300.00	3.02%	-	-
Sanjai Vishwakarma	-	-	0.50	0.01%	0.30	0.00%
Akansha Verma	8.15	0.07%	2.00	0.02%	-	-
Akash Sachdeva	0.62	0.01%	-	-	0.20	0.00%
Aditi Sachdeva	-	-	-	-	-	-
Davisha Verma	8.00	0.07%	-	-	-	-
Renu Verma	1.00	0.01%	-	-	-	-
Savita Sachdeva	-	-	-	-	-	-
SHBD LLP	127.50	1.05%	4.60	0.05%	-	-

Balance outstanding:

(Amount in Lakhs)

Nature of Transactions	For the Financial Year 2025		For the Financial Year 2024		For the Financial Year 2023	
	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation



Trade Payables						
Safe System India Private Limited	-	-	51.25	0.52%	108.35	1.13%
Safe Insulation Technologies Private Ltd.	-	-	22.83	0.23%	-	-
Safe Coils India (P) Ltd.	-	-	-	-	-	-
EMC ICECPL JV	-	-	-	-	-	-
Trade Receivables						
Safe Coils India (P) Ltd.	-	-	-	-	-	-
Safe Insulation Technologies Private Ltd.	41.36	0.34%	-	-	-	-
Safe System India Private Limited	-	-	506.02	5.10%	-	-
EMC ICECPL JV	642.45	5.29%	640.39	6.45%	639.09	6.68%
Unsecured Loan						
Sunil Kumar Verma	328.07	2.70%	458.62	4.62%	149.73	1.57%
Safe System India Private Limited	700.00	5.76%	-	-	300.00	3.14%
Sanjai Vishwakarma	0.45	0.00%	0.31	0.00%	0.32	0.00%
Akansha Verma	22.71	0.19%	18.36	0.19%	0.61	0.01%
Akash Sachdeva	-	-	0.62	0.01%	0.62	0.01%
Aditi Sachdeva	0.23	0.00%	0.23	0.00%	0.22	0.00%
Davisha Verma	49.35	0.41%	14.35	0.14%	1.15	0.01%
Renu Verma	8.73	0.07%	9.73	0.10%	4.63	0.05%
Savita Sachdeva	5.29	0.04%	5.29	0.05%	0.83	0.01%
SHBD LLP	179.89	1.48%	265.64	2.68%	-	-
Advance from Customer						
Safe Coils India (P) Ltd.	100.51	0.83%	4.78	0.05%	50.78	0.53%
Safe System India Private Limited	503.02	4.14%	-	-	-	-
Advance from Supplier						
EMC ICECPL JV	5.18	0.04%	5.03	0.05%	-	-
Safe Insulation Technologies Private Ltd.	16.49	0.14%	-	-	-	-
Investment						
Safe Coils India (P) Ltd.	6.00	0.05%	6.00	0.06%	6.00	0.06%
Salary Payable						
Sunil Kumar Verma	-	-	-	-	0.54	0.01%
Sanjai Vishwakarma	-	-	0.04	0.00%	-	-
Rahul Varma	4.80	0.04%	-	-	7.69	0.08%
Davisha Verma (CFO w.e.f. 25-11-2024)	6.68	0.05%	1.21	0.01%	4.55	0.05%
Subodh Kumar (CS w.e.f. 25-11-2024)	1.08	0.01%	-	-	1.02	0.01%
Anita Vishwakarma	3.38	0.03%	-	-	3.78	0.04%
Prabha Vishwakarma	3.73	0.03%	2.63	0.03%	2.63	0.03%

WEIGHTED AVERAGE COST OF ACQUISITION OF EQUITY SHARES BY OUR PROMOTERS IN LAST ONE YEAR

The weighted average cost of acquisition of equity shares by our promoters in last one year which has been calculated by taking average amount paid by them to acquire our equity shares is as follows:

Name of shareholders	Number of Equity Shares acquired in one year preceding the date of this Draft Red Herring Prospectus	Weighted Average Price (in Rs.)
Mr. Sunil Kumar Verma	13,53,840	Nil



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Mrs. Renu Verma	7,77,300	10
Ms. Aakansha Verma	4,05,000	Nil
Ms. Davisha Verma	-	Nil
Mrs. Savita Sachdeva	5,58,840	Nil
M/s SHBD LLP	15,00,000	Nil
M/s Safe System India Private Limited	52,69,620	Nil

**As certified by auditor M/s K G A R & Co., Chartered Accountants, dated December 24, 2025.*

AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share by our promoters, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Sunil Kumar Verma	13,53,840	6.85
Mrs. Renu Verma	7,77,300	3.57
Ms. Aakansha Verma	4,05,000	3.33
Ms. Davisha Verma	-	-
Mrs. Savita Sachdeva	5,58,840	11.86
M/s SHBD LLP	15,00,000	3.33
M/s Safe System India Private Limited	52,69,620	3.33

**As certified by auditor M/s K G A R & Co., Chartered Accountants, dated December 24, 2025.*

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SECTION III- RISK FACTORS

1. Our business is heavily dependent on contracts awarded by the Ministry of Railways and its affiliated entities, and any reduction in railway sector spending, adverse policy changes or inability to maintain historical business levels with Indian Railways may materially and adversely affect our business, financial condition and results of operations.

Our business is substantially dependent on contracts awarded by the Ministry of Railways and its affiliated entities, including Indian Railways, its zonal railways, public sector undertakings and other government organisations associated with the Ministry (collectively, the “GoI Entities”). We are engaged in the manufacturing of Power Electronics, Instrumentation and Distribution Systems, Microprocessor-Based Control Systems for Railway applications, Rotating Machines and Railway Electrification, and our primary customers include Indian Railways and other railway contractors. We also hold approved supplier registrations with various professional directorates under the Ministry of Railways, including the Research Designs & Standards Organisation (RDSO).

As a result, a significant portion of our revenue is derived from government and railway-related projects. The revenue bifurcation between government and non-government customers over the last three financial years is set forth below:

On the basis of consolidated restated financial statements:

(Amount in ₹ Lakhs except %)

S. No	Particulars	As on 31 st March, 2025		As on 31 st March, 2024		As on 31 st March, 2023	
		Revenue	% of Revenue from operations	Revenue	% of Revenue from operations	Revenue	% of Revenue from operations
1	Government	9,933.16	81.50	6,722.83	67.74	9,542.21	97.67
2	Non – Government	2,255.43	18.50	3,202.09	32.26	227.14	2.33
	Total	12,188.59	100.00	9,924.92	100.00	9769.35	100.00

On the basis of standalone restated financial statements:

(Amount in ₹ Lakhs except %)

S. No	Particulars	As on 31 st March, 2025		As on 31 st March, 2024		As on 31 st March, 2023	
		Revenue	% of Revenue from operations	Revenue	% of Revenue from operations	Revenue	% of Revenue from operations
1	Government	9933.16	81.77	6750.36	68.04	9428.89	98.60
2	Non – Government	2215.00	18.23	3171.42	31.96	133.38	1.40
	Total	12148.16	100	9921.78	100	9562.27	100

Note: The percentages listed above are calculated as a percentage of Revenue From Operations based on restated consolidated financial statements.

Contracts awarded by government entities, including Indian Railways, are subject to extensive internal approval processes, policy changes, budgetary allocations, funding constraints and administrative considerations. These factors may result in a reduced number of tenders being issued, delays in bid invitations and contract awards, renegotiation of contractual terms, deferment or cancellation of projects, or shifts in sectoral priorities.



Further, even where our bids are successful, there may be delays in issuance of letters of award, notification of appointed dates or commencement of projects, which could result in unutilised resources, increased costs and adverse impact on our financial performance. While such delays have not occurred in the last three financial years, there can be no assurance that similar situations will not arise in the future.

Any reduction in spending by the Ministry of Railways, adverse changes in procurement policies, decrease in order volumes, termination or delay of existing or future contracts or programs, or inability to maintain our historical level of business with Indian Railways or other GoI Entities may have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

For further details regarding revenue generated from government and railway projects, see the chapter titled “Our Business” on page 199 of this Draft Red Herring Prospectus.

3. Risk of the Company Being Blacklisted by Government Authorities

A significant portion of our business is derived from contracts awarded by the Ministry of Railways and its associated entities, including various Zonal Railways, Railway PSUs, and other Government-controlled agencies. As a contractor and supplier to the railway sector, our operations are subject to stringent performance standards, technical requirements, safety norms, statutory compliances, and contractual obligations prescribed by these authorities. Any delay, deficiency in performance, quality issues, or alleged non-compliance may expose the Company to the risk of being cautioned, suspended, debarred, or blacklisted by the Ministry of Railways or its affiliated entities.

Blacklisting or debarment, even if temporary, may result in our ineligibility to participate in future tenders floated by the Ministry of Railways and its associated organisations, and may also impact our ability to complete ongoing projects. Such an event could adversely affect our order book, business operations, revenue streams, and market reputation, including within the private sector.

We have established internal systems to ensure compliance with technical specifications, safety protocols, and contractual conditions required by the Ministry of Railways and related entities. We further confirm that during the past three financial years, the Company has not been blacklisted, debarred, suspended, or subjected to any similar adverse action by the Ministry of Railways, its associated entities, any PSU, or any Government department. However, despite these controls and a clean compliance history, no assurance can be provided that operational challenges, disputes, or administrative actions will not occur in the future.

4. Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.

Our Company’s business operations require a significant amount of working capital. In our business, working capital is often required for our day-to-day business operations. In the event we are unable to source the required amount of working capital, we might not be able to efficiently satisfy the demand and preferences of our customers in a timely manner or at all. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect our business.

The details of our working capital for the projected, estimated and audited period are as follows:

(Amount in Lakhs)

Particulars	31.03.2023	31.03.2024	31.03.2025	31.03.2026	31.03.2027
	(A)	(A)	(A)	(P)	(P)
Current Assets					
Inventory	6,415.39	7,168.31	8,138.95	7,987.83	9,485.55



Trade Receivables	3,166.71	4,207.84	3,369.04	4,193.61	5,242.01
Short Term Loans and Advances	886.31	826.32	1,193.58	1,517.69	1,897.11
Other Current Assets	13.88	14.80	848.74	878.66	998.48
Total CA	10,482.29	12,217.27	13,550.31	14,577.79	17,623.15
Current Liabilities					
Trade Payables	4,317.41	4,990.61	3,409.56	2,590.73	2,804.57
Other Current Liabilities	1,059.17	935.69	1,411.75	1,683.72	2,069.41
Short Term Provisions	102.35	162.09	326.41	336.74	413.88
Total CL	5,478.93	6,088.39	5,147.72	4,611.19	5,287.86
WC Requirement	5,003.36	6,128.87	8,402.59	9,966.60	12,335.29
Margin for NFB Limits* & FB** and EMD#	1,311.00	1,510.96	1,684.81	2,106.01	2,632.52
Total Funding Requirement	6,314.36	7,639.83	10,087.40	12,072.61	14,967.81
Borrowings	3,308.72	3,816.43	4,474.49	4,500.00	4,200.00
Internal Accruals**	3,005.64	3,823.40	5,612.91	6,172.61	7,567.81
IPO Proceeds (Cumulative basis)		-	-	1,400.00	3,200.00

Working Capital Gap have been determined without borrowings and cash and cash equivalents

Assumptions for Working Capital Requirements

(In Days)

Particulars	FY'23	FY'24	FY'25	FY'26	FY'27
	Audited	Audited	Audited	Projected	Projected
Current Assets					
Trade Receivables	121	155	101	105	105
Inventory	245	264	245	200	190
Current Liabilities					
Trade Payables	215	239	135	85	60

In our business, working capital is often required to finance payment of wages and salaries, and site operations. In the event we are unable to source the required amount of working capital, we might not be able to efficiently satisfy the demands of our clients in a timely manner or at all, which may affect our business relation with our client, which could have adverse impact on our business and financial performance.

Further, in the event of a liquidity crunch, we may be forced to increase our working capital borrowings, which would lead to higher finance costs and could adversely impact our profitability. If we are unable to maintain adequate cash flow, access necessary credit facilities, or secure other funding sources in a timely manner, our financial condition and operational performance may be negatively affected.

5. As an integral aspect of our business operations, it is necessary for us to provide bank guarantees and additional guarantee. Failing to secure these guarantees or the activation of such guarantees has the potential to negatively impact our cash flows and financial standing.

In alignment with industry norms, our operational framework necessitates the provision of performance bank guarantees in fulfilment of contractual obligations for our projects. Typically, these guarantees are issued to the relevant authorities with whom contractual arrangements for our projects have been established. However, a potential challenge lies in consistently securing new performance bank guarantees to commensurate with our operational requirements. Difficulties in providing sufficient collateral to underpin these guarantees or letters of credit may impede our capacity to enter into new contracts and procure essential supplies. Such limitations could lead to a



material adverse impact on our business, operational outcomes, and financial standing. Moreover, the procedural complexities associated with acquiring letters of credit, as well as financial and performance bank guarantees, have a tendency to augment our working capital needs. The occurrence of unforeseen circumstances may render us incapable of meeting any or all our contractual obligations pertaining to ongoing projects, potentially leading to defaults under our contracts and subsequent invocation of the bank guarantees issued by us. In the event of such an invocation, there exists the potential for a substantial adverse impact on our business and financial performance.

6. There are outstanding legal proceedings involving our Company as well as our promoter. Any adverse outcome on such proceedings may affect our business, financial condition and reputation.

There are outstanding legal proceedings involving our company. Additionally, our promoters are also involved in certain legal proceedings before relevant authorities. If the outcome of these litigations is unfavourable to our company or promoters, it could have an adverse impact on our business, financial performance, and overall condition. We cannot guarantee that the current legal matters will be resolved in our favour, nor can we assure that no further liabilities will arise from these claims in the future. The amounts claimed in these proceedings have been disclosed to the extent they are ascertainable. For more details, please refer to “Outstanding Litigation and Material Developments” on page 334.

(Amount in Lakhs)

Name	By/Against	Civil Proceeding	Criminal Proceeding	Tax Proceeding	Actions by regulatory authorities	Amount Involved
Company	By	2	NIL	NIL	NIL	232.17
	Against	7	2	8	NIL	1,245.04
Individual Promoters/Directors	By	NIL	NIL	NIL	NIL	NIL
	Against	NIL	NIL	7	NIL	26.68
Body Corporate Promoters	By	NIL	NIL	NIL	NIL	NIL
	Against	1	NIL	7	NIL	75.41
Group Companies	By	NIL	NIL	NIL	NIL	NIL
	Against	NIL	NIL	10	NIL	15.55
KMPs and SMPs	By	NIL	NIL	NIL	NIL	NIL
	Against	NIL	NIL	NIL	NIL	NIL

7. We depend on a limited number of clients for a significant portion of our revenues. The loss of a major customer or significant reduction in demand from any of our major clients may adversely affect our business, financial condition, results of operations and prospects.

We derive a significant portion of our revenues from a limited number of clients. Significant revenue from a limited number of clients increases the potential volatility of our results and exposure to individual contract risks. We may be required to accept onerous contractual terms in our contracts for projects awarded to us by such clients.

The table showing the details of revenue generated from Top 1, Top 5 and Top 10 Customers are as follows:

On the basis of Consolidated Restated Financial statement:

(Amount in lakhs)

Particulars	For the Financial Year ended on March 31, 2025	For the Financial Year ended on March 31, 2024	For the Financial Year ended on March 31, 2023



Top 1 Customer	3753.48	2516.89	2293.48
% of Revenue from Operations*	30.80%	25.36%	23.48%
Top 5 Customers	6521.12	4,646.12	4884.05
% of Revenue from Operations*	53.50%	46.81%	49.99%
Top 10 Customers	7697.27	5516.55	5844.02
% of Revenue from Operations*	63.15%	55.58%	59.82%

Note: The percentages listed above are calculated as a percentage of Revenue from Operations based on restated financial statement.

On the basis of Standalone Restated Financial statement:

(Amount in lakhs)

Particulars	For the Financial Year ended on March 31, 2025	For the Financial Year ended on March 31, 2024	For the Financial Year ended on March 31, 2023
Top 1 Customer	3753.48	2516.89	2293.48
% of Revenue from Operations*	30.90%	25.37%	23.98%
Top 5 Customers	6532.05	5256.31	5048.05
% of Revenue from Operations*	53.77%	52.98%	52.79%
Top 10 Customers	8092.91	6307.25	6136.43
% of Revenue from Operations*	66.62%	63.57%	64.17%

Note: The percentages listed above are calculated as a percentage of Revenue from Operations based on restated financial statement.

As our business is currently concentrated among relatively few significant customers, we may experience reduction in cash flow and liquidity and our business would be negatively affected if we lose one or more of our major customers or if the amount of business from one or more of them is significantly reduced for any reason, including as a result of a dispute with or disqualification by a major customer. However, there were no past instances where we have experienced any losses or decrease in revenue due to loss of any major client. For further information, please refer to the chapter titled “Our Business” on page 199 of this Draft Red Herring Prospectus.

8. Our Top 10 Suppliers contribute a significant portion of our raw material Any dispute with one or more of them may adversely affect our business operations.

Our company depends upon a limited number of suppliers for procuring raw materials used in the manufacturing process. However, As of March 31, 2025, our company has experienced a reduction in reliance on the top 10 suppliers, despite previously depending on a limited number of suppliers for these needs.

The details of the top 10 suppliers for the year ended March 31, 2025, 2024, 2023 is mentioned as follows:

On the basis of Consolidated Restated Financial statement of the Company:

(Amount in lakhs)

Particulars	For the Year ended on March 31, 2025	For the Year ended on March 31, 2024	For the Year ended on March 31, 2023
Top 1 Supplier	3,108.83	2,251.14	797.83
% of Purchases	34.62%	31.00%	12.07%
Top 5 Suppliers	4455.32	3603.27	2412.12
% of Purchases	49.61%	49.62%	36.49%
Top 10 Suppliers	5,230.91	4,298.66	3,118.72



% of Purchases	58.25%	59.20%	47.18%
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Note: The percentages listed above are calculated as a percentage of purchases based on restated financial statement.

On the basis of Standalone Restated Financial statement of the Company:

(Amount in lakhs)

Particulars	For the Year ended on March 31, 2025	For the Year ended on March 31, 2024	For the Year ended on March 31, 2023
Top 1 Supplier	3,108.83	2,251.14	797.83
% of Purchases	34.62%	31.13%	12.03%
Top 5 Suppliers	4455.32	3,603.27	2412.12
% of Purchases	49.61%	49.82%	36.38%
Top 10 Suppliers	5,230.91	4,298.66	3,118.72
% of Purchases	58.25%	59.44%	47.04%

Note: The percentages listed above are calculated as a percentage of purchases based on restated financial statement.

Though we have not faced any difficulties or loss of any material supplier in the last three preceding financial years. However, we cannot assure you that we will not face any such situations in the future, or the procurement of services and ad space will be on commercially viable terms. Furthermore, any dispute with any of the suppliers may damage our relationship with existing and potential suppliers, and in any such event our operations will be adversely affected. Further it will also affect our profitability and reputation in the market. However, there were no past instances where we have experienced any losses due to the loss of any supplier.

9. Our Company is dependent on third parties for the supply of raw materials required for our products and is exposed to risks relating to fluctuations in prices and shortage of raw material. Further, we do not have any long-term supply agreements with the raw material providers.

The raw material costs are subject to fluctuations. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delay in their supply of raw materials. If we experience a significant or prolonged shortage of raw materials from any of our suppliers and we cannot procure the raw materials from other sources, we will not be able to fulfill product delivery schedules on time, which would adversely affect our sales, margins and customer relations. Further, in the absence of any long term supply agreements, we cannot assure that a particular supplier will continue to supply raw materials to us in the future. In the event the prices of such raw materials were to rise substantially, we may find it difficult to make alternative arrangements for suppliers of our raw materials, on the terms acceptable to us, which could materially affect our business, results of operations and financial condition. However, there were no past instances during the preceding three financial years where we have experienced any fluctuation in prices or shortage of raw material.

10. We had negative cash flows from operating, investing and financing activities as per the restated financial statements in the past and may continue to have negative cash flows in the future.

Our company has experienced negative cash flow from "Operating Activities" during the Financial Year, primarily due to an increase in Trade Receivables and Short-Term Loans & Advances. Additionally, we recorded negative cash flow from "Investing Activities" in the financial year, mainly as a result of investments and the acquisition of tangible assets. Furthermore, negative cash flow from "Financing Activities" in financial years was attributed to the repayment of loans and associated interest costs. A continuation of negative cash flow in the future may have an adverse impact on our business, financial condition, and operational results. For further details, please refer to the section titled "Financial Information as Restated" on page 300 of this Draft Red Herring Prospectus.

The table given below set forth our cash flows for the Financial year ended 2025, 2024 and 2023 on the basis of its restated financial statements.

On the basis of Standalone Restated Financials Statement

(Amount in lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Cash flow from Operating activities	(827.99)	(162.31)	323.54
Cash flow from Investing activities	(26.49)	23.92	26.50
Cash flow from Financing activities	876.22	142.93	(414.36)

On the basis of Consolidated Restated Financials Statement

(Amount in lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Cash flow from Operating activities	(965.40)	(147.48)	509.55
Cash flow from Investing activities	(26.45)	10.15	26.50
Cash flow from Financing activities	1,023.17	151.21	(596.67)

15. Clerical Error in Statutory Filing of PAS-3 with RoC and Related Compliance Proceedings

During the filing of Form PAS-3 with the Registrar of Companies (RoC), certain clerical errors were made. The filing inadvertently stated that the allotment was made at par, i.e., at the face value of ₹10 per share, whereas the actual allotment was made at an issue price of ₹264 per share, comprising a face value of ₹10 and a premium of ₹254 per share. Further, the filing incorrectly mentioned that the allotment was made for cash consideration, while in reality, it was made for consideration other than cash. This resulted in inaccurate disclosure of certain information.

Although these errors were inadvertent and non-material in nature, they constituted a technical non-compliance under the provisions of the Companies Act, 2013. Upon identification, the Company promptly undertook corrective measures and filed a revised PAS-3 along with an adjudication application with the RoC to rectify the lapse.

Details of the adjudication proceedings are as under:

Form	Date of Filing	Description of the Compliance	Status of the Form
GNL-1	September 30, 2025	Filing of adjudication application	Pending with the Authority

While the Company believes that this error does not impact its financial position or operations, and the adjudication process is a recognized legal remedy for such lapses, there can be no assurance that the authorities will not impose penalties or other conditions. Any such outcome may subject the Company to regulatory scrutiny or reputational risk and could marginally affect its compliance track record.

19. Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, we may have to incur additional cost to fund the objects of the Issue because of which our business, financial condition and results of operations may be adversely affected.

We intend to utilise the Net Proceeds for the purposes set out in the chapter titled “Objects of the Issue” on page 119



of this Draft Red Herring Prospectus. The funding requirements, which primarily pertain to working capital needs, have not been appraised by any bank or financial institution. Further, no monitoring agency will be appointed to oversee the utilisation of the Net Proceeds. The proposed deployment is based on current internal management estimates and prevailing market conditions, and may be subject to revision due to changes in external circumstances, cost structures, financial condition, or business strategy.

Given the competitive and dynamic nature of our industry, we may revise our business plans or internal projections from time to time, which could also alter our working capital requirements. These internal estimates may not reflect fair market values or third-party assessments, potentially requiring rescheduling or reallocation of the Net Proceeds. This could adversely affect our business operations, financial condition, results of operations, and cash flows.

Until the Net Proceeds are fully deployed for the intended purposes, our Company retains the flexibility to temporarily invest the funds in deposits with one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934. Accordingly, prospective investors will need to rely on our management's discretion regarding the use of Net Proceeds. If we are unable to utilise the Net Proceeds as intended or in a timely manner, we may not realise the anticipated benefits, which could negatively impact our business and financial performance.

21. Majority of our revenues from operations are derived from the State of Uttarakhand. Any loss of business from this state may adversely affect our revenues and profitability.

Our company operates its business operations from its registered office and manufacturing facility. Although, our business operations span various regions across India, State of Uttarakhand contributes to a substantial portion of our revenues for year ended on March 31, 2025, 2024 & 2023. Any factors relating to political and geographical changes, growing competition, economic downturn, natural disasters and any change in demand may adversely affect our business. We cannot assure that we shall generate the same quantum of business, or any business at all, from this state, and loss of business from this state could adversely affect our revenues and profitability. However, we confirm that no such adverse event has occurred during the past three financial years.

The contribution of the State of Uttarakhand to our total revenue is as follows:

(Amount in Lakhs)

Particulars	For the financial year ended					
	March 31, 2025		March 31, 2024		March 31, 2023	
State	Amount	(%)	Amount	(%)	Amount	(%)
Uttarakhand	6,546.23	53.89%	5,870.81	59.17%	4,911.97	51.37%

Note: The percentages listed above are calculated as a percentage of Revenue from Operations based on restated standalone financial statement.

24. Our Company could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected. However, there were no past instances during the preceding three financial years where we have experienced any adverse impact on our results of operation, financial performance and reputation due to employee misconduct or errors.

25. Our procurement of raw materials is majority derived from the State of Delhi, and any disruption in this region may adversely affect our business operations.

A significant portion of our raw material procurement is concentrated in the State of Delhi. Based on our procurement data for the last three financial years, a majority of our raw materials have been sourced from suppliers located in Delhi. This geographical concentration exposes us to risks relating to regional disruptions, including but not limited to regulatory changes, supply chain interruptions, natural calamities, political disturbances, transportation challenges, or any other unforeseen events affecting the Delhi region.

