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MANGAL ELECTRICAL INDUSTRIES LIMITED

Our Company was originally formed as a partnership firm constituted under the Indian Partnership Act, 1932 on April 28, 1989 under the name and the style of "Mangal Electrical Industries". Thereafter, the partnership firm was converted into a private limited company under Part IX of the Companies Act, 1956 as 'Mangal Electrical Industries Private Limited' and a fresh certificate of incorporation dated April 1, 2008 issued by the RoC. Thereafter, our Company was converted into public limited company pursuant to shareholder's resolution dated May 16, 2024, consequent to which the name of our Company was changed to Mangal Electrical Industries Limited, and a fresh certificate of incorporation dated July 25, 2024 was issued by the RoC.

Registered and Corporate Office: C-61, C-61 (A&B), Road No. 1-C, V. K. I. Area, Jaipur 302 013, Rajasthan, India. Telephone: +91-141-4036113; Contact person: Balvinder Singh Guleri, Company Secretary and Compliance Officer; E-mail: compliance@mangals.com; Website: https://www.mangals.com
Corporate Identity Number: U31909RJ2008PLC026255

THE PROMOTERS OF OUR COMPANY ARE RAHUL MANGAL, ASHISH MANGAL, SAROJ MANGAL AND ANIKETA MANGAL

INITIAL PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF MANGAL ELECTRICAL INDUSTRIES LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING UP TO ₹ 40,000.00 LAKHS (THE "ISSUE"). THE ISSUE SHALL CONSTITUTE [•]% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

PRICE BAND: ₹ 533 TO ₹ 561 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH.

THE FLOOR PRICE IS 53.30 TIMES THE FACE VALUE OF THE EQUITY SHARES AND

THE CAP PRICE IS 56.10 TIMES THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 26 EQUITY SHARES AND IN MULTIPLES OF 26 EQUITY SHARES THEREAFTER.

THE PRICE TO EARNINGS RATIO BASED ON DILUTED EPS FOR FISCAL 2025 AT THE LOWER END OF THE PRICE BAND

(i.e FLOOR PRICE) IS 23.10 TIMES AND AT THE UPPER END OF THE PRICE BAND (i.e CAP PRICE) IS 24.31 TIMES.

BID/ ISSUE PROGRAMME	ANCHOR INVESTOR BIDDING DATE* TUESDAY, AUGUST 19, 2025	BID/ ISSUE OPENS ON* WEDNESDAY, AUGUST 20, 2025	BID/ ISSUE CLOSES ON** FRIDAY, AUGUST 22, 2025***
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* Our Company may in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date.

** 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.

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

We specialize in processing transformer components, including transformer laminations, CRGO slit coils, amorphous cores, coil and core assemblies, wound and toroidal cores, and oil-immersed circuit breakers.

THE ISSUE IS BEING MADE THROUGH THE BOOK BUILDING PROCESS IN ACCORDANCE WITH REGULATION 6(1) OF THE SEBI ICDR REGULATIONS 2018.

THE EQUITY SHARES OF THE COMPANY WILL GET LISTED ON THE MAIN BOARDS OF BSE LIMITED AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED. NATIONAL STOCK EXCHANGE OF INDIA LIMITED SHALL BE THE DESIGNATED STOCK EXCHANGE.

- QIB PORTION: NOT MORE THAN 50% OF THE ISSUE
- NON-INSTITUTIONAL PORTION: NOT LESS THAN 15% OF THE ISSUE
- RETAIL PORTION: NOT LESS THAN 35% OF THE ISSUE

In accordance with the recommendation of Independent Directors of our Company, pursuant to their resolution dated August 13, 2025, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Issue Price" section on page 124 of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in the "Basis for Issue Price" section beginning on the page 124 of the RHP and provided below in this advertisement.

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RHP AND THE TERMS OF THE ISSUE, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE ISSUE AVAILABLE IN ANY MANNER.

Risk to Investors

For details, refer to section titled "*Risk Factors*" on page 28 of the RHP.

1. Risks due to raw material unavailability, price volatility, and forex fluctuations
2. Dependence on performance of the manufacturing products and components

The Company's operations rely heavily on the availability and stable pricing of key raw materials, particularly CRGO and CRNO coils, steel, aluminum, copper, and other inputs, which together account for a significant portion of expenses. With no long-term supplier contracts and dependence on third-party vendors, the Company is exposed to risks of price volatility from commodity market trends, currency fluctuations, and government policies, as well as potential supply shortages that could disrupt production and adversely impact margins. A portion of raw materials is imported, primarily in US Dollars and Euros, leaving the Company vulnerable to foreign exchange rate movements despite a defined currency risk management framework. While it adopts operational measures—such as prudent inventory management, procurement aligned with supply certainty, and short purchase order durations—to manage cost fluctuations, it has no direct hedging policy for CRGO and CRNO coils. Any significant increase in raw material costs or adverse currency movements that cannot be passed on to customers could materially affect the Company's business, financial condition, results of operations, cash flows, and competitive position.

The following table sets forth the cost of goods sold for the periods as stated below:

(₹ in lakhs, except for percentage)

Particulars	For Fiscals 2025	For Fiscals 2024	For Fiscals 2023
Cost of goods sold (COGS)	41,459.85	36,319.92	26,797.53
Total expenses	48,768.11	42,402.38	32,494.21
COGS % of Total Expenses (%) operations	85.01%	85.66%	82.47%

Note: COGS include Cost of Material Consumed, Purchase of Stock in Trade and changes in Inventories of Work in Progress of Finished Goods

We derive most of our revenue from operations from the processing of transformer components and manufacturing of transformers. The manufacturing of transformers forms the core of our operations and accounts for a substantial share of our overall revenue. As a result, our business and financial condition is heavily dependent on the performance of market globally and in India and we are exposed to fluctuations in the performance of these markets.

