

29th July 2022

The Board of Directors,

Syrma SGS Technology Limited

Dear Sir(s),

Re: Detailed Project Report

With reference to the Engagement letter dated 06 September 2021, we have prepared the Detailed Project Report (DPR) for Syrma SGS Private Limited ("Syrma"). The DPR is prepared for the onward submission to the Book running lead managers for the purpose of inclusion as part of the 'Object of the offer' section in the red herring prospectus (the "RHP") prepared by the Company in connection with its proposed Initial Public Offer ("IPO") in terms of the requirements of:

- (i) Section 26 of Part I of Chapter III of the Companies' Act, 2013("the Act");
- (ii) Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India, as amended.

The DPR should not be used for any other purpose without our prior written consent.

Accordingly, we enclose herewith the Detailed Project Report of Hosur, Tamil Nadu dated 29th July 2022.

The professional engagement has been carried out based upon our knowledge of business, discussions carried out with the Management and the relevant stakeholders, visits to existing manufacturing plants and a few planned expansion sites, and other supporting documents (technical and otherwise) received from the Management.

The DPR is prepared based upon the current plans of utilization of the funds proposed to be raised through the IPO as at date of DPR and any subsequent change in plans will require an update to the DPR.

We would like to thank the Management and the staffs for their co-operation and courtesies extended to us during the course of our assignment.

Should you require any clarification, we shall be pleased to provide the same.

Thanking you,

For and on behalf of **M/s Rahul R Pujara & Associates**

Rahul R Pujara, Proprietor

Syrma SGS Technology Limited

Detailed Project Report dated 29-Jul-22 prepared by Rahul R Pujara & Associates in connection with the project proposed to be undertaken by our Company in Hosur in Tamil Nadu, India.

Prepared by :

Rahul R Pujara & Associates

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1. Brief About the Company

Syrma SGS Technology Limited (“Syrma” or “the Company”), was established in Jan 2005 in the Madras Export Processing Zone (MEPZ), a Special Economic Zone (SEZ), situated in Chennai. The Company a leading technology-focused engineering and design company engaged in turnkey electronics manufacturing services (“EMS”), specialising in precision manufacturing for a variety of end-use industries Company was incorporated in 2004 when it commenced manufacturing of magnetics and memory modules. In November 2005, it commenced manufacturing of RFID products and subsequently progressed into manufacturing of PCBA products in April 2007. It leverages our various strengths to consolidate and bring down the cost of raw materials and components, and explore alternative components, vendors, materials and processes to reduce product cost and bring faster products to market. Their concept of co-creation initiative enables to design products for customers from an idea or concept that they initiate and give them the preliminary prototypes for their testing and trials. Once the design and quality are approved, company help them to seamlessly transition to volume manufacturing with high-speed state-of-the-art manufacturing facilities. Company have continuously diversified product portfolio to keep pace with developments in technology. In addition, company’s continued focus on technology innovation and design infrastructure have also enabled to undertake design and engineering services for customers over time.

Company currently operates through eight manufacturing facilities spread across five states namely Tamil Nadu, Karnataka, Himachal Pradesh, Uttar Pradesh and Haryana. Company’s manufacturing facilities in Tamil Nadu are located in a special economic zone, which allow us to avail certain tax and other benefits in respect of the products manufactured out of these facilities. Manufacturing facilities are strategically located in Tamil Nadu and Karnataka, which allow company to cater to its customers in south India and our export requirements (in light of the proximity of these facilities to the respective city airports and Chennai port). In addition, manufacturing facilities in Himachal Pradesh and Haryana enable company to cater to its customers in north India. Manufacturing facility in Gurgaon, Haryana, which caters exclusively to export customers, has been set up under the Electronic Hardware Technology Park scheme, allows to avail various tax benefits. Not far from Delhi Airport and with better road connectivity Ghaziabad (Uttar Pradesh) plant specialises in manufacturing of RFID inlay tags. Further details on the SMT manufacturing process and facilities, are provided under the Current Business operations section.

In addition to existing manufacturing, and engineering and design services offerings, company have also started ‘zone of autonomous creation’ in 2019 pursuant to which company provide quick prototyping services where a design concept is provided to the company by its customers and company help create an early form of the final product. Company has a dedicated line for PCB assembly with an autonomous team that has procurement, process, quality, and NPI (new product introduction) engineers independent of manufacturing facilities.