The contribution of the State of Delhi to our raw material procurement is as follows:

(Amount in Lakhs)

Particulars	For the financial year ended					
	March 31, 2025		March 31, 2024		March 31, 2023	
State	Amount	(%)	Amount	(%)	Amount	(%)
Delhi	4,818.98	53.66%	4,565.09	63.12%	3,646.58	55.00%

Note: The percentages listed above are calculated as a percentage of Revenue from Operations based on restated standalone financial statement.

Any adverse development impacting the availability, pricing, or timely delivery of raw materials from Delhi may materially and adversely affect our procurement process, production schedules, and overall business operations. Although no such disruption or adverse event has occurred in the last three years, there can be no assurance that similar circumstances will not arise in the future.

27. Our Company has entered into certain related party transactions at arm length price in the past and may continue to do so in the future.

Our Company has entered into several related party transactions with our Promoters, Directors, Promoter Group and entities forming a part of our promoter group. We undertake that the related party transactions entered into by the company are on arm's length basis and in compliance with the provisions of Companies Act, 2013 as amended and applicable laws and rules made thereunder.

While we have entered into related party transactions in the past, we cannot assure you that we may not enter into such transactions in the future. However, we confirm that we will comply with the provisions of the companies Act, 2013 SEBI Regulations and other applicable laws or rules made thereunder in respect of the related party transaction to be entered into by the company in future. Further, there can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future. The details of related party transactions entered into by the company in the last three preceding financial years on the basis of restated financial statement of the Company is as follows:

On the basis of restated consolidated financial statement:

Name of Related Party	Relationship
Sunil Kumar Verma	Key Managerial Personnel (KMP)
Renu Verma	Non – Executive Director
Savita Sachdeva	Non – Executive Director
Sanjai Vishwakarma	Non – Executive Director



Rahul Varma	Key Managerial Personnel (KMP)
Subodh Kumar	Key Managerial Personnel (KMP)
Davisha Verma	Key Managerial Personnel (KMP)
Akansha Verma	Shareholder and Relative of KMP
Akash Sachdeva	Shareholder and Relative of KMP
Shivram Yashwant Pachorkar	Director of Subsidiary Company
Aditi Sachdeva	Shareholder and Relative of KMP
Narendra Kumar Verma	Relative of KMP
Anita Vishwakarma	Relative of Director
Prabha Vishwakarma	Relative of Director
R L Vishwakarma	Relative of Director
Sujata Vishwakarma	Relative of Director
Anbhyuday Vishwakarma	Relative of Director
SHBD LLP	Entity over which Key Managerial Personnel having significant influence
Safe Insulation Technologies (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel having significant influence
Safe System India (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel are able to exercise significant influence
EMC ICECPL JV	Joint Venture

(Amount in Lakhs)

Nature of Transactions	For the Financial Year 2025		For the Financial Year 2024		For the Financial Year 2023	
	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation
Transaction during the year						
Director's Remuneration						
Sunil Kumar Verma	39.00	0.32%	12.96	0.13%	23.85	0.24%
Sanjai Vishwakarma	-		3.20	0.03%	9.60	0.10%
Shivram Yashwant Pachorkar	33.09	0.27%	15.00	0.15%	15.00	0.15%
Rahul Varma	12.00	0.10%	-	0.00%	-	-
Director's Sitting Fees						
Sanjai Vishwakarma	0.75	0.01%	-	-	-	-
Savita Sachdeva	4.75	0.04%	-	-	-	-
Renu Verma	4.75	0.04%	-	-	-	-
Key Managerial Personnel						
Davisha Verma (CFO w.e.f. 25-11-2024)	17.88	0.15%	14.16	0.14%	14.16	0.14%
Subodh Kumar (CS w.e.f. 25-11-2024)	4.62	0.04%	-	-	-	-
Remuneration to Relative of Directors						
Anita Vishwakarma	4.50	0.04%	-	-	4.50	0.05%
Prabha Vishwakarma	1.10	0.01%	2.64	0.03%	2.64	0.03%
Purchase of Goods						
Safe System India Private Limited	138.77	1.14%	47.13	0.47%	105.87	1.08%
Safe Insulation Technologies Private Ltd.	48.38	0.40%	11.39	0.11%	13.68	0.14%
Sales of Goods						
Safe System India Private Limited	838.89	6.88%	928.63	9.36%	194.61	1.99%



Safe Insulation Technologies Private Ltd.	112.15	0.92%	-	-	-	-
Rental Paid						
Safe System India Private Limited	33.60	0.28%	33.60	0.34%	33.60	0.34%
Unsecured Loan received						
Sunil Kumar Verma	434.30	3.56%	427.80	4.31%	81.53	0.83%
Safe System India Private Limited	700.00	5.74%	-	-	150.00	1.54%
Sanjai Vishwakarma	0.14	0.00%	0.50	0.01%	0.62	0.01%
Akansha Verma	12.50	0.10%	19.75	0.20%	0.61	0.01%
Akash Sachdeva	-	0.00%	-	-	0.82	0.01%
Aditi Sachdeva	-	0.00%	-	-	0.23	0.00%
Davisha Verma	43.00	0.35%	13.20	0.13%	1.15	0.01%
Renu Verma	-	0.00%	5.10	0.05%	4.63	0.05%
Savita Sachdeva	-	0.00%	4.45	0.04%	0.84	0.01%
SHBD LLP	41.75	0.34%	270.24	2.72%	-	-
Unsecured Loan Repaid						
Sunil Kumar Verma	564.85	4.63%	74.40	0.75%	102.50	1.05%
Narendra Kumar Verma	-	0.00%	44.50	0.45%	-	-
Safe System India Private Limited	-	0.00%	300.00	3.02%	-	-
Sanjai Vishwakarma	-	0.00%	0.51	0.01%	0.30	0.00%
Akansha Verma	8.15	0.07%	2.00	0.02%	-	-
Akash Sachdeva	0.62	0.01%	-	-	0.20	0.00%
Davisha Verma	8.00	0.07%	-	-	-	-
Renu Verma	1.00	0.01%	-	-	-	-
SHBD LLP	127.50	1.05%	4.60	0.05%	-	-

Balance outstanding:

(Amount in Lakhs)

Nature of Transactions	For the Financial Year 2025		For the Financial Year 2024		For the Financial Year 2023	
	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation
Trade Payables						
Safe System India Private Limited	-	-	51.25	0.52%	108.35	1.11%
Safe Insulation Technologies Private Ltd.	-	-	22.83	0.23%	-	-
Trade Receivables						
Safe Insulation Technologies Private Ltd.	41.36	0.34%	-	-	-	-
Safe System India Private Limited	-	-	506.02	5.10%	-	-
Unsecured Loan						
Sunil Kumar Verma	328.07	2.69%	458.62	4.62%	149.73	1.53%
Safe System India Private Limited	700.00	5.74%	-	-	300.00	307%
Sanjai Vishwakarma	0.45	0.00%	0.31	0.00%	0.32	0.00%
Akansha Verma	22.71	0.19%	18.36	0.18%	0.61	0.01%
Akash Sachdeva	-	0.00%	0.62	0.01%	0.62	0.01%
Aditi Sachdeva	0.23	0.00%	0.23	0.00%	0.22	0.00%



Davisha Verma	49.35	0.40%	14.35	0.14%	1.15	0.01%
Renu Verma	8.73	0.07%	9.73	0.10%	4.63	0.05%
Savita Sachdeva	5.29	0.04%	5.29	0.05%	0.83	0.01%
SHBD LLP	179.89	1.48%	265.64	2.68%	-	-
Advance from Customer						
Safe System India Private Limited	503.02	4.13%	-	-	-	-
Advance to Supplier						
Safe Insulation Technologies Private Ltd.	16.49	0.14%	-	-	-	-
Salary Payable						
Sunil Kumar Verma	-	-	-	-	0.54	0.01%
Sanjai Vishwakarma	-	-	0.04	0.00%	-	-
Rahul Varma	4.80	0.04%	-	-	7.69	0.08%
Davisha Verma (CFO w.e.f. 25-11-2024)	6.68	0.05%	1.21	0.01%	4.55	0.05%
Subodh Kumar (CS w.e.f. 25-11-2024)	1.08	0.01%	-	-	1.02	0.01%
Anita Vishwakarma	3.38	0.03%	-	-	3.78	0.04%
Prabha Vishwakarma	3.73	0.03%	2.63	0.03%	2.63	0.03%

Related Party Transaction during the year on Standalone basis:

Name of Related Party	Relationship
Sunil Kumar Verma	Key Managerial Personnel (KMP)
Renu Verma	Non – Executive Director
Savita Sachdeva	Non – Executive Director
Sanjai Vishwakarma	Non – Executive Director
Rahul Varma	Key Managerial Personnel (KMP)
Subodh Kumar	Key Managerial Personnel (KMP)
Davisha Verma	Key Managerial Personnel (KMP)
Akansha Verma	Shareholder and Relative of KMP
Akash Sachdeva	Shareholder and Relative of KMP
Aditi Sachdeva	Shareholder and Relative of KMP
Narendra Kumar Verma	Relative of KMP
Anita Vishwakarma	Relative of Director
Prabha Vishwakarma	Relative of Director
R L Vishwakarma	Relative of Director
Sujata Vishwakarma	Relative of Director
Anbhyuday Vishwakarma	Relative of Director
SHBD LLP	Entity over which Key Managerial Personnel having significant influence
Safe Coils India (P) Ltd.	Subsidiary
Safe Insulation Technologies (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel having significant influence
Safe System India (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel are able to exercise significant influence
EMC ICECPL JV	Joint Venture

(Amount in Lakhs)

Nature of Transactions	For the Financial Year 2025		For the Financial Year 2024		For the Financial Year 2023	
	Amount	% of Revenue from	Amount	% of Revenue from	Amount	% of Revenue from



		Operation		Operation		Operation
Transaction during the year						
Director's Remuneration						
Sunil Kumar Verma	39.00	0.32%	24.60	0.25%	23.85	0.25%
Sanjai Vishwakarma	-		3.20	0.03%	9.60	0.10%
Rahul Varma	12.00	0.10%	-		-	-
Director's Sitting Fees						
Sanjai Vishwakarma	0.75	0.01%	-	-	-	-
Savita Sachdeva	4.75	0.04%	-	-	-	-
Renu Verma	4.75	0.04%	-	-	-	-
Key Managerial Personnel						
Davisha Verma (CFO w.e.f. 25-11-2024)	17.88	0.15%	14.16	0.14%	14.16	0.15%
Subodh Kumar (CS w.e.f. 25-11-2024)	4.62	0.04%	-	-	-	-
Remuneration to Relative of Directors						
Anita Vishwakarma	4.50	0.04%	-	-	4.50	0.05%
Prabha Vishwakarma	1.10	0.01%	2.64	0.03%	2.64	0.03%
Purchase of Goods						
Safe System India Private Limited	138.77	1.14%	47.13	0.48%	105.87	1.11%
Safe Insulation Technologies Private Ltd.	48.38	0.40%	11.39	0.11%	13.68	0.14%
EMC ICECPL JV	-	-	-	-	2.31	0.02%
Sales of Goods						
Safe System India Private Limited	838.89	6.91%	928.63	9.36%	194.61	2.04%
Safe Insulation Technologies Private Ltd.	112.15	0.92%	-	-	-	-
Safe Coils India (P) Ltd.	536.52	0.92%	945.67	9.53%	468.10	4.90%
EMC ICECPL JV	-	-	-	-	-	-
Rental Paid						
Safe System India Private Limited	33.60	0.28%	33.60	0.34%	33.60	0.35%
Unsecured Loan received						
Sunil Kumar Verma	434.30	3.58%	427.80	4.31%	81.53	0.85%
Safe System India Private Limited	700.00	5.76%	-	-	150.00	1.57%
Sanjai Vishwakarma	0.14	0.00%	0.50	0.01%	0.62	0.01%
Akansha Verma	12.50	0.10%	19.75	0.20%	0.61	0.01%
Akash Sachdeva	-	-	-	-	0.82	0.01%
Aditi Sachdeva	-	-	-	-	0.23	0.00%
Davisha Verma	43.00	0.35%	13.20	0.13%	1.15	0.01%
Renu Verma	-	-	5.10	0.05%	4.63	0.05%
Savita Sachdeva	-	-	4.45	0.04%	0.84	0.01%
SHBD LLP	41.75	0.34%	270.24	2.72%	-	-
Unsecured Loan Repaid						
Sunil Kumar Verma	564.85	4.65%	74.40	0.75%	102.50	1.07%
Narendra Kumar Verma	-	-	-	-	44.50	0.45%
Safe System India Private Limited	-	-	300.00	3.02%	-	-
Sanjai Vishwakarma	-	-	0.50	0.01%	0.30	0.00%
Akansha Verma	8.15	0.07%	2.00	0.02%	-	-
Akash Sachdeva	0.62	0.01%	-	-	0.20	0.00%
Aditi Sachdeva	-	-	-	-	-	-



Davisha Verma	8.00	0.07%	-	-	-	-
Renu Verma	1.00	0.01%	-	-	-	-
Savita Sachdeva	-	-	-	-	-	-
SHBD LLP	127.50	1.05%	4.60	0.05%	-	-

Balance outstanding:

(Amount in Lakhs)

Nature of Transactions	For the Financial Year 2025		For the Financial Year 2024		For the Financial Year 2023	
	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation
Trade Payables						
Safe System India Private Limited	-	-	51.25	0.52%	108.35	1.13%
Safe Insulation Technologies Private Ltd.	-	-	22.83	0.23%	-	-
Safe Coils India (P) Ltd.	-	-	-	-	-	-
EMC ICECPL JV	-	-	-	-	-	-
Trade Receivables						
Safe Coils India (P) Ltd.	-	-	-	-	-	-
Safe Insulation Technologies Private Ltd.	41.36	0.34%	-	-	-	-
Safe System India Private Limited	-	-	506.02	5.10%	-	-
EMC ICECPL JV	642.45	5.29%	640.39	6.45%	639.09	6.68%
Unsecured Loan						
Sunil Kumar Verma	328.07	2.70%	458.62	4.62%	149.73	1.57%
Safe System India Private Limited	700.00	5.76%	-	-	300.00	3.14%
Sanjai Vishwakarma	0.45	0.00%	0.31	0.00%	0.32	0.00%
Akansha Verma	22.71	0.19%	18.36	0.19%	0.61	0.01%
Akash Sachdeva	-	-	0.62	0.01%	0.62	0.01%
Aditi Sachdeva	0.23	0.00%	0.23	0.00%	0.22	0.00%
Davisha Verma	49.35	0.41%	14.35	0.14%	1.15	0.01%
Renu Verma	8.73	0.07%	9.73	0.10%	4.63	0.05%
Savita Sachdeva	5.29	0.04%	5.29	0.05%	0.83	0.01%
SHBD LLP	179.89	1.48%	265.64	2.68%	-	-
Advance from Customer						
Safe Coils India (P) Ltd.	100.51	0.83%	4.78	0.05%	50.78	0.53%
Safe System India Private Limited	503.02	4.14%	-	-	-	-
Advance from Supplier						
EMC ICECPL JV	5.18	0.04%	5.03	0.05%	-	-
Safe Insulation Technologies Private Ltd.	16.49	0.14%	-	-	-	-
Investment						
Safe Coils India (P) Ltd.	6.00	0.05%	6.00	0.06%	6.00	0.06%
Salary Payable						
Sunil Kumar Verma	-	-	-	-	0.54	0.01%
Sanjai Vishwakarma	-	-	0.04	0.00%	-	-
Rahul Varma	4.80	0.04%	-	-	7.69	0.08%
Davisha Verma (CFO w.e.f. 25-11-2024)	6.68	0.05%	1.21	0.01%	4.55	0.05%
Subodh Kumar (CS w.e.f. 25-11-2024)	1.08	0.01%	-	-	1.02	0.01%
Anita Vishwakarma	3.38	0.03%	-	-	3.78	0.04%



Prabha Vishwakarma	3.73	0.03%	2.63	0.03%	2.63	0.03%
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31. Fluctuation of Interest rate may adversely affect the Company's business.

For meeting the working capital requirement in ordinary course of our business, we have or may enter into certain borrowing agreements to meet those requirements. In the event interest rates increase, the cost of borrowing will also be increased, and any fluctuation in the interest rate may have the adverse effect on cash flow and profitability.

As of period ended September 30, 2025, our Company's total outstanding secured borrowings amounted to ₹3,332.54 lakhs on a consolidated basis and ₹3,165.48 lakhs on a standalone basis. Unsecured borrowings stood at ₹2,529.29 lakhs on both a consolidated and standalone basis.

For Further Information, please refer to the chapter titled "Financial Indebtedness" on page 329 of this Draft Red Herring Prospectus.

On the Basis of Consolidated Financial Statement:

Secured Loans

(Amount in Lakhs)

Name of Persons/Companies	Purpose of Loan	Loan Amount	Rate of Interest	Tenure	Outstanding as on September 30, 2025
PNB Car Loan Breeza (53430)	Car Loan	9.00	7.55	84	3.44
PNB Car Loan KIA (53421)	Car Loan	12.50	7.55	84	5.14
HDFC Bank	Car Loan	23.34	9.95	60	20.84
PNB Car Loan Harrier	Car Loan	24.00	8.80	60	20.22
PNB Car Loan Thar	Car Loan	14.50	8.40	60	12.87
PNB Car Loan Innova	Car Loan	30.00	8.65	60	27.19
PNB Car Loan Grand Vitara	Car Loan	10.00	8.50	84	7.40
PNB	Working Capital	3,000.00	9.10	On Demand	2,969.17
PNB	GECL	220.00	9.25	72	106.60
ICICI Bank	Working Capital	100.00	10.00	On Demand	159.66
Total		3,443.34			3,332.54

Unsecured Loans

(Amount in Lakhs)

Name of Persons / Companies	Purpose of Loan	Loan Amount	Rate of Interest	Tenure	Outstanding as on September 30, 2025
Aditya Birla Capital	For Business requirement	38.00	18.00	12	13.43



Aditya Birla Capital (Top Up)	For Business requirement	53.40	18.00	17	6.03
Aditya Birla Capital Ltd	For Business requirement	53.40	18.00	13	45.84
Ambit Finvest Pvt Ltd.	For Business requirement	28.50	17.00	18	3.21
Ambit Finvest Pvt Ltd.	For Business requirement	28.50	17.00	12	17.21
Arka Fincorp	For Business requirement	28.30	18.50	15	21.39
Axis Bank Ltd	For Business requirement	52.00	17.00	24	14.38
Axis Finance Limited	For Business requirement	50.00	16.00	18	45.02
Bajaj Finance Ltd	For Business requirement	35.00	17.80	60	29.69
Clix Capital Services Pvt Ltd	For Business requirement	50.00	17.00	12	13.74
Clix Capital Services Pvt Ltd	For Business requirement	23.64	18.50	12	20.00
Federal Bank Financial Services	For Business requirement	50.00	18.00	12	13.35
Fullerton India Cred (SMFG India Credit Co. Ltd)	For Business requirement	75.00	18.00	17	56.39
Godrej Finance Ltd	For Business requirement	50.00	17.00	12	40.80
Growth Source Financial Technologi	For Business requirement	50.00	18.00	12	13.28
HeroFincorp LTD	For Business requirement	36.36	18.00	12	9.64
ICICI Bank	For Business requirement	90.00	16.00	15	77.81
IDFC FIRST BANK New	For Business requirement	59.90	15.75	18	31.71
India Infoline Finance Limited	For Business requirement	32.39	16.50	12	19.53
Indusind Bank	For Business requirement	27.00	18.00	13	6.62
Kisetsu Saison Finance India Pvt Ltd	For Business requirement	50.00	16.50	24	33.09
L&T FINANCE LTD	For Business requirement	35.00	16.50	24	24.58
Mahindra & Mahindra Financial Services Ltd	For Business requirement	25.00	18.50	12	15.02
Neogrowth Credit Pvt Ltd	For Business requirement	50.00	17.50	18	26.67
Poonawala Finance	For Business requirement	70.09	15.50	12	59.38
Unity Small Finance Bank	For Business requirement	29.58	17.00	12	17.90
SHBD LLP	Unsecured	219.88	Interest Free	On Demand	219.88
Safe System India Pvt Ltd	Unsecured	700	Interest Free	On Demand	700.00



Sanjai Vishwakarma	Unsecured	1.13	Interest Free	On Demand	1.13
Aakansha Verma	Unsecured	24.46	Interest Free	On Demand	24.46
Aditi Sachdeva	Unsecured	0.22	Interest Free	On Demand	0.22
Davisha Verma	Unsecured	29.35	Interest Free	On Demand	29.35
Renu Verma	Unsecured	17	Interest Free	On Demand	17.00
Savita Sachdeva	Unsecured	9.57	Interest Free	On Demand	9.57
Sunil Kumar Verma	Unsecured	331.33	Interest Free	On Demand	331.33
Har Bhagwan Davra	Unsecured	442.49	Interest Free	On Demand	442.49
Swaraj Rani Davra	Unsecured	78.14	Interest Free	On Demand	78.14
Total		3,024.63			2,529.29

On the Basis of Standalone Financial Statement of the Company:

Secured Loans

(Amount in Lakhs)

Name of Persons/Companies	Purpose of Loan	Loan Amount	Rate of Interest	Tenure	Outstanding as on September 30, 2025
PNB Car Loan Breeza (53430)	Car Loan	9.00	7.55	84	3.44
PNB Car Loan KIA (53421)	Car Loan	12.50	7.55	84	5.14
HDFC Bank	Car Loan	23.34	9.95	60	20.84
PNB Car Loan Harrier	Car Loan	24.00	8.80	60	20.22
PNB Car Loan Thar	Car Loan	14.50	8.40	60	12.87
PNB Car Loan Innova	Car Loan	30.00	8.65	60	27.19
PNB	Working Capital	3,000.00	9.10	On Demand	2,969.17
PNB	GECL	220.00	9.25	72	106.60
Total		3,333.34			3,165.48

Unsecured Loans

(Amount in Lakhs)

Name of Persons/Companies	Purpose of Loan	Loan Amount	Rate of Interest	Tenure	Outstanding as on September 30, 2025
Aditya Birla Capital	For Business requirement	38.00	18.00	12	13.43
Aditya Birla Capital (Top Up)	For Business requirement	53.40	18.00	17	6.03
Aditya Birla Capital Ltd	For Business requirement	53.40	18.00	13	45.84



Ambit Finvest Pvt Ltd.	For Business requirement	28.50	17.00	18	3.21
Ambit Finvest Pvt Ltd.	For Business requirement	28.50	17.00	12	17.21
Arka Fincorp	For Business requirement	28.30	18.50	15	21.39
Axis Bank Ltd	For Business requirement	52.00	17.00	24	14.38
Axis Finance Limited	For Business requirement	50.00	16.00	18	45.02
Bajaj Finance Ltd	For Business requirement	35.00	17.80	60	29.69
Clix Capital Services Pvt Ltd	For Business requirement	50.00	17.00	12	13.74
Clix Capital Services Pvt Ltd	For Business requirement	23.64	18.50	12	20.00
Federal Bank Financial Services	For Business requirement	50.00	18.00	12	13.35
Fullerton India Cred (SMFG India Credit Co. Ltd)	For Business requirement	75.00	18.00	17	56.39
Godrej Finance Ltd	For Business requirement	50.00	17.00	12	40.80
Growth Source Financial Technologi	For Business requirement	50.00	18.00	12	13.28
HeroFincorp LTD	For Business requirement	36.36	18.00	12	9.64
ICICI Bank	For Business requirement	90.00	16.00	15	77.81
IDFC FIRST BANK New	For Business requirement	59.90	15.75	18	31.71
India Infoline Finance Limited	For Business requirement	32.39	16.50	12	19.53
Indusind Bank	For Business requirement	27.00	18.00	13	6.62
Kisetsu Saison Finance India Pvt Ltd	For Business requirement	50.00	16.50	24	33.09
L&T Finance Ltd	For Business	35.00	16.50	24	24.58

	requirement				
Mahindra & Mahindra Financial Services Ltd	For Business requirement	25.00	18.50	12	15.02
Neogrowth Credit Pvt Ltd	For Business requirement	50.00	17.50	18	26.67
Poonawala Finance	For Business requirement	70.09	15.50	12	59.38
Unity Small Finance Bank	For Business requirement	29.58	17.00	12	17.90
SHBD LLP	Unsecured	219.88	Interest Free	On Demand	219.88
Safe System India Pvt Ltd	Unsecured	700	Interest Free	On Demand	700.00
Sanjai Vishwakarma	Unsecured	1.13	Interest Free	On Demand	1.13
Aakansha Verma	Unsecured	24.46	Interest Free	On Demand	24.46
Aditi Sachdeva	Unsecured	0.22	Interest Free	On Demand	0.22
Davisha Verma	Unsecured	29.35	Interest Free	On Demand	29.35
Renu Verma	Unsecured	17	Interest Free	On Demand	17.00
Savita Sachdeva	Unsecured	9.57	Interest Free	On Demand	9.57
Sunil Kumar Verma	Unsecured	331.33	Interest Free	On Demand	331.33
Har Bhagwan Davra	Unsecured	442.49	Interest Free	On Demand	442.49
Swaraj Rani Davra	Unsecured	78.14	Interest Free	On Demand	78.14
Total		3,024.63			2,529.29

32. Complex and time-consuming tendering processes, particularly with respect to tenders issued by the Ministry of Railways and its associated entities, may adversely affect our ability to secure contracts and impact our revenues and profitability.