The table below set forth the contribution from manufacturing of transformers for the periods indicated:

(₹ in lakhs, except for percentage)

Particulars	For Fiscals		
	2025	2024	2023
Revenue from manufacturing of transformers (₹ in lakhs)	12,699.29	9,903.12	9,362.05
% of total revenue of operations	23.11%	22.03%	26.42%

3. Disruptions to our manufacturing facilities or our original equipment manufacturer ("OEM") suppliers could materially harm our operations, financial performance, and cash flows.

Our Company has five manufacturing facilities in Rajasthan producing key transformer components and rely heavily on OEM suppliers, making operations vulnerable to disruptions from equipment failure, power outages, labor issues, natural disasters, pandemics, and regulatory actions. Capacity is limited by customer approvals to 10,000 KVA/10 MVA product lines, with smaller transformer components reducing utilisation rates. Certain captive units do not generate direct sales output, limiting operational flexibility. Such factors could materially impact the our business, financial condition, results of operations, and cash flows.

4. **Dependence on limited customers and customer composition**

Our operations depend on a diverse but limited customer base across transformer components and EPC segments, with a significant share from government entities. Its top 10 customers change annually based on order volume, exposing it to risks from customer concentration and fluctuating demand. Loss or reduction of orders from key clients, including government contracts, could adversely affect revenue and operational stability. While efforts are made to diversify, customer dependency remains a potential risk to business continuity and growth.

5. **Significant dependence on contract labor and an inability to access contract labor at reasonable costs**

We heavily rely on contract labor for construction and project execution, with workforce size varying by project needs. Limited availability of skilled labor, especially during peak demand or disruptions like COVID-19 restrictions, could delay projects or increase costs. Regulatory constraints on contract labor usage and mandated increases in minimum wages may further impact operational efficiency and profitability.

6. **Lack of definitive supply agreements with our customers or suppliers**

Our Company operates without definitive supply agreements with our customers or suppliers, relying instead on purchase orders, making it vulnerable to short-notice terminations by customers or suppliers. Dependence on third-party suppliers for raw materials, equipment, and services exposes it to risks of delays, cost increases, and operational disruptions. In Fiscal 2025, top 10 customers and suppliers accounted for 49.94% and 61.25% of revenue and supplies, respectively, highlighting concentration risk. Any breakdown in these relationships or inability to secure new reliable partners could materially impact business operations, financial condition, and profitability.

7. **Dependence on third party suppliers for supply of raw materials**

Our primary raw materials, including aluminum, copper, steel, and insulations, are imported from countries such as China, UAE, Hong Kong, and Germany. We rely on third-party suppliers for these materials, making our supply chain vulnerable to disruptions like poor infrastructure, weather, accidents, or supplier issues. Any delays, shortages, or price fluctuations could negatively impact our business, margins, and cash flow.

The table below provides details of our imports in the periods indicated:

Coun-tries	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ lakhs)	Percen- tage of total imports (%)	Amount (₹ lakhs)	Percen- tage of total imports (%)	Amount (₹ lakhs)	Percen- tage of total imports (%)
China	6,223.76	57.04%	6,673.21	50.31%	3,295.07	43.71%
Germany	-	0%	100.69	0.76%	166.83	2.21%
Italy	-	0%	-	0%	60.16	0.80%
Oman	-	0%	-	0%	47.90	0.64%
Poland	-	0%	-	0%	832.28	11.04%
Hong Kong	839.84	7.70%	1,345.10	10.14%	-	0%
Japan	676.06	6.20%	36.19	0.27%	-	0%
Singapore	1,769.62	16.22%	3,424.70	25.82%	-	0%
United Arab Emirates	1,402.31	12.85%	481.40	3.63%	1,297.82	17.22%
United States of America	-	0%	1,204.11	9.08%	1,838.39	24.39%
Total	10,911.59	100.00%	13,265.40	100.00%	7,538.45	100.00%

8. **Geographical Concentration**

A substantial portion of our revenue from operations is derived from the states of Rajasthan, Gujarat and Uttar Pradesh. This concentration exposes us to region-specific risks, which could materially impact our business, financial

condition and results of operations. The table below sets forth our revenue from these states for the periods indicated:

Partic- ulars	Fiscal 2025 (₹ in lakhs)	% of total revenue from operat- ions	Fiscal 2024 (₹ in lakhs)	% of total revenue from operat- ions	Fiscal 2023 (₹ in lakhs)	% of total revenue from operat- ions
Rajasthan	10,622.75	19.33%	14,878.57	33.10%	8,088.76	22.83%
Gujarat	17,151.68	31.22%	7,203.19	16.03%	5,660.08	15.97%
Uttar Pradesh	11,067.28	20.14%	6,131.88	13.64%	7,987.18	22.54%
Total	38,841.71	70.69%	28,213.64	62.77%	21,736.02	61.34%

9. **No registered trademark**

Our brand identity and intellectual property rights are crucial for maintaining market position and customer trust. We have applied for trademark registration for our logo under Class 9 in India, which is pending approval. Without securing our intellectual property, our brand reputation could be compromised. Unauthorized use of our trademarks or counterfeit products could harm our brand and sales. Additionally, employee turnover poses a risk to confidentiality, and we may face claims of intellectual property infringement, affecting our brand image and customer retention.

