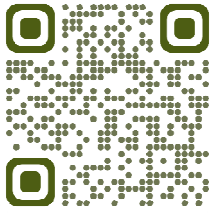




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**SAHASRA ELECTRONIC SOLUTIONS LIMITED**  
CIN: U26202DL2023PLC410521

Our Company was incorporated as Limited Company in the name of "Sahasra Electronic Solutions Limited" under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated February 22, 2023 issued by Registrar of Companies, Central Registration Centre bearing Corporate Identity Number U26202DL2023PLC410521. At the time of incorporation our company has took over the running business of proprietorship concern of the promoter Amrit Lal Manwani, namely M/s Sahasra Electronic Solutions along with the assets and liabilities of the proprietorship concern as going concern. For further details of our Company, please refer to chapter titled "**History and Corporate Structure**" beginning on page 119 of this Draft Red Herring Prospectus.

**Registered Office:** 33, Pocket 1, Jasola Vihar New Friends Colony, South Delhi-110025, New Delhi, India.  
**Corporate Office:** 68-AA Noida Special Economic Zone, Nezp Post Office, Gautam Buddha Nagar, Noida-201305, Uttar Pradesh, India.  
**Tel No:** +91-120-4202604; **E-mail:** [cs@sahasraelectronics.com](mailto:cs@sahasraelectronics.com); **Website:** [www.seslimited.in](http://www.seslimited.in)  
**Contact Person:** Neha Tahir, Company Secretary & Compliance Officer

PROMOTERS OF OUR COMPANY: AMRIT LAL MANWANI, ARUNIMA MANWANI & VARUN MANWANI		
ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JUNE 25, 2024: NOTICE TO THE INVESTORS ("THE ADDENDUM")		
<p><b>INITIAL PUBLIC OFFER OF UPTO 65,78,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE "EQUITY SHARES") OF SAHASRA ELECTRONIC SOLUTIONS LIMITED ("OUR COMPANY" OR "SESL" OR "THE OFFER") AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS ("PUBLIC OFFER") COMPRISING OF A FRESH ISSUE OF UPTO 60,78,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UPTO 5,00,000 EQUITY SHARES BY THE SELLING SHAREHOLDER ("OFFER FOR SALE") AGGREGATING TO ₹ [●] LAKHS COMPRISING BY AMRIT LAL MANWANI; OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET OFFER". THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE 26.32% AND [●]% RESPECTIVELY OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.</b></p> <p>Potential Bidders may note the following:</p> <ol style="list-style-type: none"> <li>The Chapter titled "<b>Risk Factors</b>" beginning on page 25 of the Draft Red Herring Prospectus has been updated;</li> <li>The Chapter titled "<b>Objects of The Issue</b>" beginning on page 66 of the Draft Red Herring Prospectus has been updated;</li> <li>The Chapter titled "<b>Our Business</b>" beginning on page 95 of the Draft Red Herring Prospectus has been updated;</li> <li>The Chapter titled "<b>History and Corporate Structure</b>" beginning on page 119 of the Draft Red Herring Prospectus has been updated;</li> <li>The Chapter titled "<b>Our Management</b>" beginning on page 125 of the Draft Red Herring Prospectus has been updated;</li> <li>The Chapter titled "<b>Management's Discussion and Analysis of Financial Conditions and Results of Operations</b>" beginning on page 214 of the Draft Red Herring Prospectus has been updated;</li> <li>The Chapter titled "<b>Government and Other Approvals</b>" beginning on page 226 of the Draft Red Herring Prospectus has been updated; and</li> <li>The Chapter titled "<b>Declaration</b>" beginning on page 297 of the Draft Red Herring Prospectus has been updated;</li> <li>Please note that all other details in, and updates to the Red Herring Prospectus/ Prospectus with respect to issue price and/or other relevant details will be carried out in the Red Herring Prospectus, as and when filed with ROC, SEBI and the Stock Exchange.</li> </ol> <p>The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus/ Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.</p> <p style="text-align: right;"><b>On behalf of Sahasra Electronic Solutions Limited</b> Sd/- <b>Neha Tahir</b> Company Secretary &amp; Compliance Officer</p> <p>Place: Delhi Date: September 13, 2024</p>		
<b>BOOK RUNNING LEAD MANAGER TO THE ISSUE</b>	<b>REGISTRAR TO THE ISSUE</b>	
		