A substantial portion of our business is derived from contracts awarded by the Ministry of Railways and its associated entities, including Zonal Railways, production units and railway public sector undertakings. The tendering processes followed by such entities are typically complex, highly structured and time-consuming, involving stringent technical eligibility criteria, extensive documentation requirements, multiple stages of evaluation and approvals, and prolonged timelines for finalisation of bids.

Delays in tender finalisation, deferment, modification, cancellation or re-invitation of tenders, or rejection of our bids despite technical qualification by the Ministry of Railways and its associated entities may adversely affect our order inflows, project commencement schedules and revenue recognition. Further, prolonged tendering cycles may result in increased bid preparation costs, inefficient deployment of resources and uncertainty in business planning.

Additionally, tendering processes of the Ministry of Railways and its associated entities are subject to policy changes,



procedural requirements, administrative approvals and budgetary considerations, which are beyond our control. Any inability to successfully navigate such complex and time-consuming tendering processes may have a material adverse effect on our business, financial condition, results of operations and cash flows.

33. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risk.*

Effective internal controls are necessary for us to prepare reliable financial reports and effectively prevent and detect any fraud or misuse of funds. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may decline over time. There can be no assurance that additional deficiencies or lacks in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies or lacks in our internal controls. If internal control weaknesses are identified in a delayed manner, our actions may not be sufficient to correct such internal control weakness. Such instances may also adversely affect our reputation, thereby adversely impacting our business, results of operations and financial condition. However, during the preceding three financial years, there have been no instances where we were unable to manage or accurately report our financial risks due to ineffective internal control systems.

35. *Our limited brand visibility outside the government sector may restrict our ability to expand our customer base and adversely affect our growth prospects.*

A significant portion of our business is derived from contracts awarded by government and public sector entities, including the Ministry of Railways and its associated entities. As a result, our brand recognition and market presence are primarily concentrated within the government sector. We have relatively limited brand visibility and recognition in the private sector and other non-government markets.

Our dependence on government contracts may constrain our ability to diversify our customer base and expand into new geographies or industry segments. Limited brand visibility outside the government sector may affect our ability to compete with established private-sector players, secure private contracts, negotiate favourable commercial terms, or achieve sustainable growth outside government-led projects.

Any inability to enhance our brand visibility and establish a strong presence beyond the government sector could have a material adverse effect on our business, financial condition, results of operations and cash flows.

36. *Our Company has unsecured loans from promoters and directors that are repayable on demand, and any demand for repayment could adversely affect our liquidity, cash flows, and financial condition.*

Our Company has received unsecured loans from its promoters which are repayable on demand. Such loans provide short-term funding support; however, since they are callable at the discretion of the promoters and directors, any demand for repayment, whether in whole or in part, may exert immediate pressure on our liquidity and working capital position.

The outstanding unsecured loans from promoters during the last three financial years are set out below:

On the Basis of Restated Consolidate Financial Statement:

(Amount in Lakhs)

Nature of Transactions	For the Financial Year 2025		For the Financial Year 2024		For the Financial Year 2023	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue



		from Operation		from Operation		from Operation
Unsecured Loan						
Sunil Kumar Verma	328.07	2.69%	458.62	4.62%	149.73	1.53%
Safe System India Private Limited	700.00	5.74%	-	-	300.00	307%
Akansha Verma	22.71	0.19%	18.36	0.18%	0.61	0.01%
Davisha Verma	49.35	0.40%	14.35	0.14%	1.15	0.01%
Renu Verma	8.73	0.07%	9.73	0.10%	4.63	0.05%
SHBD LLP	179.89	1.48%	265.64	2.68%	-	-

In the event that repayment of these unsecured loans is demanded, we may be required to utilize internal accruals, divert funds allocated for business operations or capital expenditure, or obtain alternative financing. There can be no assurance that such alternative funding would be available on acceptable terms or at all.

Further, repayment of promoter loans may increase our dependence on external borrowings, resulting in higher finance costs and possible restrictions under financing arrangements. Any inability to manage or refinance such obligations in a timely manner could adversely affect our business, liquidity, cash flows, financial condition, and results of operations. However, we confirm that no demand for repayment of such promoter loans has been made during the last three financial years.

47. The L1 tender system adopted by government authorities may lead to price-based competition, which could adversely affect our margins and profitability.

A significant portion of our business is derived from contracts awarded by government authorities, including the Ministry of Railways and its associated entities, where contracts are typically awarded based on the lowest price (L1) tender system, subject to meeting technical eligibility criteria. This system places significant emphasis on price competitiveness and often results in intense price-based competition among bidders.

In order to secure contracts under the L1 tender system, we may be required to submit bids at lower margins, which could adversely affect our profitability. Aggressive pricing by competitors, including larger or better-capitalised players, may further intensify price competition and lead to price wars, making it difficult to maintain sustainable margins.

Further, winning bids at lower prices may increase the risk of cost overruns, particularly in the event of delays, changes in project scope, escalation in input costs or unforeseen execution challenges. Any inability to accurately estimate project costs or manage execution efficiently under competitively priced contracts may adversely affect our financial performance.

Although we are a technology-based company and our specialized technical capabilities, experience and compliance with stringent eligibility criteria enable us to compete effectively and mitigate certain competitive risks, there can be no assurance that such factors will fully offset pricing pressures inherent in the L1 tender framework.

Continued reliance on the L1 tender system and sustained price-based competition may have a material adverse effect on our business, financial condition, results of operations and cash flows.

48. Delays in execution of railway projects may adversely affect our revenues, profitability and cash flows.

A substantial portion of our business comprises execution of projects awarded by the Ministry of Railways and its associated entities, including Zonal Railways and railway public sector undertakings. Railway projects are typically large-scale, complex and executed over extended timelines, and are subject to multiple dependencies and approvals.

Execution of such projects may be delayed due to factors beyond our control, including delays in site handover, changes in project scope, design modifications, availability of drawings and approvals, coordination with multiple contractors, logistical challenges, disruptions in supply of materials, labour shortages, safety requirements, weather conditions, and delays in approvals from railway authorities.

Delays in project execution may result in deferment of revenue recognition, cost overruns, under-utilisation of resources, imposition of liquidated damages and working capital pressures.

Any inability to complete railway projects within the stipulated timelines, or frequent delays in execution, may adversely affect our reputation with railway authorities and have a material adverse effect on our business, financial condition, results of operations and cash flows.

49. The Company's business is dependent on continuous research and development ("R&D") activities, and any inability to successfully develop new products in a timely and cost-effective manner could adversely affect our business, results of operations and financial condition.

Our future growth and competitiveness depend significantly on our ability to develop, improve and commercialise new products, technologies and solutions for the Ministry of Railways in a timely and cost-effective manner. Our R&D activities require substantial investment, long development and testing cycles, and involve inherent uncertainties relating to technical feasibility, regulatory and safety compliance, field performance, and acceptance by the Ministry of Railways and other associated government authorities. Any delays, technical challenges, requirement of additional trials, changes in specifications, or unsuccessful outcomes in our R&D efforts may adversely affect our ability to introduce products that meet the evolving standards, tender requirements or operational expectations of the railways sector.

Further, changes in technological requirements, safety norms, or procurement specifications issued by the Ministry of Railways, as well as advancements by competitors, may render our existing products or ongoing development work inadequate or obsolete. Failure to anticipate such changes, allocate adequate resources, or retain and attract experienced R&D personnel with domain expertise in railway technologies may limit our ability to innovate effectively.

Although we have not experienced any material adverse impact arising from delays or failures in our R&D activities relating to railway products in the last three financial years, there can be no assurance that we will continue to successfully achieve the expected outcomes of our R&D initiatives in the future. Any such inability may adversely affect our business, financial condition and results of operations.

50. Compliance with environmental, health and safety laws and labour-related regulations may increase our operational costs, and any changes or non-compliance could adversely affect our results of operations and financial condition.

Our business operations are subject to an environmental, health and safety laws, labour laws, workplace regulations, and other statutory requirements applicable to companies operating in India. Compliance with these regulations may require us to incur ongoing costs relating to safety measures, employee welfare, environmental protection, statutory payments, and periodic regulatory filings.

Any amendments, introduction of new regulations, or stricter enforcement practices may increase our compliance obligations and associated costs. Failure to comply with applicable environmental, health and safety laws or labour-related laws may result in penalties, fines, operational interruptions, legal proceedings, or adverse reputational impact.

While we have not experienced any material non-compliance, penalties, or regulatory actions under environmental, health and safety laws or labour laws in the past three financial years, there is no assurance that we will not face increased compliance requirements, additional costs, or regulatory scrutiny in the future. Any such developments may adversely affect our business, results of operations, and financial condition.

51. Our ability to raise capital at competitive costs depends on our credit ratings, and any downgrade or adverse rating action may increase our borrowing costs and limit our access to funding.

Our borrowing capacity and the interest rates at which we are able to obtain loans are significantly influenced by our credit ratings. Any downgrade in our credit ratings, change in rating outlook, or assignment of a lower-than-expected rating may adversely impact our ability to secure debt financing on favorable terms. A weaker credit rating may lead to higher interest rates, stricter borrowing conditions, reduced credit limits, or reluctance on the part of lenders to extend further credit.

Such adverse rating actions may also affect the confidence of financial institutions and impact the availability and cost of working capital or long-term loans. Although we have not faced any rating downgrade or adverse rating action in the last three financial years, there can be no assurance that we will not face such developments in the future.

Any unfavorable credit rating action may adversely affect our liquidity position, operational requirements, and future business growth.

52. Our directors previously served on the Board of a company that was struck off due to non-filing of financial statements, and this may adversely impact the perception of our Company.

Our directors previously served as a director of Safe Vacations Private Limited, a company that was struck off by the Registrar of Companies due to non-filing of its financial statements. We understand that the said company was struck off after our Director had tendered his resignation and ceased to be associated with the company.

While the non-filing and consequential strike-off occurred after his resignation, the past association of our Director with a company that has been struck off may nevertheless result in an adverse perception among investors, regulators, customers, or other stakeholders. Any such perception could potentially impact the reputation of our Company. There can be no assurance that this will not affect stakeholder confidence in the future.

52. Current promoters are not the original promoters of the Company

The current promoters of the Company, namely Mr. Sunil Kumar Verma, Mrs. Renu Verma, Safe Systems India Private Limited and SHBD LLP, are not the original promoters of the Company. At the time of incorporation, the initial subscribers and original promoters were Mr. Ajay Agarwal, Mr. Vinod Kumar Agarwal and Mr. Giraj Kishore Agarwal. The change in promoter occurred pursuant to subsequent acquisition of shares and change in control in accordance with applicable laws.

Although the Company has been under the management and control of the current promoters for a considerable period, investors may perceive the transition from the original promoters to the present promoters as a potential risk. Any historical information, legacy decisions or commitments undertaken prior to the change in promoter group may not be fully attributable to the current promoters. Further, the business strategies, management practices and long-term vision of the current promoters may differ from those of the original promoters, leading to uncertainties regarding continuity of past policies. Accordingly, there can be no assurance that such transition will not have any adverse effect on the Company's operations, perception in the market, or business performance.

SECTION IV- INTRODUCTION

OBJECTS OF THE ISSUE

Details of Utilization of Issue Proceeds

1. Working Capital Requirements

We propose to utilize Rs. 3,200 lakhs from the Net Proceeds of the Fresh Issue towards funding our Company's working capital requirements. We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals and financing facilities from various banks and financial institutions. Our Company requires additional working capital for funding future growth requirements of our Company and for other corporate purposes. We are continuously expanding our business and to fulfil existing and upcoming orders, would require working capital. The company is having 3 divisions manufacturing of electronic components for railways, rotating motor division and contract division. The major working capital requirement falls under the Contract division of our company due to more stock holding period. The Contract division, contracts are longer duration project due to providing site availability by the railways. We are always trying to bid for new orders and increase our order book, better our pre-qualification criteria (technical and financial), expand our geographical footprint and take new initiatives towards our business as a part of our projects. In light of the above, our Company will require incremental working capital to fund trade receivables, trade payables and arrange margin money for issuance of Performance and Security Deposit Bank Guarantee.

Basis of Estimation and Key Assumptions for working capital projections made by Company:

The estimates of the working capital requirements for the Fiscal 2026 & 2027 have been prepared based on the management estimates of future financial performance. The projection has been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur. On the basis of existing and estimated working capital requirement of our Company on standalone basis, and assumptions for such working capital requirements, the Board has pursuant to its resolution dated September 12, 2025, has approved the estimated working capital requirements for Fiscal 2026 and Fiscal 2027 and the proposed funding of such working capital requirements as set forth below:

(Rupees in Lakhs)

Particulars	31.03.2023	31.03.2024	31.03.2025	31.03.2026	31.03.2027
	(A)	(A)	(A)	(P)	(P)
Current Assets					
Inventory	6,415.39	7,168.31	8,138.95	7,987.83	9,485.55
Trade Receivables	3,166.71	4,207.84	3,369.04	4,193.61	5,242.01
Short Term Loans and Advances	886.31	826.32	1,193.58	1,517.69	1,897.11
Other Current Assets	13.88	14.80	848.74	878.66	998.48
Total CA	10,482.29	12,217.27	13,550.31	14,577.79	17,623.15
Current Liabilities					
Trade Payables	4,317.41	4,990.61	3,409.56	2,590.73	2,804.57
Other Current Liabilities	1,059.17	935.69	1,411.75	1,683.72	2,069.41
Short Term Provisions	102.35	162.09	326.41	336.74	413.88
Total CL	5,478.93	6,088.39	5,147.72	4,611.19	5,287.86
WC Requirement	5,003.36	6,128.87	8,402.59	9,966.60	12,335.29
Margin for NFB Limits* & FB**	1,311.00	1,510.96	1,684.81	2,106.01	2,632.52



and EMD#					
Total Funding Requirement	6,314.36	7,639.83	10,087.40	12,072.61	14,967.81
Borrowings	3,308.72	3,816.43	4,474.49	4,500.00	4,200.00
Internal Accruals**	3,005.64	3,823.40	5,612.91	6,172.61	8,967.81
IPO Proceeds (Cumulative Basis)		-	-	1,400.00	3,200.00

*As certified by auditor M/s K G A R & CO., Chartered Accountants, dated September 17, 2025.

Justification of Working Capital

S.No.	Particulars	Remarks																												
A	Current Assets																													
2	Inventory	<p>The inventory is one of the important components of the current assets of the company. The company is having 3 divisions manufacturing of electronic components for railways, rotating motor division and contract division. The major working capital requirement falls under the EPC division of our company due to more stock holding period. The REC (Railway Electrification) contracts are longer duration project due to providing site availability by the railways. The company at present is having major order book towards REC. Out of the total turnover REC contributes approximately 40% of the total revenue. The stock holding levels in other 2 divisions apart from Rec ranges from 3-4 months, while REC leads to stock holding level of 6-9 months. The average holding of level of the company ranges from 6-8 months. Due to major turnover happens in the last quarter of the financial year, the stock holding position is normally high at the year end.</p> <p>The company from the date of inception never had any obsolete stock. The company is majorly working with railways and have never faced any issue in liquidating stock to them. The company at present is have started to bid in the contracts with shorter execution period. Also, with the increased in government spending on railways, the old projects have started at major pace which will further lead to reduction in stock holding period drastically down.</p> <p style="text-align: right;"><i>(Amount in Lakhs)</i></p> <table border="1"> <thead> <tr> <th rowspan="2">S. No.</th> <th rowspan="2">Particulars</th> <th colspan="2">As on 31st March,2025</th> <th colspan="2">As on 31st March,2024</th> </tr> <tr> <th>Revenue</th> <th>% of Revenue</th> <th>Revenue</th> <th>% of Revenue</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Manufacturing (Electronic and Rotating Division)</td> <td>6,588.14</td> <td>54.23</td> <td>5,246.30</td> <td>52.87</td> </tr> <tr> <td>2</td> <td>Contract Division</td> <td>5,560.02</td> <td>45.77</td> <td>4,675.48</td> <td>47.13</td> </tr> <tr> <td></td> <td>Total</td> <td>12,148.16</td> <td>100.00%</td> <td>9,921.78</td> <td>100.00%</td> </tr> </tbody> </table> <p>The increase in the Company's inventory from INR 7,168.31 lakhs in FY 2023-24 to INR 8,138.95 lakhs in FY 2024-25 is primarily attributable to higher raw material inventory, which forms the largest portion of total inventory. While the absolute value increased, the inventory holding period improved from 264 days to 245 days, indicating better inventory management. The rise is mainly driven by the Manufacturing (Electronic and Rotating Division), where revenue increased significantly from INR 5,246.30 lakhs in FY 2023-24 to INR 6,588.14 lakhs in FY 2024-25, requiring higher procurement to support increased production levels and material stocking for ongoing and upcoming orders. Raw material purchases increased by INR 1,748.18 lakhs, resulting in a raw material inventory increase</p>	S. No.	Particulars	As on 31st March,2025		As on 31st March,2024		Revenue	% of Revenue	Revenue	% of Revenue	1	Manufacturing (Electronic and Rotating Division)	6,588.14	54.23	5,246.30	52.87	2	Contract Division	5,560.02	45.77	4,675.48	47.13		Total	12,148.16	100.00%	9,921.78	100.00%
S. No.	Particulars	As on 31st March,2025			As on 31st March,2024																									
		Revenue	% of Revenue	Revenue	% of Revenue																									
1	Manufacturing (Electronic and Rotating Division)	6,588.14	54.23	5,246.30	52.87																									
2	Contract Division	5,560.02	45.77	4,675.48	47.13																									
	Total	12,148.16	100.00%	9,921.78	100.00%																									



of INR 710.55 lakhs. Finished goods also increased by INR 256.79 lakhs due to manufactured items pending dispatch based on customer schedules. Further, REC/EPC projects, which involve longer execution cycles and require advance material readiness, typically result in stock holding levels of 6–9 months. As a significant portion of annual turnover is executed in the last quarter, the year-end inventory levels remain comparatively higher.

The above-mentioned inventory comprises of inventory of raw material, Semi-finished goods, finished goods and goods in transit. Which are as follows.

(Amount in Lakhs)

S.no	Particulars	As on 31st March, 2025	As on 31st March, 2024
1	Raw Material	6,260.50	5,549.95
2	Semi- Finished Goods	549.74	596.53
3	Finished Goods	1,278.63	1,021.84
4	Goods-in-Transit (Raw-Material)	50.08	-
	TOTAL	8,138.95	7,168.31

Inventory have increased in line with the company’s business growth—from Rs. 6,415.39 lakhs in FY 2023 to Rs. 7,168.31 lakhs in FY 2024, and to Rs.8,138.95 lakhs in FY 2025. For FY 2026 and FY 2027, we expect inventory levels to be maintained at around 190-200 days, amounting to Rs.7,987.83 lakhs and Rs. 9,485.55 lakhs, respectively. Inventory remain a key part of our working capital, and their increase reflects the overall growth of our operations.

Other Current Assets

Other current assets include prepaid expense and unbilled revenue.

During the last three financial years, Amount has increased from Rs. 13.88 Lakhs in Fiscal 2023 to Rs. 14.80 Lakhs in Fiscal 2024 and further increased to Rs. 848.74 Lakhs in Fiscal 2025 due to substantial increase in the unbilled revenue. For the estimated and projected period, other current assets, stand at Rs. 878.66 Lakhs & 998.48 Lakhs for Fiscal 2026 & Fiscal 2027 as the unbilled revenue and other current assets was increased as overall growth of our operations.

Unbilled revenue amounting to Rs. 836.48 lakhs was recognised since the related work had been completed but could not be certified and invoiced by the concerned authorities before the end of FY 2024–25.

Trade Payables

Our trade payables have generally ranged between 3–4 months, depending on product requirements and supplier credit terms. The trade payable days were 215, 239, and about 135 for FY 2023, FY 2024, and FY 2025, respectively.

In FY 2023 and 2024, the company is short of working capital limits and therefore have higher creditor holding period. In FY 2024-25, the company avails sufficient working capital limits from banks and better liquidity position, the creditor holding period drastically reduced to the levels of 135 days which also reflects the increased in bottom line of the company.

The higher payable period reflects the company’s normal trend, as major purchases are usually made in the last quarter of the financial year. In FY 2025, however, the payable period reduced to around 135 days, as we made early payments to suppliers to avail better pricing.

With funds from the issue proceeds, we plan to continue benefiting from early payments, negotiate better pricing, and source from larger suppliers. This strategy is expected to lower costs and improve our EBITDA margin.



		<p>For FY 2026 and FY 2027, the trade payable days are projected at around 85 days and 75 days, amounting to Rs. 2,590.73 lakhs and Rs. 2,804.57 lakhs, respectively.</p> <p>The company has started given more advances to the trade payables; it increases from Rs. 550.61 Lakhs in FY 23-24 to Rs. 727.09 Lakhs in FY 24-25 and getting trade discount or timely delivery or proper supply of good quality raw materials. Similarly, trade payables to other creditors declined from Rs. 2,889.67 lakhs in FY 2023–24 to Rs. 1,808.11 lakhs in FY 2024–25</p>
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CAPITAL STRUCTURE

NOTES TO THE CAPITAL STRUCTURE

Note:

8. Bonus issue of 77,00,000 equity shares of face value ₹10/- each, allotted on June 06, 2024, in the ratio of 2:1, i.e., two bonus equity shares for every one equity share held, the details of which are provided below:

S. N.	Name of Person	No. of Shares Allotted
1	Sanjai Vishwakarma	2,75,000
2	Safe System India Private Limited	35,13,080
3	Safe Insulation Technologies Private Limited	3,75,000
4	Sunil Kumar Verma	9,02,560
5	Savita Sachdeva	3,72,560
6	Akansha Verma	2,70,000
7	Davisha Verma	18,200
8	Aditi Sachdeva	1,00,000
9	Akash Sachdeva	3,68,000
10	Har Bhagwan Davra	5,600
11	Renu Verma	5,00,000
12	SHBD LLP	10,00,000
	Total	77,00,000

3. Shareholding of the Promoters of our Company

As on the date of this Draft Red Herring Prospectus, our Promoters – Mr. Sunil Kumar Verma, Mrs. Renu Verma, Ms. Aakansha Verma, Ms. Davisha Verma, Mrs. Savita Sachdeva, M/s SHBD LLP And M/s Safe System India Private Limited. holds aggregating to 98,64,600 Equity Shares representing 73.50% of the pre-issue paid up share capital of our Company.

Details of build-up of shareholding of the Promoters

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in Rs.)	Issue/ Transfer price per Equity Share (in Rs.)	Consideration (cash/ other than cash)	Name of Transferor / Transferee	% of pre issue capital of Cumulative Shares
Mr. Sunil Kumar Verma							
March 31, 2018	Private Placement	18,750	10	264	Other than Cash	N.A.	0.14%
August 04, 2019	Right Issue	4,32,530	10	10	Cash	N.A.	3.36%
June 06, 2024	Bonus Issue	9,02,560	10	NA	N.A.	N.A.	10.09%
Total		13,53,840					10.09%
Mrs. Renu Verma							
August 04, 2019	Right Issue	2,50,000	10	10	Cash	N.A.	1.86%
June 06, 2024	Bonus Issue	5,00,000	10	NA	N.A.	N.A.	5.59%
March 28, 2025	Transfer	27,300	10	10	Cash	Ms. Davisha Verma	5.79%
Total		7,77,300					5.79%
Ms. Aakansha Verma							
August 04, 2019	Right Issue	1,35,000	10	10	Cash	N.A.	1.01%



June 06, 2024	Bonus Issue	2,70,000	10	NA	N.A.	N.A.	3.02%
Total		4,05,000					3.02%
Ms. Davisha Verma							
August 04, 2019	Right Issue	9,100	10	10	Cash	N.A.	0.07%
June 06, 2024	Bonus Issue	18,200	10	NA	N.A.	N.A.	0.20%
March 28, 2025	Transfer	(27,300)	10	10	Cash	Mrs. Renu Verma	0.00%
Total		0					0.00%
Mrs. Savita Sachdeva							
March 31, 2018	Private Placement	18,750	10	264	Other than Cash	N.A.	0.14%
August 04, 2019	Right Issue	1,67,530	10	10	Cash	N.A.	1.39%
June 06, 2024	Bonus Issue	3,72,560	10	0	N.A.	N.A.	4.16%
Total		5,58,840					4.16%
M/s SHBD LLP							
June 01, 2024	Transfer	5,00,000	10	10	N.A.	Mr. Har Bhagwan Davra	3.73%
June 06, 2024	Bonus Issue	10,00,000	10	NA	N.A.	N.A.	11.18%
Total		15,00,000					11.18%
M/s Safe System India Private Limited							
November 14, 2005	Further Allotment	30,000	10	10	Cash	N.A.	0.22%
November 15, 2005	Transfer	3,500	10	10	Cash	Mr. Vinod Kumar Agarwal	0.25%
November 15, 2005	Transfer	3,500	10	10	Cash	Mr. Ajay Agarwal	0.28%
November 15, 2005	Transfer	3,000	10	10	Cash	Mr. Giraj Kishore Agarwal	0.30%
March 26, 2007	Further Allotment	1,10,000	10	10	Cash	N.A.	1.12%
August 25, 2007	Further Allotment	37,500	10	10	Cash	N.A.	1.40%
August 04, 2019	Right Issue	15,69,040	10	10	Cash	N.A.	13.09%
June 06, 2024	Bonus Issue	35,13,080	10	NA	Cash	N.A.	39.26%
Total		52,69,620					39.26%

Note: All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are under pledged.

