# BASIS FOR OFFER PRICE

*Investors should read the following summary with the section titled **"Risk Factors"**, the details about our Company under the section titled **"Our Business"** and its financial statements under the section titled **"Financial Information of the Company"** beginning on page 18, 129 and 185. respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.*

The Offer Price will be determined by our Company in consultation with the BRLM on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10.00 each. The Offer Price is 12.00 times of the face value at the lower end of the price band and 12.70 times of the face value at the upper end of the Price Band.

**QUALITATIVE FACTORS**

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

a) Vendor registrations and approvals across multiple states, supporting tender participation with government entities.
b) In-House Manufacturing facilities supported by quality certifications.
c) Geographically dispersed customer base.
d) Experienced Promoter having domain knowledge.

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled ***"Our Business"*** beginning on page 129 of this Red Herring Prospectus.

**QUANTITATIVE FACTORS**

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled ***"Financial Information of the Company"*** on page 185 of this Red Herring Prospectus.

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

1. **Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each):**

As per the Restated Financial Statements:

| Sr. No. | Financial Year | Basic & Diluted (₹) | Weights |
|---|---|---|---|
| 1. | Financial Year ended March 31, 2026 | 11.96 | 3 |
| 2. | Financial Year ended March 31, 2025 | 5.71 | 2 |
| 3. | Financial Year ended March 31, 2024 | 1.11 | 1 |
| | **Weighted Average** | **8.07** | 6 |

***Notes:***

i. *The figures disclosed above are based on the Restated Financial Statements of the Company.*
ii. *The face value of each Equity Share is ₹10.00.*
iii. *Earnings per Share has been calculated in accordance with **Accounting Standard 20 – "Earnings per Share"** issued by the Institute of Chartered Accountants of India.*
iv. *The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.*
v. *Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period*
vi. *Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.*

2. **Price Earning (P/E) Ratio in relation to the Price Band of ₹ 120 to ₹ 127 per Equity Share of Face Value of ₹ 10/- each fully paid up:**

| Particulars | (P/E) Ratio at the Floor Price | (P/E) Ratio at the Cap Price |
|---|---|---|
| P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2026 | 10.03 | 10.62 |
| P/E ratio based on the Weighted Average EPS, as restated. | 14.87 | 15.74 |

| Industry P/E Ratio* | (P/E) Ratio |
|---|---|
| Highest | 46.35 |
| Lowest | 16.77 |
| **Industry Average** | **31.56** |

**We have mentioned listed peer which falls in the similar line of business as our Company for broad comparison purpose, however there is a distinction in the product portfolio between our company and those of our selected peers i.e. Divine Power Energy Limited, Prime Cable Industries Limited and V-Marc India Limited.*

***Note:***

i) The P/E ratio of peers has been computed by dividing Market price as on May 26, 2026 with EPS for the F.Y. 2025-26

**3.** Return on Net worth (RoNW)

| Sr. No | Period | RONW | Weights |
|---|---|---|---|
| 1. | Financial Year ended March 31, 2026 | 47.42% | 3 |
| 2. | Financial Year ended March 31, 2025 | 31.43% | 2 |
| 3. | Financial Year ended March 31, 2024 | 12.17% | 1 |
| | **Weighted Average** | **36.21%** | 6 |

***Note:***

*i. The figures disclosed above are based on the Restated Financial Statements of the Company.*

*ii. The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year*

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

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

| Sr. No | NAV Per Equity Share | (Amount in ₹) |
|---|---|---|
| 1. | As at March 31, 2024 | 6.94 |
| 2. | As at March 31, 2025 | 11.94 |
| 3. | As at March 31, 2026 | 24.68 |
| 4. | NAV per Equity Share after the offer | |
| | At the Floor Price | 35.66 |
| | At the Cap Price | 37.29 |
| 5. | Offer Price** | [●] |

**The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year.*

*** Offer Price per Equity Share will be determined on conclusion of the Book Building Process*

***Notes:***

*i. The figures disclosed above are based on the Restated Financial Statements of the Company.*

*ii. NAV per share=Restated Net worth at the end of the year divided by weighted average number of equity shares outstanding at the end of the year*

*iii. Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.*

*iv. Offer Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.*

5. **Comparison of Accounting Ratios with Industry Peers**

| Name of Company | Current Market Price (₹) | Face Value (₹) | EPS (Basic/Diluted) | PE | RoNW (%) | Book Value (₹) | Total Income (₹ in lakhs) |
|---|---|---|---|---|---|---|---|
| Susan Electricals India Limited | 127** | 10 | 11.96 | 10.62 | 47.42% | 24.68 | 26,996.47 |
| **Peer Group** | | | | | | | |
| Prime Cable Industries Limited | 112 | 5 | 6.68 | 16.77 | 20.14% | 33.17 | 23,581.03 |
| Divine Power Energy Limited | 502 | 10 | 10.83 | 46.35 | 20.69% | 51.71 | 62,748.22 |
| V-Marc India Limited | 1143 | 10 | 40.97 | 27.90 | 34.56% | 118.55 | 1,80,047.98 |