<p><b>HEM SECURITIES LIMITED</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India <b>Tel. No.:</b> +91- 022- 49060000; <b>Fax No.:</b> +91- 022- 22625991 <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Contact Person:</b> Sourabh Garg <b>SEBI Regn. No.</b> INM000010981</p>	<p><b>BIGSHARE SERVICES PRIVATE LIMITED</b> <b>Address:</b> S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra India. <b>Telephone:</b> +91 22 6263 8200; <b>Facsimile:</b> +91 22 6263 8299 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>Contact Person:</b> Vinayak Morbale <b>SEBI Registration Number:</b> INR000001385</p>	
BID/ISSUE PROGRAMME		
<b>ANCHOR PORTION ISSUE OPENS/CLOSES ON*: [●]</b>	<b>BID/ISSUE OPENS ON**: [●]</b>	<b>BID/ISSUE CLOSES ON***: [●]***</b>

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

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

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

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**SECTION III: RISK FACTORS****9. Our Company operates under several statutory and regulatory approvals in respect of our operations. Failure to obtain or maintain licenses, registrations, permits and approvals may affect our business and results of operations.**

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained those permits and licenses which are adequate to run our business, we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. Furthermore, our Subsidiary company has also applied for the renewal of registration for the E-Waste Management System under E-Waste (Management) Rules, 2022 and for Battery Waste Management under Battery Waste Management Rules, 2022. We cannot assure you that the approvals, licenses, registrations and permits required will be issued to us and those already issued will not be suspended or revoked in the event of non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any denial, suspension or revocation of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending renewal, see **“Government and Other Approvals”** on page 226 of this Draft Red Herring Prospectus.

**13. Our Subsidiary Sahasra Semiconductor Private Limited is engaged in the business of semiconductor chips manufacturing which exposes us to certain risks. If we are unable to effectively manage our operations or pursue our growth strategy, our business, financial condition, results of operations and prospects may be adversely affected.**

Our Subsidiary Sahasra Semiconductor Private Limited is engaged in the business of semiconductor chips manufacturing including products like integrated circuits, chips, semiconductor devices, eMMC, mSD, COBs, COB based USBs, LED drivers IC, BGA, NAND flash & memory products. Our company took over 54.18% stake in the said company on June 21, 2024. As a new entrant in this Industry, we may face multiple challenges. The revenue from operation of our subsidiary for the FY 2024, FY 2023 and FY 2022 was Rs. 244.66 Lakhs, Rs. 101.84 Lakhs and ₹ 0.61 lakhs and the losses for the same period was ₹ (550.53) Lakhs, ₹ (104.96) lakhs and ₹ (27.82) lakhs. As we are a new entrant in the semiconductor market, we will be exposed to various challenges, including those relating to identification of potential markets, customer preferences, regulatory regimes, business practices and customs. We may require significant financial resources for expansion of our operations, including capital expenditure, inventory and hiring of additional employees for our plant. We may be required to obtain loans to finance such expansion and we may not be successful in obtaining such funds in a timely manner and/or on favourable terms including rate of interest, primary security cover, collateral security, terms of repayment, or at all. An inability to effectively manage these operations, recover from the losses incurred by such company or pursue our growth strategy may lead to operational and financial inefficiencies, which may result in a material adverse effect on our business, prospects, financial condition and results of operations.

