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SAHASRA ELECTRONIC SOLUTIONS LIMITED

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 taken 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 the 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, Nepz Post Office, Gautam Buddha Nagar, Noida-201305, Uttar Pradesh, India.
Tel No: +91-120-4202604; **E-mail:** cs@sahasraelectronics.com; **Website:** www.seslimited.in
Contact Person: Neha Tahir, Company Secretary & Compliance Officer

OUR PROMOTERS: AMRIT LAL MANWANI, ARUNIMA MANWANI & VARUN MANWANI

"THE OFFER IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF NSE."

Our Company is an EN 9100:2018 certified company, which is engaged in the business of providing solutions towards electronics system design and manufacturing ("ESDM") services at its manufacturing plant located at 68AA, NSEZ, Noida, Uttar Pradesh, which is equipped with four high speed SMT lines having a total capacity of around 180000 units.

THE OFFER

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 3,29,600 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 25.00% RESPECTIVELY OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF SELLING SHAREHODLER, OFFER FOR SALE AND THE WEIGHTED AVERAGE COST OF ACQUISITION

Name of Selling Shareholder	Category of Shareholder	No. of Equity Shares Offered/ amount (in ₹ lakhs)	Weighted average cost of Acquisition (in ₹ per Equity Share)
Amrit Lal Manwani	Promoter Selling Shareholder	Up to 5,00,000 Equity Shares aggregating to ₹ [●] lakhs	10.00

- QIB PORTION:** NOT MORE THAN 50.00% OF THE NET OFFER
- NON-INSTITUTIONAL PORTION:** NOT LESS THAN 15.00% OF THE NET OFFER
- RETAIL PORTION:** NOT LESS THAN 35.00% OF THE NET OFFER
- MARKET MAKER PORTION:** UPTO 3,29,600 EQUITY SHARES OR 5.01% OF THE OFFER

PRICE BAND: RS. 269 TO RS. 283 PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH

THE FLOOR PRICE IS 26.9 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 28.3 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 400 EQUITY SHARES AND IN MULTIPLES OF 400 EQUITY SHARES THEREAFTER.

RISKS TO INVESTORS

- Our business is dependent on the sale of our products to certain key customers which also includes some of our Group Companies. The loss of any of these customers or loss of revenue from sales to these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
- We are significantly dependent on revenue from sale of PCBA. Any inability to anticipate or adapt to evolving up gradation of the required products or inability to ensure product quality or reduction in the demand of these products may adversely impact our revenue from operations and growth prospects.
- The Merchant Banker associated with the Issue has handled 58 SME public issues in the past three years out of which 1 Issue closed below the Offer Price on listing date.
- Average cost of acquisition of Equity Shares held by the Individual Promoters is

Sr. No.	Name of the Promoters	Average cost of Acquisition (in ₹)
1.	Amrit Lal Manwani	10.00
2.	Arunima Manwani	10.00
3.	Varun Manwani	10.00

and the Offer Price at the upper end of the Price Band is Rs. 283 per Equity Share.

- The Price/ Earnings ratio based on Diluted EPS for Fiscal 2024 for the company at the upper end of the Price Band is 15.68

- Weighted Average Return on Net worth for Fiscals 2024, 2023* and 2022 is 63.16%. *RoNW for the period March 31, 2023 have been calculated considering the combined PAT of the company for the period February 21, 2023 to March 31, 2023 and for the erstwhile proprietorship for the period April 01, 2022 to February 20, 2023 and divided by Networth as on March 31, 2023.
- The Weighted average cost of acquisition of all Equity Shares transacted in the last 1 year, 18 months and 3 years from the date of RHP is as given below:

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper end of the Price Band (Rs. 283) is "X" times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.)
Last 1 year/ Last 18 months	202.00	1.40	202-202
Last 3 years	19.60	14.44	10-202

- The Weighted average cost of acquisition compared to floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price (i.e. ₹ 269)	Cap Price (i.e. ₹ 283)
WACA of primary issuance(exceeding 5% of the pre issue capital)	202.00	1.33 times	1.40 times
WACA for secondary sale / acquisition (exceeding 5% of the pre issue capital)	NA^	NA^	NA^

Note:

^There were no secondary transactions as mentioned in paragraph 8(b) above, in last 18 months from the date of the Red Herring Prospectus.

BASIS FOR OFFER PRICE

Investors should read the following summary with the section titled "Risk Factors", the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial Information of the Company" beginning on page 25, 95 and 142 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/ Offer Price shall be determined by our Company and Selling shareholder in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and the offer Price is 26.9 times of the face value at the lower end of the Price Band and 28.3 times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer "Risk Factors", "Our Business" and "Financial Statement as restated" beginning on page 25, 95 and 142 respectively of this Red Herring Prospectus.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry and the following are our primary competitive strengths:

- Dedicated solutions for ESDM services.
- Established relationships with customers
- Established manufacturing capabilities
- Quality Assurance
- Experienced Promoters, management and operating team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled "Our Business" beginning on page 96 of the Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled "Financial Information of the Company" on page 142 of this Red Herring Prospectus.

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

- Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each), as adjusted for change in capital:** As per the Restated Financial Statements;

Sr. No	Period	(Amount in ₹)	Weights
1.	Period ending March 31, 2022	1.41	1
2.	Period ending March 31, 2023*	11.41	2
3.	Period ending March 31, 2024	18.05	3
	Weighted Average	13.06	

*EPS for the period March 31, 2023 have been calculated considering the combined EPS of the company for the period February 21, 2023 to March 31, 2023 and for the erstwhile proprietorship for the period April 01, 2022 to February 20, 2023.

Notes:

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

vi. Diluted Earnings per Share = Net Profit/ (Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.

- Price Earning (P/E) Ratio in relation to the Price Band of ₹ 269 to ₹ 283 per Equity Share of Face Value of ₹ 10/- each fully paid up**

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2024.	14.90	15.68
P/E ratio based on the Weighted Average EPS, as restated.	20.60	21.67

Industry P/E Ratio*

Highest (Kaynes Technology India Limited)	181.56
Lowest (Trident Techlabs Limited)	153.99
Industry Average	167.77

*For the purpose of industry, we believe the companies engaged in the same sector or engaged in the similar line of business segment, however, they may not be exactly comparable in terms of size or business portfolio on a whole with that of our business. Average PE have been calculated based on the PE of the Peer company of Kaynes Technology India Limited & Trident Techlabs Limited.

Note:

- The P/E ratio has been computed by dividing Offer Price with EPS.
- P/E Ratio of the company is based on the exchange announcement of the company for the year 2024 and stock exchange data dated September 17, 2024.

3. Return on Net worth (RoNW)*

Sr. No	Period	RoNW (%)	Weights
1.	Period ending March 31, 2024	54.09%	3
2.	Period ending March 31, 2023**	100.12%	2
3.	Period ending March 31, 2022	16.44%	1
	Weighted Average	63.16%	

*Restated Profit after tax/Net Worth

*RoNW for the period March 31, 2023 have been calculated considering the combined PAT of the company for the period February 21, 2023 to March 31, 2023 and for the erstwhile proprietorship for the period April 01, 2022 to February 20, 2023 and divided by Networth as on March 31, 2023.

Note:

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

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

Sr. No.	NAV per Equity Share*	Amount in ₹
1.	As at March 31, 2022	08.57
2.	As at February 21, 2023	13.55
3.	As at March 31, 2023	11.43
4.	As at March 31, 2024	33.37
5.	NAV per Equity Share after the Offer	
	i) At Floor Price	89.55
	ii) At Cap Price	92.96
6.	Offer Price	[●]

*The above NAV has been calculated giving the effect of Bonus Shares

Note:

- The NAV per Equity Share has been computed by dividing restated networth with weighted average number of equity shares outstanding at the end of the year/ period.