10. **High attrition rate**

Our operations rely heavily on skilled personnel across functions like operations, maintenance, and administration. However, we've faced significant employee attrition in the past three fiscal years i.e. Fiscals 2025, 2024 and 2023, with rates above 10%. This high turnover has caused operational inefficiencies, increased recruitment and training costs, and manpower shortages at critical locations, negatively impacting productivity. Continued attrition could risk service quality, project timelines, and overall efficiency. Additionally, the loss of experienced employees in key roles poses a risk to our business continuity and institutional knowledge.

11. **Delay in payment of statutory dues.**

Our Company is required to pay certain statutory dues including employee provident fund contributions as indicated in the tables below. The table below sets out details of the delays in statutory dues payable by our Company for last five fiscals i.e. Fiscal 2025, 2024, 2023, 2022 and 2021:

Financial Year	Total Amount Paid (₹ in lakhs)	Employees	Establish- ments	Establish- ments with delayed Payments
2024-2025	150.67	652	2	2
2023-2024	108.24	628	2	2
2022-2023	75.49	478	2	2
2021-2022	51.89	418	2	2
2020-2021	42.59	365	2	2

12. **Risk relating to the Equity Shares and the Issue**

- The Price to Earnings (PE) ratio based on basic and diluted EPS for Fiscal 2025 at the upper end of the Price band is as high as 24.31 as compared to the average industry peer group PE Ratio of 27.38 based on basic and diluted EPS for Fiscal 2025.
- Weighted Average Return on Net Worth for Fiscals 2025, 2024 & 2023 is 28.81%.
- Average cost of acquisition of equity shares for the selling shareholder and Issue Price at upper end of the price band per Equity Share – **Not applicable as there are no selling shareholders.**

13. **The book running lead manager associated with the Issue (“BRLM”) has handled 3 public offers in the past three financial years, out of which public offers have closed below the issue price on the listing date:**

Name of the BRLM	Total Public Issue	Public Issues that closed below Offer/ Issue Price
Systematix Corporate Services Limited	3	1

Additional Information for Investors

1. Our Company has not undertaken a pre-IPO placement and Promoters or members of Promoter Group have not undertaken any transaction of shares aggregating up to 1% or more of the paid-up equity share capital of the Company from the DRHP till date.
2. The aggregate pre-Issue and post-Issue shareholding, of each of our Promoters, members of our Promoter Group and additional top 10 shareholders (apart from our Promoters) as on the date of this advertisement is set forth below:

Name	Pre-Issue		Post-Issue shareholding as at Allotment			
	Number of Equity Shares of face value of ₹10 each	Percentage of pre-Issue Equity Share capital (%)	At the lower end of the Price Band (₹533)		At the upper end of the Price Band (₹561)	
			Number of Equity Shares of face value of ₹10 each	Percentage of post-Issue Equity Share capital (%)	Number of Equity Shares of face value of ₹10 each	Percentage of post –Issue Equity Share capital (%)
Promoters						
Rahul Mangal	84,22,500	41.09%	84,22,500	30.08%	84,22,500	30.48%
Saroj Mangal	58,15,000	28.37%	58,15,000	20.76%	58,15,000	21.05%
Ashish Mangal	40,32,500	19.67%	40,32,500	14.40%	40,32,500	14.59%
Aniketa Mangal	21,00,000	10.24%	21,00,000	7.50%	21,00,000	7.60%
Sub-total (A)	2,03,70,000	99.37%	2,03,70,000	72.74%	2,03,70,000	73.72%
Promoter Group						
Meenakshi Mangal	32,500	0.16%	32,500	0.12%	32,500	0.12%
Shalu Mangal	30,000	0.14%	30,000	0.11%	30,000	0.11%
Rahul Mangal HUF	67,500	0.33%	67,500	0.24%	67,500	0.24%
Sub-total (B)	1,30,000	0.63%	1,30,000	0.46%	1,30,000	0.47%
Additional top 10 Shareholders						
Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (C)	Nil	Nil	Nil	Nil	Nil	Nil
Total (A+B+C)	2,05,00,000	100%	2,05,00,000	73.20%	2,05,00,000	74.19%

Notes:

1) The Promoter Group shareholders are Meenakshi Mangal, Shalu Mangal and Rahul Mangal HUF.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company, in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares offered in the Issue through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue Price is 53.30 times the face value at the lower end of the Price Band and 56.10 times the face value at the higher end of the Price Band.

Investors should also refer to the sections “Our Business”, “Risk Factors”, “Financial Information – Restated Financial Information” and “Management Discussion and Analysis of Financial Condition and Results of Operations” on pages 206, 28, 278 and 331 of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are:

- Promoters exhibit strong leadership and are supported by experienced senior management;
- Exhibition of certain approvals available to selected market players;
- Diversified base of customers;
- Strong backward and forward integration which ensures operational efficiency; and
- Proven track record of consistent growth

For details, see “Our Business – Our Strengths” on page 211 of the RHP.

Quantitative Factors

Some of the information presented in this section relating to our Company is derived from the Restated Financial Information. For details, see “Financial Information – Restated Financial Information” beginning on page 278 of the RHP.