**15. Our subsidiary company, Sahasra Semiconductor Private Limited has negative cash flows from operating activities in the past and may continue to have negative cash flows in the future.**

Cash flows of from operating activities of our subsidiary company, Sahasra Semiconductor Private Limited, for the Fiscal 2024, March 31, 2023, March 31, 2022 are set forth below:

Our subsidiary company, Sahasra Semiconductor Private Limited has experienced negative net cash flows from operating, investing and financing activities in the past and may continue to experience such negative operating cash flows in the future. The following table sets forth certain information relating to our cash flows for the periods indicated:

(₹ In lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net Cash from/ (used in) operating activities	(1,409.53)	(273.53)	(2.63)
Net cash from/ (used in) Investing Activities	(1,786.20)	(3,752.81)	(2,611.82)
Net Cash Flow from/ (used in) Financing Activities	3,148.78	4,039.18	2,605.17

Cash flows of a company are a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our subsidiary company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

**19. Our Subsidiary Company and some of our Group Company have incurred losses in past and any operating losses in the future could adversely affect the results of operations and financial conditions of our group company.**

The details of profit and loss of our Subsidiary and Group Company in past years are as follows: -

(in ₹ Lakhs)

Particular	For the year ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Infopower Technologies Private Limited	(355.28)	31.64	42.00
Megma RFID and Labels Private Limited	204.42	305.97	(223.82)
Sahasra Semiconductors Private Limited	(104.96)	(27.83)	(16.12)
Sahasra Electronics (Rwanda) Private Limited (in FRW lakhs)	(1165.13)	73.55	448.56

Any operating losses could adversely affect the overall operations of the group and financial conditions and also divert the attention of the management and promoter towards the group company which could have an adverse effect on our operations and financials. For more information, regarding the Company, please refer chapter titled “*Our Group Companies*” beginning on page 234 of this Draft Red Herring Prospectus.

**22. The manufacturing facility of the company is located in NSEZ; thus our company is required to compulsory comply with certain restrictions imposed upon our company, if we fail to comply with these terms such benefits may be withdrawn which may affect our financials and results of operations.**

Our company is currently availing the benefits pursuant to location of the manufacturing facility in NSEZ; in order to continuously avail these benefits, we are required to export goods of a defined amount. Below are the details of the export and foreign transactions required to be undertaken as per the LOA –

(in ₹ Lakhs)

Particular	2025	2026	2027	2028	2029
FOB value of Export	13,000	13,800	14,500	15,000	15,500
Foreign exchange outgo for 5 years	8,390	8,802	9,244	9,565	9,880
NFE earnings for 5 years	4,610	4,998	5,256	5,435	5,620

Further, the approvals received by us to develop, operate and maintain the SEZs are subject to us fulfilling certain conditions such as maintaining all licenses, approvals required under various laws for carrying on our business from the SEZ premises. Although, no such instance occurred in the past, by the Company till date, in the event we are unable to comply with the restrictions under the laws governing SEZs in India, our rights to use our unit may be suspended or withdrawn, which may in turn adversely affect our business, financial condition, results of operations and prospects. Any failure in meeting the obligations we may not be able to renew the LOA issued by NSEZ. Any reduction or withdrawal of benefits or our inability to meet any of the conditions prescribed under such schemes would adversely affect our business, financial condition, to the extent of unfulfilled obligation along with interest.

**24. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.**

As on March 31, 2024 we had total inventory consisting of raw material, WIP and finished goods to the value of ₹ 2108.21 Lakhs. Our business operations require us to maintain large amounts of inventory at times. Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during factory stocking and transportation. Although, no such instance occurred in the past, by the Company till date, and also, we have set up various security measures and follow stringent operational processes but, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. Additionally, in case of losses due to fraud, theft or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in a timely manner, or at all. If we incur a significant inventory loss due to third-party or employee theft or misconduct and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.