5. Comparison of Accounting Ratios with Industry Peers

Name of Company	Current Market Price (₹)	Face Value (₹)	EPS * (₹)	PE	RoNW (%) *	Book Value (₹)	Total Income (₹ in Lakhs)
Sahasra Electronic Solutions Limited	[●]	10.00	18.05	[●]	54.09%	33.37	10278.79
Peer Group							
Kaynes Technology India Limited	5561.20	10.00	30.63	181.56	7.37	389.32	186053.50
Trident Techlabs Limited	850.00	10.00	5.52	153.99	20.12	26.95	7300.39

Notes:

- Source – Annual report of the company for the year 2024 and stock exchange data dated September 17, 2024. For our Company, we have taken CMP as the Offer price of equity share. Further, P/E Ratio is based on the CMP of the respective scrip's.
- The EPS, NAV, RoNW and revenue from operations of the Company are taken as per Restated Financial Statement for the Financial Year 2023-24 as adjusted with the effect of Bonus Issue.
- P/E Ratio of the company is based on the Annual report of the company for the year 2024 and stock exchange data dated September 17, 2024.
- RoNW has been computed as net profit after tax divided by closing net worth.
- Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Offer price is [●] times the face value of equity share.

6. Key Performance Indicators

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 11, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. Kapoor Tandon & Co. Chartered Accountants, by their certificate dated June 11, 2024.

The KPIs of our Company have been disclosed in the sections titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators" on pages 95 and 214, respectively. We have described and defined the KPIs, as applicable, in "Definitions and Abbreviations" on page 1 of this Red Herring Prospectus.

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

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Key Performance Indicators of our Company

(₹ In Lakhs except percentages and ratios)

Particulars	As of and for the year/period ended			
	March 31, 2024	February 22, 2023 to March 31, 2023	April 1, 2022 to February 21, 2023	March 31, 2022
Revenue from Operations ⁽¹⁾	10115.27	1043.1	5865.23	2175.65
EBITDA ⁽²⁾	3526.58	246.23	1876.88	377.48
EBITDA Margin ⁽³⁾	34.86%	23.61%	32.00%	17.35%
Profit After Tax (PAT)	3262.77	230.55	1794.56	250.17
PAT Margin ⁽⁴⁾	32.26%	22.10%	30.60%	11.50%
ROE ⁽⁵⁾	54.09%	11.37%	73.70%	16.44%
ROCE ⁽⁶⁾	42.50%	9.11%	56.81%	16.30%

- Notes:**
 (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
 (2) EBITDA is calculated as Profit before tax + Depreciation + Interest Cost - Other Income

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

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	Sahasra Electronic Solutions Limited				Keynes Technology India Limited			Trident Techlabs Limited		
	FY 2023-24	February 22, 2023 to March 31, 2023	April 1, 2022 to February 21, 2023	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations ⁽¹⁾	10115.27	1043.1	5865.23	2175.65	180461.9	112611.40	70,624.90	7262.06	6,734.71	2,974.34
EBITDA ⁽²⁾	3526.58	246.23	1876.88	377.48	25416.80	16650.5	9281	1596.92	888.37	435.25
EBITDA Margin (%) ⁽³⁾	34.86%	23.61%	32.00%	17.35%	14.08%	14.79%	13.14%	21.99%	13.19%	14.63%
PAT(4)	3262.77	230.55	1794.56	250.17	18328.90	9519.6	4167.5	936.75	466.69	64.49
PAT Margin (%) ⁽⁵⁾	32.26%	22.10%	30.60%	11.50%	10.16%	8.45%	5.90%	12.90%	6.93%	2.17%
RoE(% ⁽⁶⁾	54.09%	11.37%	73.70%	16.44%	10.63%	16.36%	24.25%	28.32%	28.34%	4.95%
RoCE (% ⁽⁷⁾	42.50%	9.11%	56.81%	16.30%	10.20%	14.52%	22.44%	24.26%	20.84%	8.32%

*All the information for listed industry peer mentioned above are on a standalone basis and is sourced from their respective audited/ unaudited financial results and/or annual report.

- Notes:**
 (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected
 (2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
 (3) EBITDA is calculated as Profit before tax + Depreciation + Interest Cost - Other Income
 (4) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
 (5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
 (6) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account

8. Weighted average cost of acquisition

a) The price per share of our Company based on the primary/ new issue of shares (equity/convertible securities)
 Except as stated below, there has been no issuance of Equity Shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Date of Allotment	No. of equity Shares allotted	Face value per Equity share (₹)	Issue price per Equity share (₹) (Including Securities Premium)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
February 16, 2024	6,80,591	10/-	202/-	Private Placement	Cash	1374.79
February 29, 2024	2,64,672	10/-	202/-	Private Placement	Cash	534.64

- (3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
 (4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
 (5) Return on Equity is Ratio of Profit after Tax and Shareholder Equity
 (6) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings (current & non-current).

Explanation for KPI metrics

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business in key verticals
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE(%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

b) The price per share of our Company based on the secondary sale/ acquisition of shares (Equity Shares)
 There have been no secondary sale/acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Weighted average cost of acquisition, floor price and cap price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 269)	Cap price (i.e. ₹ 283)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	202.00	1.33 times	1.40 times
Weighted average cost of acquisition for secondary sale/ acquisition as per paragraph 8(b) above.	NA [^]	NA [^]	NA [^]

Note:
[^]There were no secondary sale/ acquisition as mentioned in paragraph 8(b) above, in last 18 months from the date of this Red Herring Prospectus.

Sahasra Electronic Solutions Limited is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Offer in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Delhi Edition of Regional newspaper Pratah Kiran where the registered office of the company is situated each with wide circulation.

The Offer Price of ₹ (₹) has been determined by our Company and Selling Shareholder in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the abovementioned information along with "Our Business", "Risk Factors" and "Restated Financial Statements" on pages 95, 25 and 142 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

BID/ OFFER PROGRAM BID/ OFFER OPENS ON⁽¹⁾: THURSDAY, SEPTEMBER 26, 2024 BID/ OFFER CLOSING ON: MONDAY, SEPTEMBER 30, 2024

⁽¹⁾Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI (ICDR) Regulations, 2018.

In case of any revisions in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Offer 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/ Offer Period for a minimum of one working day, subject to the Bid/ Offer Period not exceeding ten working days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI (ICDR) Regulations, as amended, wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion 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 Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI (ICDR) Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" beginning on page 259 of the Red Herring Prospectus.

Bidders/ Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Offer. 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 Applicants' sole risk. Bidders/Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available 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. Investors must ensure that their PAN is linked with AADHAR and are in compliance with CBDT Notification dated February 13, 2020 and press release dated June 25, 2021.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 119 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see the section "Material Contracts and Documents for Inspection" on page 298 of the Red Herring Prospectus.

LIABILITY OF MEMBERS AS PER MOA: The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The Authorized share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty-Five Crores) divided into 2,50,00,000 (Two Crore Fifty Lakhs Only) Equity Shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the Company before the Offer Rs. 18,91,47,630 (Rupees Eighteen Crores Ninety One Lakhs Forty Seven Thousand Six Hundred Thirty only) divided into 1,89,14,763 (One Crore Eighty Nine Lakhs Fourteen Thousand Seven Hundred Sixty Three) Equity Shares of Rs. 10 each. For details of the Capital Structure, see "Capital Structure" on the page 57 of the Red Herring Prospectus.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: Given below are the names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of Association of our Company, Amrit Lal Manwani 1,79,64,500, Varun Manwani 1,200, Arunima Manwani 1,200, Varsha B P Manwani 1,200, Akshay Manwani 1,200, Narayan Belbase 100 and Pintu Maskar 100 shares aggregating to 1,79,69,500 Equity Shares of Rs.10/- each. Details of the main objects of the Company as contained in the Memorandum of Association, see "History and Corporate Structure" on page 119 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see "Capital Structure" on page 57 of the Red Herring Prospectus.

LISTING: The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the NSE Emerge. Our Company has received an 'in-principle' approval from the National Stock Exchange of India Limited (hereinafter referred to as NSE) for the listing of the Equity Shares pursuant to letter Ref.: NSE/LIST/4080 dated September 16, 2024. For the purposes of the Offer, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus dated September 19, 2024 has been filed with the RoC and Prospectus shall be filed to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 298 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): Since the Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. The Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 241 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF NSE ("NSE EMERGE") (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 Offer Document. The investors are advised to refer to the Offer Document for the full text of the 'Disclaimer Clause of NSE.

TRACK RECORD OF BOOK RUNNING LEAD MANAGERS: The Merchant Banker associated with the Issue has handled 58 SME public issues in the past three years out of which 1 Issue closed below the Issue Price on listing date.

GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 25 of the Red Herring Prospectus.

ASBA * | Simple, Safe, Smart way of Application- Make use of it!!! *Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below. Mandatory in Public Issues from January 01, 2016. No cheque will be accepted

UPI-Now available in ASBA for Retail Individual Investors (RII)**

Investors are required to ensure that the bank account used for bidding is linked to their PAN. UPI – Now available in ASBA for RIIs applying through Registered Brokers, DPs & RTAs. RIIs 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 have to apply through the ASBA process. "ASBA has to be availed by all the investors except anchor investor. UPI may be availed by Retail Individual Investors. For details on the ASBA and the UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" beginning on page 259 of the Red Herring Prospectus. The process is also available on the website of Association of Investment Bankers of India ("AIBI"), the Stock Exchanges and in the General Information Document.

**ASBA forms can be downloaded from the website of NSE ("NSE Emerge")

*List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. ICICI Bank Limited has been appointed as Sponsor Bank for the Offer, in accordance with the requirements of the SEBI circular dated November 1, 2018, as amended. For UPI related queries, investors can contact NPCI at the toll free number-18001201740 and Mail Id- upi@npci.org.in. For the list of UPI Apps and Banks live on IPO, please refer to the link www.sebi.gov.in. For Offer related grievance investors may contact: Hem Securities Limited- Sourabh Garg (+91 141 -4051000) (Email Id: ib@hemsecurities.com).

<p>BOOK RUNNING LEAD MANAGER TO THE OFFER</p> <p>HEM SECURITIES LIMITED</p> <p>Address: 904, A Wing, Nanam Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India Tel. No.: +91- 022- 49060000; Fax No.: +91- 022- 22625991 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com; Contact Person: Sourabh Garg SEBI Regn. No. INM000010981</p>	<p>REGISTRAR TO THE OFFER</p> <p>BIGSHARE SERVICES PRIVATE LIMITED</p> <p>Address: S6-2, 6th Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra India. Telephone: +91 22 6263 8200; Facsimile: +91 22 6263 8299 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Website: www.bigshareonline.com ; Contact Person: Vinayak Morbale SEBI Regn. No.: INR000001385</p>	<p>COMPANY SECRETARY AND COMPLIANCE OFFICER</p> <p>NEHA TAHIR SAHASRA ELECTRONIC SOLUTIONS LIMITED</p> <p>Registered Office: 33, Pocket 1, Jasola Vihar New Friends Colony, South Delhi-110025, New Delhi, India. Corporate Office: 68-AA Noida Special Economic Zone, Nepz Post Office, Gautam Buddha Nagar, Noida-201305, Uttar Pradesh, India. Tel No: +91-120-4202604; E-mail: cs@sahasraelectronics.com; Website: www.seslimited.in</p> <p>Investors can contact the Company Secretary and Compliance Officer or the BRLMs or the Registrar to the Offer in case of any pre-offer or post-offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc.</p>
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AVAILABILITY OF RED HERRING PROSPECTUS: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Offer. Full copy of the Red Herring Prospectus is available on the website of the Company at <https://www.seslimited.in/ipo.html> the website of the BRLM to the Offer at www.hemsecurities.com, the website of NSE Emerge at https://www.nseindia.com/companies-listing/corporate-filings-offer-documents#sme_offer and is available on the websites of the BRLM at www.hemsecurities.com. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the Red Herring Prospectus including the section titled "Risk Factors" beginning on page 25 of the Red Herring Prospectus.

AVAILABILITY OF BID-CUM-APPLICATION FORMS: Bid-Cum-Application forms can be obtained from the Registered Office of the Company: Sahasra Electronic Solutions Limited, Tel No: +91-120-4202604; BRLM: Hem Securities Limited, Telephone: +91-22-4906 0000 and the Syndicate Members: Hem Finlease Private Limited, Telephone: +91-22-49060000 and at the selected locations of the Sub-Syndicate Members, Registered Brokers, RTAs and CDPs participating in the Offer. Bid-cum-application Forms will also be available on the websites of NSE and the designated branches of SCSBs, the list of which is available at websites of the stock exchanges and SEBI.

ESCROW COLLECTION BANK/ REFUND BANK/ PUBLIC OFFER ACCOUNT BANK/ SPONSOR BANK: ICICI Bank Limited. **LINK TO DOWNLOAD ABRIDGED PROSPECTUS:** <https://www.seslimited.in/ipo.html> **UPI:** Retail Individual Bidders can also Bid through UPI Mechanism.

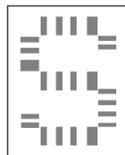
All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Red Herring Prospectus.

On behalf of Board of Directors
Sahasra Electronic Solutions Limited
 Sd/-
Neha Tahir
Company Secretary and Compliance Officer

Place: Delhi
Date: September 19, 2024

Disclaimer: Sahasra Electronic Solutions Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares the Red Herring Prospectus dated September 19, 2024 has been filed with the Registrar of Companies, Delhi, and thereafter with SEBI and the Stock Exchanges. The RHP is available on the website of NSE Emerge at https://www.nseindia.com/companies-listing/corporate-filings-offer-documents#sme_offer and is available on the websites of the BRLM at www.hemsecurities.com. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the Red Herring Prospectus including the section titled "Risk Factors" beginning on page 25 of the Red Herring Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and unless so registered, and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. State Securities laws. The Equity Shares are being issued and sold outside the United States in 'offshore transactions' in reliance on Regulation "S" under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public offering in the United States.



THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT. THIS DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES. THIS PUBLIC ANNOUNCEMENT IS NOT INTENDED FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY OUTSIDE INDIA.



SAHASRA ELECTRONIC SOLUTIONS LIMITED

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 taken 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 the 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, Nepz Post Office, Gautam Buddha Nagar, Noida-201305, Uttar Pradesh, India.
Tel No: +91-120-4202604; **E-mail:** cs@sahasraelectronics.com; **Website:** www.seslimited.in
Contact Person: Neha Tahir, Company Secretary & Compliance Officer

OUR PROMOTERS: AMRIT LAL MANWANI, ARUNIMA MANWANI & VARUN MANWANI

"THE OFFER IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF NSE."

Our Company is an EN 9100:2018 certified company, which is engaged in the business of providing solutions towards electronics system design and manufacturing ("ESDM") services at its manufacturing plant located at 68AA, NSEZ, Noida, Uttar Pradesh, which is equipped with four high speed SMT lines having a total capacity of around 180000 units.

THE OFFER

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 3,29,600 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 25.00% RESPECTIVELY OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF SELLING SHAREHOLDER, OFFER FOR SALE AND THE WEIGHTED AVERAGE COST OF ACQUISITION

Name of Selling Shareholder	Category of Shareholder	No. of Equity Shares Offered/ amount (in ₹ lakhs)	Weighted average cost of Acquisition (in ₹ per Equity Share)
Amrit Lal Manwani	Promoter Selling Shareholder	Up to 5,00,000 Equity Shares aggregating to ₹ [●] lakhs	10.00

- **QIB PORTION:** NOT MORE THAN 50.00% OF THE NET OFFER
- **NON-INSTITUTIONAL PORTION:** NOT LESS THAN 15.00% OF THE NET OFFER
- **RETAIL PORTION:** NOT LESS THAN 35.00% OF THE NET OFFER
- **MARKET MAKER PORTION:** UPTO 3,29,600 EQUITY SHARES OR 5.01% OF THE OFFER

PRICE BAND: RS. 269 TO RS. 283 PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH

THE FLOOR PRICE IS 26.9 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 28.3 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 400 EQUITY SHARES AND IN MULTIPLES OF 400 EQUITY SHARES THEREAFTER.

RISKS TO INVESTORS

- Our business is dependent on the sale of our products to certain key customers which also includes some of our Group Companies. The loss of any of these customers or loss of revenue from sales to these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
- We are significantly dependent on revenue from sale of PCBA. Any inability to anticipate or adapt to evolving up gradation of the required products or inability to ensure product quality or reduction in the demand of these products may adversely impact our revenue from operations and growth prospects.
- The Merchant Banker associated with the Issue has handled 58 SME public issues in the past three years out of which 1 Issue closed below the Offer Price on listing date.
- Average cost of acquisition of Equity Shares held by the Individual Promoters is

Sr. No.	Name of the Promoters	Average cost of Acquisition (in ₹)
1.	Amrit Lal Manwani	10.00
2.	Arunima Manwani	10.00
3.	Varun Manwani	10.00

and the Offer Price at the upper end of the Price Band is Rs. 283 per Equity Share.