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4. Our shareholding pattern

The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of December 26, 2025:

Category Code	Category of shareholder	No. Of shareholder	No. of fully paid-up Equity Shares Held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCR R, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
								No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (B)	No. (a)	As a % of total shares held (B)	
								Class X	Class Y	Total								
I	II	III	IV	V	VI	VII= IV+ V +VI	VIII	IX				X	XI = VII+X	XII		XIII		XIV
(A)	Promoters and Promoter Group	9	1,11,29,100	-	-	1,11,29,100	82.92%	1,11,29,100	-	1,11,29,100	82.92%	-	82.92%	-	-	-	-	1,11,29,100
(B)	Public	87	22,92,900	-	-	22,92,900	17.08%	22,92,900	-	22,92,900	17.08%	-	17.08%	-	-	-	-	22,92,900
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	96	1,34,22,000	-	-	1,34,22,000	100.00%	1,34,22,000	-	1,34,22,000	100.00%	-	100.00%	-	-	-	-	1,34,22,000

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6. Following are the details of the holding of securities of persons belonging to the category “Promoters and Promoter Group” and “public” before and after the Issue:

S. N.	Name of shareholder	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital	No. of equity shares	As a % of Issued Capital
Promoters					
1	Sunil Kumar Verma	13,53,840	10.09%	[●]	[●]
2	Renu Verma	7,77,300	5.79%	[●]	[●]
3	Aakansha Verma	4,05,000	3.02%	[●]	[●]
4	Davisha Verma	-	-	[●]	[●]
5	Savita Sachdeva	5,58,840	4.16%	[●]	[●]
6	SHBD LLP	15,00,000	11.18%	[●]	[●]
7	Safe System India Private Limited	52,69,620	39.26%	[●]	[●]
Total – A		98,64,600	73.50%	[●]	[●]
Promoter Group					
8	Safe Insulation Technologies Private Limited	5,62,500	4.19%	[●]	[●]
9	Akash Sachdeva	5,52,000	4.11%	[●]	[●]
10	Aditi Sachdeva	1,50,000	1.12%	[●]	[●]
Total – B		12,64,500	9.42%	[●]	[●]
Public					
6	Public	22,92,900	17.08%	[●]	[●]
7	IPO	-	-	[●]	[●]
Total-C		22,92,900	17.08%	[●]	[●]
Grand Total (A+B+C)		1,34,22,000	100.00%	[●]	[●]

7. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Sunil Kumar Verma	13,53,840	6.85
Mrs. Renu Verma	7,77,300	3.57
Ms. Aakansha Verma	4,05,000	3.33
Ms. Davisha Verma	-	-
Mrs. Savita Sachdeva	5,58,840	11.86
M/s SHBD LLP	15,00,000	3.33
M/s Safe System India Private Limited	52,69,620	3.33

*As certified by auditor M/s K G A R & Co., Chartered Accountants, dated December 24, 2025.

8. Details of Major Shareholders:

(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholders	No. of Shares	% of Total Shareholding
1	Safe System India Private Limited	17,56,540	45.62%
2	Har Bhagwan Davra	5,02,800	13.06%
3	Sunil Kumar Verma	4,51,280	11.72%
4	Renu Verma	2,50,000	6.49%



5	Safe Insulation Technologies Private Limited	1,87,500	4.87%
6	Savita Sachdeva	1,86,280	4.84%
7	Akash Sachdeva	1,84,000	4.78%
8	Sanjai Vishwakarma	1,37,500	3.57%
9	Aakansha Verma	1,35,000	3.51%
10	Aditi Sachdeva	50,000	1.30%

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BASIS FOR ISSUE PRICE

4. Return on Net Worth (RONW):

As per Restated Consolidated Financial Statement

Financial Year	Return on Net Worth (%)	Weight
2024-25	23.28%	3
2023-24	15.79%	2
2022-23	6.51%	1
Weighted Average RONW		17.99%

Comparison with industry peers

(Amount in Lakhs, except EPS, % and ratios)

S. No.	Name of the company	Face Value (Per share)	CMP	EPS (Rs)	P/E Ratio	RONW (%)	NAV (Rs. Per share)	PAT (Rs. In Lakhs)
1	IC Electricals Company Limited	10.00	[●]	7.28	[●]	23.28%	36.91	937.06
Peer Group*								
2	Hind Rectifiers Ltd	2	1,692.30	21.64	78.20	26.20%	93.15	3,711.25

Note: Industry Peer may be modified for finalization of Issue Price before filing Draft Red Herring Prospectus with ROC.

Key financial and operational performance indicators (“KPIs”)

Our Company considers that the KPIs set out below are material for determining the basis of the Offer Price. These KPIs have been approved by the Audit Committee through its resolution dated September 12, 2025. Further, the KPIs have been certified by M/s. K G A R & Co., Chartered Accountants, vide their certificate dated September 17, 2025, bearing UDIN: 25562932BMIDLO3002. The certificate is also included in the “Material Contracts and Material Documents for Inspection” section beginning on page 458 of the DRHP. Additionally, the Audit Committee, in its meeting held on September 12, 2025, confirmed that, other than the verified and audited KPIs set out below, the Company has not disclosed any KPIs to earlier investors at any time during the three-year period prior to the date of this Draft Red Herring Prospectus.

Further, the Company confirms that it has not undertaken any material acquisition or disposition of assets or business during the periods covered by the disclosed KPIs.

Key metrics like revenue growth, EBIDTA Margin, PAT Margin and few balance sheet ratios are monitored on a periodic basis for evaluating the overall performance of our Company.

On Restated Standalone Basis:

(Amount in Lakhs, except EPS, % and ratios)

Particulars	Financial Year ended March 31 st , 2025	Financial Year ended March 31 st , 2024	Financial Year ended March 31 st , 2023
Revenue from operations ⁽¹⁾	12,148.16	9,921.78	9,562.27
Growth in revenue from operations ⁽²⁾	22.44%	3.76%	-
EBITDA ⁽³⁾	1,833.83	1,213.93	814.39
EBITDA (%) Margin ⁽⁴⁾	15.10%	12.24%	8.52%
EBIDTA Growth year on year ⁽⁵⁾	51.07%	49.06%	-
ROCE (%) ⁽⁶⁾	17.26%	14.84%	11.62%
Current Ratio ⁽⁷⁾	1.46	1.25	1.22
Operating cash flow ⁽⁸⁾	(827.99)	(162.31)	323.54
PAT ⁽⁹⁾	928.26	461.92	174.78
ROE/ RoNW ⁽¹⁰⁾	21.86%	14.95%	6.28%
EPS ⁽¹¹⁾	7.21	4.00	1.51

On Restated Consolidated Basis:

(Amount in Lakhs, except EPS, % and ratio)

Particulars	Financial Year ended March 31 st , 2025	Financial Year ended March 31 st , 2024	Financial Year ended March 31 st , 2023
Revenue from operations ⁽¹⁾	12,188.59	9,924.92	9,769.35
Growth in revenue from operations ⁽²⁾	22.81%	1.59%	-
EBITDA ⁽³⁾	1,848.52	1,196.71	789.93
EBITDA (%) Margin ⁽⁴⁾	15.17%	12.06%	8.09%
EBIDTA Growth year on year ⁽⁵⁾	54.46%	51.50%	-
ROCE (%) ⁽⁶⁾	17.58%	15.25%	11.92%
Current Ratio ⁽⁷⁾	1.42	1.23	1.19
Operating cash flow ⁽⁸⁾	(965.40)	(147.48)	509.55
PAT ⁽⁹⁾	941.49	462.26	170.74
ROE/ RoNW ⁽¹⁰⁾	23.28%	15.79%	6.51%
EPS ⁽¹¹⁾	7.28	3.92	1.45

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SECTION V- ABOUT THE COMPANY

OUR BUSINESS

BUSINESS OVERVIEW

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Delhi and Haryana dated August 05, 2005, with the name ‘IC Electricals Company Private Limited’ bearing Corporate Identification Number U31909DL2005PTC139412. Subsequently our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on August 06, 2024, and the name of our Company was changed from “IC Electricals Company Private Limited” to “IC Electricals Company Limited”. A fresh Certificate of Incorporation was granted to our Company consequent upon conversion into public limited company dated September 23, 2024, bearing Corporate Identification Number U31909DL2005PLC139412 by the Registrar of Companies, Central Processing Centre, at present, the registered office of the company is situated at 156 DSIDC Okhla INDL Area Phase I, New Delhi 110020, India.

Our Company is involved in the business of manufacturing of electronic equipment for Railways Application. Our company provide advanced engineering solutions to Indian Railways. It offers a wide range of electronic products such as regulators, battery chargers, emergency lights, inverters, microprocessor-based control systems, and vigilance control devices, compliant with the latest technical standards. The Company also manufactures key railway components including alternators, traction motors, and permanent magnet alternators with controllers. These products are engineered to meet stringent industry standards, and our team works closely with clients to develop tailored solutions that ensure high performance, reliability, and compliance across various rail applications. The Company’s revenues are generated exclusively from manufacturing activities, value-added operations, and its Contract Division. The Company procures raw materials and components, undertakes in-house manufacturing and value-addition processes, and supplies finished or value-added products to its customers. Further, the Contract Division undertakes execution of contracts and forms part of the Company’s service operations.

Accordingly, for the past three financial years, the Company’s entire revenue has been derived from manufacturing activities, value-added operations, and service income from the Contract Division, with no revenue attributable to trading activities.

Additionally, our company provide services for turnkey railway electrification projects, encompassing the design, supply, erection, testing, and commissioning of 25 kV AC overhead equipment and traction substation systems. Our Company also have approved supplier registrations from various professional directorates of Ministry of Railway (Research, Design & Standards Organisation).

In the railway industry, our products contribute to enhancing operational efficiency, safety, and reliability across various systems. Our electronic solutions support critical on-board functions by ensuring reliable power regulation, lighting, control, and monitoring, thereby improving performance and safety in railway coaches. Our electrical components help maintain continuous traction and auxiliary functions essential for smooth rail operations. Additionally, our turnkey electrification capabilities ensure seamless implementation of high-voltage railway infrastructure, playing a key role in the modernization and expansion of India's rail network.

With our in-house design capabilities, our company leverages its expertise in railway engineering and electrical systems to deliver.

Our company primarily operates on a Business-to-Government (B2G) model, with the majority of our revenue



derived from delivering our services to government department and ministries such as Ministry of Railways. We have been accredited as an ISO 9001:2015 certified company. We prioritize the implementation and maintenance of a robust Quality Management System, ensuring our products adhere to the quality and reliability standards.

SOURCES OF REVENUE

S. No.	Source of Revenue	Description of services
1.	Sale of Products	<p>The Company generates revenue from the sale of electronic products such as regulators, battery chargers, emergency lights, inverters, microprocessor-based control systems, and vigilance control devices, all designed in compliance with the latest technical standards. Additionally, the Company manufactures critical railway components, including alternators, traction motors, and permanent magnet alternators equipped with controllers.</p> <p>The Company also provides after-sales replacement of damaged parts which are replaced with new parts are invoiced as sale of products. The company also undertakes AMCs for the manufacturing divisions which includes supply of items are invoiced as sale of products.</p>
2.	Sale of Services	Revenue is generated from the sale of services involving end-to-end execution of 25 kV AC single-phase Overhead Equipment (OHE) systems. This includes detailed design, supply of quality materials, precise erection, comprehensive testing, and final commissioning. The services support both the development of new railway lines and the modernization of existing infrastructure, in full compliance with applicable technical standards and operational guidelines.

For more information, please refer to the chapter titled “Restated Financial Information” on page 300 of the Draft Red Herring Prospectus.

MANUFACTURING FACILITY

Our Company has Three manufacturing facility which is located at Haridwar. The address is provided below:

S. N.	Address	Owned/Leased	Lessor/Sub-Lessor	Tenure	Area	Rent	Related Party Transaction or NOT	Usage
1.	Plot No. E-88, Industrial Area, Bahadrabad, Haridwar, Uttarakhand	Leased	Ratatory Electrical	10 Years (Upto July 21, 2026)	779 Sq. Mtr.	Rs. 91,530/- per month	No	Factory
2.	Plot No. E-93, Industrial Area, Bahadrabad, Haridwar, Uttarakhand	Sub-Leased	M/s Safe System India Pvt. Ltd.	15 Years (Upto August 02, 2033)	630 Sq. Mts	Rs. 2,75,000 p.m.	Yes	Factory
3.	Plot No. E-94,	Sub-	M/s Safe	10 Years	371.75			Factory



Industrial Area, Bahadrad, Haridwar, Uttarakhand	Leased	System India Pvt. Ltd.	(Upto July 13, 2027)	Sq. Mts		Yes	
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END USERS

Our end users primarily comprise various divisions and units of Indian Railways, along with Original Equipment Manufacturers (OEMs) serving the railway sector. Our products are also used by rail coach factories, locomotive manufacturing units, and trainset integrators for both passenger and freight applications.

Non-Government Clients include all companies, entities, or institutions that are not Central Government bodies, State Government departments, Public Sector Undertakings (PSUs), Government-controlled agencies, or any organisation in which the Government has a controlling stake. These clients operate independently of Government ownership or control and belong exclusively to the private sector.

Such Non-Government Clients typically include civil contractors, rolling stock manufacturers, regular suppliers to Indian Railways, manufacturers of electrical and electronic equipment used in Indian Railway coaches, and suppliers of critical components for Indian Railways and locomotive systems.

Financial Highlights (Standalone):

(Amount in lakh)

Particulars	March 2025	March 2024	March 2023
Revenue from Operations	12,148.16	9,921.78	9,562.27
EBITDA	1833.83	1213.93	814.39
PAT	928.26	461.92	174.78

OUR COMPLETED PROJECTS

Our completed projects under the Contract Division as on August 31, 2025, are as follows:

S. N.	Name and nature of work	Principal	Location of Work	Value (In Lakhs)	Date of Completion
1.	Design, Supply, Erection, Testing & Commissioning of 25 kV, 50 Hz, Single Phase, AC, Electrification Works including OHE & TSS as Composite Electrical Works” in Gorakhpur (Exc.) – Kaptanganj Valmiki Nagar (Exc.) section, Group-218 in Varanasi Division of North Eastern Railway under RE Project Lucknow, Total 96 RKM/ 113 TKM.	Central Organization for Railway Electrification, Gorakhpur	Gorakhpur (Exc.) – Kaptanganj Valmikinagar (Exc.) Uttar Pradesh	3692.22	OHE: 19.09.2018 TSS: 25.02.2019

2.	Design, Supply, Erection, Testing & Commissioning of 25 kV, 50 Hz, Single Phase, AC, Electrification Works including OHE & TSS as Composite Electrical Work" in Amritsar (Excl.) - Batala - Bharoli (Excl.) section Group - 253 in Firozpur Division of Northern Railway under RE Project Ambala, Total 104 RKM/ 124 TKM.	Central Organization for Railway Electrification, Ambala	Amritsar (Excl.) - Batala - Bharoli (Excl.) Punjab	3,473.14	OHE: 04.03.2020 TSS: 25.05.2022
3.	Design, Supply, Erection, Testing & Commissioning of 25 kV, 50 Hz, Single Phase, AC, Electrification including OHE & TSS Works" in Ara (Excl.) - Sasaram (Excl.) section, Group-230 in Mugalsarai Division of East Central Railway under RE Project Danapur, Total - RKM 97 / 122 TKMs	Central Organization for Railway Electrification, Danapur	Ara (Excl.) - Sasaram (Excl.) Bihar	4319.30	OHE: 22.05.2019 TSS: 20.12.2021
4.	Design, Supply, Erection, Testing & Commissioning of 25 kV AC single phase OHE for the work of "Doubling between Amritsar to Chheharta" over Firozpur Division.	Northern Railway, Jalandhar City	Amritsar to Chheharta Punjab	240.89	20.07.2021
5.	Design, Supply, Erection, Testing & Commissioning of 25 kV AC single phase OHE for the Electrification work of: Deoband (Includ.) to Tapri (Includ.) & 2nd phase work of MOZ yard related to New UP Loop line	Northern Railway, New Delhi	Deoband (Includ.) to Tapri (Includ.) & MOZ yard Uttar Pradesh	1713.39	04.03.2023
6.	Design, Supply, erection, testing & commissioning of 25 KV OHE for the work of Electrification between Amb-Andaura to Daulatpur Chowk over Ambala Division.	Northern Railway, Ambala/Moradabad	Amb-Andaura to Daulatpur Chowk Himachal Pradesh	589.71	30.07.2021
7.	Design, Supply, Erection, Testing & Commissioning of 25 kV AC single phase OHE for electrification of balance portion of Dehradun yard, including Loco Out Pit, and Doiwala yard of Moradabad Division to accommodate 18 coach facilities.	Northern Railway, Moradabad	Dehradun	367.96	25.07.2020
8.	Design, Supply, Erection, Testing and Commissioning of 25 kV AC single phase OHE in c/w shifting of MEMU Car shed of Saharanpur to Khanalampura Yard for DFCCIL (Deposit Work) over Ambala Division.	Northern Railway, Ambala/Moradabad	Saharanpur	202.77	17.01.2023
9.	Design, Supply, erection, testing & commissioning of 25 KV OHE for the work of "Electrification of GVK Thermal Power plant Siding at Khadur Sahib Station over Firozpur Division.	Northern Railway, Jalandhar City	Khadur Sahib Station Punjab	481.30	07.06.2021



10.	Design, Supply, erection, testing & commissioning of 25 KV OHE for the work of: (i) Doubling between Madhopur Punjab and Kathua (J&K) including Bridge No. 16, 17 (Ravi Bridge), 18 & 19 (ii) Bari Brahman - Development of satellite of freight goods terminal (iii) Goods Handling line with covered goods shed and cement handling facilities at Chhan Arorian	Northern Railway, Jalandhar City	Madhopur Punjab and Kathua (J&K)	862.98	30.05.2023
11.	Routine Preventive and Breakdown Maintenance of newly constructed 25 KV Traction OHE lines with all associated equipment, fittings, PTFE neutral sections, Isolators including maintenance of Switching posts (SP/SSP), station ATs, Electrical general services work of station/service buildings/station platforms/quarters etc. between Kharsia-Korichhapar in terms of Indian Railway Manuals, ACTM and as per standard RB/RDSO guidelines with amendments if any	Ircon Infrastructure & Services Limited, B-40/A, Sector-1 Noida- 201 301	Kharsia-Korichhapar Chattisgarh	589.44	30.09.2022
13.	Outsourcing of OHE & PSI assets maintenance activities in Pathankot Cantt (PTKC) -Jammu Tawi (JAT)-Katra (SVDK) sections under the jurisdiction of ADEE/TRD/JAT of Firozpur division for a period of Three (03) Years	Northern Railway Firozpur Cantt.	Pathankot Cantt (PTKC) -Jammu Tawi (JAT)-Katra (SVDK)	233.45	31.05.2024
14.	Design, Supply, erection, testing and commissioning of 25 kV AC single phase OHE including modification of SSP/SP & Existing SCADA in connection with electrification of doubling between Amethi-pratapgarh section of Lucknow division Northern Railway.	Northern Railway Lucknow	Amethi-Pratapgarh Uttar Pradesh	1908.64	02.03.2023
15.	Routine Preventive and Breakdown Maintenance of newly constructed 25 KV Traction OHE lines with all associated equipment, fittings, PTFE neutral sections, Isolators including maintenance of Switching posts (SP/SSP), station ATs, Electrical general services work of station/service buildings/station platforms/quarters etc. between Kharsia-Dharamjaygarh and Gharghoda-Bhalumuda sections of CERL in terms of Indian Railway Manuals, ACTM and as per standard RB/RDSO guidelines with amendments if any.	Ircon Infrastructure & Services Limited, B-40/A, Sector-1 Noida- 201 301	Kharsia-Dharamjaygarh and Gharghoda-Bhalumuda	705.69	11.07.2024

16.	Miscellaneous TRD reliability improvement works over Firozpur division	Northern Railway Firozpur Cantt.	Firozpur	89.66	16.03.2024
17.	Outsourcing of OHE maintenance with providing of manning, housekeeping and data entry staff for SUNR-VG section of Rajkot division for a period of 2 years	Western Railway, Rajkot	SUNR-VG Rajkot, Gujarat	209.33	30.11.2024

ONGOING PROJECTS

Our Ongoing projects under the Contract Division as on August 31, 2025, are as follows:

S. No.	Name and nature of work	Principal	Total Project Value (In Lakhs)	Pending Value (In Lakhs)	Start date/ Work order	Estimated Completion Time
1.	Design, Supply, Erection, Testing & Commissioning of 25 KV AC single phase OHE in c/w construction of (i) New line between Daulatpur Chowk to Talwara station on Nangaldam- Talwara Section, (ii) New Bypass line at CNDM station on Chandigarh-Baddi Section including "GPS Electrification work in both sections" over Ambala division.	Northern Railway, Ambala/Mo radabad	1283.33	995.13	05.06.2024	05.12.2025
2.	Outsourcing of maintenance activities for PSI & OHE assets of TRD depots at Firozpur (FZR), Fazilka (FKA) and Kotkapura (KKP) in the jurisdiction of DEE/TRD/FZR over Firozpur division for 02 years	Northern Railway, Firozpur	156.04	156.04	18.11.2024	18.11.2026
3.	Design, Supply, Erection, Testing & commissioning of OHE modification work for raising of speed to 160/200 Kmph High Speed Work in Amausi - Manak Nagar (Excl.) Section and OHE modification work balance for 2x25 KV system for raising of speed to 160/200 KMPH on existing Amausi - Kanpur (excl.) section in connection with Mission Raftaar of Lucknow Division.	Northern Railway, Lucknow	1,353.03	1,353.03	09.05.2025	09.11.2025



4.	Design, Supply, Erection, Testing & Commissioning of 25 KV AC single phase OHE, including OHE modification in C/w (i) construction of 2 lane ROB at L-Xing 84-AC at KM 177/13-15 (In front of Star paper mill) in KJGY yard for MTC - SRE section and Construction of ROB along with LHS in lieu of L-Xing 96-C/3 at KM 200/15,16-17,18 Bet SSW-PKY on SRE-UMB section (ii) the construction work of development of additional maintenance and stabling facilities at Chandigarh station over Ambala division ".	Northern Railway, Moradabad	319.11	319.11	11.06.2025	11.06.2026
5.	Design, Supply, Erection, Testing & Commissioning of 25 kV AC single phase OHE for the work of Electrification of New Loop Line at Balamau, Dilawarnagar, Umartali, Masit, Todarpur, Miranpur Katra, Mewa Nawada, Chakrajmal, Chandok, and Chodiala stations on Lucknow-Moradabad-Saharanpur Section of Moradabad Division.	Northern Railway, Moradabad	1204.97	244.74	14.02.2019	30.09.2025
6.	Design, Supply, Erection, Testing and commissioning of feeder wire for 2x25 KV system for raising of speed to 160/200 KMPH on existing Lucknow-Kanpur section in connection with mission raftaar of Lucknow Division (Phase-1).	Northern Railway, Lucknow Division	1,770.51	198.79	13.02.2021	31.10.2025
7.	Design, supply, Erection, Testing & commissioning of 25 KV, 50 Hz, single phase, AC, OHE including new SP at Jhabrera, new SSP at RK, extension/Modification of existing SSP at DBD for the electrification work of :-Deoband-	Northern Railway, New Delhi	1,641.43	226.87	26.02.2022	31.10.2025

	Roorkee new line along with Roorkee Yard remodeling work in connection with RK DBD line in DLI Division" section of Lucknow division					
8.	Modification required in existing OHE arrangement & replacement of overaged OHE in connection with raising the speed to 160 kmph on existing NDLS-CPYZ section & DLI Area of Delhi Division	Northern Railway, New Delhi Division	1837.42	757.88	17.03.2022	17.11.2025
9.	Design, Supply, erection, testing & commissioning of 25 KV OHE for the work of "Longer Loop Lines at Chiheru, Kartarpur, Jandiala & Manawala Station over Firozpur Division	Northern Railway, Jalandhar City	1,413.00	269.51	21.10.2022	20.10.2025
10.	Design, Supply, Erection, Testing & Commissioning of 25 KV, 50 Hz, Single Phase, AC Electrification work including foundations, structures and all ancillary equipment etc." in connection with elimination of five manned level crossings in KKDE-NRE section of Northern Railway by construction of elevated railway track in Kurukshetra city area in the state of Haryana.	HRIDC Gurgaon	557.87	115.90	13.06.2023	15.12.2025
11.	Outsourcing of OHE & PSI assets maintenance activities in Baramulla (BRML)-Banihal (BAHL) section over Firozpur division for Three (03) Years	Northern Railway Ferozpur	182.62	113.43	03.07.2023	03.07.2026
12.	Design, Supply, Erection, Testing & Commissioning of 25kV, 50 Hz, Single Phase, AC Electrification including OHE & TSS of 2nd line of Bagalkot-Wandal section along with leftover works required for commissioning of Bagalkot-Wandal section (COMPOSITE TENDER)	South Western Railway, Hubballi	276.45	1363.61	21.05.2024	30.09.2025
13.	Provision of earthing	Northern	617.10	349.61	07.06.2024	07.10.2025

	station (Buried Rail) at switching posts, 160 Sq mm Jumper in place of 105 Sq mm jumper and new cantilevers in place of decayed cantilever for strengthening of OHE over Ambala Division	Railway, Ambala Division				
14.	Design, Supply, Erection, Testing Commissioning of 25 KV AC single phase OHE and General power supply work in c/w "Reconstruction/ Renovation of Railway deck slab of over Bridge (Rego Bridge) at Amritsar "over Firozpur division	Northern Railway, Jalandhar City	171.76	171.76	10.06.2024	10.12.2025
15.	Design, Supply, erection, testing and commissioning of 50 Hz, 2x25 KV OHE including modification of existing OHE in connection with Kashi Yard remodeling Phase-I, 3rd line between Shivpur-Varansiand Design, Supply, erection, testing and commissioning of 50 Hz, Single Phase 1x25 KV OHE in connection with by pass line at Shahganj and Jaunpur of Lucknow division Northern Railway.	Northern Railway, Lucknow	1,903.67	1,903.67	19.07.2025	19.07.2026
16.	Design, Supply, Erection, Testing & Commissioning of double circuit 132KV/27 KV, 21.6/30.24 MVA Traction Sub-Station(TSS) at Amb-Andaura (AADR) on Nangaldam- Talwara Section, including SCADA, Electrical General work & Civil Engg works and Provision of second 132KV/27KV/21.6 MVA/30.24 MVA, single phase traction power transformer & its associated equipments, SCADA etc. at KURALI (KRLI)/TSS over Ambala Division.	Northern Railway, Ambala, Moradabad	2331.76	2331.76	31.07.2025	30.07.2026



We believe that the following are our primary competitive strengths:

Extensive Sales & Service Network

We maintain a comprehensive sales and service network across India, coordinated through our central sales office in Delhi. A dedicated service center or service representative is present in every state capital, ensuring that customer queries and service requirements are attended to within 24 hours. This enables minimal downtime and helps us maintain high levels of customer satisfaction with our products and after-sales support.