**26. We have had certain inaccuracy in relation to implementation of accounting standards issued by the Accounting Standards Board of the Institute of Chartered Accountants of India.**

Our company had not complied with Accounting Standards issued by the Accounting Standards Board of the Institute of Chartered Accountants of India AS-15 and AS 18 in the past, however the same have been duly complied by the company in the restated financial statements. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

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

Our Company has entered into various transactions with our directors, promoters, promoter group and group companies. These transactions, inter-alia includes sales, purchases, remuneration, loans and advances, purchase, sales, rent expenses, reimbursement of expenses etc. The details of related party transactions entered in comparison to the turnover of the Company are as follows:

(₹ in lakhs except percentage)

Nature of transaction	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of turnover	Amount	% of turnover	Amount	% of turnover
Sales	6508.56	63.32	5063.39	71.65	2132.75	96.38
Purchase	1530.34	14.89	992.62	14.05	309.02	13.97

For further details, please refer to “*Note Y-Related Party Transactions*” under Section titled “*Financial Information of the Company*” and Chapter titled “*Capital Structure*” beginning on page 168 and 57 respectively of this Draft Red Herring Prospectus. Our Company has entered into such transactions due to easy proximity and quick execution. Although all related-party transactions that we may enter into in the future are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions are not entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

**49. Any Penalty or demand raised by statutory authorities in future will affect financial position of the Company.**

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Further, there have been certain delays in the filing of EPF returns but the company has now implemented strict monitoring and improved processes to ensure timely filing of returns in the future. Any demand or penalty raised by the concerned authority in future for any previous year and current year will have an additional liability. For instance, our company in the past had delayed filing of GST Returns due to operational reasons and accordingly paid late fees and penalties on the same. Any demand or penalty raised by the concerned GST authority for such late filing may affect the financial position of the company.

**50. Our Promoter, Chairman & Managing Director Amrit Lal Manwani was director of a company which has been struck off by RoC under provision of the Companies Act 2013.**

Our Promoter, Chairman & Managing Director Amrit Lal Manwani was director of Lightlife Technologies Private Limited which was struck off by Registrar of Companies, NCT of Delhi & Haryana pursuant to the provisions of the Companies Act 2013. Pursuant to this notice of Strike off the abovementioned company stands dissolved. Lightlife Technologies Private Limited was incorporated with plans for specific businesses that never materialized, and it never commenced operations. As a result, the company did not begin any business activities and was subsequently struck off by the Registrar of Companies, NCT of Delhi & Haryana via issuing public notice on April 27, 2017. Although no further notice has been received by our promoter post-strike-off of the company, but there cannot be any assurance that the regulatory authority will not take any penal action against that company or our promoter. In case any such action is taken it may have an adverse effect on the operations of our Company and may affect the reputation of our Company.

**OBJECTS OF THE OFFER****Requirement of Funds and Utilization of Net Proceeds**

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

		(₹ in Lakhs)
Sr. No	Particulars	Amount
1.	Funding Capital Expenditure towards installation of additional plant and machinery at new manufacturing facility situated at Bhiwadi, Rajasthan	6,028.04
2.	Investment in our Subsidiary, Sahasra Semiconductors Private Limited for financing its capital expenditure requirements in relation towards installation of additional plant and machinery	2,542.30
3.	To Meet Working Capital Requirements	4,000.00
4.	General Corporate Purposes.*	[●]
	<b>Total</b>	<b>[●]</b>

\*the same will be updated post the finalization of the Issue Price.

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

**Details of Utilization of Net Proceeds**

The details of utilization of the Net Proceeds are set forth herein below:

**3. To Meet Working Capital Requirements:**

As certified by M/s. P K M B & Co., Chartered Accountants, by their certificate dated June 22, 2024.

**Proposed Schedule of Implementation:**

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Offer Proceeds is as under:

		(₹ In Lakhs)	
Sr. No.	Particulars	Amount to be deployed and utilized in	
		F.Y. 2024-25	F.Y. 2025-26
1.	Funding Capital Expenditure towards installation of additional plant and machinery at new manufacturing facility situated at Bhiwadi, Rajasthan	3,549.00	2,479.04
2.	Investment in our Subsidiary, Sahasra Semiconductors Private Limited for financing its capital expenditure requirements in relation towards installation of additional plant and machinery	2,542.30	-
3.	To Meet Working Capital Requirements	2,500.00	1,500.00
4.	General Corporate Purposes.*	[●]	[●]
	<b>Total</b>	<b>[●]</b>	<b>[●]</b>

\*the same will be updated post the finalization of the Issue Price.