- The Price/ Earnings ratio based on Diluted EPS for Fiscal 2024 for the company at the upper end of the Price Band is 15.68

- Weighted Average Return on Net worth for Fiscals 2024, 2023* and 2022 is 63.16%. *RoNW for the period March 31, 2023 have been calculated considering the combined PAT of the company for the period February 21, 2023 to March 31, 2023 and for the erstwhile proprietorship for the period April 01, 2022 to February 20, 2023 and divided by Networth as on March 31, 2023.
- The Weighted average cost of acquisition of all Equity Shares transacted in the last 1 year, 18 months and 3 years from the date of RHP is as given below:

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper end of the Price Band (Rs. 283) is "X" times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.)
Last 1 year/ Last 18 months	202.00	1.40	202-202
Last 3 years	19.60	14.44	10-202

- The Weighted average cost of acquisition compared to floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price (i.e. ₹ 269)	Cap Price (i.e. ₹ 283)
WACA of primary issuance(exceeding 5% of the pre issue capital)	202.00	1.33 times	1.40 times
WACA for secondary sale / acquisition (exceeding 5% of the pre issue capital)	NA [^]	NA [^]	NA [^]

Note:

[^]There were no secondary transactions as mentioned in paragraph 8(b) above, in last 18 months from the date of the Red Herring Prospectus.

BASIS FOR OFFER PRICE

Investors should read the following summary with the section titled "Risk Factors", the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial Information of the Company" beginning on page 25, 95 and 142 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/ Offer Price shall be determined by our Company and Selling shareholder in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and the offer Price is 26.9 times of the face value at the lower end of the Price Band and 28.3 times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer "Risk Factors", "Our Business" and "Financial Statement as restated" beginning on page 25, 95 and 142 respectively of this Red Herring Prospectus.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry and the following are our primary competitive strengths:

1. Dedicated solutions for ESDM services.
2. Established relationships with customers
3. Established manufacturing capabilities
4. Quality Assurance
5. Experienced Promoters, management and operating team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled "Our Business" beginning on page 96 of the Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled "Financial Information of the Company" on page 142 of this Red Herring Prospectus.

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

1. **Basic & Diluted Earnings per Share (EPS) (Face value of ₹ 10 each), as adjusted for change in capital:** As per the Restated Financial Statements;

Sr. No.	Period	(Amount in ₹)	Weights
1.	Period ending March 31, 2022	1.41	1
2.	Period ending March 31, 2023*	11.41	2
3.	Period ending March 31, 2024	18.05	3
	Weighted Average	13.06	

*EPS for the period March 31, 2023 have been calculated considering the combined EPS of the company for the period February 21, 2023 to March 31, 2023 and for the erstwhile proprietorship for the period April 01, 2022 to February 20, 2023.

Notes:

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

vi. Diluted Earnings per Share = Net Profit/ (Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.

2. **Price Earning (P/E) Ratio in relation to the Price Band of ₹ 269 to ₹ 283 per Equity Share of Face Value of ₹ 10/- each fully paid up**

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2024.	14.90	15.68
P/E ratio based on the Weighted Average EPS, as restated.	20.60	21.67
Industry P/E Ratio*		
Highest (Kaynes Technology India Limited)		181.56
Lowest (Trident Techlabs Limited)		153.99
Industry Average		167.77

*For the purpose of industry, we believe the companies engaged in the same sector or engaged in the similar line of business segment, however, they may not be exactly comparable in terms of size or business portfolio on a whole with that of our business. Average PE have been calculated based on the PE of the Peer company of Kaynes Technology India Limited & Trident Techlabs Limited.

Note:

- The P/E ratio has been computed by dividing Offer Price with EPS.
- P/E Ratio of the company is based on the exchange announcement of the company for the year 2024 and stock exchange data dated September 17, 2024.

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

Sr. No.	Period	RoNW (%)	Weights
1.	Period ending March 31, 2024	54.09%	3
2.	Period ending March 31, 2023**	100.12%	2
3.	Period ending March 31, 2022	16.44%	1
	Weighted Average	63.16%	

*Restated Profit after tax/Net Worth

**RoNW for the period March 31, 2023 have been calculated considering the combined PAT of the company for the period February 21, 2023 to March 31, 2023 and for the erstwhile proprietorship for the period April 01, 2022 to February 20, 2023 and divided by Networth as on March 31, 2023.

Note:

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

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

Sr. No.	NAV per Equity Share*	Amount in ₹
1.	As at March 31, 2022	08.57
2.	As at February 21, 2023	13.55
3.	As at March 31, 2023	11.43
4.	As at March 31, 2024	33.37
5.	NAV per Equity Share after the Offer	
	i) At Floor Price	89.55
	ii) At Cap Price	92.96
6.	Offer Price	[●]

*The above NAV has been calculated giving the effect of Bonus Shares

Note:

i. The NAV per Equity Share has been computed by dividing restated networth with weighted average number of equity shares outstanding at the end of the year/ period.

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

Name of Company	Current Market Price (₹)	Face Value (₹)	EPS * (₹)	PE	RoNW (%) *	Book Value (₹)	Total Income (₹ in Lakhs)
Sahasra Electronic Solutions Limited	[●]	10.00	18.05	[●]	54.09%	33.37	10278.79
Peer Group							
Kaynes Technology India Limited	5561.20	10.00	30.63	181.56	7.37	389.32	186053.50
Trident Techlabs Limited	850.00	10.00	5.52	153.99	20.12	26.95	7300.39

Notes:

- Source – Annual report of the company for the year 2024 and stock exchange data dated September 17, 2024. For our Company, we have taken CMP as the Offer price of equity share. Further, P/E Ratio is based on the CMP of the respective scrip's.
- The EPS, NAV, RoNW and revenue from operations of the Company are taken as per Restated Financial Statement for the Financial Year 2023-24 as adjusted with the effect of Bonus Issue.
- P/E Ratio of the company is based on the Annual report of the company for the year 2024 and stock exchange data dated September 17, 2024.
- RoNW has been computed as net profit after tax divided by closing net worth.
- Net worth has been computed in the manner as specified in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Offer price is [●] times the face value of equity share.

6. Key Performance Indicators

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 11, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. Kapoor Tandon & Co. Chartered Accountants, by their certificate dated June 11, 2024.

The KPIs of our Company have been disclosed in the sections titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators" on pages 95 and 214, respectively. We have described and defined the KPIs, as applicable, in "Definitions and Abbreviations" on page 1 of this Red Herring Prospectus.

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

Continued on next page

Continued from previous page

Key Performance Indicators of our Company

(₹ In Lakhs except percentages and ratios)

Particulars	As of and for the year/period ended			
	March 31, 2024	February 22, 2023 to March 31, 2023	April 1, 2022 to February 21, 2023	March 31, 2022
Revenue from Operations ⁽¹⁾	10115.27	1043.1	5865.23	2175.65
EBITDA ⁽²⁾	3526.58	246.23	1876.88	377.48
EBITDA Margin ⁽³⁾	34.86%	23.61%	32.00%	17.35%
Profit After Tax (PAT)	3262.77	230.55	1794.56	250.17
PAT Margin ⁽⁴⁾	32.26%	22.10%	30.60%	11.50%
ROE ⁽⁵⁾	54.09%	11.37%	73.70%	16.44%
ROCE ⁽⁶⁾	42.50%	9.11%	56.81%	16.30%

- Notes:**
 (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
 (2) EBITDA is calculated as Profit before tax + Depreciation + Interest Cost - Other Income

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

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	Sahasra Electronic Solutions Limited				Kaynes Technology India Limited			Trident Techlabs Limited		
	FY 2023-24	February 22, 2023 to March 31, 2023	April 1, 2022 to February 21, 2023	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations ⁽¹⁾	10115.27	1043.1	5865.23	2175.65	180461.9	112611.40	70624.90	7262.06	6734.71	2974.34
EBITDA ⁽²⁾	3526.58	246.23	1876.88	377.48	25416.80	16650.5	9281	1596.92	888.37	435.25
EBITDA Margin (%) ⁽³⁾	34.86%	23.61%	32.00%	17.35%	14.08%	14.79%	13.14%	21.99%	13.19%	14.63%
PAT(4)	3262.77	230.55	1794.56	250.17	18328.90	9519.6	4167.5	936.75	466.69	64.49
PAT Margin (%) ⁽⁵⁾	32.26%	22.10%	30.60%	11.50%	10.16%	8.45%	5.90%	12.90%	6.93%	2.17%
RoE(%) ⁽⁶⁾	54.09%	11.37%	73.70%	16.44%	10.63%	16.36%	24.25%	28.32%	28.34%	4.95%
RoCE (%) ⁽⁷⁾	42.50%	9.11%	56.81%	16.30%	10.20%	14.52%	22.44%	24.26%	20.84%	8.32%

*All the information for listed industry peer mentioned above are on a standalone basis and is sourced from their respective audited/ unaudited financial results and/or annual report.