2. Current Business Operations

Company currently operates through eleven strategically located manufacturing facilities in north India (i.e. Himachal Pradesh, Haryana and Uttar Pradesh) and south India (i.e. Tamil Nadu and Karnataka). Pan-India presence enables us to efficiently cater to the requirements of our customers in north and south India. The Company offers competitive advantage to the customers as compared to other competing locations like China in terms of:

- Competitive cost
- In house Design & Development capability
- Well Developed Supply Chain for short delivery timelines.
- Competitive prices and ease of doing business.
- Quick Custom Clearance for Exports
- Proximity to Port and Airport, thus lower logistical costs.

During the recent years, the Company had done business in the following segments of industry for its overseas customers:

- Telecom and Wireless systems
- Medical Electronics
- Radio Frequency Identification devices
- IoT devices
- Switched Mode Power Supply (SMPS)
- Electronics Hardware & Appliances.

Some of the industries that Syrma is serving includes, Aerospace, automotive, consumer durables, industrial, renewable energy, power, opto-electronics, smart homes, RFID / wireless, software, telecom, etc.

The Company is proposing to invest Rs. 5,712.15 million as part of the Capital expenditure in 4 projects, across four different locations of the country. Out of Rs. 5,712.15 million budgeted CAPEX, the Company has budgeted a total CAPEX of Rs. 806.76 million (14.12% of the Rs. 5,712.15 million proposed budgeted CAPEX) for its Project at Hosur, Tamil Nadu. The Capital expenditure is spread across years for which all the details is given in the following detailed project report.

The summary of the entire investment in Capital Assets proposed to be made across projects as part of utilisation of the proceeds of the issue is as follows:

Project	Brief	Amount deployed as on 05-Jul-22	FY 22-23 (From 06-Jul-22)	FY 23-24	Total	Contribution %
Project Chennai, Tamil Nadu (A)	Development of R&D lab, expansion of EMS	198.98	1001.44	372.93	1573.35	27.54%

Project	Brief	Amount deployed as on 05-Jul-22	FY 22-23 (From 06-Jul-22)	FY 23-24	Total	Contribution %
	manufacturing facility					
Project Manesar and Bawal, Haryana (B)						
Manesar	Purchase of premises for establishment of EMS manufacturing facilities	667.52	756.21	823.94	2247.67	39.35%
Bawal	Development and construction of premises for setting up of SMT lines operations	45.59	470.53	70.24	586.36	10.27%
Project Hyderabad, Telangana (C)	Development of factory for setting up EMS manufacturing facilities	-	125.60	372.41	498.01	8.72%
Project Hosur, Tamil Nadu (D)	Development and construction of premises for setting up of SMT lines operations	-	261.69	545.07	806.76	14.12%
Total (A)+(B)+(C)+(D)		912.09	2615.47	2184.59	5712.15	100%

The Promoters, Promoter Group, Directors, Key Managerial Personnel and Group Companies do not have any interest in the proposed purchase of building, leasing of land, execution of civil works, acquisition of plant and machinery, or in the entities from whom we have obtained quotations in relation to such activities, except for Sandeep Tandon being the Director of J T Holdings Private Limited from whom the land and building is to be leased for Project Hyderabad.

In respect of the proposed capital expenditure, the Company has not made payments for 95.72% of the plant and machinery required and proposed to be purchased for these projects as on **05-Jul-22**. No second-hand or used machinery is proposed to be purchased out of the net proceeds from the issue of shares

Project Hosur, Tamil Nadu

A. Background of the Project

The Company proposes to undertake a project in Hosur for setting up a manufacturing facility to manufacture components for the transportation sector, mainly railways, as well as cater to other EMS requirements.

The Company has identified a need to increase capacity by around 600,00 components per hour to meet such demands from the existing customer, by installing 3 additional SMT lines, in a newly operational place in Hosur.