Some of the quantitative factors, which may form the basis for computing the Issue Price, are as follows:

1. Earnings Per Share (“EPS”) (as adjusted for changes in capital, if any) on a consolidated basis, calculated in accordance with the Indian Accounting Standard 33 issued by the ICAI

Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weightage
Financial Year ended March 31, 2025	23.08	23.08	3
Financial Year ended March 31, 2024	10.22	10.22	2
Financial Year ended March 31, 2023	12.07	12.07	1
Weighted Average	16.96	16.96	

- Notes:
- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights, i.e., (EPS x Weight) for each year divided by total of weights
 - Basic and diluted EPS are based on Restated Financial Information.
 - Basic earnings per share (₹) = Net profit after tax from continuing operations attributable to owners of the Company, as restated divided by Weighted average number of equity shares outstanding during the year
 - Diluted Earnings per equity share (₹) = Net profit after tax from continuing operations attributable to owners of the Company, as restated divided by weighted average number of potential Equity Shares outstanding during the year
 - Earnings per share (EPS) calculations are in accordance with the notified Indian Accounting Standard 33 ‘Earnings per share’
 - Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year multiplied by the time weight factor.
2. Price Earning (“P/E”) Ratio in relation to the Price Band of ₹ 533 to ₹ 561 per Equity Share

Particulars	P/E ratio at the lower end of the Price Band (number of times)	P/E ratio at the higher end of the Price Band (number of times)
Based on Basic EPS for the financial year ended March 31, 2025	23.10	24.31
Based on Diluted EPS for the financial year ended March 31, 2025	23.10	24.31

3. Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section, highest, lowest and average P/E ratio is as follows.

Particulars	Industry Peer P/E	Name of the company	Face value of the equity shares (₹)
Highest	36.48	Vilas Transcore Limited	10
Lowest	18.28	Jay Bee Laminates Limited	10
Average	27.38		

- Notes:
- The industry high and low has been considered from the industry peer set provided later in this chapter.
 - The industry P/E ratio mentioned above is computed based on the closing market price of equity shares on NSE on August 12, 2025, divided by the Diluted EPS as on for the financial year ended March 31, 2025.

4. Average Return on Net Worth (“RoNW”) on a consolidated basis

Financial Year	RoNW, as derived from the Restated Financial Information (%)	Weightage
Financial Year ended March 31, 2025	34.14%	3
Financial Year ended March 31, 2024	20.05%	2
Financial Year ended March 31, 2023	30.32%	1
Weighted Average of above three years	28.81%	

- Notes:
- Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by Average Net worth. Average net worth means the average of the aggregate value of the paid-up share capital and reserves and surplus of the current and previous financial year/period.
 - Net worth means equity share capital plus other equity
 - Net Profit after tax from continuing operations, equity share capital, and other equity numbers are based on the Restated Consolidated Financial Statements.
 - Weighted Average RoNW = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/total of weights.
5. Net Asset Value (“NAV”) per Equity Share

NAV per Equity Share	NAV (₹)
As on March 31, 2025	79.10
As on March 31, 2024	56.09
After the Issue	
-At the Floor Price	200.74
-At the Cap Price	203.46
At Issue Price	●

⁽ⁱ⁾ Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

Notes:

Net asset value per equity share represents total Net Worth as at the end of the fiscal year/ period, as restated, divided by the Weighted average number of Equity Shares outstanding at the end of the year/ period. Net worth means equity share capital plus other equity.

6. Comparison of Accounting Ratios with Listed Industry Peers

Our Company is among a small number of uniquely positioned players and hence, there are no directly comparable companies in India or globally, having similar business model and comparable size. However, for the purpose of the Red Herring Prospectus, the following companies (Indian companies in the listed space) have been considered as peers of our Company, considering similarities with certain aspects of our business.

The following table provides a comparison of certain accounting ratios of our Company against companies considered as peers for the purpose of this Red Herring Prospectus:

Name of Company	Face Value (₹ per share)	P/E	EPS (₹)		RoNW (%)	NAV (₹ per share)	Total income (₹ in lakhs)	Closing price as on August 12, 2025
			Basic	Diluted				
Mangal Electrical Industries Limited	10	●	23.08	23.08	34.14	79.10	55,139.04	●
Listed peers								
Vilas Transcore Limited	10	36.48	14.58	14.58	15.27%	117.68	36,199.76	531.90
Jay Bee Lamination Limited	10	18.28	12.31	12.31	24.11%	65.42	36,837.67	225.05

- Notes:
- All the financial information for our Company above is on a consolidated basis and is sourced from the Restated Financial Statements.
 - Source: All the financial information for listed industry peers mentioned above is sourced from the Annual Reports of the aforesaid companies for the year ended March 31, 2025 to compute the corresponding financial ratios.
 - P/E figures for the peers are based on closing market prices of equity shares on NSE on August 12, 2025 divided by the diluted EPS as at March 31, 2025.
 - EPS refers to the Basic and Diluted EPS sourced from the Annual Reports of the listed peer companies respectively for the Fiscal ended March 31, 2025.
 - Return on Net Worth (%) for listed industry peers has been computed based on the Net Profit After Tax for the year ended March 31, 2025 divided by average Total Equity
 - NAV per share for listed peers is computed as the Total Equity as on March 31, 2025 divided by the weighted average outstanding number of equity shares as on March 31, 2025.
 - Shares of Vilas Transcore Limited and Jay Bee Lamination Limited were listed on March 31, 2025.
7. Key Performance Indicators

The table below sets forth the details of our KPIs that our Company considers have a bearing for arriving at the basis for Issue Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated August 13, 2025, and the Audit Committee has confirmed that other than the KPIs set out below, our Company has not disclosed any other KPIs to investors at any point of time during the three years period prior to the date of the Red Herring Prospectus. The KPIs disclosed below have been used historically by our Company to understand and analyse its business performance, which helps in analysing the growth of various verticals in comparison to our Company’s listed peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for Issue Price. Further, the KPIs disclosed herein have been verified and certified by Kuldeep Kumar Gupta & Co, Chartered Accountants, Independent Chartered Accountants, pursuant to a certificate dated August 13, 2025, which has been included as part of the “Material Contracts and Documents for Inspection—Material Documents” on page 449 of the RHP.