- Notes:**
 (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected
 (2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
 (3) EBITDA is calculated as Profit before tax + Depreciation + Interest Cost - Other Income
 (4) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
 (5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
 (6) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account

8. Weighted average cost of acquisition

a) The price per share of our Company based on the primary/ new issue of shares (equity/convertible securities)
 Except as stated below, there has been no issuance of Equity Shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Date of Allotment	No. of equity Shares allotted	Face value per Equity share (₹)	Issue price per Equity share (₹) (Including Securities Premium)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
February 16, 2024	6,80,591	10/-	202/-	Private Placement	Cash	1374.79
February 29, 2024	2,64,672	10/-	202/-	Private Placement	Cash	534.64

- (3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
 (4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
 (5) Return on Equity is ratio of Profit after Tax and Shareholder Equity
 (6) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings (current & non-current).

Explanation for KPI Metrics

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business in key verticals
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE(%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

b) The price per share of our Company based on the secondary sale/ acquisition of shares (Equity Shares)
 There have been no secondary sale/acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Weighted average cost of acquisition, floor price and cap price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 269)	Cap price (i.e. ₹ 283)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	202.00	1.33 times	1.40 times
Weighted average cost of acquisition for secondary sale/ acquisition as per paragraph 8(b) above.	NA [^]	NA [^]	NA [^]

Note:
[^]There were no secondary sale/ acquisition as mentioned in paragraph 8(b) above, in last 18 months from the date of this Red Herring Prospectus.
 Sahasra Electronic Solutions Limited is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Offer in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Delhi Edition of Regional newspaper Pratah Kiran where the registered office of the company is situated each with wide circulation.
 The Offer Price of ₹ (₹) has been determined by our Company and Selling Shareholder in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the abovementioned information along with "Our Business", "Risk Factors" and "Restated Financial Statements" on pages 95, 25 and 142 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

BID/ OFFER PROGRAM

BID/ OFFER OPENS ON⁽¹⁾: THURSDAY, SEPTEMBER 26, 2024

BID/ OFFER CLOSSES ON: MONDAY, SEPTEMBER 30, 2024

⁽¹⁾Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI (ICDR) Regulations, 2018.
 In case of any revisions in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Offer 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/ Offer Period for a minimum of one working day, subject to the Bid/ Offer Period not exceeding ten working days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI (ICDR) Regulations, as amended, wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion 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 Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI (ICDR) Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" beginning on page 259 of the Red Herring Prospectus.

Bidders/ Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Offer. 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 Applicants' sole risk. Bidders/Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available 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. Investors must ensure that their PAN is linked with AADHAR and are in compliance with CBDT Notification dated February 13, 2020 and press release dated June 25, 2021.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 119 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see the section "Material Contracts and Documents for Inspection" on page 298 of the Red Herring Prospectus.

LIABILITY OF MEMBERS AS PER MOA: The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.
AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The Authorized share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty-Five Crores) divided into 2,50,00,000 (Two Crore Fifty Lakhs Only) Equity Shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the Company before the Offer Rs. 18,91,47,630 (Rupees Eighteen Crores Ninety One Lakhs Forty Seven Thousand Six Hundred Thirty only) divided into 1,89,14,763 (One Crore Eighty Nine Lakhs Fourteen Thousand Seven Hundred Sixty Three) Equity Shares of Rs. 10 each. For details of the Capital Structure, see "Capital Structure" on the page 57 of the Red Herring Prospectus.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: Given below are the names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed by them at the time of signing of the Memorandum of Association of our Company, Amrit Lal Manwani 1,79,64,500, Varun Manwani 1,200, Arunima Manwani 1,200, Varsha B P Manwani 1,200, Akshay Manwani 1,200, Narayan Belbase 100 and Pintu Naskar 100 shares aggregating to 1,79,69,500 Equity Shares of Rs.10/- each. Details of the main objects of the Company as contained in the Memorandum of Association, see "History and Corporate Structure" on page 119 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see "Capital Structure" on page 57 of the Red Herring Prospectus.

LISTING: The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the NSE Emerge. Our Company has received an 'in-principle' approval from the National Stock Exchange of India Limited (hereinafter referred to as NSE) for the listing of the Equity Shares pursuant to letter Ref.: NSE/LIST/4080 dated September 16, 2024. For the purposes of the Offer, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus dated September 19, 2024 has been filed with the RoC and Prospectus shall be filed to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 298 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): Since the Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. The Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 241 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF NSE ("NSE EMERGE") (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 Offer Document. The investors are advised to refer to the Offer Document for the full text of the Disclaimer Clause of NSE.

TRACK RECORD OF BOOK RUNNING LEAD MANAGERS: The Merchant Banker associated with the Issue has handled 58 SME public issues in the past three years out of which 1 Issue closed below the Issue Price on listing date.

GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 25 of the Red Herring Prospectus.

ASBA * | Simple, Safe, Smart way of Application- Make use of it!!! *Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below. Mandatory in Public Issues from January 01, 2016. No cheque will be accepted



UPI-Now available in ASBA for Retail Individual Investors (RII)**

Investors are required to ensure that the bank account used for bidding is linked to their PAN. UPI – Now available in ASBA for RIIs applying through Registered Brokers, DPs & RTAs. RIIs 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 have to apply through the ASBA process. "ASBA has to be availed by all the investors except anchor investor. UPI may be availed by Retail Individual Investors. For details on the ASBA and the UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" beginning on page 259 of the Red Herring Prospectus. The process is also available on the website of Association of Investment Bankers of India ("AIBI"), the Stock Exchanges and in the General Information Document.
***ASBA forms can be downloaded from the website of NSE ("NSE Emerge")**

****List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. ICICI Bank Limited has been appointed as Sponsor Bank for the Offer, in accordance with the requirements of the SEBI circular dated November 1, 2018, as amended. For UPI related queries, investors can contact NPCI at the toll free number-18001201740 and Mail Id- ipo.upi@npci.org.in. For the list of UPI Apps and Banks live on IPO, please refer to the link www.sebi.gov.in. For Offer related grievance investors may contact: Hem Securities Limited- Sourabh Garg (+91 141 -4051000) (Email Id: ib@hemsecurities.com).**

BOOK RUNNING LEAD MANAGER TO THE OFFER	REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 HEM SECURITIES LIMITED Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India Tel. No.: +91- 022- 49060000; Fax No.: +91- 022- 22625991 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com; Contact Person: Sourabh Garg SEBI Regn. No. INM000010981	 BIGSHARE SERVICES PRIVATE LIMITED Address: S6-2, 6th Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra India. Telephone: +91 22 6263 8200; Facsimile: +91 22 6263 8299 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Website: www.bigshareonline.com ; Contact Person: Vinayak Murbale SEBI Regn. No.: INR000001385	 NEHA TAHIR SAHASRA ELECTRONIC SOLUTIONS LIMITED Registered Office: 33, Pocket 1, Jasola Vihar New Friends Colony, South Delhi-110025, New Delhi, India. Corporate Office: 68-AA Noida Special Economic Zone, Nepz Post Office, Gautam Buddha Nagar, Noida-201305, Uttar Pradesh, India. Tel No: +91-120-4202604; E-mail: cs@sahasraelectronics.com; Website: www.seslimited.in Investors can contact the Company Secretary and Compliance Officer or the BRLMs or the Registrar to the Offer in case of any pre-offer or post-offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc.

