

Date: January 25, 2024

To,
The Manager,
Listing Compliance Department,
The National Stock Exchange of India Limited
Exchange Plaza, 5 Floor, Plot C/1 Block,
Bandra Kurla Complex, Bandra (E), Mumbai (MH) - 400051 IN.

NSE Symbol: SPECTRUM
ISIN: INE01EO01010

Sub: Press Release regarding incorporation of new Company as Subsidiary Company of Spectrum Electrical Industries Ltd.

Ref.: Disclosure pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we wish to inform you about the approval of the proposal for incorporation of new Subsidiary Company for the purpose of diversifying the business operations of the Company.

Purpose -

The management of the Company has undertaken the strategic decision with the view of expansion of the Company's business operations and to capture market opportunities available in the Information Technology Industry. The management of the Company has proposed to incorporate a new subsidiary entity in partnership with Mr. Sunil Jangle for providing the software development, software maintenance, and other information technology solutions and services to the Information Technology Industry.

Main Object of the proposed company -

The primary objects of the proposed Subsidiary Company includes but not limited to innovate, conceptualize, prototype, propose, plan, analyse, design, develop, test, deploy, operate, enhance, maintain, support, advertise, market, sell and deliver IT and ITES products and services, to research, innovate and provide advance technologies including Cloud, Artificial Intelligence, Machine Learning, Social Engineering, Mobile, Analytics, Augmented Reality, Virtual Reality, Automation, Robotic Process Automation, Spatial technologies, Data Science, Block Chain, Big Data and Quantum Computing and Digital marketing, online marketing, ERP and e-commerce development and services.

Rational for the decision taken by the management of the Company for incorporating the new Subsidiary Company -

The Company has undertaken the strategic decision after discussion with Mr. Sunil Pralhad Jangle who has 35 years' experience in the Information Technology Industry. After consideration his brief profile and his work experience, the company will be benefited by way of collaboration with Mr. Sunil Jangle, shareholder of the proposed company.

Brief Profile of Mr. Sunil Jangle -

Mr. Sunil Jangle is a proven senior leader and veteran with 35 years of Information Technology Industry experience. He is a resilient and diverse leader with deep experience across various roles in executive leadership across delivery, quality, and pre-sales, globally across geographies of Asia Pacific, North America, and Europe and across industries including manufacturing, Energy, Mining, Chemicals, Utilities, Telecommunications, Banking, Capital markets, Pharmaceuticals, Retail, Health care, Diamonds, Social Networking, and others. He has directly worked with esteemed successful IT industry leaders like current Chairman of Tata Sons, during his career at TCS, with MD & CEO of Oracle Financials, and Chief Strategy Officer of Accenture Strategy, during his career with Accenture India. He has led complex IT services across client accounts involving outsourcing, implementation, support, and custom development of SAP, Oracle, legacy (Java/Net/Mainframe) systems, Data Warehouse, Analytics, AI/ML, DevOps/ Cloud, Mobile technologies like Android/Flutter, Content development, Digital Marketing using Google, Facebook, Instagram and others. He has led pre-sales solutions of multiple mega (US\$ 100m+) IT deals globally and was responsible for US\$ 5b+ pre-sales portfolio of IT services. He has successfully executed similar responsibilities at much bigger scale during in his careers with Tata Consultancy Services, House of Code, and Accenture. Sunil has right skills and experience to achieve its near-term and long-term objectives of establishing itself as a formidable provider of the Information Technology services in the global market.

Benefits to the Company -

- a) **Gain entry and market share of IT industry:** The NASSCOM, Gartner and many research firms predict sustained growth for the global IT industry. Company will gain entry and share of the market.
- b) **Balancing market fluctuation risks:** Diversification across industries, equips Company to minimize negative financial impact of the market and seasonal fluctuations balancing risks.
- c) **Expedite growth and increase overall profitability:** Information Technology is a hyper growth and high profitability industry. As the business of the Subsidiary Company grows, it will positively impact Company's financials of growth and profitability.
- d) **Self-reliance for Information Technology needs:** The Subsidiary Company would develop solutions and services tailored to Company for current and future growing IT needs cost-effectively making Company self-reliant and enabling it to be increasingly innovative, competitive and high performing.
- e) **Access to New Customers:** Entering the Information Technology market would expand Spectrum's customer base by global client relationships.

- f) **Capitalizing on Emerge Trends:** Different markets have different trends, regulations, and adoption rates. Entering a new market enables the company to capitalize on new opportunities and trends.
- g) **Customer-Centric Approach:** The Subsidiary Company will adopt a customer-centric approach, tailoring its products and services to meet the evolving needs of a diverse customer base in the IT Industry. This will enhance customer satisfaction making it beneficial to the Company.
- h) **Strategic Partners:** The diversification effort opens doors to strategic partnerships and collaborations with other industry players. By forming alliances that complement our strengths, we seek to enhance our competitive advantage, access new resources, and accelerate our overall growth. The Company and Subsidiary Company jointly will be equipped to provide strategic services.
- i) **Innovation and Adaptability:** The diversification strategy is rooted in the pursuit of innovation and adaptability. The new proposed company will focus on exploring and capitalizing on new software development, software maintenance, new technologies, business models, and market demands, enabling Spectrum to stay at the forefront of Information Technology industry evolution.

This is for your information and record.

Thanking You,

For and on behalf of Spectrum Electrical Industries Limited.

Rahul Lavane

Company Secretary and Compliance Officer

Bari Wada, Main Road, Yawal,

Yawal - 425301, Maharashtra, India.

Membership. No.: A57240