The management of our Company has prepared a note that, among other matters, takes on record GAAP and Non-GAAP measures identified as KPIs along with the rationale for the classification of each of these KPIs under GAAP and Non-GAAP measures along with the rationale for such classification. The note was placed before the members of our Audit Committee prior to the resolution dated August 13, 2025, approving and confirming the KPIs disclosed below.

Our Company shall continue to disclose the KPIs disclosed in this section, on a periodic basis, at least once in a year (or for any lesser period as determined by our Company), for a duration that is at least the later of (i) one year after the listing date or other period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company. The ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Bidders can refer to the below-mentioned KPIs, being a combination of financial KPIs, to make an assessment of our Company’s performances and make an informed decision. The list of our financial KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below.

(₹ In lakhs, unless otherwise mentioned)			
Particulars	For Year ended 31 March 2025	For Year ended 31 March 2024	For Year ended 31 March 2023
Revenue From Operations ⁽¹⁾	54,942.14	44,948.45	35,430.88
EBITDA ⁽²⁾	8,184.09	4,262.51	4,442.47
EBITDA Margin (in %) ⁽³⁾	14.90%	9.48%	12.54%
Net Profit after Tax ⁽⁴⁾	4,730.70	2,094.86	2,473.81
Net Profit Margin (in %) ⁽⁵⁾	8.61%	4.66%	6.98%
Return on Net Worth (in %) ⁽⁶⁾	34.14%	20.05%	30.32%
Return on Capital Employed (in %) ⁽⁷⁾	25.38%	19.92%	23.24%
Debt – Equity Ratio (in times) ⁽⁸⁾	0.92	0.80	1.03
Day Working Capital ⁽⁹⁾	131	120	147

- Notes:
- Revenue from operations represents the revenue from sale of products and other operating revenue of our Company as recognized in the Restated financial information.
 - EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back finance costs, depreciation, and amortization expense less Other Income.
 - EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.
 - Net Profit after tax represents the restated profits of our Company after deducting all expenses other than Other Comprehensive Income.
 - Net Profit margin is calculated as restated profit/ (loss) for the year/period divided by revenue from operations.
 - Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by Average Net worth. Average net worth means the average of the aggregate value of the paid-up share capital and reserves and surplus of the current and previous financial year.
 - Return on capital employed calculated as Earnings before interest and taxes divided by capital employed (capital employed calculated as value of total assets reduced by total current liabilities, total non-current liabilities and Intangible assets. Long term borrowing and Short term borrowing has to be added).
 - Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital, reserves and surplus
 - Days Working Capital is arrived at by dividing working capital (current assets excluding cash and cash equivalents less current liabilities excluding short term borrowings) by revenue from operations multiplied by the number of days in the period/ year.

Explanation for the Key Performance Indicators:

KPI's	Explanation
Revenue From Operations (₹ in lakhs)	Revenue from operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA (₹ in lakhs)	EBITDA provides information regarding the operational efficiency of our business.
EBITDA Margin (in %)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit after Tax (₹ in lakhs)	Net Profit after tax provides information regarding the overall profitability of our business.
Net Profit Margin (in %)	Net Profit Margin is an indicator of the overall profitability and financial performance of our business.
Return on Net Worth (in %)	Return on Net Worth provides how efficiently our Company generates profits from shareholders’ funds.
Return on Capital Employed (in %)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in our business.
Debt – Equity Ratio (in times)	Debt- equity ratio is a gearing ratio which compares shareholder’s equity to company debt to assess our company’s amount of leverage and financial stability.
Day Working Capital	Days working capital is a metric that measures how many days it takes our company to transform its working capital into sales cash flows.
Unit Produced	Tracks the production volume of each component, helping align output with demand and monitor efficiency. Provides insights for resource allocation, cost management, and identifying high or low-performing products.
Capacity Utilization	Measures how effectively production capacity is used for each product, highlighting efficiency and bottlenecks. Supports optimization of resources, cost management, and strategic decisions on scaling or investments.

Description on the historic use of the KPIs by the Company to analyze, track or monitor the financial performance of the Company

In evaluating the business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess the financial performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate the financial performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of the operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, the Company’s management believes that it provides an additional tool for investors to use in evaluating the ongoing operating results and trends and in comparing the financial results with other companies in the industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate the business.

Comparison of KPIs based on additions or dispositions to Company’s business

There are no material acquisitions or dispositions made by the Company during the last three fiscals being Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023.

During the year ended March, 2024 there were addition in Assets and Liabilities due to amalgamation with commonly controlled entity Dynamic Powertech Private Limited and Equity Shares to the Shares Holders of Dynamic Powertech Private Limited as per the scheme of merger will be discharged through issue of 60,00,000 Equity Shares of ₹ 10 each of amalgamated company in the following manner and the same was pending to be issued as on March 31, 2024 due to NCLT order received on April 5, 2024.

...continued from previous page.