** We have mentioned listed peer which falls in the similar line of business as of our Company for broad comparison purpose.*
***Current Market price is taken as upper price band of the Offer.*

*Notes:*

(i) *Source – All the financial information for listed industry peer mentioned above is sourced from the Financial Results and prospectus of the aforesaid companies for the year ended March 31,2026 and stock exchange data dated May 26,2026 to compute the corresponding financial ratios. Also wherever such ratios were not readily available in the financial results or other publicly available documents, the same have been computed by the Company.*

(ii) *For our Company, we have taken Current Market Price as the offer price of equity share. Further, P/E Ratio is based on the current market price of the respective scrips.*

(iii) *The EPS, NAV, RoNW and total Revenue of our Company are taken as per Restated Financial Statement for the F.Y. 2025- 26.*

(iv) *NAV per share is computed as the closing net worth divided by the closing number of paid-up equity shares as on March 31, 2026.*

(v) *RoNW has been computed as net profit after tax divided by closing net worth.*

(vi) *Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.*

(vii) *The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Offer price is 12.70 times the face value of equity share.*

6. **Key Performance Indicators**

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 20, 2026, and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three-years period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by Chartered Accountants, by their certificate dated May 28, 2026.

The KPIs of our Company have been disclosed in the sections titled ***"Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators"*** on pages 129 and 240 respectively. We have described and defined the KPIs as applicable in ***"Definitions and Abbreviations"*** on page 01 of this RHP.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

**Key performance indicators of our Company:**

***(₹ In Lakhs except percentages and ratios)***

| Key Financial Performance | FY 2025-26 | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| Revenue from operations [1] | 26,935.66 | 13,573.97 | 10,348.21 |
| EBITDA [2] | 3,208.22 | 1,200.28 | 363.63 |
| EBITDA Margin [3] | 11.91% | 8.84% | 3.51% |
| PAT [4] | 1,824.64 | 565.10 | 75.58 |
| PAT Margin [5] | 6.77% | 4.16% | 0.73% |
| RoE (%) [6] | 64.64% | 46.72% | 15.92% |
| RoCE (%) [7] | 29.05% | 17.46% | 9.47% |
| Net Worth [8] | 3,847.74 | 1798.10 | 621.00 |
| Repetitive customers % [9] | 45.09% | 84.87% | 89.47% |

***Notes:***

*(1) Revenue from operation means revenue from sales, service and other operating revenues*

*(2) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income*

*(3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations*

*(4) PAT is taken as Profit for the year attributable to the Shareholders of the Company*

*(5) PAT Margin is calculated as Profit for the year attributable to Shareholders of the Company divided by revenue from operations.*

*(6) Return on Equity is the ratio of Profit for the year attributable to Shareholders of the Company and Average Shareholder Equity.*

*(7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings and short-term borrowings + deferred tax liability(net).*

*(8) Net Worth is calculated as total shareholder's funds.*

*(9) Revenue from repeat customers represents revenue generated during the relevant fiscal year or period from customers who were also invoiced in the immediately preceding financial year. The percentage of revenue from repeat customers is calculated by dividing revenue from repeat customers by total revenue from operations for the respective fiscal year or period.*

**Explanation for KPI metrics:**

| KPI | Explanations |
|---|---|
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |
| EBITDA Margin (%) | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business |
| PAT | Profit after tax provides information regarding the overall profitability of the business. |
| PAT Margin (%) | PAT Margin (%) is an indicator of the overall profitability and financial performance of our business. |
| Net Worth | Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity. |
| RoE (%) | RoE provides how efficiently our Company generates profits from shareholders' funds. |
| RoCE (%) | RoCE provides how efficiently Company generates earnings from the capital employed in the business. |
| Repetitive customers (%) | Percentage (%) of Revenue from Repeat Customers = (Revenue from customers invoiced in both the current period and the immediately preceding financial year ÷ Revenue from Operations) × 100 |

7. **Set forth below are the details of comparison of key performance of indicators with our listed industry peer:**