B. Capital Expenditure of the Hosur Project

The Company has budgeted an expenditure of around Rs. 806.76 million for setting up EMS Manufacturing business in Hosur. The overall expenditure breakup and the implementation schedule of the capital expenditure of construction of new premises and installation of SMT lines in Hosur is listed below:

Amount in Rs. Million

S. No.	Project	Nature of Expenditure	Amount deployed as on 05-Jul-22	FY 22-23 (From 06-Jul-22)	FY 23-24	Total
1	Acquisition of Land	Land	-	66.69	-	66.69
	Cost or construction of building	Civil construction	-	195.00	200.00	395.00
2	Developing and setting up SMT lines for EMS products. (3 SMT lines)	SMT Machinery Purchase	-	-	345.07	345.07
Sub-Total			-	261.69	545.07	806.76
Total				806.76		

The Expenditure shall be incurred on broad three categories:

- **Land Acquisition** – The Company proposes to procure a land for a consideration of an amount of Rs. 61.75 Million plus 8% stamp duty and registration charges, aggregating to Rs. 66.69 million with an land area of around 9.5 acres (413,820 sq ft.). The cost to be invested for purchase of land is based on Letter of Intent (LOI) entered into with Mr. Shanthaprasad and Ramaswamy Reddy dated 18-Nov-21. The amount indicated is the cost, after including all the applicable charges and taxes on purchase and registration of land as mentioned above. There is no relationship of the sellers of land (Mr. Shanthaprasad and Ramaswamy Reddy) to any promoter or director of the Issuer Company.

The land is yet to be acquired and will be registered in the name of the issuer Company post such purchase. The land upon acquisition will be free from all encumbrances and will have a clear title.

- **Building and Civil Cost** – The Company proposes to construct a building on the purchased land, with a total built-up area of around, 150,000 square ft. The cost to be incurred for construction and setting up infrastructure facilities, in proposed to be around Rs. 395 million which includes site development, construction of the building or premises from ground, setting up clean rooms for EMS manufacturing, setting up furniture and fixtures, IT equipment, etc. The cost towards construction of building is the landed cost based on the quotations obtained from contractors or vendors. The Company does not propose to purchase or use any second-hand equipment out of the investment amount considered for Project cost. The broad breakup of the civil cost is given below.
- **Machinery Purchase** – The Company is proposing to establish three SMT lines in the newly constructed building in Hosur. The Company will be expanding the EMS products manufacturing capacity on an overall entity level. The cost towards procurement of Machinery is the purchase cost based on the quotations obtained from vendors and excludes applicable freights, miscellaneous costs & import taxes, if any. Such additional costs shall be incurred and paid from internal accruals of the Company. The Costs have been computed assuming a conversion rate of Rs. 76/USD. No second-hand or used machinery is proposed to be purchased out of the investment amount considered for Project cost.

C. Location and it's viability

The address of the proposed area in Hosur: Kuppatti Rd, Devaganapalli, Hosur, Tamil Nadu 635114

Picture of the Proposed location:



Viability of the location:

1. The proposed new location is situated in an approved industrial estate. The primary benefits of industrial zones like, Govt. support, ease of business, availability of skilled manpower, availability of power etc. are available to the Company.
2. The plant is situated in a dedicated Industrial Zone other local issues surrounding noise pollution, disturbance from local civil issues not faced by the Company ensuring a stable, uninterrupted work-flow.

D. Construction and Civil Cost

The Company is proposing to construct a building on the above-mentioned land, with a built-up area of around, 1.50 lacs sq feet. The Company proposes to construct a building for setting up operational area in ground floor and first floor for production of EMS products. The amounts mentioned in the quote below are landed cost, which are excluding taxes, discounts, if any received from the Vendor, etc. The Company has estimated an overall expenditure for construction and civil work on the building of around Rs. 395 million. The broad breakup of the estimated Civil cost expenditure based on the quotation dated 21-Apr-22 received from the Contractor or Vendor, is as follows:

S. No.	Contractor / Vendor	Particulars	Amount (Rs. in million)
1	TSO Design Commune Private Limited	Building Construction and infrastructure for EMS manufacturing	260.00
2		Interior and Facility	104.00
3		Furniture	6.00
4		IT (Computer, software and IT hardware)	12.50
5		Stores racks etc.	6.00
6		IQC and testing	4.00
7		Tools and tool-room	2.50
	Total		395.00
	Expenditure allocated above for Civil and construction cost		395.00

The building construction includes the cost incurred for the development of the clean room for EMS manufacturing facility, electrical fittings, false ceiling, Mezzanine level, transformer and generators, power backup facility, etc. The above-mentioned expenditure is excluding applicable taxes.

E. Manufacturing Process –SMT lines Manufacturing report**Overview**

The Electronic Manufacturing is a term used for companies that design, manufacture, test, distribute and provides repair services for electronic components and assemblies for Original Equipment Manufacturers (OEMs). The Manufacturing process is carried out with combination of Surface Mounting Technology (SMT) and Through-Hole (TH) and box assembly.