BASIS FOR ISSUE PRICE									
Comparison of KPIs of the Company with Company's listed industry peers									
(₹ In lakhs, unless otherwise mentioned)									
Particulars	Mangal Electrical Industries Limited			Vilas Transcore Limited ⁽¹⁾			Jay Bee Laminations Limited		
	For Year ended 31 March 2025	For Year ended 31 March 2024	For Year ended 31 March 2023	For Year ended 31 March 2025	For Year ended 31 March 2024	For Year ended 31 March 2023	For Year ended 31 March 2025	For Year ended 31 March 2024	For Year ended 31 March 2023
Revenue From Operations (1)	54,942.14	44,948.45	35,430.88	35,305.12	30,974.06	28,260.51	36,745.45	30,291.28	24,669.24
EBITDA (2)	8,184.09	4,262.51	4,442.47	4,455.17	3,038.35	2,931.09	4,299.17	3,158.28	2,370.30
EBITDA Margin (in %) (3)	14.90%	9.48%	12.54%	12.62%	9.81%	10.37%	11.70%	10.43%	9.61%
Net Profit after Tax (4)	4,730.70	2,094.86	2,473.81	3,417.06	2,307.50	2,021.11	2,538.62	1,935.27	1,296.70
Net Profit Margin (in %) (5)	8.61%	4.66%	6.98%	9.68%	7.45%	7.15%	6.91%	6.39%	5.26%
Return on Net Worth (in %) (6)	34.14%	20.05%	30.32%	15.27%	15.57%	15.89%	24.11%	36.32%	34.93%
Return on Capital Employed (in %) (7)	25.38%	19.92%	23.24%	17.03%	20.23%	20.56%	24.26%	35.49%	31.38%
Debt – Equity Ratio (in times) (8)	0.92	0.80	1.03	0.04	0.00	0.04	0.16	0.38	0.72
Day Working Capital (9)	131	120	147	91	74	77	99	75	78

⁽¹⁾ Source: Prospectus and Concall Transcript.

Notes:

- Revenue from operations represents the revenue from sale of products and other operating revenue of our Company as recognized in the Restated financial information.
- EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back finance costs, depreciation, and amortization expense less Other Income.
- EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.
- Net Profit after tax represents the restated profits of our Company after deducting all expenses other than Other Comprehensive Income.
- Net Profit margin is calculated as restated profit/ (loss) for the year/period divided by revenue from operations.
- Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by Average Net worth. Average net worth means the average of the aggregate value of the paid-up share capital and reserves and surplus of the current and previous financial year.
- Return on capital employed calculated as Earnings before interest and taxes divided by capital employed (capital employed calculated as value of total assets reduced by total current liabilities, total non-current liabilities and Intangible assets. Long term borrowing and Short term borrowing has to be added).
- Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital, reserves and surplus
- Days Working Capital is arrived at by dividing working capital (current assets excluding cash and cash equivalents less current liabilities excluding short term borrowings) by revenue from operations multiplied by the number of days in the period/ year.

Weighted average cost of acquisition, Floor Price and Cap Price

1. Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under Employee Stock Option Plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

S. No.	Name of the acquirer/shareholder	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Price of acquisition of Equity Shares (in ₹)	Total Cost (in ₹)
Promoter					
1.	Rahul Mangal	May 10, 2024	9,00,000	10	90,00,000
2.	Ashish Mangal	May 10, 2024	30,00,000	10	3,00,00,000
3.	Aniketa Mangal	May 10, 2024	21,00,000	10	2,10,00,000
	Total		60,00,000		6,00,00,000
	Weighted Average Cost of Acquisition				10

Notes:

As per the NCLT Order, consideration of shares in Mangal Electrical Industries Limited were issued at face value of ₹ 10/- each to the erstwhile shareholders of Dynamic Powertech Private Limited. As per the order and valuation report, 12 (Twelve) Equity Shares of ₹ 10/- each fully paid up of Mangal Electrical Industries Private Limited for every 1 (One) Equity Share of ₹ 10/- each fully paid up of Dynamic Powertech Private Limited was issued to the shareholders of Dynamic Powertech Private Limited.

2. Price per share of the Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving any of the Selling Shareholders or other Shareholders of the Company with rights to nominate directors during the 18 months preceding the date of filing of the RHP, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction/s 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")

NIL.

If there are no such transactions to report under 1 and 2 above, the following are the details of the price per share of our Company basis the last five primary or secondary transactions (secondary transactions where Selling Shareholders or other shareholders with the right to nominate directors on our Board, are a party to the transaction), not older than three years prior to the date of filing of the Red Herring Prospectus irrespective of the size of transactions

NA.

3. The Floor Price is 53.30 times and the Cap Price is 56.10 times the weighted average cost of acquisition at which the Equity Shares were issued by our Company or sold by our Selling Shareholders or other shareholders with the right to nominate directors on our Board are disclosed below:

ASBA* | Simple, Safe, Smart way of Application!!!

*Applications Supported by Blocked Amount ("ASBA") is a better way of applying to offers by simply blocking the fund in the bank account. For further details, check section on ASBA.

Mandatory in public issues.
No cheque will be accepted.



UNIFIED PAYMENTS INTERFACE

UPI-Now available in ASBA for Retail Individual Investors and Non Institutional Investor applying in public issues where the application amount is up to ₹ 500,000, applying through Registered Brokers, Syndicate, CDPs & RTAs. Retail Individual Investors and Non-Institutional Investors also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 read with press release dated September 17, 2021, CBDT Circular No. 3 of 2023 dated March 28, 2023.

ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by (i) Retail Individual Investors in the Retail Category; (ii) Non-Institutional Investors with an application size of up to ₹ 500,000 in the Non-Institutional Portion. For details on the ASBA and UPI process, please refer to the details given in the Bid Cum Application Form and abridged prospectus and also please refer to the section "Issue Procedure" on page 394 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges") and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmlD=35 and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmlD=43>, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: www.sebi.gov.in. UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. HDFC Bank Limited and ICICI Bank Limited have been appointed as the Sponsor Banks for the Issue, in accordance with the requirements of SEBI circular dated November 1, 2018 as amended. For Issue related queries, please contact the BRLM on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail id: ipo.upi@npci.org.in.