AVAILABILITY OF RED HERRING PROSPECTUS: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Offer. Full copy of the Red Herring Prospectus is available on the website of the Company at https://www.seslimited.in/ipo.html the website of the BRLM to the Offer at www.hemsecurities.com, the website of NSE Emerge at https://www.nseindia.com/companies-listing/corporate-filings-offer-documents#sme_offer respectively.

AVAILABILITY OF BID-CUM-APPLICATION FORMS: Bid-Cum-Application forms can be obtained from the Registered Office of the Company: Sahasra Electronic Solutions Limited, Tel No: +91-120-4202604; BRLM: Hem Securities Limited, Telephone: +91-22-4906 0000 and the Syndicate Members: Hem Finlease Private Limited, Telephone: +91-22-49060000 and at the selected locations of the Sub-Syndicate Members, Registered Brokers, RTAs and CDPs participating in the Offer. Bid-cum-application Forms will also be available on the websites of NSE and the designated branches of SCSBs, the list of which is available at websites of the stock exchanges and SEBI.

ESCROW COLLECTION BANK/ REFUND BANK/ PUBLIC OFFER ACCOUNT BANK/ SPONSOR BANK: ICICI Bank Limited. **LINK TO DOWNLOAD ABRIDGED PROSPECTUS:** https://www.seslimited.in/ipo.html **UPI:** Retail Individual Bidders can also Bid through UPI Mechanism.

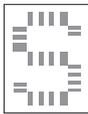
All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Red Herring Prospectus.

Place: Delhi
Date: September 19, 2024

Disclaimer: Sahasra Electronic Solutions Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares the Red Herring Prospectus dated September 19, 2024 has been filed with the Registrar of Companies, Delhi, and thereafter with SEBI and the Stock Exchanges. The RHP is available on the website of NSE Emerge at https://www.nseindia.com/companies-listing/corporate-filings-offer-documents#sme_offer and is available on the websites of the BRLM at www.hemsecurities.com. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the Red Herring Prospectus including the section titled "Risk Factors" beginning on page 25 of the Red Herring Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and unless so registered, and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. State Securities laws. The Equity Shares are being issued and sold outside the United States in 'offshore transactions' in reliance on Regulation "S" under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public offering in the United States.

On behalf of Board of Directors
Sahasra Electronic Solutions Limited
 Sd/-
Neha Tahir
Company Secretary and Compliance Officer



THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT. THIS DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES. THIS PUBLIC ANNOUNCEMENT IS NOT INTENDED FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY OUTSIDE INDIA.

SAHASRA ELECTRONIC SOLUTIONS LIMITED



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 taken 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 the 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, Nepz Post Office, Gautam Buddha Nagar, Noida-201305, Uttar Pradesh, India.

Tel No: +91-120-4202604; E-mail: cs@sahasraelectronics.com; Website: www.seslimited.in

Contact Person: Neha Tahir, Company Secretary & Compliance Officer

OUR PROMOTERS: AMRIT LAL MANWANI, ARUNIMA MANWANI & VARUN MANWANI

"THE OFFER IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF NSE."

Our Company is an EN 9100:2018 certified company, which is engaged in the business of providing solutions towards electronics system design and manufacturing ("ESDM") services at its manufacturing plant located at 68AA, NSEZ, Noida, Uttar Pradesh, which is equipped with four high speed SMT lines having a total capacity of around 180000 units.

THE OFFER

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 ₹ 10/- PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ 65.78 LAKHS ("PUBLIC OFFER") COMPRISING OF A FRESH ISSUE OF UPTO 60,78,000 EQUITY SHARES AGGREGATING TO ₹ 60.78 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 ₹ 5 LAKHS COMPRISING BY AMRIT LAL MANWANI; OUT OF WHICH 3,29,600 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN OFFER PRICE OF ₹ 10/- PER EQUITY SHARE FOR CASH, AGGREGATING ₹ 32.96 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 57,48,400 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN OFFER PRICE OF ₹ 10/- PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ 57.48 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET OFFER". THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE 26.32% AND 25.00% RESPECTIVELY OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF SELLING SHAREHOLDER, OFFER FOR SALE AND THE WEIGHTED AVERAGE COST OF ACQUISITION

Name of Selling Shareholder	Category of Shareholder	No. of Equity Shares Offered/ amount (in ₹ lakhs)	Weighted average cost of Acquisition (in ₹ per Equity Share)
Amrit Lal Manwani	Promoter Selling Shareholder	Up to 5,00,000 Equity Shares aggregating to ₹ 5 Laks	10.00

- QIB PORTION: NOT MORE THAN 50.00% OF THE NET OFFER
- NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET OFFER
- RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET OFFER
- MARKET MAKER PORTION: UPTO 3,29,600 EQUITY SHARES OR 5.01% OF THE OFFER

PRICE BAND: RS. 269 TO RS. 283 PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH

THE FLOOR PRICE IS 26.9 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 28.3 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 400 EQUITY SHARES AND IN MULTIPLES OF 400 EQUITY SHARES THEREAFTER.

RISKS TO INVESTORS

- Our business is dependent on the sale of our products to certain key customers which also includes some of our Group Companies. The loss of any of these customers or loss of revenue from sales to these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
- We are significantly dependent on revenue from sale of PCBA. Any inability to anticipate or adapt to evolving up gradation of the required products or inability to ensure product quality or reduction in the demand of these products may adversely impact our revenue from operations and growth prospects.
- The Merchant Banker associated with the Issue has handled 58 SME public issues in the past three years out of which 1 Issue closed below the Offer Price on listing date.
- Average cost of acquisition of Equity Shares held by the Individual Promoters is
- Weighted Average Return on Net worth for Fiscals 2024, 2023* and 2022 is 63.16%. *RoNW for the period March 31, 2023 have been calculated considering the combined PAT of the company for the period February 21, 2023 to March 31, 2023 and for the erstwhile proprietorship for the period April 01, 2022 to February 20, 2023 and divided by Networth as on March 31, 2023.
- The Weighted average cost of acquisition of all Equity Shares transacted in the last 1 year, 18 months and 3 years from the date of RHP is as given below:

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper end of the Price Band (Rs. 283) is "X" times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.)
Last 1 year/ Last 18 months	202.00	1.40	202-202
Last 3 years	19.60	14.44	10-202

- The Weighted average cost of acquisition compared to floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price (i.e. ₹ 269)	Cap Price (i.e. ₹ 283)
WACA of primary issuance(exceeding 5% of the pre issue capital)	202.00	1.33 times	1.40 times
WACA for secondary sale / acquisition (exceeding 5% of the pre issue capital)	NA^	NA^	NA^

Note:

^There were no secondary transactions as mentioned in paragraph 8(b) above, in last 18 months from the date of the Red Herring Prospectus.

BASIS FOR OFFER PRICE

Investors should read the following summary with the section titled "Risk Factors", the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial Information of the Company" beginning on page 25, 95 and 142 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/ Offer Price shall be determined by our Company and Selling shareholder in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and the offer Price is 26.9 times of the face value at the lower end of the Price Band and 28.3 times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer "Risk Factors", "Our Business" and "Financial Statement as restated" beginning on page 25, 95 and 142 respectively of this Red Herring Prospectus.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry and the following are our primary competitive strength:

1. Dedicated solutions for ESDM services
2. Established relationships with customers
3. Established manufacturing capabilities
4. Quality Assurance
5. Experienced Promoters, management and operating team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled "Our Business" beginning on page 96 of the Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled "Financial Information of the Company" on page 142 of this Red Herring Prospectus.

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

1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each), as adjusted for change in capital: As per the Restated Financial Statements;

Sr. No.	Period	(Amount in ₹)	Weights
1.	Period ending March 31, 2022	1.41	1
2.	Period ending March 31, 2023*	11.41	2
3.	Period ending March 31, 2024	18.05	3
	Weighted Average	13.06	

*EPS for the period March 31, 2023 have been calculated considering the combined EPS of the company for the period February 21, 2023 to March 31, 2023 and for the erstwhile proprietorship for the period April 01, 2022 to February 20, 2023.