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

## **OUR BUSINESS**

### **BUSINESS OVERVIEW**

Our current product portfolio may be categorized as follows:

1. Printed circuit board assemblies (“PCBA”): Our PCBAs are used in products manufactured in the automotive, medical, industrial, IT and consumer products industries, and shall include box-build products such as laptop and tablets;
2. LED Lighting solutions, which include LED Chip – the source of the lightning, power supply or the driver, printed circuit board for LED’s, housing or the frame.
3. Memory product which includes -DRAM modules, Solid State Drives (SSD), USB flash storage device etc.
4. IT hardware which includes -Motherboard, laptop, Computer, Tablets, and other accessories.

We have developed long relationships with certain of our customers through a client servicing model which aims to provide integrated solutions, robust manufacturing capabilities and delivering quality products on time. For better quality and customer satisfaction we entrench with the customers from the conception of their product, and subsequently move up the value chain with them by leveraging our integrated offerings. In addition to maintaining our relationships with existing customers, we have increased our key customer base over time from around 20 customers in Fiscal 2022, 21 customers in Fiscal 2023 to around 40 customers in Fiscal 2024.

### **OUR COMPETITIVE STRENGTHS**

#### **Established relationships with customers**

Our product portfolio and quality assurance has helped us establish strong relationships with our major clients. We have established and will continue to focus on strengthening long-standing relationships with customers. The varied applications of our products have helped us build a wide customer base. Our products are distributed in India and overseas, in over 10 different countries, including the United States, Rwanda, Tunisia, United Kingdom, Germany, Canada, Austria, Belgium, Norway & Panama. During the Fiscals 2022, 2023, and 2024, our revenue from operations, attributable to exports was ₹ 2038.30 lakhs, ₹ 6803.39 lakhs & ₹ 8503.97 lakhs, which accounted for approximately 93.93%, 98.46%, and 83.57%, respectively of our total revenue from operations. Our strong customer base has not only been instrumental in our success to date, but will be a strong driver of our future growth and help expand our market share, develop new products and enter newer markets. For instance, Our Company has on June 15, 2023 entered into an agreement for a term of 3 years with a company engaged into the business of designing and marketing of hardware and software products like laptops, tablets, servers and IT peripherals for the supply of laptops, tablets, motherboards and related PCBA’s as per the specification and purchase orders placed by the customer from time to time. Pursuant to this agreement, our company will be able to expand its market share in the box build segment with increased focus towards manufacturing of laptops, tablets and servers. Our customer-focused approach to our operations ensures that any issues raised by our customers are immediately addressed.

### **OUR PRODUCTS**

The products currently manufactured by us are provided below:

#### **LED Lighting solutions**

LED lighting solutions encompass a wide range of products and applications, from residential to commercial and industrial applications. Majority of our LED lighting business is dependent on one of our Group company i.e. Sahasra Electronics Rwanda Private Limited.

Industry applications: Residential lighting solutions, industrial lighting like warehouse lighting, manufacturing lighting, packaging lighting and commercial lighting like office, outdoor etc.

All parts of the LED lighting except for the PCB are purchased from third party vendors. We manufacture the PCB which are used to power the LED lighting. The PCB and other different components are than assembled inhouse by our Company to prepare the LED Light and then further sell the LED Light.

### **INFRASTRUCTURE FACILITIES:**

#### **1. Plant & Machinery**

The major plant & machinery installed at our manufacturing facility is as under:

PCB Loader and Unloader, Paste Printer, Linking Conveyer, Pick & Place Machines, Reflow machines, Automatic Optical Inspection Machine, X-Ray Machine, Robotic Soldering Machine, Wave Soldering Machine, Ultra Sonic welding machine, Vacuum Sealing Machine, Chip counting machine, wave sering machine, wire cutting, crimping and stripping machine, Automatic PCBA

router, Dry Cabinet, Compact modular mounter, PWB inspection, etc. The above-mentioned plant and machinery installed at the manufacturing facility of the company are owned by the company.