Our Marketing and Sales Department comprises six employees, who are supported by a wide network of engineers across various regions to provide effective sales assistance and prompt service support.

OUR BUSINESS STRATEGIES

Focusing on the rail contracts division

The Indian Government is committed to modernizing its railway infrastructure through several key initiatives aimed at upgrading the existing system and enhancing service quality. These initiatives include a drive toward 100% railway electrification, improvements to existing lines to support higher speeds and better passenger facilities, and significant expansion of the railway network with new lines.

Additionally, there is a focus on introducing and expanding a high-speed train network connecting major cities across India, along with the development of dedicated freight corridors to reduce cargo transportation costs. Our contracts division is actively managing a strong portfolio of projects in line with these developments.

**Source: National Rail Plan Vision 2030 (NRP) prepared by the Ministry of Railways. The relevant press release is available at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1806617> PressInformationBureau*

Product Innovation

Our Company has in-house Research & Development facilities for the development of microprocessor-based electronic equipment and electrical rotating machines for railway applications. We have a team of highly skilled technical professionals dedicated to the development and manufacturing of high-tech electrical equipment, microprocessor-based systems, and control systems as per customer specifications. IC Electrical consistently meets customer expectations by introducing new products and technologies to address the evolving requirements of the railways. We have successfully developed several innovative and reliable projects for the railways for the first time in the industry.

The details of the products introduced by the Company over the last three financial years are as follows:

S.No.	Products	Year
1.	Public Address and Passenger Information System developed as per specification RDSO/CG-18001 for Indian Railways.	April, 2025
2.	Public Address and Passenger Information System designed specifically for 3-Phase AC MEMU.	February 2023
3.	Regulated Battery Charger – Revision 2	Product is submitted for approval with RDSO

OUR TOP CUSTOMERS AND SUPPLIERS

CUSTOMERS:

On the basis of Consolidated Restated Financial statement:

(Amount in lakhs)

Particulars	For the Financial Year ended on March 31, 2025	For the Financial Year ended on March 31, 2024	For the Financial Year ended on March 31, 2023
Top 1 Customer	3753.48	2516.89	2293.48
% of Revenue from Operations*	30.80%	25.36%	23.48%
Top 5 Customers	6521.12	4,646.12	4884.05
% of Revenue from Operations*	53.50%	46.81%	49.99%
Top 10 Customers	7697.27	5516.55	5844.02
% of Revenue from Operations*	63.15%	55.58%	59.82%

Note: The percentages listed above are calculated as a percentage of Revenue from Operations based on restated financial statement.

On the basis of Standalone Restated Financial statement:

(Amount in lakhs)

Particulars	For the Financial Year ended on March 31, 2025	For the Financial Year ended on March 31, 2024	For the Financial Year ended on March 31, 2023
Top 1 Customer	3753.48	2516.89	2293.48
% of Revenue from Operations*	30.90%	25.37%	23.98%
Top 5 Customers	6532.05	5256.31	5048.05
% of Revenue from Operations*	53.77%	52.98%	52.79%
Top 10 Customers	8092.91	6307.25	6136.43
% of Revenue from Operations*	66.62%	63.57%	64.17%

Note: The percentages listed above are calculated as a percentage of Revenue from Operations based on restated financial statement.

CAPACITY AND CAPACITY UTILISATION

The current installed and actual capacity for our products is as follows:

Particulars	Installed capacity (in PCs)	Actual production (in PCs)	Capacity Utilisation (%)
As at March 31, 2025	30,384	12,970	42.69%
As at March 31, 2024*	30,384	10,294	33.88%
As at March 31, 2023	25,224	12,634	50.09%

Note: As certified by a M/s Mukaty and Associates, Chartered engineer vide their certificate dated September 03, 2025.

EXPORT OBLIGATION

As of the date of this Draft Red Herring Prospectus, our company has engaged in a limited number of exports and the details of the same are as follows:

On the basis of consolidated restated financial statements:

(Amount in Rs. Lakhs except %)

S. No	Particulars	As on 31st March,2025		As on 31st March,2024		As on 31st March, 2023	
		Revenue	% of Revenue from operations	Revenue	% of Revenue from operations	Revenue	% of Revenue from operations
1	Domestic Sales	11611.64	95.27%	8950.89	90.19%	9205.18	94.23%
2	Export Sales	576.95	4.73%	974.03	9.81%	564.17	5.77%
	Total Revenue	12188.59	100%	9924.92	100%	9769.35	100%

LAND AND PROPERTY DETAILS

Following are the details of land and Properties used by our company:

S. N.	Address	Owned/ Leased	Lessor	Tenure	Rent per month	Related Party Transaction or NOT	Area	Usage
1.	156 DSIDC Okhla INDL Area Phase I, New Delhi 110020, India	Leased	Safe System India Private Limited	11 Months	5,000/- per month	Yes	*N.A.	Registered Office
2.	157, 2nd Floor, DSIDC, Okhla Industrial Area, Phase-I, New Delhi-110020	Owned	N.A.	N.A.	-	NA	135.92 Sq. Mts	Office
3.	S.K.B. Road, Hojai Town, Ward No. 4, Near Satsanga Mandir, P.S. & Mouza- Hozai, Dist. Hojai, Assam	Leased	Mr. Swapan Debnath	11 Months (From March 01, 2025, to February 28, 2026)	12,500/- per month	No	*N.A.	Branch Office
4.	Apartment No. 2, 10 th Floor of Tower 3, Zara Aavaas, Village Gurugram, Sector – 104, Haryana – 122006.	Leased	Mrs. Madhu Pareek	11 Months (From March 01, 2025, to January 31, 2026)	5,000/- per month	No	*N.A.	Branch Office
5.	C-21, 22, Loni Road, UPSIDC, Site-II, Mohan Nagar, Ghaziabad – 201007	Leased	Safe Insulation Technologies Private Limited	11 Months (From March 01, 2025, to February 28, 2026)	10,000/- per month	Yes	*N.A.	Branch Office
6.	Plot No. E-88, Industrial Area, Bahadrabad, Haridwar, Utrakhand	Leased	Ratatory Electrical	10 Years (Upto July 21, 2026)	Rs. 91,530/- per month	No	779 Sq. mtr	Factory

7.	Plot No. E-93, Industrial Area, Bahadrabad, Haridwar, Utrakhand	Sub-Leased	M/s Safe System India Pvt. Ltd.	15 Years (Upto August 02, 2033)	Rs. 2,75,000 p.m.	Yes	630 Sq. Mts	Factory
8.	Plot No. E-94, Industrial Area, Bahadrabad, Haridwar, Utrakhand	Sub-Leased	M/s Safe System India Pvt. Ltd.	10 Years (Upto July 13, 2027)		Yes	371.75 Sq. Mts	Factory
9.	Village Bhabhour, Tehsil Nangal, Distt. Rupnagar, Punjab	Leased	Mr. Gurmeet Singh	11 Months (From May 01, 2025, to March 31, 2026)	2,000/- per month	No	*N.A.	Branch Office

MARKETING

The Company is primarily engaged in the design, manufacture, and supply of electrical and electronic equipment to the Indian Railways. Sales are predominantly generated through direct participation in Indian Railways' tender processes as well as through B2B contracts with public sector undertakings and select private sector clients.

The Company's marketing approach focuses on fostering strong working relationships with zonal railways, production units, and other key institutional stakeholders, while ensuring full compliance with applicable procurement procedures and regulatory requirements. The Company maintains long-standing relationships with major customers and emphasizes product quality, reliability, and after-sales service as its key differentiators. All products are marketed under the Company's own brand.

INFRASTRUCTURE FACILITIES

Information Technology systems and Data Security & Protection measures implemented for running the business of the Company are as follows:

- IC Electricals recognizes the importance of protecting all forms of information, including proprietary designs, project documentation, vendor data, and employee records. The Company is committed to maintaining the confidentiality, integrity, and availability of its information assets through a combination of strong governance practices, technical safeguards, and internal process controls.
- The Company has implemented an internal Information Security and Data Protection Policy that is aligned with the provisions of the Information Technology Act, 2000, the Digital Personal Data Protection Act, 2023, and internationally accepted standards such as ISO/IEC 27001.
- To ensure secure operations, the Company has deployed firewalls and endpoint protection systems for preventing unauthorized access, maintaining network security, and monitoring potential cyber threats. Access to sensitive and confidential information is strictly controlled and granted only to authorized personnel based on role and requirement, supported by authentication mechanisms. All employees, contractors, and vendors are bound by confidentiality obligations and non-disclosure agreements. The Company also ensures that third-party partners adhere to comparable data protection and cybersecurity standards when handling Company or client-related information.
- Periodic reviews and audits are carried out to ensure continued compliance and to enhance cyber-resilience across the organization.

HUMAN RESOURCES

As on August 31, 2025, we have 220 permanent employees, which are divided into several departments like Finance and Accounts, Human Resources, Marketing & Sales, Operations, Secretarial & Legal, Research & Development and Administration. Our success depends upon our ability to attract, develop, motivate and retain highly skilled and multi-dimensional team members. The distribution of employees across the aforesaid departments is set out in the table below. Further, the Company confirms that, as on the date of this Draft Red Herring Prospectus, it does not engage any contractual labour.

Employees on Payroll:

Department	Number of employees	Head of the Department
Civil Work (Contract Division)	118	Mr. Sumit Choudhary
HR & Administration	12	Ms. Saraswati
Design-Civil Work	2	Mr. Sunil Kumar Verma
Quality Control	16	Mr. Nitesh Kumar
Production	48	Mr. RK Chauhan
Marketing & Sales	6	Mr. Bhupinder Bisht
Finance & Accounts	6	Mrs. Davisha Verma
Store	4	Mr. Sunil Kumar Verma
Research & Development	5	Mr. Rahul Verma
Secretarial	1	Mr. Subodh Kumar
Higher Management	2	Mr. Sunil Kumar Verma
Total	220	

The details of Employees' Provident Fund (EPF) and Employees' State Insurance Corporation (ESIC), including the number of employees registered, amount paid are as follows:

S.No	Particular	Total No. of Employees	Total No. of Employees Registered	Amount Paid (August 2025)
1	Employees' Provident Fund	220	164	4,40,813
2	Employees' State Insurance Corporation	220	157	40,368

Out of the above 220 employees only 164 employees are covered under Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("Act"), as on August 31, 2025.

Reason: The basic salary of the remaining 56 employees does not fall with the stipulated threshold limits. Therefore, the provision of the Act is not applicable to them.

Out of the above 220 employees only 157 employees are covered under Employees State Insurance Act, 1948 ("Act"), as on August 31, 2025.

Reason: The gross salary of remaining 63 employees does not fall with the stipulated threshold limits. Therefore, the provision of the Act is not applicable to them.

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KEY REGULATION AND POLICY

Compliance with RDSO Standards

RDSO functions under the Ministry of Railways, Government of India and serves as a technical and standardization authority for Indian Railways. RDSO enforces the standardization and co-ordination amongst various railway systems. It is responsible for formulating, updating, and enforcing technical standards, specifications, and design approvals across various railway domains, including locomotives, infrastructure, signaling, telecommunication, bridges, track machines, rolling stock etc. Additionally, RDSO establishes safety, reliability, and quality assurance protocols, undertakes vendor approval processes, and conducts periodic audits to ensure compliance with established standards. Its role ensures uniformity, safety, and technological advancement across the railway ecosystem, aligning infrastructure and operational standards with national and global best practices.

(ii) The Legal Metrology Act, 2009 (“Legal Metrology Act”)

The Legal Metrology Act, 2009 (“Legal Metrology Act”) establishes and enforces standards of weights and measures and regulates trade and commerce in goods sold or distributed by weight, measure, or number, along with matters connected or incidental thereto. As the Company is not engaged in any such activities involving trade or commerce based on weight, measure, or number, the provisions of the Legal Metrology Act are not applicable to the Company.

National Building Code of India 2016

The NBC 2016 is a comprehensive code prescribing minimum standards for building design and construction with respect to safety, including fire and life safety. Part 4 of the NBC 2016 lays down detailed guidelines for the classification of buildings based on occupancy, fire prevention measures, means of escape, fire detection and alarm systems, and fire-fighting installations. It mandates that all building plans and safety systems conform to these standards and that periodic inspections and certifications be conducted to ensure compliance. These provisions are applicable to all new and existing buildings to ensure the safety of occupants and property in the event of a fire.

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OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

BACKGROUND OF PROMOTERS

Following are promoters of our Company:

1. Mr. Sunil Kumar Verma
2. Mrs. Renu Verma
3. Ms. Aakansha Verma
4. Ms. Davisha Verma
5. Mrs. Savita Sachdeva
6. M/s SHBD LLP
7. M/s Safe System India Private Limited

For the detailed profile of our promoters, kindly refer the chapter “Our Promoters” on page no. 283 of this Draft Red Herring Prospectus.

ASSOCIATE OR JOINT VENTURE OF OUR COMPANY

Our Company does not have any Associate or Joint Venture company as on the date of filing of this Draft Red Herring Prospectus except as follows:

S.No.	Name of the Associate / Joint Venture Company	CIN/PAN	Nature of Relationship (Associate / JV)	Percentage of Holding (%)
1.	EMC-ICECPL JV	AAAAE9999H	Joint venture formed to jointly bid for and undertake contract division works of the Company.	EMC Limited – 51% IC Electrical Company Limited – 49%

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OUR MANAGEMENT

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Red Herring Prospectus:

S.N.	Name, DIN, Date of Birth, Qualification, Designation, Address, Occupation, Nationality and Term	Age	No. of Equity Shares held & % of pre issue shareholding	Other Directorship/partner
7.	<p>Mr. Bhaskar Reddy Dasari</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> 8-2-639/2/26 and 27 Road No-12 Banjara Hills Hyderabad Telangana 500034, India</p> <p><i>Date of Birth:</i> November 18, 1960</p> <p><i>Qualification:</i> Post Graduate Diploma in Business Management and</p> <p><i>Occupation:</i> Professional</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> 5 years from December 27, 2024</p> <p><i>Date of Appointment:</i> December 27, 2024</p> <p><i>DIN:</i> 00157696</p>	66	NIL	<p>Indian Private Companies:</p> <ol style="list-style-type: none"> Green Tree Research and Development Private Limited Splendere Decarb Technologies Private Limited Little Stars Healthcare Private Limited <p>Indian Public Companies: Nil</p> <p>Section 8 companies:</p> <ol style="list-style-type: none"> Centre for Social Entrepreneurship Development Foundation VEC Centre for Research and Innovation Foundation Choice Foundation <p>Indian LLPs – Nil</p>

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

4. Mrs. Savita Sachdeva, aged 65 years, serves as a Non-Executive Director of the Company, appointed on July 17, 2017. She holds a Bachelor of Education (1980) from Maharshi Dayanand University and has over three decades of experience in the electrical industry. She began her career with Safe System India Pvt. Ltd., New Delhi, holding key leadership roles including Deputy General Manager – Administration & Planning (1995–2005), Assistant Vice President – Administration & Planning (2005–2013), and Additional Director (2013–2015). Since 2015, she has been a Director at Safe System India Pvt. Ltd. and, from 2017, has also been serving as a Director at I.C. Electricals Co. Ltd., contributing extensively to administration, planning, strategy formulation, operations management, and risk management.

7. Mr. Bhaskar Reddy Dasari, aged 64 years, is an Independent Director of our Company. He was appointed as an Additional Independent Director on December 27, 2024, and was subsequently regularized as an Independent Director at the Extraordinary General Meeting held on May 17, 2025. He holds a Post Graduate Diploma in Business Management from the Institute of Management Technology, Ghaziabad. He has over 17 years of professional experience spanning the power, renewable energy, manufacturing, trading, infrastructure, and services



sectors. Since 2021, he has been serving as the Director & COO of WindStream Energy Technologies India Private Limited, where he oversees business expansion in hybrid wind-solar renewable solutions.

FAMILY RELATIONSHIP BETWEEN KMP

Except the following, none of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

Sr. No.	Name of the KMP	Relationship
1.	Mr. Sunil Kumar Verma	Father of Mrs. Davisha Verma and Husband of Mrs. Renu Verma
2.	Mrs. Renu Verma	Spouse of Mr. Sunil Kumar Verma and Mother of Mrs. Davisha Verma

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OUR PROMOTERS

The Promoters of our Company are:

S. No.	Name	Category	No. of Shares	% of Shareholding
1.	Mr. Sunil Kumar Verma	Individual Promoter	13,53,840	10.09%
2.	Mrs. Renu Verma	Individual Promoter	7,77,300	5.79%
3.	Ms. Aakansha Verma	Individual Promoter	4,05,000	3.02%
4.	Ms. Davisha Verma	Individual Promoter	Nil	-
5.	Mrs. Savita Sachdeva	Individual Promoter	5,58,840	4.16%
6.	M/s SHBD LLP	Limited Liability Partnership	15,00,000	11.18%
7.	M/s Safe System India Private Limited	Private Limited Company	52,69,620	39.26%

For details of the build-up of our promoters shareholding in our Company, see section titled “Capital Structure” beginning on page 99 of this Draft Red Herring Prospectus.

Brief Profile of Our Individual Promoters is as under:

	<p>Mr. Sunil Kumar Verma, aged 62 years, is the Promoter and Managing Director of our Company. He has been serving in the Company since November 11, 2005, and was subsequently re-designated as Managing Director with effect from December 10, 2025. He is post graduated in business management from the Institute of Management Technology, Ghaziabad, and a Bachelor of Science from the University of Meerut. With over 31 years of extensive experience in the Electrical Industry, he brings valuable expertise to the organization.</p>
Particulars	Details
Name	Mr. Sunil Kumar Verma
Date of Birth	June 01, 1963
Age	62 Years
Address	68 Pocket A Sarita Vihar South Delhi 110076, India
Qualification	Post Graduate Diploma in Business Management and Bachelor of Science
Experience	He has over 31 years of extensive experience in the Electrical Industry.
PAN	AAKPV9545M
Occupation	Business
No. of Equity Shares & % Of Shareholding (Pre-Offer)	13,53,840 Equity Share aggregating to 10.09% of Pre-Issue Paid up Share Capital of the Company.
Directorship & Other Ventures	<p>Indian Private Companies</p> <ol style="list-style-type: none"> 1. Safe Coils India Private Limited 2. Safe Insulation Technologies Private Limited 3. Safe System India Private Limited



Power & Technology Solutions

	<p>Indian Public Companies Nil</p> <p>Section 8 companies Nil</p> <p>Indian LLPs SHBD LLP</p>
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	<p>Mrs. Renu Verma, aged 59 years, is the Promoter and Non-Executive Director of our Company. She was appointed as an Executive Director on February 26, 2024, and was subsequently re-designated as a Non-Executive Director with effect from March 22, 2025. She holds a Bachelor of Architecture degree from the Indian Institute of Architects, Bombay, and has over 30 years of extensive experience in the Electrical Industry.</p>
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Particulars	Details
Name	Mrs. Renu Verma
Date of Birth	May 03, 1966
Age	59 Years
Address	68 Pocket A Sarita Vihar South Delhi 110076, India
Qualification	Bachelor of Architects
Experience	She has over 30 years of extensive experience in the Electrical Industry.
PAN	ACBPV3653K
Occupation	Business
No. of Equity Shares & % Of Shareholding (Pre-Offer)	7,77,300 Equity Share aggregating to 5.79% of Pre-Issue Paid up Share Capital of the Company.
Directorship & Other Ventures	<p>Indian Private Companies</p> <ol style="list-style-type: none"> 1. Safe Coils India Private Limited 2. Safe Insulation Technologies Private Limited 3. Safe System India Private Limited <p>Indian Public Companies Nil</p> <p>Section 8 companies Nil</p> <p>Indian LLPs SHBD LLP</p>

	<p>Ms. Aakansha Verma, aged 29 years, is a Promoter of our Company. She holds a Bachelor of Technology in Computer Science from Jaypee Institute of Information Technology, Noida, and a Post Graduate Program in Data Science Engineering from Great Lakes Institute of Management. She has over Five years of experience spanning technical leadership, delivery management, operations, and customer service.</p>
Particulars	Details
Name	Ms. Aakansha Verma
Date of Birth	January 01, 1996
Age	29 Years
Address	68 Pocket A Sarita Vihar South Delhi 110076, India
Qualification	Bachelor of Technology, Computer Science and Post Graduate Program in Data Science Engineering
Experience	She has over 5 years of experience in the technical leadership, delivery management, operations, and customer service.
PAN	AYSPV2354E
Occupation	Business
No. of Equity Shares & % Of Shareholding (Pre-Offer)	4,05,000 Equity Share aggregating to 3.02% of Pre-Issue Paid up Share Capital of the Company.
Directorship & Other Ventures	Indian Private Companies Nil Indian Public Companies Nil Section 8 companies Nil Indian LLPs 1. SHBD LLP

	<p>Ms. Davisha Verma, aged 34 years, is the Promoter and Chief Financial Officer of our Company. She holds a Bachelor of Technology in Electronics and Communication Engineering from Jaypee University of Information Technology, Himachal Pradesh, and a Master of Business Administration in Telecom Management (Systems & Finance) from Symbiosis International University. She has over nine years of experience in telecom and IT advisory, IT security, and finance.</p>
Particulars	Details
Name	Ms. Davisha Verma
Date of Birth	April 07, 1991

Age	34 Years
Address	68 Pocket A Sarita Vihar South Delhi 110076, India
Qualification	Bachelor of Technology in Electronics and Communication Engineering and Master of Business Administration in Telecom Management (Systems & Finance)
Experience	She has over 9 years of experience in the telecom and IT advisory, IT security, and finance.
PAN	AWKPV5327P
Occupation	Business
No. of Equity Shares & % Of Shareholding (Pre-Offer)	Nil
Directorship & Other Ventures	Indian Private Companies Nil Indian Public Companies Nil Section 8 companies Nil Indian LLPs 1. SHBD LLP

	Mrs. Savita Sachdeva, aged 65 years, is the Non-Executive Director and Promoter of our Company. She has been appointed as Non-Executive Director of the Company on July 17, 2017. She joined Safe System India Private Limited, where she worked in various leadership roles including Deputy General Manager – Administration & Planning (1995–2005), Assistant Vice President – Administration & Planning (2005–2013), and Additional Director (2013–2015). Since 2015, she has been serving as Director at Safe System India Private Limited Further, since 2017, she has also been serving as Director at Our Company. In total, she has more than 30 years of hands-on exposure in the Electrical Industry, contributing significantly towards administration, planning, strategy formulation, operations management, and risk management.
Particulars	Details
Name	Mrs. Savita Sachdeva
Date of Birth	March 22, 1960
Age	65 Years
Address	D-1/1005, Sector D PKT-1, Vasant Kunj, Kalkaji Delhi 110070, India
Qualification	Bachelor of Education
Experience	She has over 30 years of hands-on exposure in the Electrical Industry
PAN	AYHPS5812R
Occupation	Business
No. of Equity Shares & % Of Shareholding (Pre-Offer)	Nil
Directorship & Other Ventures	Indian Private Companies 1. Safe Coils India Private Limited 2. Safe System India Private Limited Indian Public Companies Nil Section 8 companies

	Nil
	Indian LLPs
	Nil

Relationship of Promoters with our Directors

Our Promoters are part of our board of directors as Managing Directors and/or Directors. Except as disclosed herein, none of our Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Sr. No.	Name of Promoter	Relationship with our Directors
1.	Mr. Sunil Kumar Verma	Husband of Mrs. Renu Verma and father of Ms. Aakansha Verma and Ms. Davisha Verma.
2.	Mrs. Renu Verma	Wife of Mr. Sunil Kumar Verma and mother of Ms. Aakansha Verma and Ms. Davisha Verma.
3.	Ms. Aakansha Verma	Daughter of Sunil Kumar Verma and Renu Verma and Sister of Ms. Davisha Verma.
4.	Ms. Davisha Verma	Daughter of Sunil Kumar Verma and Renu Verma and Sister of Ms. Aakansha Verma.

For details pertaining to other ventures of our Promoters, refer chapter titled "Our Group Entities" beginning on page no. 294 of this Draft Red Herring Prospectus.