Notes:

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

vi. Diluted Earnings per Share – Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ 269 to ₹ 283 per Equity Share of Face Value of ₹ 10/- each fully paid up

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2024.	14.90	15.68
P/E ratio based on the Weighted Average EPS, as restated.	20.60	21.67
Industry P/E Ratio*		
Highest (Kaynes Technology India Limited)		181.56
Lowest (Trident Techlabs Limited)		153.99
Industry Average		167.77

*For the purpose of industry, we believe the companies engaged in the same sector or engaged in the similar line of business segment, however, they may not be exactly comparable in terms of size or service portfolio on a whole with that of our business. Average PE have been calculated based on the PE of the Peer company of Kaynes Technology India Limited & Trident Techlabs Limited.

Note:

- The P/E ratio has been computed by dividing Offer Price with EPS.
- P/E Ratio of the company is based on the exchange announcement of the company for the year 2024 and stock exchange data dated September 17, 2024.

3. Return on Net worth (RoNW)

Sr. No.	Period	RoNW (%)	Weights
1.	Period ending March 31, 2024	54.08%	3
2.	Period ending March 31, 2023**	100.12%	2
3.	Period ending March 31, 2022	16.44%	1
	Weighted Average	63.16%	

**Restated Profit after tax/Net Worth

*RoNW for the period March 31, 2023 have been calculated considering the combined PAT of the company for the period February 21, 2023 to March 31, 2023 and for the erstwhile proprietorship for the period April 01, 2022 to February 20, 2023 and divided by Networth as on March 31, 2023.

Note:

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

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

Sr. No.	NAV per Equity Share*	Amount in ₹
1.	As at March 31, 2022	08.57
2.	As at February 21, 2023	13.55
3.	As at March 31, 2023	11.43
4.	As at March 31, 2024	33.37
5.	NAV per Equity Share after the Offer	
	i) At Floor Price	88.55
	ii) At Cap Price	92.96
6.	Offer Price	10

*The above NAV has been calculated giving the effect of Bonus Shares

Note:

- The NAV per Equity Share has been computed by dividing restated networth with weighted average number of equity shares outstanding at the end of the year/ period.

5. Comparison of Accounting Ratios with Industry Peers

Name of Company	Current Market Price (₹)	Face Value (₹)	EPS * (₹)	PE	RoNW (%) *	Book Value (₹)	Total Income (₹ in Lakhs)
Sahasra Electronic Solutions Limited	[-]	10.00	18.05	[-]	54.09%	33.37	10278.79
Peer Group							
Kaynes Technology India Limited	5561.20	10.00	30.63	181.56	7.37	389.32	186053.50
Trident Techlabs Limited	850.00	10.00	5.52	153.99	20.12	26.95	7300.39

Notes:

- Source – Annual report of the company for the year 2024 and stock exchange data dated September 17, 2024. For our Company, we have taken CMP as the Offer price of equity share. Further, P/E Ratio is based on the CMP of the respective scrip.
- The EPS, NAV, RoNW and revenue from operations of the Company are taken as per Restated Financial Statement for the Financial Year 2023-24 as adjusted with the effect of Bonus Issue.
- P/E Ratio of the company is based on the Annual report of the company for the year 2024 and stock exchange data dated September 17, 2024.
- RoNW has been computed as net profit after tax divided by closing net worth.
- Net worth has been computed in the manner as specified in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Offer price is ₹ 10/- times the face value of equity share.

6. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, helps us in analyzing the growth of various vendors in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 11, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. Kapoor Tandon & Co. Chartered Accountants, by their certificate dated June 11, 2024.

The KPIs of our Company have been disclosed in the sections titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators" on pages 95 and 214, respectively. We have described and defined the KPIs, as applicable, in "Definitions and Abbreviations" on page 1 of this Red Herring Prospectus.

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

Continued on next page

Continued from previous page

Key Performance Indicators of our Company

₹ (In Lakhs except percentages and ratios)

Particulars	As at and for the year/period ended			
	March 31, 2024	February 22, 2023 to March 31, 2023	April 1, 2022 to February 21, 2023	March 31, 2022
Revenue from Operations ⁽¹⁾	10115.27	1043.1	5865.23	2175.65
EBITDA ⁽²⁾	3526.58	246.23	1876.88	377.48
EBITDA Margin ⁽³⁾	34.86%	23.61%	32.00%	17.35%
Profit After Tax (PAT)	3262.77	230.55	1794.56	250.17
PAT Margin ⁽⁴⁾	32.26%	22.10%	30.60%	11.50%
ROE ⁽⁵⁾	54.09%	11.37%	73.70%	16.44%
ROCE ⁽⁶⁾	42.50%	9.11%	56.81%	16.30%

Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- EBITDA is calculated as Profit before tax + Depreciation + Interest Cost - Other Income

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

₹ (In Lakhs except percentages and ratios)

Key Financial Performance	Sahasra Electronic Solutions Limited				Kaynes Technology India Limited			Trident TechMats Limited		
	FY 2023-24	February 22, 2023 to March 31, 2023	April 1, 2022 to February 21, 2023	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations ⁽¹⁾	10115.27	1043.1	5865.23	2175.65	180461.9	112611.40	70,624.90	7262.06	6,734.71	2,974.34
EBITDA ⁽²⁾	3526.58	246.23	1876.88	377.48	25416.80	16650.5	9281	1596.92	888.37	435.25
EBITDA Margin (%) ⁽³⁾	34.86%	23.61%	32.00%	17.35%	14.08%	14.79%	13.14%	21.99%	13.19%	14.63%
PAT ⁽⁴⁾	3262.77	230.55	1794.56	250.17	18238.90	9519.6	4167.5	936.75	466.69	64.49
PAT Margin (%) ⁽⁵⁾	32.26%	22.10%	30.60%	11.50%	10.16%	8.45%	5.90%	12.90%	6.93%	2.17%
RoE (%) ⁽⁶⁾	54.09%	11.37%	73.70%	16.44%	10.63%	16.36%	24.25%	28.32%	28.34%	4.95%
RoCE (%) ⁽⁷⁾	42.50%	9.11%	56.81%	16.30%	10.20%	14.52%	22.44%	24.26%	20.84%	8.32%

*All the information for listed industry peer mentioned above are on a standalone basis and is sourced from their respective audited/unaudited financial results and/or annual report.

Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements/Annual Reports of the respected
- Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- EBITDA is calculated as Profit before tax + Depreciation + Interest Cost - Other Income
- EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations
- PAT Margin (%) is calculated as PAT for the period/year divided by revenue from operations.
- Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account

8. Weighted average cost of acquisition

a) The price per share of our Company based on the primary/new issue of shares (equity/convertible securities)

Except as stated below, there has been no issuance of Equity Shares during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Date of Allotment	No. of equity Shares Allotted	Face value per Equity share (₹)	Issue price per Equity share (₹) (Including Securities Premium)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
February 16, 2024	6,80,591	10/-	202/-	Private Placement	Cash	1374.79
February 29, 2024	2,64,672	10/-	202/-	Private Placement	Cash	534.64

b) The price per share of our Company based on the secondary sale/acquisition of shares (Equity Shares) There have been no secondary sale/acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Other capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Weighted average cost of acquisition, floor price and cap price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e., ₹ 269)	Cap price (i.e., ₹ 283)
Weighted average cost of acquisition of primary/new issue as per paragraph 8(a) above.	202.00	1.33 times	1.40 times
Weighted average cost of acquisition for secondary sale/acquisition as per paragraph 8(b) above.	NA [*]	NA [*]	NA [*]

Note:

*There were no secondary sale/acquisition as mentioned in paragraph 8(b) above, in last 18 months from the date of this Red Herring Prospectus.

Sahasra Electronic Solutions Limited is a Book Built Issue and the price band and the price band will be published 2 working days before opening of the Offer in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Delhi Edition of Regional newspaper Pratah Kiran where the registered office of the Company is situated each with wide circulation.

The Offer Price of ₹ 269/- has been determined by our Company and Selling Shareholder in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the abovementioned information along with "Our Business", "Risk Factors" and "Restated Financial Statements" on pages 95, 25 and 142 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

BID/ OFFER PROGRAM

BID/ OFFER OPENS ON: THURSDAY, SEPTEMBER 26, 2024

BID/ OFFER CLOSES ON: MONDAY, SEPTEMBER 30, 2024

*Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI (ICDR) Regulations, 2018.