AN INDICATIVE TIMETABLE IN RESPECT OF THE ISSUE IS SET OUT BELOW:			
Submission of Bids (other than Bids from Anchor Investors):		On the Bid/ Issue Closing Date, the Bids shall be uploaded until:	
Bid/ Issue Period (except the Bid/ Issue Closing Date)		(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and	
Submission and Revision in Bids		(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.	
Bid/ Issue Closing Date		Bid / Issue Programme:	
Submission and Revision in Bids		Event	Indicative Date
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)		Bid/Issue opens	Wednesday, August 20, 2025
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)		Bid/Issue closes	Friday, August 22, 2025
Submission of Physical Applications (Bank ASBA)		Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Monday, August 25, 2025
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications)		Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Tuesday, August 26, 2025
Modification/ Revision/cancellation of Bids		Credit of Equity Shares to dematerialised accounts of Allottees	On or about Tuesday, August 26, 2025
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories ¹	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Issue Closing Date	Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Thursday, August 28, 2025
Upward or downward Revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST	On Bid/ Issue Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received from the RIBs, after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchanges.	
<i>Note: (1) UPI mandate end time and date shall be at 5:00 pm on Friday, August 22, 2025.</i>			
<i>(2) Our Company in consultation with the BRLM, may decide to close the Bid/ Issue Closing Period for QIBs one Working Day prior to the Bid/ Issue Closing Date, in accordance with the SEBI/ICDR Regulations</i>			

In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, 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 Exchanges by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Category"), provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Category. Further, 5% of the Net QIB Category shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Issue Price, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds. Further, not less than 15% of the Issue shall be available for allocation to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI/ICDR Regulations, subject to valid Bids being received at or above the Issue Price. One-third of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹ 2.00 lakhs and up to ₹ 10.00 lakhs and two-thirds of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹ 10.00 lakhs provided that under-subscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Non-Institutional Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are mandatorily required to participate in the Issue through the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders, as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 394 of the Red Herring Prospectus.

Bidders/Applicants should ensure that DP ID, PAN and the Client ID and UPI ID (for UPI Bidders bidding through UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID and UPI ID available (for UPI Bidders bidding through the UPI Mechanism) in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for UPI Bidders bidding through the UPI Mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE	COMPANY SECRETARY AND COMPLIANCE OFFICER
 SYSTEMATIX GROUP Investments Re-defined Systematix Corporate Services Limited The Capital, A-Wing No. 603-606 6th Floor, Plot No. C-70 G-Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051 Maharashtra, India Tel: +91 22 6704 8000; E-mail: mangal@systematixgroup.in Investor grievance e-mail: investor@systematixgroup.in ; Website: www.systematixgroup.in Contact Person: Jinal Sanghvi / Kuldeep Singh; SEBI Registration No.: INM00004224	 Bigshare Services Private Limited Office No S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri (East) Mumbai – 400 093 Maharashtra, India Tel: +91 22 62638200; E-mail: ipo@bigshareonline.com Investor grievance e-mail: investor@bigshareonline.com ; Website: https://www.bigshareonline.com Contact Person: Vinayak Morbale; SEBI Registration No.: INR000001385	Balvinder Singh Guleri MANGAL ELECTRICAL INDUSTRIES LIMITED Address: C-61, C-61 (A&B), Road No. 1-C, V. K. I. Area, Jaipur 302 013 Rajasthan, India Tel: +91-141-4036113 E-mail: compliance@mangals.com ; Website: https://www.mangals.com Bidders may contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-credit of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, investors may also write to the BRLM.

AVAILABILITY OF THE RHP: Investors are advised to refer to the RHP and the "Risk Factors" beginning on page 28 of the RHP before applying in the Issue. A copy of the RHP will be made available on the website of SEBI at www.sebi.gov.in and is available on the websites of the BRLM, Systematix Corporate Services Limited at www.systematixgroup.in and at the website of the Company, MANGAL ELECTRICAL INDUSTRIES LIMITED at <https://www.mangals.com> and the websites of the Stock Exchanges, for BSE at www.bseindia.com and for NSE Limited at www.nseindia.com.

AVAILABILITY OF THE ABRIDGED PROSPECTUS: A copy of the Abridged Prospectus shall be available on the website of the Company, the BRLM and the Registrar to the Issue at: <https://www.mangals.com>, www.systematixgroup.in and <https://www.bigshareonline.com>, respectively.

AVAILABILITY OF BID CUM APPLICATION FORM: Bid cum Application Form can be obtained from the Registered Office of our Company, **MANGAL ELECTRICAL INDUSTRIES LIMITED:** Telephone: +91141-4036113; **BRLM:** Systematix Corporate Services Limited, Tel: +91 22 6704 8000 and **Syndicate Member:** Systematix Shares and Stocks (India) Limited, Telephone Number: +91 22 6704 8000, Registered Brokers, SCSBs, Designated RTA Locations and Designated CDP Locations for participating in the Issue. Bid cum Application Forms will also be available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and at all the Designated Branches of SCSBs, the list of which is available on the websites of the Stock Exchanges and SEBI.