Brief profile of our Corporate Promoter is as under:

<p>"SHBD LLP" was incorporated as a Limited Liability Partnership, under the Limited Liability Partnership Act, 2008 pursuant to a certificate of incorporation issued by the Central Registration Centre, Manesar dated October 16, 2020, The LLP identification number of SHBD LLP is AAU-2775. The registered office of SHBD LLP is situated at No A 68 Sarita Vihar, South Delhi 110076, India. Our promoters, Mr. Sunil Kumar Verma, Mrs. Renu Verma, Ms. Davisha Verma and Ms. Akansha Verma are the partners and hold the entire contribution of the SHBD LLP.</p>	
Name	SHBD LLP
LLPIN	AAU-2775
Registered Office	No A 68 Sarita Vihar, South Delhi 110076, India
Present Business Activities	SHBD LLP engaged in the business of sale and purchase of Equity Shares, Debentures, Mutual Fund, Financial Consultant and advisors activities.
PAN No.	AEHFS1787F
No. of Equity Shares & % Of Shareholding (Pre-Offer)	15,00,000 Equity Shares (11.18% of the pre- issue equity share capital of the company)
Objects of the LLP	SHBD LLP engaged in the business of sale and purchase of Equity Shares, Debentures, Mutual Fund, Financial Consultant and advisors activities.
Partners Contribution:	<ol style="list-style-type: none"> 1. Sunil Kumar Verma: 3,00,000 2. Renu Verma: 1,00,000 3. Davisha Verma: 50,000 4. Akansha Verma: 50,000

Designated Partners:

The Designated Partners of Our Corporate Promoter as on the date of this Draft Red Herring Prospectus are as follows:

S. No.	Name of the Designated Partners	Designation
1.	Sunil Kumar Verma	Designated Partner
2.	Renu Verma	Designated Partner
3.	Davisha Verma	Designated Partner
4.	Akansha Verma	Designated Partner

Capital Contribution:

The Capital Contribution of our Corporate Promoter as on the date of this Draft Red Herring Prospectus:

S. No.	Partners Name	Amount of Contribution	% of Contribution
1.	Sunil Kumar Verma	3,00,000	60%
2.	Renu Verma	1,00,000	20%
3.	Davisha Verma	50,000	10%
4.	Akansha Verma	50,000	10%
Total		5,00,000	100.00%

“Safe System India Private Limited” was incorporated under the Companies Act, 1956 with Registrar of Companies, Delhi and Haryana at Delhi as a Private Limited company vide Certificate of Incorporation dated January 21, 1994, bearing Corporate Identity Number U74899DL1994PTC057033. Further, our Company name was changed, pursuant to special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on April 20, 2010 and the name of our Company changed from “ Safe Systems India Private Limited” to “Safe System India Private Limited” & Registrar of Companies, Delhi issued a new certificate of incorporation consequent upon name change dated May 13, 2010. Our promoters, Mr. Sunil Kumar Verma, Mrs. Renu Verma, Ms. Aakansha Verma, Ms. Davisha Verma, Mrs. Savita Sachdeva and Promoter Group Mr. Tilak Raj Sachdeva, Akash Sachdeva and Aditi Sachdeva jointly holds the 80.00% shareholding of the Safe System India Private Limited.

Name	Safe System India Private Limited
CIN	U74899DL1994PTC057033
Registered Office	156 DCIDC Okhla Industrial Area Phase I, New Delhi 110020, India.
Present Business Activities	<ol style="list-style-type: none"> To provide technical advice, consultancy of data compilation, references, research and development, processing market surveys, seminars, consultancy in the field of system technology and allied activities. To provide technical advice, consultancy for system technology transfer and collaborations. To manufacture, buy, sell, export, import, assemble all type of electric power cable, joints, cable, Bookets, cable boxes and terminations. To manufacture, buy, sell, export, import, assemble all type of Cable Head termination System, High Voltage Cable with Plug, High Voltage Cable Assembly, High Voltage Cable With T-Connector, High Voltage Inter Car, Jumber Cables, High Voltage Insulator, Bushings, Roof Top Cable Entry for 25KV AC LOCO/EMU/MEMU and its accessories.



	5. To carry on business of installation, erection, maintenance, repair of all types of products.
PAN No.	AABCS4402N
No. of Equity Shares & % Of Shareholding (Pre-Offer)	52,69,620 Equity Shares (39.26% of the pre- issue equity share capital of the company)
Objects of the Company	<p>The main objects of the company:</p> <ol style="list-style-type: none"> 1. To provide technical advice, consultancy of data compilation, references, research and development, processing market surveys, seminars, consultancy in the field of system technology and allied activities. 2. To provide technical advice, consultancy for system technology transfer and collaborations. 3. To manufacture, buy, sell, export, import, assemble all type of electric power cable, joints, cable, Bookets, cable boxes and terminations. 4. To manufacture, buy, sell, export, import, assemble all type of Cable Head termination System, High Voltage Cable with Plug, High Voltage Cable Assembly, High Voltage Cable With T-Connector, High Voltage Inter Car, Jumber Cables, High Voltage Insulator, Bushings, Roof Top Cable Entry for 25KV AC LOCO/EMU/MEMU and its accessories. 5. To carry on business of installation, erection, maintenance, repair of all types of products.

Board of Directors:

The Board of Directors of Our Corporate Promoter as on the date of this Draft Red Herring Prospectus are as follows:

S. No.	Name of the Director	Designation
1.	Sunil Kumar Verma	Director
2.	Renu Verma	Director
3.	Savita Sachdeva	Director

Shareholding Pattern:

The Shareholding Pattern of our Corporate Promoter as on the date of this Draft Red Herring Prospectus:

S. No.	Shareholders' Name	Number of Shares held	% of Shareholding
1.	Sunil Kumar Verma	7,51,020	25.03%
2.	Renu Verma	4,00,980	13.37%
3.	Safe Insulation Technologies Private Limited	6,00,000	20.00%
4.	Aakansha Verma	24,000	0.80%
5.	Davisha Verma	24,000	0.80%
6.	Savita Sachdeva	5,48,750	18.29%
7.	Aditi Sachdeva	2,19,750	7.33%
8.	Akash Sachdeva	2,19,750	7.33%

9.	Tilak Raj Sachdeva	2,11,750	7.06%
Total		30,00,000	100.00%

For details pertaining to other ventures of our Corporate Promoters, refer chapter titled “Our Group Entities” beginning on page no. 294 of this Red Herring Prospectus.

Interest as member of Our Company

Our Promoters hold 98,64,600 Equity Shares aggregating to 73.50% of pre-issue Equity Share Capital in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company. Except to the extent of their respective shareholding in our Company and benefits provided to Mr. Sunil Kumar Verma, Mrs. Renu Verma, Ms. Aakansha Verma, Ms. Davisha Verma, Mrs. Savita Sachdeva, M/s SHBD LLP And M/s Safe System India Private Limited, given in the chapter titled “Our Management” beginning on page number 262 of this Draft Red Herring Prospectus, our Promoters hold no other interest in our Company.

Change in the control of Our Company

Initially, the promoters of our Company were Mr. Ajay Agarwal, Mr. Vinod Kumar Agarwal, and Mr. Giraj Kishore Agarwal. Subsequently, on November 15, 2005, Mr. Ajay Agarwal, Mr. Vinod Kumar Agarwal, and Mr. Giraj Kishore Agarwal transferred their entire shareholding to Safe System India Private Limited, resulting in a change in the control of the Company. For details regarding the shareholding of our corporate promoter, please refer to the chapter titled “Our Promoters” on page 283 of this Draft Red Herring Prospectus.

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OUR PROMOTER GROUP

Our Promoters and Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations is as under.

A. Natural Persons who form part of our Promoter Group:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

Promoters	Sunil Kumar Verma	Renu Verma	Aakansha Verma	Davisha Verma	Savita Sachdeva
Father	Late Shri N. K. Verma	Late Mr. Kirpal Singh	Mr. Sunil Kumar Verma	Mr. Sunil Kumar Verma	Late Mr. Jagdish Dudeja
Mother	Late Smt. Sarala Verma	Late Prem Lata	Mrs. Renu Verma	Mrs. Renu Verma	Late Mrs. Savitri Devi
Spouse	Mrs. Renu Verma	Mr. Sunil Kumar Verma	Mr. Naman Sharma	Mr. Sumit Choudhary	Mr. Tilak Raj Sachdeva
Brother	-	Mr. Rajesh Kumar Singh	-	-	-
Sister	Mrs. Sangeeta Singh and Mrs. Seemaa Saharan	-	Ms. Davisha Verma	Ms. Aakansha Verma	Late Mrs. Lalita Devi
Son	-	-	-	-	Mr. Akash Sachdeva
Daughter	Ms. Davisha Verma and Ms. Aakansha Verma	Ms. Davisha Verma and Ms. Aakansha Verma	-	-	Ms. Aditi Sachdeva
Spouse's Father	Late Mr. Kirpal Singh	Late Shri N. K. Verma	Mr. Raju Sharma	Mr. Vishva Rattan	Late Mr. Lok Nath Sachdeva
Spouse's Mother	Late Mr. Prem Lata	Late Smt. Sarala Verma	Mrs. Usha Sharma	Mrs. Meena	Late Mrs. Bhagwanti
Spouse's Brother	Mr. Rajesh Kumar Singh	-	-	-	-
Spouse's Sister	-	Mrs. Sangeeta Singh and Mrs. Seemaa Saharan	Neha Sharma	Sonali Choudhary	-

C. Companies, partnership and proprietorship firms forming part of our Promoter Group are as follows:

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

Particulars	Entity
Any body corporate in which 20% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relative is a member.	1. Safe Insulation Technologies Private Limited 2. Siddhivardhini LLP
Any company in which a company (mentioned above) holds 20% or more of the equity share capital	NIL
Any HUF or firm in which the aggregate share of the promoters and his relatives is equal to or more than 20% of the total holding	1. SK Verma HUF 2. Sumit Choudhary HUF 3. Parthasarthi (Partnership Firm)



OUR SUBSIDIARY

As on the date of this Draft Red Herring Prospectus, our Company has (1) Subsidiary i.e. Safe Coils India Private Limited.

SAFE COILS INDIA PRIVATE LIMITED

Safe Coils India Private Limited is Subsidiary of our Company, incorporated on June 28, 2006. Our Company has subscribed 60% shareholding of Safe Coils India Private Limited by subscribing to its Memorandum of Association.

Corporate Information

Safe Coils India Private Limited was incorporated under the Companies Act, 1956, on June 28, 2006, having CIN U35914DL2006PTC150377. The registered office of Safe Coils India Private Limited is currently situated at 156, Okhla Industrial Area Phase-1, New Delhi, Delhi, India, 110020.

Main Objects of the Company

1. To carry on the business of manufacture, import, export, buy, sell, trade and deal in armature and field coils.
2. To do the business of marketing of rotating machines.
3. To Sale, Purchase all types of Electricals/Electronics and Hardware items.

The Safe Coils India Private Limited, functions as a sales house for the Company, primarily facilitating the sale and distribution of the Our Company's products in markets outside India.

OTHER DETAILS OF SUBSIDIARY COMPANY:

The Subsidiary Company is not listed on any stock exchange.

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OUR GROUP ENTITIES

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

(d) The Issuer Company confirms that, as on the date of this Draft Red Herring Prospectus, there are no conflicts of interest, whether direct or indirect, between the Issuer Company and its Group Companies. The business activities of the Issuer Company and its Group Companies are independent of each other and do not adversely affect the operations or interests of the Issuer Company. In the event any conflict of interest arises in the future, the Issuer Company shall take appropriate steps in accordance with applicable laws and regulations.

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SECTION VI – FINANCIAL INFORMATION

FINANCIAL STATEMENT AS RESTATED

Notes to Financial Statements

Note 2: Share Capital

Shares in the company held by each shareholder holding more than 5 percent shares						
Name of Shareholder	As at 31st March 2025		As at 31st March 2024		As at 31st March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Safe System India Private Limited	52,69,620	39.26%	17,56,540	45.62%	17,56,540	45.62%
Har Bhagwan Davra	-	0.00%	5,02,800	13.06%	5,02,800	13.06%
Sunil Kumar Verma	13,53,840	10.09%	4,51,280	11.72%	4,51,280	11.72%
Renu Verma	7,77,300	5.79%	2,50,000	6.49%	2,50,000	6.49%
SHBD LLP	15,00,000	11.18%	-	-	-	-

Shares in the company held by Promoters - Current Reporting Period					
Name of Shareholder	As at 31st March 2025		As at 31st March 2024		% change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Sunil Kumar Verma	13,53,840	10.09%	4,51,280	11.72%	-1.63%
Renu Verma	7,77,300	5.79%	2,50,000	6.49%	-0.70%
Aakansha Verma	4,05,000	3.02%	1,35,000	3.51%	-0.49%
Davisha Verma	-	-	9,100	0.07%	-0.07%
Savita Sachdeva	5,58,840	4.16%	1,86,280	4.84%	-0.68%
Safe System India Private Limited	52,69,620	39.26%	17,56,540	45.62%	-6.36%
SHBD LLP	15,00,000	11.18%	-	0.00%	11.18%

Shares in the company held by Promoters - Previous Reporting Period					
Name of Shareholder	As at 31 st March 2024		As at 31 st March 2023		% change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Sunil Kumar Verma	4,51,280	11.72%	4,51,280	11.72%	0.00%
Renu Verma	2,50,000	6.49%	2,50,000	6.49%	0.00%
Aakansha Verma	1,35,000	3.51%	1,35,000	3.51%	0.00%
Davisha Verma	9,100	0.07%	9,100	0.07%	0.00%
Savita Sachdeva	1,86,280	4.84%	1,86,280	4.84%	0.00%
Safe System India Private Limited	17,56,540	45.62%	17,56,540	45.62%	0.00%

Note 29

Related Party Transactions

As per AS 18, Names and relationship between the related party are as follows:

Name of Related Party	Relationship
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Sunil Kumar Verma	Key Managerial Personnel (KMP)
Renu Verma	Non – Executive Director
Savita Sachdeva	Non – Executive Director
Sanjai Vishwakarma	Non – Executive Director
Rahul Varma	Key Managerial Personnel (KMP)
Subodh Kumar	Key Managerial Personnel (KMP)
Davisha Verma	Key Managerial Personnel (KMP)
Akansha Verma	Shareholder and Relative of KMP
Akash Sachdeva	Shareholder and Relative of KMP
Aditi Sachdeva	Shareholder and Relative of KMP
Narendra Kumar Verma	Relative of KMP
Anita Vishwakarma	Relative of Director
Prabha Vishwakarma	Relative of Director
R L Vishwakarma	Relative of Director
Sujata Vishwakarma	Relative of Director
Anbhyuday Vishwakarma	Relative of Director
SHBD LLP	Entity over which Key Managerial Personnel having significant influence
Safe Coils India (P) Ltd.	Subsidiary
Safe Insulation Technologies (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel having significant influence
Safe System India (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel are able to exercise significant influence
EMC ICECPL JV	Joint Venture

(Amount in Lakhs)

Nature of Transactions	2024-25	2023-24	2022-23
Transaction during the year			
Director's Remuneration			
Sunil Kumar Verma	39	24.6	23.85
Sanjai Vishwakarma	-	3.2	9.6
Rahul Varma	12	-	-
Director's Sitting Fees			
Sanjai Vishwakarma	0.75	-	-
Savita Sachdeva	4.75	-	-
Renu Verma	4.75	-	-
Key Managerial Personnel			
Davisha Verma (CFO w.e.f. 25-11-2024)	17.88	14.16	14.16
Subodh Kumar (CS w.e.f. 25-11-2024)	4.62	-	-
Remuneration to Relative of Directors			
Anita Vishwakarma	4.5	-	4.5
Prabha Vishwakarma	1.1	2.64	2.64
Purchase of Goods			
Safe System India Private Limited	138.77	47.13	105.87
Safe Insulation Technologies Private Ltd.	48.38	11.39	13.68
EMC ICECPL JV	-	-	2.31
Sales of Goods			
Safe System India Private Limited	838.89	928.63	194.61



Test & Technology Services

Safe Insulation Technologies Private Ltd.	112.15	-	-
Safe Coils India (P) Ltd.	536.52	945.67	468.1
EMC ICECPL JV	-	-	-
Rental Paid			
Safe System India Private Limited	33.6	33.6	33.6
Unsecured Loan received			
Sunil Kumar Verma	434.3	427.8	81.53
Safe System India Private Limited	700	-	150
Sanjai Vishwakarma	0.14	0.5	0.62
Akansha Verma	12.5	19.75	0.61
Akash Sachdeva	-	-	0.82
Aditi Sachdeva	-	-	0.23
Davisha Verma	43	13.2	1.15
Renu Verma	-	5.1	4.63
Savita Sachdeva	-	4.45	0.84
SHBD LLP	41.75	270.24	-
Unsecured Loan Repaid			
Sunil Kumar Verma	564.85	74.4	102.5
Narendra Kumar Verma	-	44.5	-
Safe System India Private Limited	-	300	-
Sanjai Vishwakarma	-	0.5	0.3
Akansha Verma	8.15	2	-
Akash Sachdeva	0.62	-	0.2
Aditi Sachdeva	-	-	-
Davisha Verma	8	-	-
Renu Verma	1	-	-
Savita Sachdeva	-	-	-
SHBD LLP	127.5	4.6	-

Balance outstanding:

(Amount in Lakhs)

Nature of Transactions	2024-25	2023-24	2022-23
Trade Payables			
Safe System India Private Limited	-	51.25	108.35
Safe Insulation Technologies Private Ltd.	-	22.83	-
Safe Coils India (P) Ltd.	-	-	-
EMC ICECPL JV	-	-	-
Trade Receivables			
Safe Coils India (P) Ltd.	-	-	-
Safe Insulation Technologies Private Ltd.	41.36	-	-
Safe System India Private Limited	-	506.02	-
EMC ICECPL JV	642.45	640.39	639.09
Unsecured Loan			
Sunil Kumar Verma	328.07	458.62	149.73
Safe System India Private Limited	700	-	300
Sanjai Vishwakarma	0.45	0.31	0.32



Akansha Verma	22.71	18.36	0.61
Akash Sachdeva	-	0.62	0.62
Aditi Sachdeva	0.23	0.23	0.22
Davisha Verma	49.35	14.35	1.15
Renu Verma	8.73	9.73	4.63
Savita Sachdeva	5.29	5.29	0.83
SHBD LLP	179.89	265.64	-
Advance from Customer			
Safe Coils India (P) Ltd.	100.51	4.78	50.78
Safe System India Private Limited	503.02	-	-
Advance from Supplier			
EMC ICECPL JV	5.18	5.03	-
Safe Insulation Technologies Private Ltd.	16.49	-	-
Investment			
Safe Coils India (P) Ltd.	6.00	6.00	6.00
Salary Payable			
Sunil Kumar Verma	-	-	0.54
Sanjai Vishwakarma	-	0.04	-
Rahul Varma	4.8	-	7.69
Davisha Verma (CFO w.e.f. 25-11-2024)	6.68	1.21	4.55
Subodh Kumar (CS w.e.f. 25-11-2024)	1.08	-	1.02
Anita Vishwakarma	3.38	-	3.78
Prabha Vishwakarma	3.73	2.63	2.63

Note 28 (Consolidated Financial Statement)

Related Party Transactions

As per AS 18, Names and relationship between the related party are as follows:

Name of Related Party	Relationship
Sunil Kumar Verma	Key Managerial Personnel (KMP)
Renu Verma	Non – Executive Director
Savita Sachdeva	Non – Executive Director
Sanjai Vishwakarma	Non – Executive Director
Rahul Varma	Key Managerial Personnel (KMP)
Subodh Kumar	Key Managerial Personnel (KMP)
Davisha Verma	Key Managerial Personnel (KMP)
Akansha Verma	Shareholder and Relative of KMP
Akash Sachdeva	Shareholder and Relative of KMP
Shivram Yashwant Pachorkar	Director of Subsidiary Company
Aditi Sachdeva	Shareholder and Relative of KMP
Narendra Kumar Verma	Relative of KMP
Anita Vishwakarma	Relative of Director
Prabha Vishwakarma	Relative of Director
R L Vishwakarma	Relative of Director
Sujata Vishwakarma	Relative of Director

Anbhyuday Vishwakarma	Relative of Director
SHBD LLP	Entity over which Key Managerial Personnel having significant influence
Safe Insulation Technologies (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel having significant influence
Safe System India (P) Ltd.	Shareholder and Entity over which Key Managerial Personnel are able to exercise significant influence
EMC ICECPL JV	Joint Venture

(Amount in Lakhs)

Nature of Transactions	2024-25	2023-24	2022-23
Transaction during the year			
Director's Remuneration			
Sunil Kumar Verma	39	12.96	23.85
Sanjai Vishwakarma	-	3.2	9.6
Shivram Yashwant Pachorkar	33.09	15	15
Rahul Varma	12	-	-
Director's Sitting Fees			
Sanjai Vishwakarma	0.75	-	-
Savita Sachdeva	4.75	-	-
Renu Verma	4.75	-	-
Key Managerial Personnel			
Davisha Verma (CFO w.e.f. 25-11-2024)	17.88	14.16	14.16
Subodh Kumar (CS w.e.f. 25-11-2024)	4.62	-	-
Remuneration to Relative of Directors			
Anita Vishwakarma	4.5	-	4.5
Prabha Vishwakarma	1.1	2.64	2.64
Purchase of Goods			
Safe System India Private Limited	138.77	47.13	105.87
Safe Insulation Technologies Private Ltd.	48.38	11.39	13.68
Sales of Goods			
Safe System India Private Limited	838.89	928.63	194.61
Safe Insulation Technologies Private Ltd.	112.15	-	-
Rental Paid			
Safe System India Private Limited	33.6	33.6	33.6
Unsecured Loan received			
Sunil Kumar Verma	434.3	427.8	81.53
Safe System India Private Limited	700	-	150
Sanjai Vishwakarma	0.14	0.5	0.62
Akansha Verma	12.5	19.75	0.61
Akash Sachdeva	-	-	0.82
Aditi Sachdeva	-	-	0.23
Davisha Verma	43	13.2	1.15
Renu Verma	-	5.1	4.63
Savita Sachdeva	-	4.45	0.84
SHBD LLP	41.75	270.24	-
Unsecured Loan Repaid			



INFRA & TECHNOLOGY DEVELOPMENT

Sunil Kumar Verma	564.85	74.4	102.5
Narendra Kumar Verma	-	44.5	-
Safe System India Private Limited	-	300	-
Sanjai Vishwakarma	-	0.51	0.3
Akansha Verma	8.15	2	-
Akash Sachdeva	0.62	-	0.2
Davisha Verma	8	-	-
Renu Verma	1	-	-
SHBD LLP	127.5	4.6	-

Balance outstanding:

(Amount in Lakhs)

Nature of Transactions	2024-25	2023-24	2022-23
Trade Payables			
Safe System India Private Limited	-	51.25	108.35
Safe Insulation Technologies Private Ltd.	-	22.83	-
Trade Receivables			
Safe Insulation Technologies Private Ltd.	41.36	-	-
Safe System India Private Limited	-	506.02	-
Unsecured Loan			
Sunil Kumar Verma	328.07	458.62	149.73
Safe System India Private Limited	700	-	300
Sanjai Vishwakarma	0.45	0.31	0.32
Akansha Verma	22.71	18.36	0.61
Akash Sachdeva	-	0.62	0.62
Aditi Sachdeva	0.23	0.23	0.22
Davisha Verma	49.35	14.35	1.15
Renu Verma	8.73	9.73	4.63
Savita Sachdeva	5.29	5.29	0.83
SHBD LLP	179.89	265.64	-
Advance from Customer			
Safe System India Private Limited	503.02	-	-
Advance to Supplier			
Safe Insulation Technologies Private Ltd.	16.49	-	-
Salary Payable			
Sunil Kumar Verma	-	-	0.54
Sanjai Vishwakarma	-	0.04	-
Rahul Varma	4.8	-	7.69
Davisha Verma (CFO w.e.f. 25-11-2024)	6.68	1.21	4.55
Subodh Kumar (CS w.e.f. 25-11-2024)	1.08	-	1.02
Anita Vishwakarma	3.38	-	3.78
Prabha Vishwakarma	3.73	2.63	2.63

Note No – 36 (Restated Consolidated Financial Statement of the Company)

Additional Information as required under Schedule - III to the Companies Act, 2013 of enterprise consolidating as



Trust & Technology Delivered

Subsidiary and Joint Venture:

Name of the Enterprise	Net Assets i.e. Total Assets (-) Total Liabilities		Share in Profit & Loss	
	Amount (Rs. In Lacs)	As % of Consolidated Net Assets	Amount (Rs. In Lacs)	As % of Consolidated Profit & Loss
FY 2024-25				
Parent Company				
IC Electricals Company Limited	5,171.40	104.38%	928.26	99.06%
Subsidiary Company				
Safe Coils India (P) Ltd. [60% Holding]	51.08	1.03%	6.64	0.71%
Joint Venture				
EMC - ICECPL JV [49% Holding]*	(268.30)	-5.42%	2.16	0.23%
Consolidation Adjustment	-	0.00%		
Total	4,954.18	100.00%	937.06	100.00%
FY 2023-24				
Parent Company				
IC Electricals Company Private Limited	3,321.66	107.30%	461.92	101.98%
Subsidiary Company				
Safe Coils India (P) Ltd. [60% Holding]	74.07	2.39%	23.29	5.14%
Joint Venture				
EMC - ICECPL JV [49% Holding]*	(300.10)	-9.69%	(32.27)	-7.12%
Consolidation Adjustment	-	0.00%		
Total	3,095.63	100.00%	452.94	100.00%
FY 2022-23				
Parent Company				
IC Electricals Company Private Limited	2,859.73	108.21%	174.78	104.57%
Subsidiary Company				
Safe Coils India (P) Ltd. [60% Holding]	50.77	1.92%	9.00	5.38%
Joint Venture				
EMC - ICECPL JV [49% Holding]*	(267.81)	-10.13%	(16.64)	-9.96%
Consolidation Adjustment	-	0.00%		
Total	2,642.69	100.00%	167.14	100.00%

*Note: The EMC - ICECPL JV was formed vide original agreement dated 7/12/2016 in which EMC Limited was having 51% share whereas IC Electricals Company Private Limited was having 49% share. However, vide supplementary agreement dated 10/04/2018, EMC Limited was entitled to receive only 1.5% of contract value whereas IC Electricals Company Private Limited was solely responsible for the fulfillment of requirements of the contract. Since the control over execution was with IC Electricals Company Private Limited but few of projects which were awarded in the name of EMC _ICECPL JV in year 2018 are still pending for final handover of projects and reconciliation with Indian Railways.