In case of any revisions in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Offer 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/ Offer Period for a minimum of one working day, subject to the Bid/ Offer Period not exceeding ten working days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Share Transfer Agents. The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), read with Regulation 253 of the SEBI (ICDR) Regulations, as amended, wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion 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 Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI (ICDR) Regulations, subject to valid bids being received at or above the Offer Price. Anchor Investors are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RBIs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" beginning on page 259 of the Red Herring Prospectus.

Bidders/ Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Offer. 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 Applicants' sole risk. Bidders/Applicants should ensure that PAN, DP ID and Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available 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. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBOT Notification dated February 13, 2020 and press release dated June 25, 2021.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 119 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see the section "Material Contracts and Documents for Inspection" on page 298 of the Red Herring Prospectus.

LIABILITY OF MEMBERS AS PER MOA: The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The authorized share capital of the Company is ₹s. 25,00,00,000/- (Rupees Twenty-Five Crores) divided into 2,50,00,000 (Two Crore Fifty Lakhs Only) Equity Shares of ₹s.10/- each. The issued, subscribed and paid-up share capital of the Company before the Offer is ₹s. 10,91,47,530 (Rupees Eighteen Crores Ninety One Lakhs Forty Seven Thousand Six Hundred Thirty only) divided into 1,09,14,753 (One Crore Eighty Nine Lakhs Fourteen Thousand Seven Hundred Sixty Three) Equity Shares of ₹s. 10 each. For details of the Capital Structure, see "Capital Structure" on page 57 of the Red Herring Prospectus.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: Given below are the names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of Association of our Company, Amrit Lal Marwani 1,79,64,500, Varun Marwani 1,200, Anurama Manvi 1,200, Varsha B P Marwani 1,200, Akshay Marwani 1,200, Narayan Bhasme 100 and Pinta Naskar 100 shares aggregating to 1,79,69,500 Equity Shares of ₹s.10/- each. Details of the main objects of the Company as contained in the Memorandum of Association, see "History and Corporate Structure" on page 119 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see "Capital Structure" on page 57 of the Red Herring Prospectus.

LISTING: The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the NSE Emerge. Our Company has received an "in-principle" approval from the National Stock Exchange of India Limited (hereinafter referred to as NSE) for the listing of the Equity Shares pursuant to letter Ref.: NSE/LIST/4080 dated September 16, 2024. For the purposes of the Offer, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus dated September 19, 2024 has been filed with the RoC and Prospectus shall be filed to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 298 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): Since the Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors should read the entire Disclaimer Clause of SEBI beginning on page 241 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF NSE ("NSE EMERGE") (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 Offer Document. The investors are advised to refer to the Offer Document for the full text of the Disclaimer Clause of NSE.

TRACK RECORD OF BOOK RUNNING LEAD MANAGERS: The Merchant Banker associated with the Issue has handled 58 SME public issues in the past three years out of which 1 Issue closed below the Issue Price on listing date.

GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 25 of the Red Herring Prospectus.

ASBA * Simple, Safe, Smart way of Application- Make way of it!!!

*Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below.
 Mandatorily in Public Issues from January 01, 2016. No cheque will be accepted



UPI-Now available in ASBA for Retail Individual Investors (RII)**

Investors are required to ensure that the bank account used for bidding is linked to their PAN, UPI - Now available in ASBA for Retail Individual Investors (RII)** applying through Registered Brokers, DPs & RTAs. RIIs also have the option to submit the application directly to the ASBA Bank (SCSSBs) or to use the facility of linked online trading, demat and bank account, Investors have to apply through the ASBA process. *ASBA has to be available by all the investors except anchor investor. UPI may be available by Retail Individual Investors. For details on the ASBA and the UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" beginning on page 259 of the Red Herring Prospectus. The process is also available on the website of Association of Investment Bankers of India ("AIBI"), the Stock Exchanges and in the General Information Document.

*ASBA forms can be downloaded from the website of NSE ("NSE Emerge")

**List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. ICICI Bank Limited has been appointed as Sponsor Bank for the Offer, in accordance with the requirements of the SEBI circular dated November 1, 2018, as amended. For UPI related queries, investors can contact NPCI at the toll free number-18001201740 and Mail ID- ipo.upi@npci.org.in. For the list of UPI Apps and Banks live on IPO, please refer to the link www.sebi.gov.in. For Offer related grievance investors may contact: Hem Securities Limited- Sourabh Garg (+91 141 -4051000) (Email ID: ib@hemsecurities.com).

BOOK RUNNING LEAD MANAGER TO THE OFFER

REGISTRAR TO THE OFFER

COMPANY SECRETARY AND COMPLIANCE OFFICER



HEM SECURITIES LIMITED

Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India
 Tel. No.: +91-22-49060000; Fax No.: +91-22-22625991
 Email: ib@hemsecurities.com
 Investor Grievance Email: redressal@hemsecurities.com
 Website: www.hemsecurities.com; Contact Person: Sourabh Garg
 SEBI Regn. No. INM000010981



BIGSHARE SERVICES PRIVATE LIMITED

Address: S6-2, 6th Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, Maharashtra India.
 Telephone: +91 22 6263 8200; Facsimile: +91 22 6263 8299
 Email: ipo@bigshareonline.com
 Investor Grievance Email: investor@bigshareonline.com
 Website: www.bigshareonline.com; Contact Person: Vinayak Morbale
 SEBI Regn. No.: INR000001385



NEHA TAHR SAHASRA ELECTRONIC SOLUTIONS LIMITED

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; Website: www.sefimited.in

Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Offer, in case of any pre-offer or post-offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc.

AVAILABILITY OF RED HERRING PROSPECTUS: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Offer. Full copy of the Red Herring Prospectus is available on the website of the Company at <https://www.sefimited.in/ipo.html> the website of the BRLM to the Offer at www.hemsecurities.com, the website of NSE Emerge at https://www.nseindia.com/companies-listing/corporate-filings-offer-documents#nse_offer and is available on the websites of the BRLM at www.hemsecurities.com. Any potential investors should note that the sections in the Red Herring Prospectus including the section titled "Risk Factors" beginning on page 25 of the Red Herring Prospectus.

AVAILABILITY OF BID-CUM-APPLICATION FORMS: Bid-Cum-Application forms can be obtained from the Registered Office of the Company, Sahasra Electronic Solutions Limited, Tel No: +91-120-4202604. BRLM: Hem Securities Limited, Telephone: +91-22-4906 0000 and the Syndicate Members: Hem Finance Private Limited, Telephone: +91-22-49060000 and at the selected locations of the Sub-Syndicate Members, Registered Brokers, RTAs and CDPs participating in the Offer. Bid-cum-application Forms will also be available on the websites of NSE and the designated branches of SCSSBs, the list of which is available at websites of the stock exchanges and SEBI.

ESCROW COLLECTION BANK/ REFUND BANK/ PUBLIC OFFER ACCOUNT BANK/ SPONSOR BANK: ICICI Bank Limited. LINK TO DOWNLOAD ABRIDGED PROSPECTUS: <https://www.sefimited.in/ipo.html> UPI: Retail Individual Bidders can also Bid through UPI Mechanism.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Red Herring Prospectus.

Place: Delhi
 Date: September 19, 2024

Disclaimer: Sahasra Electronic Solutions Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares of the Red Herring Prospectus dated September 19, 2024 has been filed with the Registrar of Companies, Delhi, and thereafter with SEBI and the Stock Exchanges. The RHP is available on the website of NSE Emerge at https://www.nseindia.com/companies-listing/corporate-filings-offer-documents#nse_offer and is available on the websites of the BRLM at www.hemsecurities.com. Any potential investors should note that the sections in the Red Herring Prospectus including the section titled "Risk Factors" beginning on page 25 of the Red Herring Prospectus. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and unless so registered, and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. State Securities Laws. The Equity Shares are being issued and sold outside the United States in "offshore transactions" in reliance on Regulation "S" under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public offering in the United States.

On behalf of Board of Directors
 Sahasra Electronic Solutions Limited
 Sd/-
 Neha Tahir
 Company Secretary and Compliance Officer