The production process from handling of Raw materials to shipment of Finished Goods, all the operations are carried out in completely electro-static Discharge Controlled Environment.

The stages of electronic manufacturing service in generic are as follows:

- Material Handling and Kitting
- SMT Assembling
- Through-Hole Assembling
- Box/product Assembly
- Quality Audit and Shipping

The various stages of manufacturing process is as follows:

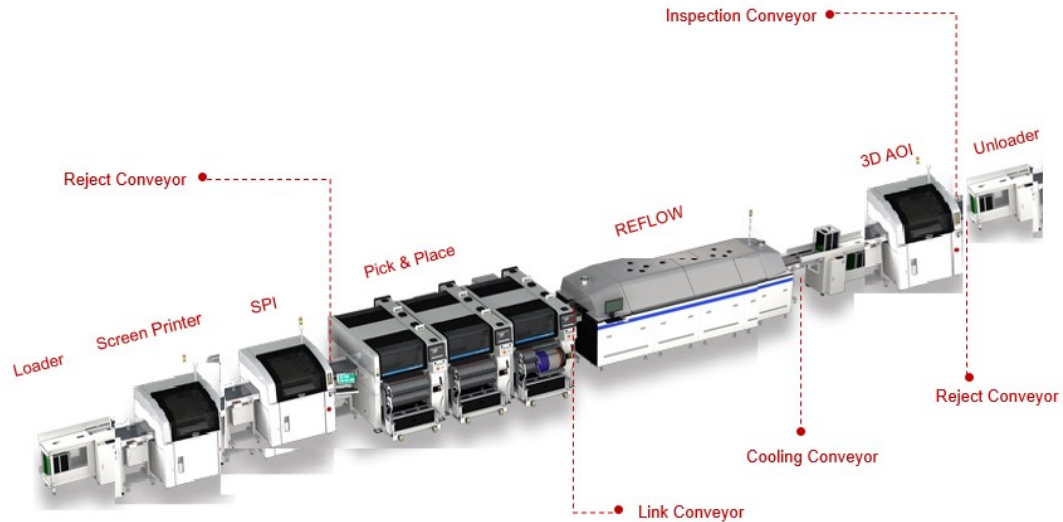
Material Handling and Kitting

Operation	Detailed description
Receiving Stores	The Raw Materials (RM) for Electronics manufacturing service includes various materials such as bare Printed circuit Boards (PCB's), active and passive electronic components (Surface Mount and Through-Hole Technology components), mechanical and plastic parts and other Consumables like Solder paste, ESD Gloves and masks, etc., These Raw Materials are stores in Material Receiving stores for Quality Inspection.
Incoming Quality Check (IQC)	The Quality inspection is carried out for all the RM to evaluate whether the same conforms to the technical requirements like control plan/Process Management Plans/test certificate/Drawing/Purchase specification.
Raw Material Storage	The QC cleared RM stock, is then moved to stores which is completely electro-static. Discharge controlled Environment to it protect against static discharges since the components are sensitive to static discharges resulting in damage of the components. Material which do not pass Incoming Quality check are sent to our internal Material Review Board for further review of materials to analyse feasibility of using the raw material or rejecting it back to the supplier.
Kitting	The availability of Bill of Materials (BOM) i.e. Electronic Components, Mechanical and plastic parts as per the specification are checked for Manufacture of Printed Circuit Board Assemblies (PCBA). Materials as per BoM are assembled and kits are prepared by the Company. These kits for Manufacturing of Printed Circuit Board Assemblies are then moved to Production Area for Manufacturing. This process is termed as Kitting.

SMT Assembling

SMT is where surface mount Device (SMD) or surface mount components are soldered onto the bare Printed Circuit Board (PCB) using high-end automatic Assembly lines.

Overview of SMT Line



Surface Mount Technology (SMT)

Surface Mount Technology process has a collective list of Automatic assembly equipment's to solder the surface mount components onto the PCB as follows:

Loader – It Loads the bare PCB to production line automatically by pushing PCBs out of Magazine onto the conveyor of the downstream machine.

Screen Printing – It is a process of printing solder paste on the solder pads of PCBs automatically, on which surface mount components are placed for soldering.

Solder Paste Inspection (SPI) – SPI machine automatically inspects the deposits of solder paste on solder pads as per specification. Once the boards passes SPI stage, it is moved down the line for further process.