Notes to Financial Statements

Particulars	Numerator	Denominator	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
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Debt Service Coverage Ratio	Earnings before Interest, Tax and Exceptional Items	Interest Expense + Principal Repayments made during the year for long term loans	1.50	1.37	1.70
% age change from previous year/period			9.58	(19.43)	-
DSCR has improved in FY 2023-24 in comparison to previous year basically on account of increase in profitability					

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

As per mutual discussion between the Board of the Company and BRLM, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Board of Directors of our Company has approved and passed a resolution on May 22, 2025, to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The Shareholders of our Company have approved and passed a resolution on June 18, 2025, to authorize the issue by way of Initial Public Offering.
- The board of directors of our company appointed Mr. Rahul Verma as Whole Time Director, w.e.f. June 05, 2024.
- The Shareholders of our company re-appointed Mr. Sunil Kumar Verma as Managing Director w.e.f. December 10, 2024.
- The board of directors of our company appointed Mr. Nitin Sarup Chowdhary as Additional, Independent Director w.e.f. December 27, 2024.
- The board of directors of our company considered resignation of Mr. Nitin Sarup Chowdhary as Additional, Independent Director w.e.f. March 22, 2025.
- The board of directors of our company appointed Mr. Nitin Sarup Chowdhary as Additional, Independent Director w.e.f. March 22, 2025.

The 'cessation/resignation' and simultaneous 'appointment' of Mr. Nitin Sarup Chowdhary on March 22, 2025 was purely a procedural reappointment. Accordingly, Form DIR-12 was filed to give effect to this procedural requirement.

- The Shareholders of our company appointed Mr. Bhaskar Reddy Dasari as Independent Director w.e.f. December 27, 2024.
- The board of directors appointed Mr. Subodh Kumar as Company Secretary & Compliance officer of the Company w.e.f. November 25, 2024.
- The board of directors appointed Mrs. Davisha Verma as Chief Financial Officer of the Company w.e.f. November 25, 2024.
- The Board of Directors of the Company has re-designated Mr. Sanjai Vishwakarma from Executive Director to Non-Executive Director with effect from April 4, 2025.
- The board of directors appointed Mr. Sanjay Pandey as Additional Independent Director of the Company w.e.f. April 24, 2025.
- The Shareholders of our Company regularised Mr. Nitin Sarup Chowdhary as Independent Director of the Company w.e.f. May 17, 2025.
- The Shareholders of our Company regularised Mr. Bhaskar Reddy Dasari as Independent Director of the

Company w.e.f. May 17, 2025.

- The Shareholders of our Company regularised Mr. Sanjay Pandey as Independent Director of the Company w.e.f. June 18, 2025.

On the basis of consolidated financial statement:

FISCAL YEAR ENDED MARCH 31, 2025, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2024 (BASED ON RESTATED CONSOLIDATED FINANCIAL STATEMENTS)

Revenue from operations

Revenue from operations for the financial year 2024-2025 stood at Rs. 12,188.59 Lakhs whereas for the financial year 2023-24, it stood at 9,924.92 Lakhs representing an increase of 22.81%.

(Amounts in Lakhs)

Particulars	FY 2024-25	FY 2023-24
Sale of Goods - Domestic	6,051.62	4,300.63
Sale of Goods - Export	576.95	974.03
Sale of Service	4,723.54	4,650.26
Unbilled Revenue	836.48	-
Total	12,188.59	9,924.92
Year on Year Increase/(Decrease)	22.81%	

Increase in Revenue from Operation

Revenue from operations for the financial year 2024-2025 stood at Rs. 12,188.59 Lakhs whereas for the financial year 2023-24, it stood at 9,924.92 Lakhs representing an increase of 22.81%.

The increase in the total income of the company is due to a significant increase in the revenue of the company general growth in the business operations of the Company. The company is having 3 divisions manufacturing of electronic components for railways, rotating motor division and EPC work for railways electrification. The major turnover of the company happens in last quarter of the financial year.

The company procures orders on the basis of bidding done to railways. The company awards the orders on the basis of lowest bid. The award has been done on the basis of technical and financial qualifications. The company enjoys the priority in awarding contracts due to their legacy and specialisation in manufacturing of products. The order book of the company for the last 2 years has increased substantially as the company as getting more and more orders. The details of same are provided below.

(Amount in Lakhs)

Particulars	FY'24	FY'25
	Audited	Audited
Opening Order Book	14,771.47	11,711.14
New Orders Added	6,861.44	10,571.39
Orders Executed	9,921.77	12,148.16
Outstanding Order Book	11,711.14	10,134.37

Restated Profit after Tax

The Company recorded a significant improvement in Profit After Tax, increasing by 103.67%, from Rs. 462.26 lakhs to Rs. 941.49 lakhs.

Increase in PAT Justification

a. Improved Economies of Scale

The 22.81% increase in sales allowed better absorption of fixed overheads, contributing to improved profitability across divisions.

b. Effective Cost Reduction and Efficiency Measures

Although revenue increased substantially, total expenses grew at a lower rate, improving cost ratios:

(Amount in Lakhs)

Particulars	FY 2024–25	FY 2023–24
Sales	12,188.59	9,924.92
Total Expenses	10,974.68	9,372.05
Expenses as % of Sales	90%	94%

This 4% reduction in expenses as a percentage of revenue was driven by:

1. Improved Working Capital and Cash Discount Benefits

- Better receivable turnover and cash flow management enabled early payments to vendors.
- The Company availed cash discounts, directly contributing to improved profitability.

2. Reduction in Employee Benefit Expenses

Employee cost decreased from Rs. 1,001.94 lakhs to Rs. 991.31 lakhs (down 1.06%) due to:

- Optimised manpower based on production demands.
- Phase-out of redundant positions with minimal impact on overall workforce (less than 1%).
- Enhanced incentives to high-performing employees, leading to higher productivity.
- Improved resource allocation and deployment efficiencies.

3. Reduction in Other Operating Expenses

Other expenses decreased from Rs. 641.87 lakhs to Rs. 631.72 lakhs (down 1.58%), mainly due to:

- Lower rental, rate & taxes, travel, repairs, tender charges, and business promotion costs.
- Reduced vehicle hire and discount expenses.
- Partially offset by higher outward freight & cartage and insurance costs, attributable to expanded operational activities.

c. Improvement in Contract Mix and Higher-Margin Business

- The Company executed higher-margin contracts in FY 2025, particularly in the REC/EPC division.
- Many REC projects include both product supply and onsite services, providing better blended margins.
- Execution of higher-value electrification packages contributed to overall profitability growth.

Cash flow from Operating Activity

Reasons for negative cash flow from operating activity

The cash flow from operation for the FY24 (147.48) & for the FY25 (965.40) representing a decrease of 554.60%. The decline in operating cash flow is mainly due to increase in other receivables and decrease in Trade payable which is shown as below:

Particulars	FY 2024-25	FY 2023-24
(Increase) / Decrease in Other Receivables	(1,382.74)	(11.91)
Increase / (Decrease) Trade Payables	(1,583.12)	571.71

Other Receivables

The other receivable is 2,636.30 lakhs for the financial year 24-25 and is Rs. 1,270.22 Lakhs for the FY 23-24

Reason for increase in other receivables:

Other current assets for FY 2024–25 include the current maturity of railway earnest money deposits, unbilled revenue, and fixed deposits (FDRs) held with banks as margin money and general security

The current maturity of earnest money deposits increased from Rs. 699.79 lakhs in FY 2023–24 to Rs. 1,125.47 lakhs in FY 2024–25, primarily due to their reclassification from non-current to current assets.

Unbilled revenue amounting to Rs. 836.48 lakhs was recognised since the related work had been completed but could not be certified and invoiced by the concerned authorities before the end of FY 2024–25.

FDRs with banks, maintained as margin money and general security, also rose from Rs. 570.43 lakhs in FY 2023–24 to Rs. 674.35 lakhs in FY 2024-25.

(Amount in Lakhs)

Particulars	FY 2024-25	FY 2023-24
Current Maturity of Railways (Earnest money deposit)	1,125.47	699.79
Unbilled Revenue	836.48	-
FDR with Bank (Held as a Margin Money and as a Collateral Security with Banks)	674.35	570.43

Trade Payable

The trade payable is Rs. 3,612.94 Lakhs for the FY24-25 and Rs. 5,196.06 Lakhs for the FY 23-24.

Reason for decrease in trade payable:

The company has started given more advances to the trade payables; it increases from Rs. 546.80 Lakhs in FY 23-24 to Rs. 724.72 Lakhs in FY 24-25 and getting trade discount or timely delivery or proper supply of good quality raw materials. Similarly, trade payables to other creditors declined from Rs. 3,095.12 lakhs in FY 2023–24 to Rs. 2,011.49 lakhs in FY 2024–25.

The total outstanding trade payables to Micro and Small Enterprises (MSEs) of IC Electricals Company decreased from Rs. 2,100.94 lakh in FY 2024 to Rs. 1,601.45 lakh in FY 2025. This reduction is primarily due to timely clearance of dues during the year.

The Company continues to comply with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006, and there have been no delays in payments to MSE vendors beyond the prescribed timelines.



The details of Trade payables are as follows:

(Amount in lakhs)

Particulars	FY 2024-25	FY 2023-24
Total outstanding dues from micro enterprises & small enterprises	1,601.45	2,100.94
Total outstanding dues of creditors other than micro enterprises & small enterprises	2,011.49	3,095.12

FISCAL YEAR ENDED MARCH 31, 2024, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023 (BASED ON RESTATED CONSOLIDATED FINANCIAL STATEMENTS)

Revenue from operation

Net revenue from operations for the financial year 2023-2024 stood at Rs. 9,924.92 Lakhs whereas for the financial year 2022-23, it stood at 9,769.35 Lakhs representing an increase of 1.59%.

Reason: The overall revenue growth was moderate at 1.59%, the increase was driven primarily by the Company's service-related activities and a stable execution cycle. The breakup is detailed below:

(Amount in Lakhs)

Particulars	FY 2023-24 (Rs. in Lakhs)	FY 2022-23 (Rs. in Lakhs)
Sale of Goods	5,274.66	5,576.34
Sale of Services	4,650.26	4,193.01
Total Revenue from Operations	9,924.92	9,769.35
YoY Growth %		1.59%

Restated Profit after Tax

The restated profit after tax for the financial year 2023-2024 stood at Rs. 462.26 Lakhs whereas for the financial year 2022-23, it stood at Rs. 170.74 Lakhs representing an increase of 170.74%.

(Rupees in Lakhs)

Particulars	FY 2023-24	FY 2022-23
Total Income	9,974.85	9,819.47
Change in %	1.58%	
Total Expenses	9,372.05	9,531.78
Profit after tax	462.26	170.74
Pat Margin in %	4.66%	1.75%

Increase in Profit after tax & PAT Margin Justification

Enhanced Workforce Efficiency:

The company has undertaken several cost-control measures focused on enhancing operational efficiency and optimizing resource utilization. The Company has strengthened employee capabilities by providing advanced skill-based training and by streamlining internal work processes to improve productivity.

During the pandemic period, due to limited workforce availability, the Company was compelled to engage external labour at comparatively higher costs to ensure continuity of operations. However, post-pandemic, beginning FY 2023-24, IC Electricals has been able to source an adequate and skilled workforce at reasonable cost. This has resulted in a significant reduction in overall employee costs, As a consequence of these efforts, the employee cost as a percentage of total sales has shown a substantial decline. The details has been provided below:

(Amount in Lakhs, except %)

Particulars	2023-24	2022-23
Total Sales	9,924.92	9,769.35
Salary, Wages and Incentives	905.58	1,234.62
% to total sales	9.12%	12.64%

- Reduction in Job work charges:**

The Covid-19 pandemic, the Company faced significant restrictions on in-house manpower deployment as per government guidelines. Although the number of workers permitted to operate on-site was reduced, IC Electricals continued to pay full salaries to all employees, even during periods when they were unable to work. This resulted in a temporary increase in employee costs for that year.

Due to the reduced in-house workforce and the need to meet both ongoing and upcoming orders, the Company had to outsource a substantial portion of its production activities. The pandemic-related labour shortage across the sector also led to an increase in job worker charges, resulting in higher job work expenses during FY 2022–23.

As the situation normalised from FY 2023–24 onwards, IC Electricals gradually shifted production back in-house. Consequently, job work charges reduced significantly, with a decline of 46.49% in FY 2023–24 compared to the pandemic years.

(Amount in Lakhs, except %)

Particulars	2023-24	2022-23
Job Work Charges	294.15	549.76
Change in %	(46.49%)	

- Reduction in Other Expenses:**

The Company's other expenses have reduced from Rs. 927.43 lakhs in FY 2022-23 to Rs. 641.87 lakhs in FY 2023–24. This decrease is primarily attributable to significant reductions in key expense heads:

Travelling and Conveyance Expenses:

These expenses decreased by 12.87% over the previous year, reflecting improved cost control and optimisation of travel requirements.

Brokerage & Commission:

Brokerage & commission expenses reduced by 95.51% compared to last year, The overall decline in other expenses is mainly the result of effective planning and management of sales and marketing activities, leading to more efficient resource utilisation and tighter cost discipline across the organisation.

(Amount in Lakhs, except %)

Particulars	As at 31st March 2024	As at 31st March 2023	Change in %
Travelling & conveyance	116.60	133.82	(12.87%)
Brokerage & Commission	2.72	60.64	(95.51%)

On the basis of Standalone financial statement.

FISCAL YEAR ENDED MARCH 31, 2024, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023 (BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS)

Restated Profit after Tax

The restated profit after tax for the financial year 2023-2024 stood at Rs. 461.92 Lakhs whereas for the financial year 2022-23, it stood at Rs. 174.78 Lakhs representing an increase of 164.29%.

Reason for change in the Revenue from operation and Profit after tax

(Rupees in Lakhs)

Particulars	FY 2023-24	FY 2022-23
Revenue from Operation	9,921.78	9,562.27
Change in %	3.76%	
Profit after tax	461.92	174.78
Pat Margin in %	4.66%	1.83%

Increase in PAT Justification:

Enhanced Workforce Efficiency:

The company has undertaken several cost-control measures focused on enhancing operational efficiency and optimizing resource utilization. The Company has strengthened employee capabilities by providing advanced skill-based training and by streamlining internal work processes to improve productivity.

During the pandemic period, due to limited workforce availability, the Company was compelled to engage external labour at comparatively higher costs to ensure continuity of operations. However, post-pandemic, beginning FY 2023-24, IC Electricals has been able to source an adequate and skilled workforce at reasonable cost. This has resulted in a significant reduction in overall employee costs, As a consequence of these efforts, the employee cost as a percentage of total sales has shown a substantial decline. The details has been provided below:

(Amount in Lakhs, except %)

Particulars	2023-24	2022-23
Total Sales	9,921.78	9,562.27
Salary, Wages and Incentives	891.98	1,227.60
% to total sales	8.99	12.84

- Reduction in Job work charges:**

The Covid-19 pandemic, the Company faced significant restrictions on in-house manpower deployment as per government guidelines. Although the number of workers permitted to operate on-site was reduced, IC Electricals continued to pay full salaries to all employees, even during periods when they were unable to work. This resulted in a temporary increase in employee costs for that year.

Due to the reduced in-house workforce and the need to meet both ongoing and upcoming orders, the Company had to outsource a substantial portion of its production activities. The pandemic-related labour shortage across the sector also led to an increase in job worker charges, resulting in higher job work expenses during FY 2022–23.

As the situation normalised from FY 2023–24 onwards, IC Electricals gradually shifted production back in-house. Consequently, job work charges reduced significantly, with a decline of 46.41% in FY 2023–24 compared to the pandemic years.

(Amount in Lakhs, except %)

Particulars	2023-24	2022-23
Job Work Charges	294.15	548.86
Change in %	(46.41%)	

- Reduction in Other Expenses:**

The Company's other expenses have reduced from Rs. 885.02 lakhs in FY 2022-23 to Rs. 643.31 lakhs in FY 2023–24. This decrease is primarily attributable to significant reductions in key expense heads:

Travelling and Conveyance Expenses:

These expenses decreased by 9.99% over the previous year, reflecting improved cost control and optimisation of travel requirements.

Brokerage & Commission:

Brokerage & commission expenses reduced by 94.40% compared to last year, The overall decline in other expenses is mainly the result of effective planning and management of sales and marketing activities, leading to more efficient resource utilisation and tighter cost discipline across the organisation.

(Amount in Lakhs, except %)

Particulars	As at 31st March 2024	As at 31st March 2023	Change in %
Travelling & conveyance	112.27	124.72	(9.99%)
Brokerage & Commission	2.72	48.55	(94.40%)

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FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions as of September 2025:

On the Basis of Consolidated Financial Statement:

Secured Loans

(Amount in Lakhs)

Name of Persons/Companies	Purpose of Loan	Loan Amount	Rate of Interest	Tenure	Outstanding as on September 30, 2025
PNB Car Loan Breeza (53430)	Car Loan	9.00	7.55	84	3.44
PNB Car Loan KIA (53421)	Car Loan	12.50	7.55	84	5.14
HDFC Bank	Car Loan	23.34	9.95	60	20.84
PNB Car Loan Harrier	Car Loan	24.00	8.80	60	20.22
PNB Car Loan Thar	Car Loan	14.50	8.40	60	12.87
PNB Car Loan Innova	Car Loan	30.00	8.65	60	27.19
PNB Car Loan Grand Vitara	Car Loan	10.00	8.50	84	7.40
PNB	Working Capital	3,000.00	9.10	On Demand	2,969.17
PNB	GECL	220.00	9.25	72	106.60
ICICI Bank	Working Capital	100.00	10.00	On Demand	159.66
Total		3,443.34			3,332.54

Unsecured Loans

(Amount in Lakhs)

Name of Persons / Companies	Purpose of Loan	Loan Amount	Rate of Interest	Tenure	Outstanding as on September 30, 2025
Aditya Birla Capital	For Business requirement	38.00	18.00	12	13.43
Aditya Birla Capital (Top Up)	For Business requirement	53.40	18.00	17	6.03
Aditya Birla Capital Ltd	For Business requirement	53.40	18.00	13	45.84
Ambit Finvest Pvt Ltd.	For Business requirement	28.50	17.00	18	3.21
Ambit Finvest Pvt Ltd.	For Business requirement	28.50	17.00	12	17.21
Arka Fincorp	For Business requirement	28.30	18.50	15	21.39
Axis Bank Ltd	For Business requirement	52.00	17.00	24	14.38
Axis Finance Limited	For Business requirement	50.00	16.00	18	45.02
Bajaj Finance Ltd	For Business requirement	35.00	17.80	60	29.69
Clix Capital Services Pvt Ltd	For Business requirement	50.00	17.00	12	13.74

Clix Capital Services Pvt Ltd	For Business requirement	23.64	18.50	12	20.00
Federal Bank Financial Services	For Business requirement	50.00	18.00	12	13.35
Fullerton India Cred (SMFG India Credit Co. Ltd)	For Business requirement	75.00	18.00	17	56.39
Godrej Finance Ltd	For Business requirement	50.00	17.00	12	40.80
Growth Source Financial Technologi	For Business requirement	50.00	18.00	12	13.28
HeroFincorp LTD	For Business requirement	36.36	18.00	12	9.64
ICICI Bank	For Business requirement	90.00	16.00	15	77.81
IDFC FIRST BANK New	For Business requirement	59.90	15.75	18	31.71
India Infoline Finance Limited	For Business requirement	32.39	16.50	12	19.53
Indusind Bank	For Business requirement	27.00	18.00	13	6.62
Kisetsu Saison Finance India Pvt Ltd	For Business requirement	50.00	16.50	24	33.09
L&T FINANCE LTD	For Business requirement	35.00	16.50	24	24.58
Mahindra & Mahindra Financial Services Ltd	For Business requirement	25.00	18.50	12	15.02
Neogrowth Credit Pvt Ltd	For Business requirement	50.00	17.50	18	26.67
Poonawala Finance	For Business requirement	70.09	15.50	12	59.38
Unity Small Finance Bank	For Business requirement	29.58	17.00	12	17.90
SHBD LLP	Unsecured	219.88	Interest Free	On Demand	219.88
Safe System India Pvt Ltd	Unsecured	700	Interest Free	On Demand	700.00
Sanjai Vishwakarma	Unsecured	1.13	Interest Free	On Demand	1.13
Aakansha Verma	Unsecured	24.46	Interest Free	On Demand	24.46
Aditi Sachdeva	Unsecured	0.22	Interest Free	On Demand	0.22
Davisha Verma	Unsecured	29.35	Interest Free	On Demand	29.35
Renu Verma	Unsecured	17	Interest Free	On Demand	17.00
Savita Sachdeva	Unsecured	9.57	Interest Free	On Demand	9.57
Sunil Kumar Verma	Unsecured	331.33	Interest Free	On Demand	331.33
Har Bhagwan Davra	Unsecured	442.49	Interest Free	On Demand	442.49
Swaraj Rani Davra	Unsecured	78.14	Interest	On Demand	78.14



Print & Technology Department

			Free		
Total		3,024.63			2,529.29

On the Basis of Standalone Financial Statement of the Company:

Secured Loans

(Amount in Lakhs)

Name of Persons/Companies	Purpose of Loan	Loan Amount	Rate of Interest	Tenure	Outstanding as on September 30, 2025
PNB Car Loan Breeza (53430)	Car Loan	9.00	7.55	84	3.44
PNB Car Loan KIA (53421)	Car Loan	12.50	7.55	84	5.14
HDFC Bank	Car Loan	23.34	9.95	60	20.84
PNB Car Loan Harrier	Car Loan	24.00	8.80	60	20.22
PNB Car Loan Thar	Car Loan	14.50	8.40	60	12.87
PNB Car Loan Innova	Car Loan	30.00	8.65	60	27.19
PNB	Working Capital	3,000.00	9.10	On Demand	2,969.17
PNB	GECL	220.00	9.25	72	106.60
Total		3,333.34			3,165.48

Unsecured Loans

(Amount in Lakhs)

Name of Persons/Companies	Purpose of Loan	Loan Amount	Rate of Interest	Tenure	Outstanding as on September 30, 2025
Aditya Birla Capital	For Business requirement	38.00	18.00	12	13.43
Aditya Birla Capital (Top Up)	For Business requirement	53.40	18.00	17	6.03
Aditya Birla Capital Ltd	For Business requirement	53.40	18.00	13	45.84
Ambit Finvest Pvt Ltd.	For Business requirement	28.50	17.00	18	3.21
Ambit Finvest Pvt Ltd.	For Business requirement	28.50	17.00	12	17.21
Arka Fincorp	For Business requirement	28.30	18.50	15	21.39
Axis Bank Ltd	For Business requirement	52.00	17.00	24	14.38
Axis Finance Limited	For Business requirement	50.00	16.00	18	45.02
Bajaj Finance Ltd	For Business requirement	35.00	17.80	60	29.69
Clix Capital Services Pvt Ltd	For Business requirement	50.00	17.00	12	13.74
Clix Capital Services Pvt Ltd	For Business requirement	23.64	18.50	12	20.00
Federal Bank Financial Services	For Business requirement	50.00	18.00	12	13.35
Fullerton India Cred (SMFG India Credit Co. Ltd)	For Business requirement	75.00	18.00	17	56.39
Godrej Finance Ltd	For Business requirement	50.00	17.00	12	40.80
Growth Source Financial Technologi	For Business requirement	50.00	18.00	12	13.28
HeroFincorp LTD	For Business requirement	36.36	18.00	12	9.64
ICICI Bank	For Business requirement	90.00	16.00	15	77.81
IDFC FIRST BANK New	For Business requirement	59.90	15.75	18	31.71
India Infoline Finance Limited	For Business requirement	32.39	16.50	12	19.53
Indusind Bank	For Business requirement	27.00	18.00	13	6.62
Kisetsu Saison Finance India Pvt Ltd	For Business requirement	50.00	16.50	24	33.09
L&T Finance Ltd	For Business requirement	35.00	16.50	24	24.58

Mahindra & Mahindra Financial Services Ltd	For Business requirement	25.00	18.50	12	15.02
Neogrowth Credit Pvt Ltd	For Business requirement	50.00	17.50	18	26.67
Poonawala Finance	For Business requirement	70.09	15.50	12	59.38
Unity Small Finance Bank	For Business requirement	29.58	17.00	12	17.90
SHBD LLP	Unsecured	219.88	Interest Free	On Demand	219.88
Safe System India Pvt Ltd	Unsecured	700	Interest Free	On Demand	700.00
Sanjai Vishwakarma	Unsecured	1.13	Interest Free	On Demand	1.13
Aakansha Verma	Unsecured	24.46	Interest Free	On Demand	24.46
Aditi Sachdeva	Unsecured	0.22	Interest Free	On Demand	0.22
Davisha Verma	Unsecured	29.35	Interest Free	On Demand	29.35
Renu Verma	Unsecured	17	Interest Free	On Demand	17.00
Savita Sachdeva	Unsecured	9.57	Interest Free	On Demand	9.57
Sunil Kumar Verma	Unsecured	331.33	Interest Free	On Demand	331.33
Har Bhagwan Davra	Unsecured	442.49	Interest Free	On Demand	442.49
Swaraj Rani Davra	Unsecured	78.14	Interest Free	On Demand	78.14
Total		3,024.63			2,529.29

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SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Pursuant to the SEBI ICDR Regulations, 2018 and the Materiality Policy adopted by the Board of Directors of the Company on September 04, 2025, the Company has laid down a policy for identification of material outstanding litigation involving the Relevant Parties.