### **Sales and Marketing**

Our principal markets are India, United States, Hongkong, United Kingdom, Spain, Mexico, Austria, Canada, China, Denmark, Germany, Israel, Libya, Rwanda, South Korea & Tunisia. Our marketing activities involve our development and engineering teams working closely with customers or prospective customers, and our design and manufacturing facilities work to design products tailored to meet specific customer requirements. Further, our sales and marketing team is regularly in contact with our customers, sales representatives and agents to understand the evolving needs of customers as well as market trends.

### **Competition**

We operate in the ESDM industry, which is very competitive with high growth. Our competition varies by market, geographical areas and type of products manufactured. As a result, to remain competitive in our markets, we must continuously strive to reduce our costs of production, transportation and distribution and improve our operating efficiencies. We compete primarily on the basis of product quality, technology, cost, delivery and service.



**HISTORY AND CORPORATE STRUCTURE**

**Details regarding material Acquisition or divestments of Business/ Undertakings, Mergers, Amalgamation, Revaluation of Assets etc., in the last ten years:**

- i. The company has issued 1,77,40,781 Equity shares at a price of ₹10 per equity shares of face value ₹10 each to Amrit Lal Manwani Pursuant to the acquisition of M/s Sahasra Electronic Solutions amounting to ₹1774.08 lakhs.

## **OUR MANAGEMENT**

### **Brief Profile of Directors:**

2. **Arunima Manwani**, is one of the Promoters and the Director of our Company. She has been associated with the Company since incorporation. She has completed Bachelor of Commerce from University of Mumbai, in year 2004. She has 10 years of work experience in the electronic industry with expertise in developing comprehensive strategies to drive business growth, research & development, and tracking technology advancements and trends to stay competitive. At present, she is looking towards the research & development as well as compliance and legal operations of the company.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

**BUSINESS OVERVIEW**

Our current product portfolio may be categorized as follows:

1. Printed circuit board assemblies ("PCBA"): Our PCBAs are used in products manufactured in the automotive, medical, industrial, IT and consumer products industries, and shall include box-build products such as laptop and tablets;
2. LED Lighting solutions, which include LED Chip – the source of the lightning, power supply or the driver, printed circuit board for LED's, housing or the frame.
3. Memory product which includes -DRAM modules, Solid State Drives (SSD), USB flash storage device etc.
4. IT hardware which includes -Motherboard, laptop, Computer, Tablets, and other accessories.

We have developed long relationships with certain of our customers through a client servicing model which aims to provide integrated solutions, robust manufacturing capabilities and delivering quality products on time. For better quality and customer satisfaction we entrench with the customers from the conception of their product, and subsequently move up the value chain with them by leveraging our integrated offerings. In addition to maintaining our relationships with existing customers, we have increased our key customer base over time from around 20 customers in Fiscal 2022, 21 customers in Fiscal 2023 to around 40 customers in Fiscal 2024.

**FINANCIAL YEAR 2024 COMPARED TO FINANCIAL YEAR 2023**

**Restated profit for the year:**

As a result of the foregoing factors, our profit after tax for the year increased to net profit of ₹ 3262.77 Lakhs in financial year 2023-24 from profit after tax of ₹ 2025.11 lakhs (combined) in financial year 2022-23. Consequently, our PAT Margin increased to 32.26% in financial year 2023-24 from the net profit margins of 29.31% in financial year 2022-23 (combined).

**FINANCIAL YEAR 2023 COMPARED TO FINANCIAL YEAR 2022**

**Revenue from Operations**

During the financial year 2022-23 the net revenue from operation of our Company increased to Rs. 6908.33 Lakhs as against Rs. 2175.65 Lakhs in the Financial Year 2021-22 representing an increase of 217.53%. The main reason of increase was due to increase in the demand from both the export market and the domestic market. The export of the company grows from Rs. 2038.30 lakhs in FY2022 to Rs. 6803.39 lakhs in FY2023 and the domestic sales of the company was around Rs. 131.82 lakhs in FY2022 against Rs. 106.14 lakhs in FY2023.