Chip Shooter (Pick & Place) – It is a collective list of automatic equipment's, which picks and places the SMD components on the PCB, with the printed solder paste for soldering process.

Reflow Oven - Reflow oven has multiple zones, whose temperature can be individually controlled. It has multiple heating zones followed by cooling zones. The PCB with SMD components placed on it, passes through this Reflow oven on automated conveyor line, where the components are soldered to the PCB. It is then moved to Automatic Optical Inspection stage through conveyor line.

Automatic Optical Inspection (AOI) – AOI inspects the PCBA and verify if the SMD components are soldered to the PCB as per the specification. Once the PCBA passes AOI stage, it is moved to Magazine unloader through conveyor.

Un Loader - It un Loads the SMD components Assembled PCB from SMT production line automatically by pushing the PCBs to Magazine.

Through – Hole (TH) Assembling - TH Assembly is where Non-SMD and Leaded components are soldered onto PCB using semi-Automatic Lines.

Overview of Through-Hole Assembly Line



Manual Insertion Conveyor

The Non-SMD or Through-Hole components are inserted in the PCB using Manual operators in this line.

Wave Soldering

Wave soldering is a process of soldering Through-hole components automatically. PCB with components inserted is passed through the Wave Soldering Machine. The machine has molten solder over which the PCB is passed through over automated conveyor line. As the board makes contact with the molten solder, the components get soldered to the PCB. These populated or Assembled PCBs are termed as Printed Circuit Board Assemblies (PCBAs).

Box Build or Product Assembling

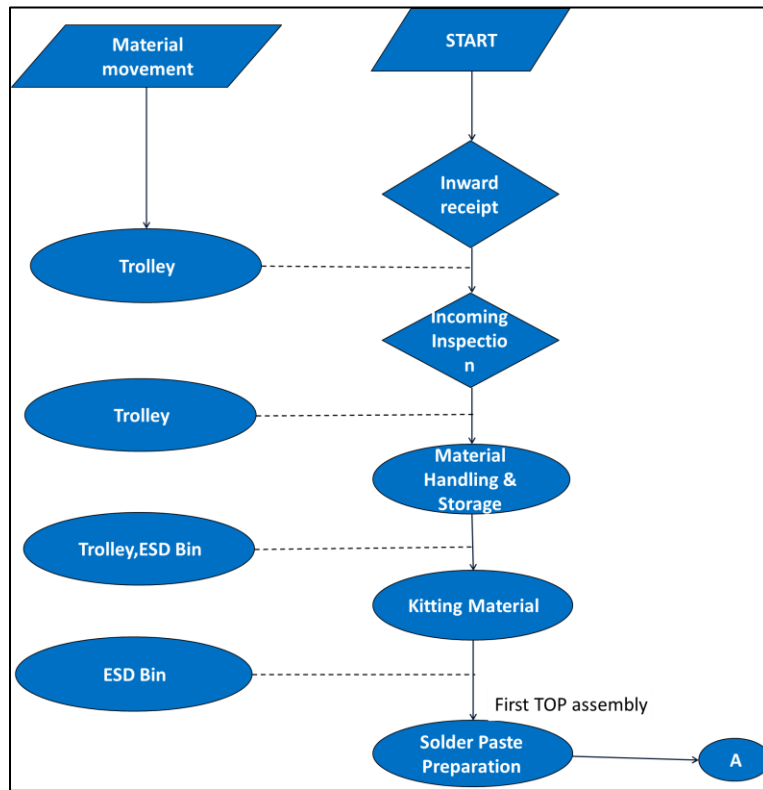
This soldered PCBA from the above production line is then passed to Box/product assembly Line where Mechanical and plastic parts are assembled as per customer requirement.