Pursuant to the Materiality Policy for the purposes of above, any outstanding litigation/ arbitration proceedings involving the Relevant Parties (including claims related to direct and indirect taxes) have been considered 'material' and accordingly disclosed in this Draft Red Herring Prospectus where:

the value or expected impact in terms of value, to the extent quantifiable exceeds, (i) two percent of turnover, for the most recent financial year based on the Restated Consolidated Financial Information; or (ii) two percent of Net Worth, as at the end of the most recent financial period based on the Restated Consolidated Financial Information except in case the arithmetic value of the Net Worth is negative; or (iii) five percent of the average of absolute value of profit or loss after tax, for the last three financial years based on the Restated Consolidated Financial Information, whichever is lower.

Accordingly, a materiality threshold of Rs. 26.24 lakh, being equivalent to five percent of the average of the absolute value of profit or loss after tax based on the Restated Consolidated Financial Information as of March 31, 2025, has been considered for the purposes of disclosure.

1. LITIGATION INVOLVING OUR COMPANY

(C) LIST OF LITIGATIONS AGAINST THE COMPANY

(i) Criminal proceedings against the Company: Following are the criminal proceedings pending against the Company.

Case Number and Forum	Parties	Case Type	Summary	Status
CS/148755/2025 Metropolitan Magistrate Court, Calcutta (CNR No. WBCS021584632025)	M/s. Chandra Engineering Works (Complainant) Versus 1. M/s IC Electricals Company Private Limited; 2. Sunil Kumar Verma; 3. Renu Verma; 4. Sanjai Vishwakarma; 5. Savita Sachdeva; and 6. Rahul Verma	Complaint Case	The Complainant has filed a complaint under Section 316(2) (<i>Criminal Breach of Trust</i>), Section 318 (<i>Cheating</i>), and Section 61 (<i>Criminal Conspiracy</i>) of the Bharatiya Nyaya Sanhita 2023 against the Company and its Directors. A notice was issued by the Hon'ble Court on 13 August 2025. Summons have been received by Accused No. 5 – Ms. Savita Sachdeva, directing her to appear before the Court on 31 January 2026. However, neither the Company nor any of its Directors have received a copy of the complaint along with the summons.	The court has fixed the next date of hearing on 31 January 2026.

(iii) Material civil litigation against the Company: Details of pending civil proceeding against the Company are as follows:

Case Number and Forum	Parties	Case Type	Summary	Status
ARB-763-2021 In the Hon'ble Court of District Judge, Patiala	Union of India, Diesel Loco Modernization Works, Patiala, through its Deputy Chief Materials Manager IT Versus 1. M/S IC Electricals Company Pvt. Ltd 156, II Floor, DSIC Okhla Industrial Area Phase I, New Delhi- 110020; 2. Sh. Parmod Kumar retired GM Kapurthala Presiding Officer; 3. Sh. A.K. Mishra Retd. AM/S&T/Railway Board Co- Arbitrator 4. Sh. Narendra Kumar Gupta Retd. Director/ Finance Co- Arbitrator	Objection Petition under Section 34 of the Arbitration and Conciliation Act 1996	The Union of India Diesel Loco Modernization Works (Petitioner) has filed an objection petition under Section 34 of the Arbitration and Conciliation Act 1996, challenging the arbitral award dated 16 August 2021 passed by a three-member arbitral tribunal partially in favour of IC Electricals Company Pvt. Ltd. (Company). The dispute originated from Purchase Order dated 2 August 2013, under which the Company was contracted to supply ten (10) Fuel Cell Assisted APU Systems for Diesel Electric Locomotives to RDSO, at a total value of Indian Rupees Three Crore Eighty Lakhs (INR 3,80,00,000) with the delivery date fixed as 7 November 2013. Despite several extensions of the delivery date granted between 2013 and 2017, only two units were supplied by the Company both of which failed to meet the required specifications and remained uncommissioned. As a result, the remaining eight units were not supplied, and the performance of the two delivered units was found unsatisfactory. Due to persistent non-compliance and technical deficiencies, the Petitioner cancelled the purchase order on 7 February 2019 and encashed the performance bank guarantee of Indian Rupees Thirty Eight Lakhs (INR 38,00,000) on 6 May 2019. The Company invoked the arbitration clause on 24 April	The court has fixed the next date of hearing on 22 January 2026.



			<p>2019, leading to the constitution of the arbitral tribunal on 30 December 2019. The Company filed a statement of claim amounting to Indian Rupees Five Crores Fifty Eight Lakhs Forty Seven Thousand Four Hundred Fifty-Five Rupees and Fifty Nine paisa (INR 5,58,47,455.59). The arbitral tribunal ultimately issued an award partially in favour of the Company amounting to Indian Rupees Two Crores Fifty Two Lakhs Eighty Two Thousand Eight Hundred and Sixty One (INR 2,52,82,861), prompting the present challenge by the Petitioner. The Petitioner now seeks to set aside the award on grounds including alleged misappreciation of facts and erroneous findings on key issues such as unilateral amendments to the purchase order and the Company's failure to meet delivery and performance standards. In the meantime, the Company had filed for the execution of the award passed by the arbitral tribunal on 16 August 2021, before the District Court, Patiala in which the court through its order dated 19 September 2025, directed the Petitioner to pay an amount of INR 3,54,29,005 to the Company.</p>	
<p>ARB-764/2021 In the Hon'ble Court of District Judge, Patiala (CNR PBPT010117602021)</p>	<p>Union of India, Diesel Loco Modernization Works, Patiala, through its Deputy Chief Materials Manager IT (Petitioner) Versus 1. M/S IC Electricals Company Pvt. Ltd 156, II Floor, DSIC Okhla Industrial Area Phase I, New Delhi- 110020;</p>	<p>Objection Petition under Section 34 of the Arbitration and Conciliation Act 1996</p>	<p>The Petitioner has filed an objection petition for setting aside the arbitral award dated 16 August 2021 passed by a three-member arbitral tribunal, partially in favour of the Company. The Petitioner has particularly challenged the findings of the arbitral tribunal, alleging that the arbitral tribunal failed to consider the delay in supply by the Company and rejection of two prototypes by the Petitioner for which an advance amount of</p>	<p>The court has fixed the next date of hearing on 22 January 2026.</p>

	<p>2. Sh. Parmod Kumar retired GM Kapurthala Presiding Officer;</p> <p>3. Sh. A.K. Mishra Retd.AM/S&T/Railway Board Co-Arbitrator</p> <p>4. Sh. Narendra Kumar Gupta Retd. Director/ Finance Co-Arbitrator</p>		<p>Indian Rupees Sixty Eight Lakhs and Forty Thousand (INR 68,40,000) was paid by the Petitioner, though this amount has already been recovered by the Petitioner. The Petitioner has objected the rejection of its counter claim of recovery of interest @ 18% on an amount of Indian Rupees Thirty Lakhs Forty Thousand (INR 30,40,000) w.e.f 24 January 2017 till the date of realisation.</p> <p>The Petitioner has further assailed the award for not having been granted litigation costs to it amounting to Indian Rupees Five Lakhs (INR 5,00,000).</p>	
<p>Cases/176/2025 Commercial Court Lucknow Misc. Civil (UPLK190004212025)</p>	<p>1. The General Manager, Modern Coach Factory Lalganj, Raibareli</p> <p>2. The Principal Chief Materials Manager, Modern Coach Factory, Lalganj, Raibareli</p> <p>Versus</p> <p>1. M/S IC Electricals Company Private Limited Through Its Director Sunil Kumar Verma</p>	<p>Objection Petition under Section 34 of the Arbitration and Conciliation Act 1996</p>	<p>The petitioners have filed an objection petition challenging the Arbitral Award dated 13 May 2025 passed by Ld. Justice Vishnu Chandra Gupta, Sole Arbitrator, in favour of the Company.</p> <p>The award directs recovery of Indian Rupees Two Crores Eleven Lakhs Fourteen Thousand Five Hundred and Twenty (INR 2,11,14,520) along with interest as specified in the award, from the petitioners in Arbitration Proceeding No. 32 of 2023, arising out of Purchase Order No. 0519005810367 dated 7 September 2019.</p>	<p>The court has fixed the next date of hearing on 16 January 2026.</p>
<p>Cases/177/2025 Commercial Court Lucknow Misc. Civil (UPLK190004202025)</p>	<p>1. The General Manager, Modern Coach Factory Lalganj, Raibareli</p> <p>2. The Principal Chief Materials Manager, Modern Coach Factory, Lalganj, Raibareli</p> <p>Versus</p> <p>1. M/S IC Electricals Company Private</p>	<p>Objection Petition under Section 34 of the Arbitration and Conciliation Act 1996</p>	<p>The petitioners have filed an objection petition challenging the Arbitral Award dated 13 May 2025 passed by Ld. Justice Vishnu Chandra Gupta, Sole Arbitrator, in favour of the Company.</p> <p>The award directs recovery of Indian Rupees Forty Five Lakhs Eighty Nine Thousand Nine Hundred (INR 45,89,900) along with interest as specified in the award, from the petitioners in Arbitration</p>	<p>The court has fixed the next date of hearing on 16 January 2026.</p>



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	Limited Through Its Director Sunil Kumar Verma		Proceeding No. 33 of 2023, arising out of Purchase Order No. 05190317100346 dated 8 February 2020.	
CS/422/2025 Civil Judge Senior Division, Taluka Court, Amlah (CNR PBFGA00005662025)	Jain Steel Industries Versus IC Electricals Company Ltd.	Civil Suit	The Company has not received any notice in respect of this matter till date. However, as per the order dated 8 October 2025, the Hon'ble Court has directed that fresh summons be issued to the Company for the next hearing scheduled on 7 January 2026, through AD/RC.	The court has fixed the next date of hearing on 7 January 2026.
72095/2025 Chief Judicial Magistrate, Faridabad (CNR HRFB030737922025)	State Of Haryana Versus Ms I C Electricals Company Private Limited	Traffic Cases	The Company has not received any notice in respect of this matter till date. However, as per the order dated 11 November 2025, the Hon'ble Court has directed that summons be issued to the Company to appear before the Court on 8 May 2026.	The next date of hearing is fixed on 8 May 2026.
21153/2023 Haridwar Chief Judicial Magistrate (CNR UKHA020317222023)	Traffic Police Versus IC Electricals Private Limited UK08 X 9057	Case under Motor Vehicles Act 1988	The Company has not received any notice in respect of this matter till date. The Traffic Police has initiated proceedings against the Company under the Motor Vehicles Act 1988 in relation to vehicle bearing registration number UK08 X 9057. Pursuant to the order dated 20 July 2024, the matter was transferred from the Chief Judicial Magistrate, Haridwar to the Court of the 2nd Additional Civil Judge Senior Division.	The next date of hearing is fixed on 11 March 2026.

2. LITIGATION INVOLVING OUR PROMOTERS/ DIRECTORS

4. Tax Proceedings:

Income Tax Proceedings against Individual Promoter/Director:

S. No.	Case Pending	Notice Reference ID	No./ Date	Facts of the Matter	Status
Sunil Kumar Verma					
1.	Demand Order	2024202437347 379321T	29 January 2025	The Income Tax authorities issued a demand order dated 29 January 2025 in relation to the assessment year 2024-25, whereby the assessee was	The assessee is yet to comply with the aforesaid order.

				directed to pay INR 21,28,810.	
Rahul Verma					
2.	Demand Order	2017201010000 256942T	15 May 2017	The Income Tax authorities issued a demand order dated 15 May 2017 for the assessment year 2010-11 whereby the assessee was directed to pay INR 99,660 (principal amount INR 49,860 along with interest of INR 49,800). Subsequently, the Assessing Officer submitted a reply dated 30 December 2020, stating that the outstanding demand is correct and collectible.	The assessee is yet to comply with the aforesaid order.
Aakansha Verma					
6.	Demand Order	2023202337222 248873T	6 December 2023	The Income Tax authorities issued a demand order dated 6 December 2023, directing the Assessee to pay an amount of INR 2,904 (principal amount INR 2,400 along with interest of INR 504) for assessment Year 2023-24.	The Assessee is yet to comply with the aforesaid order.
Davisha Verma					
7.	Demand Order	2023202337222 258220T	6 December 2023	The Income Tax authorities issued a demand order dated 6 December 2023, directing the Assessee to pay an amount of INR 2,12,474 (principal amount INR 1,67,610 along with interest of INR 44,864) for assessment Year 2023-24.	The Assessee is yet to comply with the aforesaid order.

(D) LITIGATION INVOLVING THE BODY CORPORATE PROMOTER OF THE COMPANY

• Safe System India Private Limited

Case Number and Forum	Parties	Case Type	Summary	Status
COMM CS/0000007/2022 In the Court of Hon'ble Sr. Civil Judge (SD) of Umargam.	M/S. Khatri Castings Private Limited, represented through its director namely Mr. Mahendra G. Khatri, Versus 1) M/S. Safe System India Pvt. Ltd. 2) Savita Sachdeva (Director) 3) Mr. Sunil Kumar Verma (Director) 4) Renu Verma (Director)	Civil Suit	M/s. Khatri Castings Pvt. Ltd. (Plaintiff), supplied Railway OHE equipment and fittings to the defendants, M/s. Safe System India Pvt. Ltd. (Defendant). The defendants were required to pay 50% after inspection and 50% within 15 days before dispatch, but after part payments, an amount of INR 43,27,611 still remains outstanding, which the Defendants have withheld on the ground that the ordered material was not properly supplied. The Plaintiff claims recovery of INR 43,27,611 with 24% annual interest from the due date till realization and the cost of the suit.	The next date of hearing is fixed on 8 January 2026.

7. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

~~Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.~~

~~**We certify that except as stated herein above:**~~

- ~~a. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters, group entities, companies promoted by the promoters during the past three years.~~
- ~~b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.~~
- ~~c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.~~
- ~~d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.~~
- ~~e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.~~
- ~~f. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.~~
- ~~g. There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of our promoters, group company's entities, entities promoted by the promoters of our company.~~
- ~~h. There are no status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of our Directors. Further, none of our Directors has been charge sheeted with serious crimes like murder, rape, forgery, economic offences etc.~~
- ~~i. The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.~~
- ~~j. Neither the Company nor any of its promoters or directors is a wilful defaulter.~~

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GOVERNMENT AND OTHER APPROVALS

BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

S.N.	Description	Issuing Authority	Registration No./Reference No./License No./Membership No.	Date of Issue/Date of Renewal	Valid upto
1.	Udyam Registration Certificate	Ministry of Micro, Small and Medium Enterprise, GOI	UDYAM-UK-06-0057448	December 05, 2024	Valid until cancellation
2.	Employees' Provident Funds Certificate (Delhi)	Employees' Provident Fund Organisation,	DSNHP1591267000	May 05, 2017	Valid until cancellation
3.	Employees' Provident Funds Certificate (Uttarakhand)	Employees' Provident Fund Organisation,	UKDDN0034394000	May 05, 2017	Valid until cancellation
4.	Employee's State Insurance Corporation Certificate (Delhi)	Employee's State Insurance Corporation	20610075090010699	February 16, 2017	Valid until cancellation
5.	Employee's State Insurance Corporation Certificate (Uttarakhand)	Employee's State Insurance Corporation	61-7509-67/HR	August 04, 2008	Valid until cancellation
6.	Factory License (Unit-1)	Labour Department, Uttarakhand	HWR-1443	June 11, 2008/ January 01, 2025	December 31, 2025
7.	Factory License (Unit-2)	Labour Department, Uttarakhand	HWR-620	June 11, 2008/ January 01, 2025	December 31, 2025
8.	Shop and Establishments Certificate	Department of Labour, Government of National Capital Territory of Delhi	2025067571	May 15, 2025	Valid until cancellation
9.	Shop and Establishments Certificate	Department of Labour, Uttarakhand	UKSAHWR002865	April 01, 2025	Valid until cancellation
10.	Certificate of Registration	Chittaranjan Locomotive Works	17/Pt. III/387	September 09, 2017	Valid until cancellation
11.	Approved Vendor Certificate	Ministry of Railway, Government of India, Research, Design & Standards Organisation, Lucknow	No. QAE/7.10.1/ LHB/ ICE	November 08, 2021	Valid until cancellation
12.	Fresh Registration of Firm	Ministry of Railway, Government of India, Research, Design & Standards Organisation, Lucknow	No. EL/7.10.1/IC Electricals	October 11, 2017	Valid until cancellation
13.	Prototype Approval of LED Based	Railway Coach Factory, Kapurthala	ED2019/IC/INSPECTION	July 08, 2011	Valid until cancellation

	Berth Reading Light Cum 100VA Inverter for Laptop and Mobile Charging				
14.	Inclusion of Firm Name for item of Motor for Traction Motor Blower for 3 Phase Loco	Chittaranjan Locomotive Works	No. ELDD /3-Phase/QF/14	March 19, 2021	Valid until cancellation
15.	Approved Vendor	Ministry of Railway, Government of India, Research, Design & Standards Organisation, Lucknow	QMO/0001	June 10, 2010	Valid until cancellation
16.	Certificate of Registration	Indian Railway, Chittaranjan Locomotive Works	2021/Develop/215	February 08, 2021	Valid until cancellation
17.	RDSO Vendors Directory	Ministry of Railway, Government of India, Research, Design & Standards Organisation, Lucknow	No. SD. WDM2. TM3	November 08, 2017	Valid until cancellation
18.	Fresh Registration for RDSO Vendors	Ministry of Railway, Government of India, Research, Design & Standards Organisation, Lucknow	MC/Regn/PAPIS/ICE	November 22, 2021	Valid until cancellation
19.	Prototype Approval of Emergency Light Unit as per RDSO	Railway Coach Factory, Kapurthala	No.: ED2019	October 12, 2018	Valid until cancellation
20.	Fire No Objection Certificate (Factory I)	Fire Department, Haridwar	6/CFO-H/2022	December 02, 2022	1 December 2025
21.	Fire No Objection Certificate (Factory II)	Fire Department, Haridwar	6/CFO-H/2025	June 23, 2025	22 June 2028
22.	Importer and Exporter Code	Directorate General of Foreign Trade	0506015441	June 02, 2006	Valid until cancellation
23.	ISO 9001:2015 (Factory I and Factory II)	Innovative Systemcert Pvt. Ltd. (Member of IAF)	EI-2108014	September 02, 2024	1 September 2027
24.	Electrical Contractor License	Government of NCT of Delhi, Labour Department	876420181941	April 27, 2018	26 April 2043

The licenses pertaining to the Our Subsidiary are as follows:

S.N.	Authorization granted	Issuing Authority	License No.	Date of Issue	Valid upto
1.	Certificate of Incorporation in the name of "Safe Coils India Private Limited"	ROC, Delhi and Haryana	U35914DL2006PTC150377	June 28, 2006	Valid until cancellation
2.	Permanent Account Number	Income Tax Department, GoI	AAQCS6615N	June 28, 2006	Valid until cancellation
3.	Tax Deduction and Collection Account	Income Tax Department, GoI	DELS50930F	June 20, 2013	Valid until cancellation

	Number				
4.	GST Registration Certificate (Delhi)	The Delhi Goods and Services Tax Act 2017	07AAQCS6615N1ZM	September 19, 2017	Valid until cancellation
5.	Importer-Exporter Code (IEC)	Ministry of Commerce and Industry/Directorate General of Foreign Trade	0512037191	August 09, 2012	Valid until cancellation
6.	Shop and Establishments Certificate	Department of Labour, Government of National Capital Territory of Delhi	2025143387	December 01, 2025	Valid until cancellation

Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/ Licenses required for the proposed expansion.

Our Company do not have any pending licenses, permissions, and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies which applied for but not yet received.

Note: Some of the approvals are in the name of IC Electricals Company Private Limited and the Company is in the process of getting all the approvals in the new name of the Company i.e. IC Electricals Company Limited, details are as follows:

S.N	Description	Issuing Authority	Registration No./Reference No./License No./Membership No.	Date of Issue/Date of Renewal	Valid upto	Current Status
1.	Importer and Exporter Code	Directorate General of Foreign Trade	0506015441	June 02, 2006	Valid until cancellation	Pending with Authority

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OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

1. This Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on May 22, 2025.
2. The Shareholders of our Company have authorized this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its Extra Ordinary General Meeting held on June 18, 2025, and authorized the Board to take decisions in relation to this Issue.
3. Our Board has approved this Draft Red Herring Prospectus through its resolution dated September 30, 2025.
4. ~~We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “Government and Other Approvals” beginning on page number 352 of this Draft Red Herring Prospectus.~~

OTHER DISCLOSURES

- i. The issuer company is in compliance with The Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Drat Red Herring Prospectus.
- ii. There are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document.
- iii. There are no conflicts of interest between the suppliers of raw materials and third-party service providers (crucial for the operations of the Company) and the Company, its Promoters, Promoter Group, Key Managerial Personnel, Directors, subsidiaries, or Group Companies and their directors.
- iv. There are no conflicts of interest between the lessors of immovable properties (crucial for the operations of the Company) and the Company, its Promoters, Promoter Group, Key Managerial Personnel, Directors, subsidiaries, or Group Companies and their directors.
- v. No material clause of Article of Association have been left out from disclosure having bearing on the IPO/disclosure.
- vi. There are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the Offer Document.

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SECTION VIII – ISSUE INFORMATION

ISSUE STRUCTURE

Present Issue Structure

Initial public offering up to 48,40,000 equity shares of Rs. 10/- each (“equity shares”) of IC Electricals Company Limited (“ICEL” or the “Company”) for cash at a price of Rs. [●]/- per equity share (the “issue price”), aggregating to Rs. [●] lakhs (“the issue”). Out of the issue, 243,200 equity shares aggregating to Rs. [●] lakhs will be reserved for subscription by market maker (“market maker reservation portion”). The issue less the market maker reservation portion i.e. Issue of 45,96,800 equity shares of face value of Rs. 10/- each at an issue price of Rs. [●]/- per equity share aggregating to Rs. [●] lakhs is hereinafter referred to as the “net issue”. The issue and the net issue will constitute 26.50 % and 25.17 %, respectively of the post issue paid up equity share capital of our company. The Issue is being made through the Book Building Process.

Particulars of the Issue	Market Maker Reservation Portion	QIBs	Non – Institutional Investors	Individual Investors who applies for minimum application size
Number of Equity Shares available for allocation	243,200 Equity shares	Not more than [●] Equity shares	[●] Equity shares	[●] Equity shares
Percentage of Issue Size available for allocation	5.02 % of the issue size	Not more than 50.00% of the Net offer size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.	Not less than 15.00% of the Net Offer shall be available for allocation.	Not less than 35.00% of Net Offer shall be available for allocation.
Basis of Allotment	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion: (a) up to [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) up to [●] Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above	The allocation shall be as follows: (a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than Rs. 10 lakhs; (b) two thirds of the portion available to non-institutional investors shall be	Allotment to each Individual investor who applies for minimum application size shall not be less than 2 lots, subject to availability of Equity Shares in their Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis.

		(c) Up to 60% of QIB Portion (of up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor portion.	reserved for applicants with application size of more than Rs. 10 lakhs.	
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Individual Investors who applies for minimum application size using Syndicate ASBA).			
Minimum Bid Size	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares	[●] Equity Shares and in multiple of [●] Equity shares Constituting minimum 2 lots so that the Bid amount exceeds Rs. 2,00,000.
Maximum Application Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the net issue (excluding the QIB portion), subject to limits as applicable to the Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares Constituting minimum 2 lots so that the Bid amount exceeds Rs. 2,00,000.
Mode of Allotment	Dematerialized Form			
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form.			

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SECTION XI – DECLARATION

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

Signed by the Directors of our Company					
S. No.	Name	Category	Designation	DIN/PAN	Signature
1.	Mr. Sunil Kumar Verma	Executive Director	Managing Director	00346995	Sd/-
2.	Mrs. Renu Verma	Non-Executive Director	Director	06452258	Sd/-
3.	Mrs. Savita Sachdeva	Non-Executive Director	Director	07083528	Sd/-
4.	Mr. Sanjai Vishwakarma	Non-Executive Director	Director	01362411	Sd/-
5.	Mr. Rahul Varma	Executive Director	Whole Time Director	08227447	Sd/-
6.	Mr. Nitin Sarup Chowdhary	Independent Director	Director	00319103	Sd/-
7.	Mr. Bhaskar Reddy Dasari	Independent Director	Director	00157696	Sd/-
8.	Mr. Sanjay Pandey	Independent Director	Director	00111208	Sd/-
Signed by the “Chief Financial Officer” and “Company Secretary and Compliance Office” of the Company					
9.	Mrs. Davisha Verma	Full-time	Chief Financial Officer	AWKPV5327P	Sd/-
10.	Mr. Subodh Kumar	Full-time	Company Secretary and Compliance Officer	AYJPK4556E	Sd/-

Place: Delhi

Date: January 08, 2026