**Other Income:**

During the financial year 2022-23 the other income of our Company increased to Rs. 158.50 Lakhs as against Rs. 37.15 lakhs in the Financial Year 2021-22 representing an increase of 326.65% which was due to increase in the foreign currency gain which increased to Rs. 128.30 lakhs in FY2023 as compared to Rs. 31.31 lakhs in FY2022, the interest income increased from Rs. 1.35 lakhs in FY2022 to Rs. 8.07 lakhs in FY2023, also the miscellaneous income such as other interest income of the company stood at Rs. 19.38 lakhs in FY2023.

**GOVERNMENT AND OTHER APPROVALS****II. MATERIAL LICENSES/ APPROVALS OBTAINED BY OUR COMPANY****F. ENVIRONMENT RELATED APPROVALS:**

<b>Sr. No.</b>	<b>Description</b>	<b>Applicable Laws</b>	<b>Issuing Authority</b>	<b>Registration Number</b>	<b>Date of Issue</b>	<b>Date of Expiry</b>
3.	Registration certificate	E-Waste (Management) Rules, 2022	Central Pollution Control Board	686764	*	*
4.	Registration Certificate for Producer	Under Rule 4 of Battery Waste Management Rules, 2022	Central Pollution Control Board	48963967	July 27, 2024	Valid for a period of 5 years

*\*The status on the portal shows as approved, but the certificate generation is still pending.*

**I. APPLICATIONS MADE BY OUR COMPANY, PENDING APPROVAL:**

1. The company has made application for change of name consequent to takeover of partnership firm by company in Fire NOC vide application dated March 27, 2024;

**DECLARATION**

I, **Amrit Lal Manwani**, hereby confirm that all statements and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including statements made by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**DECLARATION BY SELLING SHAREHOLDER**

<b>Name</b>	<b>Signature</b>
Amrit Lal Manwani Promoter Selling Shareholder	Sd/-

Date: September 13, 2024

Place: Delhi

**DECLARATION**

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

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

<b>Name and Designation</b>	<b>Signature</b>
Amrit Lal Manwani Chairman & Managing Director DIN: 00920206	Sd/-

Date: September 13, 2024

Place: Delhi

**DECLARATION**

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

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

<b>Name and Designation</b>	<b>Signature</b>
Arunima Manwani Whole Time Director DIN: 06996141	Sd/-

Date: September 13, 2024

Place: Delhi

**DECLARATION**

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

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

<b>Name and Designation</b>	<b>Signature</b>
Varun Manwani Non-Executive Director DIN: 00921735	Sd/-

Date: September 13, 2024

Place: Delhi



**DECLARATION**

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

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

<b>Name and Designation</b>	<b>Signature</b>
Abhilasha Gaur Independent Director DIN: 07607862	Sd/-

Date: September 13, 2024

Place: Delhi

**DECLARATION**

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

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

<b>Name and Designation</b>	<b>Signature</b>
Pradeep Kumar Independent Director DIN: 00505518	Sd/-

Date: September 13, 2024

Place: Delhi

**DECLARATION**

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

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

<b>Name and Designation</b>	<b>Signature</b>
Udayan Mukerji Independent Director DIN: 03636654	Sd/-

Date: September 13, 2024

Place: Delhi

**DECLARATION**

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

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

<b>Name and Designation</b>	<b>Signature</b>
Maneesh Tiwari Chief Financial Officer	Sd/-

Date: September 13, 2024

Place: Delhi

**DECLARATION**

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

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

<b>Name and Designation</b>	<b>Signature</b>
Neha Tahir Company Secretary & Compliance officer M. No.: A46571	Sd/-

Date: September 13, 2024

Place: Delhi