Quality Testing and Dispatch

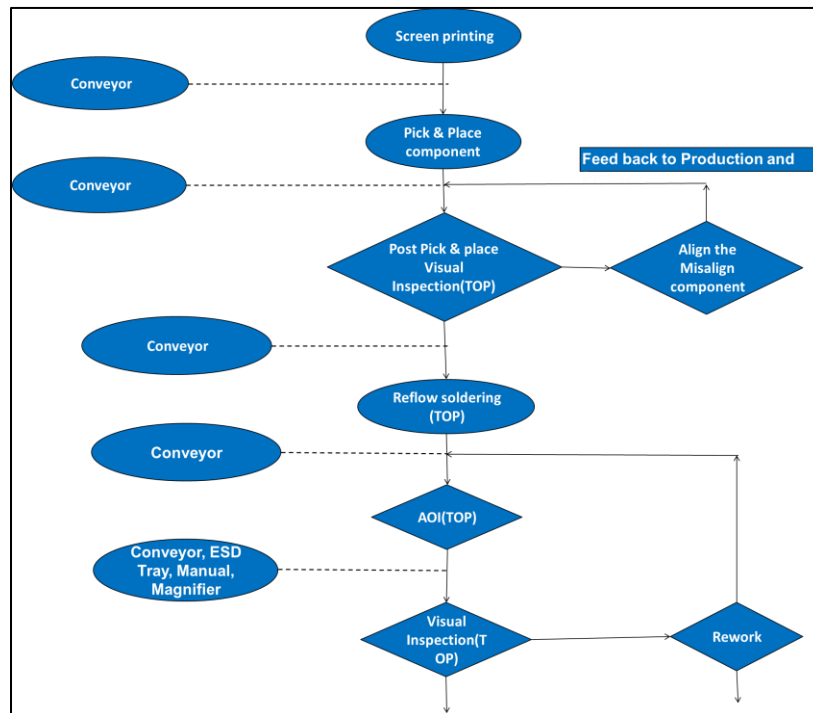
Operation	Description
Testing	Functional and reliability testing of PCBA or products is done based on customer requirements using various in-house developed test or off the shelf test equipment.
Out Box Audit (OBA)	Quality team inspects, audits and verifies the conformance of products to all specified requirements such as functionality, product dimension, etc.
Packing	Post clearance from OBA, the PCBA/products are packed as per customer requirements using ESD packing materials to make shipment.
Shipping Audit & Delivery	Shipping audit is carried out to verify Actual shipment Quantity is in line with the packing list, Invoice, address, and the goods are finally shipped to Customer.