***(₹ In Lakhs except percentages and ratios)***

| **Key Financial Performance** | **Prime Cable Industries Limited** | | | **Divine Power Energy Limited** | | | **V-Marc India Limited** | | |
|---|---|---|---|---|---|---|---|---|---|
| | **FY 2025-26** | **FY 2024-25** | **FY 2023-24** | **FY 2025-26** | **FY 2024-25** | **FY 2023-24** | **FY 2025-26** | **FY 2024-25** | **FY 2023-24** |
| Revenue from operations (1) | 23,487.68 | 14,097.72 | 8,253.14 | 62,596.02 | 34,166.78 | 22,208.00 | 1,79,730.97 | 90,487.46 | 56,472.92 |
| EBITDA (2) | 2,348.10 | 1,470.93 | 458.67 | 5,090.96 | 1,963.23 | 1,500.50 | 20,083.08 | 9,713.60 | 6,682.05 |
| EBITDA Margin (%) (3) | 10.00% | 10.43% | 5.56% | 8.13% | 5.75% | 6.76% | 11.17% | 10.73% | 11.83% |
| PAT (4) | 1,223.86 | 750.45 | 179.1 | 2,670.69 | 915.3 | 640.59 | 10,005.18 | 3,609.46 | 2,685.30 |
| PAT Margin (%) (5) | 5.21% | 5.32% | 2.16% | 4.27% | 2.68% | 2.88% | 5.57% | 3.99% | 4.76% |
| RoE (%) (6) | 32.47% | 69.16% | 28.87 % | 20.69% | 4.10% | 25.06% | 41.78% | 24.00% | 29.00% |
| RoCE (%) (7) | 19.45% | 25.96% | 10.61 % | 31.83% | 18.34% | 16.25% | 35.01% | 31.00% | 36.00% |

***All the financial information for listed industry peer mentioned above is sourced from the Financial Results and prospectus of the aforesaid companies for the year ended March 31,2026 to compute the corresponding financial ratios In the above figures, some of the figures have been calculated since the said information was not specifically disclosed in the respective annual reports/ prospectus of such peer companies:***

***Notes:***

*(1) Revenue from operation means revenue from sales, service and other operating revenues*

*(2) EBITDA is calculated as Profit before tax + Depreciation + Interest - Other Income*

*(3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations*

*(4) PAT is calculated as Profit before tax – Tax Expenses*

*(5) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.*

*(6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity*

*(7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus Long term borrowings and Short term borrowings+ deferred tax liability (net).*

8. **Weighted average cost of acquisition**

a) **Price per share of our Company (as adjusted for corporate actions, including split) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the eighteen months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-offer capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")**

The details of such Primary Issuances made by our Company is mentioned below:

| **Date of Allotment** | **No. of equity Shares allotted** | **Face Value** | **Issue price per equity share (₹)** | **Nature of allotment** | **Nature of consideration** | **Total Consideration (in ₹ lakhs)** |
|---|---|---|---|---|---|---|
| December 28, 2024 | 12,00,000 | 10/- | 30/- | Conversion of Loan to Equity shares | Cash | 360 |

| | | | | | | |
|---|---|---|---|---|---|---|
| March 29, 2025 | 8,40,000 | 10/- | 30/- | Conversion of Loan to Equity shares | Cash | 252 |
| November 15, 2025 | 1,74,420 | 10/- | 129/- | Private Placement | Cash | 225 |

**b) Price per share of our Company (as adjusted for corporate actions, including split) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoters, members of the Promoter Group , Selling Shareholder, or Shareholder(s) having the right to nominate Director(s) on our Board during the eighteen months preceding the date of filing of this Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")**

There have been no Secondary Transactions of the Equity Shares or convertible securities of our Company during the eighteen months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

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

| **Type of Transaction** | **Weighted average cost of acquisition (₹ per Equity Shares)** | **Floor Price* (i.e. ₹ [●])** | **Issue price* (i.e. ₹ [●])** |
|---|---|---|---|
| Weighted average cost of acquisition of primary issuance | 12.60 | [●] | [●] |
| Weighted average cost of acquisition of secondary transactions | N.A. | N.A. | N.A. |

** To be updated at Prospectus stage.*

This is a Book Built Offer and the price band for the same shall be published 2 working days before opening of the Offer in all editions of the English national daily newspaper and all editions of Financial Express, a Hindi national daily newspaper, Jansatta and all edition of Pratah Kiran, a regional newspaper each with wide circulation where the registered office of the company is situated. The Price Band/ Floor Price/ Offer Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above-mentioned information along with "***Our Business***", "***Risk Factors***" and "***Restated Financial Statements***" on pages 129, 18 and 185 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "***Risk Factors***" or any other factors that may arise in the future and you may lose all or part of your investments.