SUB-SYNDICATE MEMBERS: Axis Capital Limited, Finwizard Technology Private Limited, HDFC Securities Ltd, ICICI Securities Limited, Kotak Securities Limited, LKP Securities

MANGAL ELECTRICAL INDUSTRIES LIMITED is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed a red herring prospectus dated August 13, 2025 with the RoC. The RHP is made available on the website of the SEBI at www.sebi.gov.in as well as on the website of the BRLM i.e., Systematix Corporate Services Limited at www.systematixgroup.in, the website of the NSE at www.nseindia.com and the website of the BSE at www.bseindia.com and the website of the Company at <https://www.mangals.com>. Any potential investor should note that investment in equity shares involves a high degree of risk and for details relating to such risks, please see the section "Risk Factors" beginning on page 28 of the RHP. Potential investors should not rely on the DRHP for making any investment decision but should only rely on the information included in the RHP filed by the Company with the RoC.

The Equity Shares offered in the Issue have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S").

Past transactions	Weighted average cost of acquisition per Equity Share (₹) ¹	Floor Price is 'x' times the weighted average cost of acquisition	Cap Price is 'x' times the weighted average cost of acquisition
Weighted average cost of acquisition of Primary Issuances	10	53.30	56.10
Weighted average cost of acquisition of Secondary Transactions	10	53.30	56.10

¹ As certified by Kuldeep Kumar Gupta & Co, Chartered Accountants, pursuant to their certificate dated August 13, 2025.

4. Detailed explanation for Issue Price/ Cap Price being 0.80 times of WACA of primary issuances/ secondary transactions of Equity Shares (as disclosed above) along with our Company's KPIs and financial ratios for the Fiscals 2025, 2024 and 2023 and in view of external factors which may have influenced the pricing of the Issue:

- Established in 1989, Mangal Electrical Industries Limited is an integrated power infrastructure solutions provider engaged in (i) the processing of transformer components (i.e transformer lamination, CRGO slit coils, amorphous cores, and oil-immersed circuit breakers (CBs)) (ii) Transformer Manufacturing and (iii) EPC services.
- The Company operates modern manufacturing facilities equipped with NABL- and PGCIL-approved testing infrastructure and state-of-the-art machinery, including Brockhaus Messtechnik, enabling high-quality production and operational efficiency.
- The forecast for transformer demand between 2023 and 2030 reflects a stable requirement of approximately 381 units annually with a total transformer capacity of 118,390 MVA, providing a favourable industry environment for growth.
- The Company holds key accreditations and approvals from NABL, PGCIL (up to 765 kV), NTPC, and ISO certifications, enhancing market credibility and access to premium customers.
- The Company's backward and forward integration, from CRGO processing to transformer manufacturing and EPC operations, drives cost efficiency and supports higher profitability.
- The Company's revenue grew from ₹35,430.88 million in Fiscal 2023 to ₹54,942.14 million in Fiscal 2025, representing a CAGR of 25.01%. During the same period, EBITDA margin improved from 12.54% to 14.90% and net profit margin increased from 6.98% to 8.61%. In Fiscal 2025, the Company delivered a RoNW of 34.14% and RoCE of 25.38%.

Investors should read the above-mentioned information along with "Risk Factors", "Our Business" and "Restated Financial Information" on pages 28, 206 and 278 of the RHP, 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" on page 28 of the RHP and you may lose all or part of your investments.

For further details, please see the chapter titled "BASIS FOR ISSUE PRICE" beginning on page 124 of the RHP. Please refer to the website of the BRLM: www.systematixgroup.in. You may scan the QR code for accessing the website of Systematix Corporate Services Limited.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes notification dated February 13, 2020 and read with press releases dated June 25, 2021, September 17, 2021 and March 28, 2023 and any subsequent press releases in this regard.

Contents of the Memorandum of Association of our Company as Regards its Objects: For information on the main objects of our Company, please see "History and Certain Corporate Matters - Main objects of our Company" on page 246 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see "Material Contracts and Documents for Inspection" on page 449 of the RHP.

Liability of the Members of our Company: Limited by shares.

Amount of Share Capital of our Company and Capital Structure: As on the date of the RHP, the authorised share capital of our Company is ₹ 30,00,00,000 divided into 3,00,00,000 Equity Shares of face value of ₹10 each. The issued, subscribed and paid-up Equity share capital of our Company is ₹20,50,00,000 divided into 2,05,00,000 Equity Shares of face value of ₹10 each. For details of the capital structure of the Company, see "Capital Structure" beginning on page 85 of the RHP.

Names of the Initial Signatories to the Memorandum of Association of the Company and the Number of Equity Shares Subscribed by them: The initial signatories of the Memorandum of Association of the Company were Saroj Mangal with 33,15,000 Equity Shares, Rahul Mangal with 30,22,500 Equity Shares, Ashish Mangal 32,500 Equity Shares, Meenakshi Mangal 32,500 Equity Shares, Shalu Mangal 32,500 Equity Shares, Sameer Somani 32,500 Equity Shares and Sanjay Somani 32,500 Equity Shares each. For details of the share capital history of our Company please see "Capital Structure" beginning on page 85 of the RHP.

Listing: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters each dated April 2, 2025, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013 for filing. For details of the material contracts and documents that will be available for inspection from the date of the Red Herring Prospectus up to the Bid/ Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 449 of the RHP.

Disclaimer Clause of Securities and Exchange Board of India ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Issue or the specified securities stated in the Offer Documents. The investors are advised to refer to page 374 of the RHP for the full text of the disclaimer clause of SEBI.

Disclaimer Clause of BSE: It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the RHP has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to the page 376 of the RHP for the full text of the disclaimer clause of BSE.

Disclaimer Clause of NSE (the Designated Stock Exchange): It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Issue Document. The investors are advised to refer to page 376 of the RHP for the full text of the disclaimer clause of NSE.

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