Detailed Manufacturing Process flow

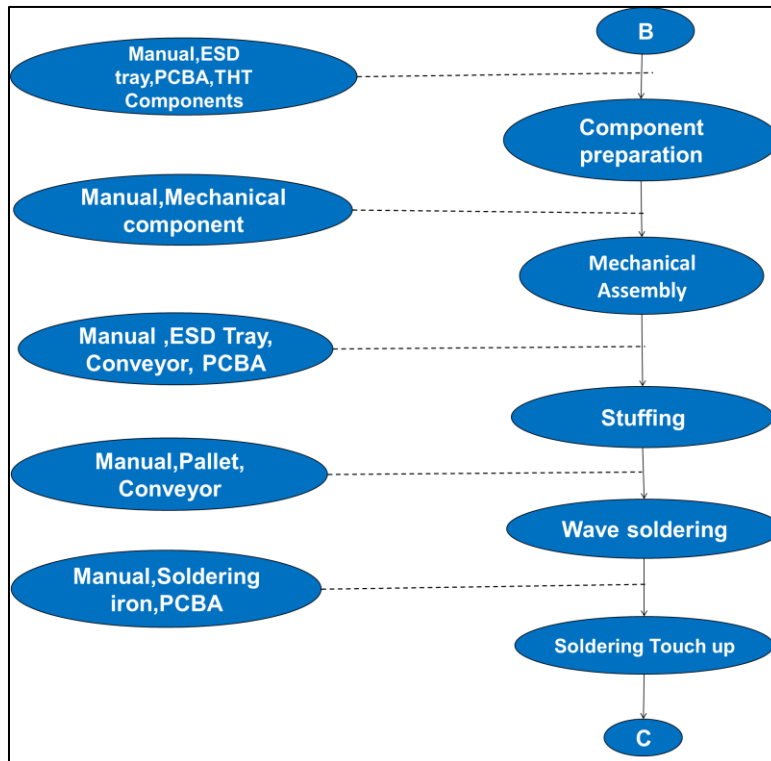
- Material Handling to Kitting



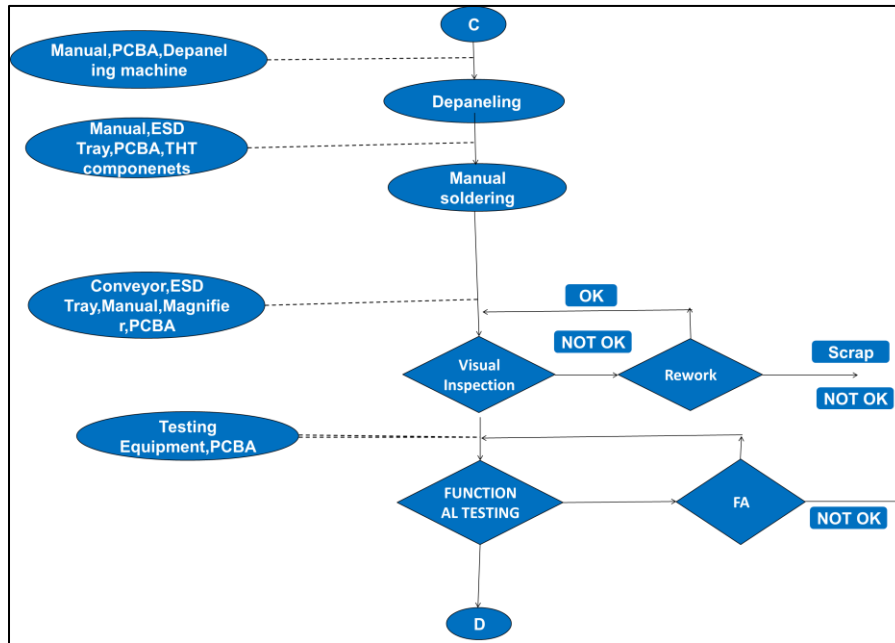
- SMT Assembly



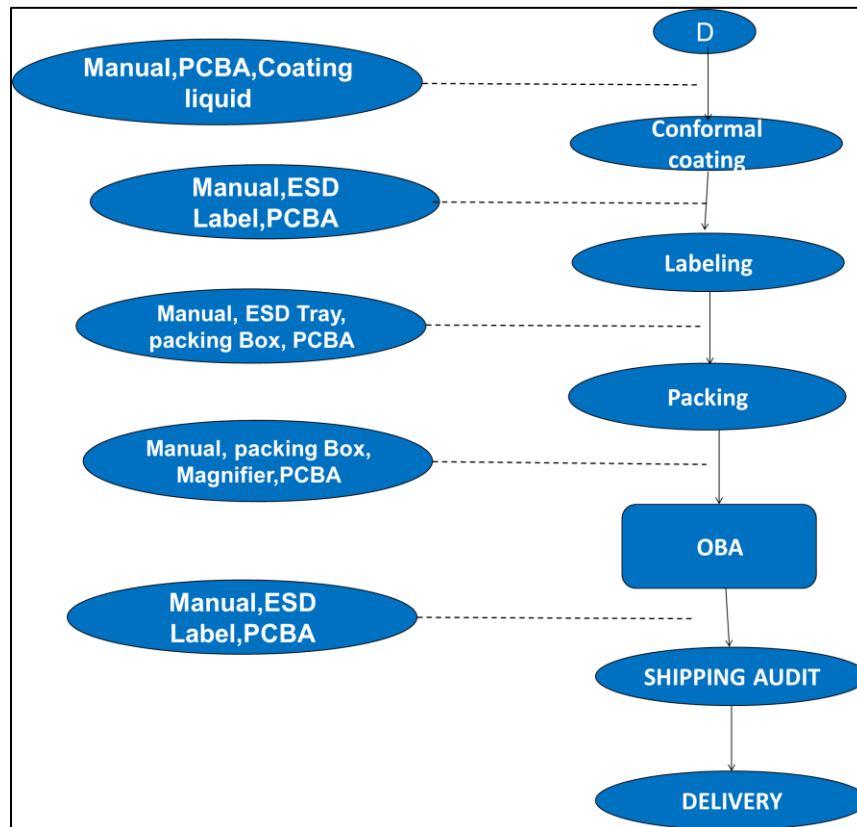
- **Through-Hole Assembly**



- **Testing**



- **Quality Audit and Shipping**



F. Factory requirement and Cost Breakup

Plant and Machinery requirements

The Company is proposing to install 3 SMT lines in the newly constructed Building of Hosur. The list of major equipment required for one SMT line along with the corresponding amounts is proposed as follows:

Description	Vendor	Date of Quotation	Amount (Rs. in million)
Reflow Oven with Standard Accessories	NM Tronics (India) Private Limited	25-Apr-22	4.47
Automatic Solder Paste Printer with Standard Accessories		25-Apr-22	4.69
Automatic Test and Inspection Equipment SPI		25-Apr-22	5.17
Automatic Test and Inspection Equipment AOI		25-Apr-22	17.90
Electrical and Air supply Accessories & Cleaning Machine		25-Apr-22	1.88
Pick and Place Machine (Chip Shooter)		25-Apr-22	54.30
Magazine, Loader, Unloader, Conveyors		25-Apr-22	3.08
JT Wave Soldering Machine WS 350		25-Apr-22	5.29
N2 Generator			
Feeders for Pick and Place Machine		25-Apr-22	12.66
Camera Barcode Reader		25-Apr-22	0.22
Total			109.66
Rounded off landed cost for investment in each SMT line– A			109.66
Proposed Number of SMT lines under the Hosur Division– B			3
Proposed Investment for 3 SMT lines (A * B)			328.98

Apart from the core machineries required for installing a single SMT line, the EMS manufacturing plant further requires other ancillary machineries and equipment to be procured and installed. The Company proposes to purchase certain other machineries or equipment which may be used by multiple SMT lines or a set of SMT lines i.e., certain expenditure which shall be incurred at factory level for core production

purposes. The following is the breakup of the estimated expenditure which may be incurred on setting up of the SMT lines manufacturing plant: **(Table 2)**

Description	Vendor	Date of Quotation	Amount (Rs. in million)
FLEXA Programming Software – Pick and Place machinery software (Intangible asset)	NMTronics (India) Private Limited	25-Apr-22	1.67
FLEXA Programming Software and Machine Interface - 32mm		25-Apr-22	3.47
FLEXA Programming Software and Machine Interface - 44mm			
System pc fujitrax and fujiflexa			
Aoi review system		25-Apr-22	10.96
Offline Router (4 Axes machine)			
Asyntek selectcoat			
Total			16.09
Rounded off landed cost for investment in each SMT line – A			16.09
Proposed set of other equipment under the Hosur Project – B			1
Proposed Investment for other equipment in setting up SMT manufacturing premises (A * B)			16.09

Total Expenditure proposed to be incurred on machinery for setting up additional EMS manufacturing:

Particulars	Amount (Rs. in million)
Estimated expenditure arrived for setting up SMT lines (Table 1)	328.98
Estimated expenditure incurred for purchasing of other equipment – factory level expenditure (Table 2)	16.09
Total Expenditure estimated to be spent on additional SMT lines under Hosur Project	345.07

The quotations for the above equipment, are valid for a period of 180 days, from the date of respective quotation.

Proposed Capacity of each SMT line

With the expansion of each SMT line, the capacity shall increase by the given components per hour (CPH). Capacity of each SMT line shall be as follows. The Proposed capacity for increase of 3 SMT lines in Hosur, shall be as given below:

Particulars	Proposed Capacity expansion in Hosur
Rated Machine capacity of Chip shooter per SMT line	380,000
Number of SMT lines	3
Rated Machine capacity of Chip shooter (cumulative) – A	1,140,000
Actual Machine capacity - Precision Placer - B	75,000
Total Line components placement capacity (C = A + B)	1,215,000
Actual capacity - Chip shooter (@55%) (D = C*55%)	668,250
Actual Capacity per hour @ 85 % Efficiency - E	568,013
No. of effective operational hours per day (for 2 shifts) - F	14
Optimum Capacity per day - (G = E * F)	7,952,175

The Capacity given above, is indicative and shall however depend on the products and the head used to place the components over the PCB in the SMT lines. The above-mentioned details shall be the average output based on the manufacturing capacity currently in the SMT lines with the latest technology.

3. Other aspects

I. Overall Project Implementation Timelines and Schedule

S. No.	Location	Project	Estimated Period of Commencement	Estimated Period of Purchase Order (PO)	Estimated Period of Delivery	Estimated Period of Installation or Erection	Estimated Period of Completion (including trial production)
1	Hosur, Tamil Nadu	Cost incurred for construction of building	Oct-22	Feb-23	Aug-23	Feb-24	May-24
2	Hosur, Tamil Nadu	Developing and setting up SMT lines for EMS manufacturing.	Oct-22	Feb-23	Aug-23	Feb-24	May-24

For Project Hosur, the estimated commercial production date is Jun 2024.

The proposed capacity expansion plans relating to the Company's manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns.

II. Pollution and Control technology

The Company is as such a non-pollution generating industry. However, the following precautions shall be availed by the Company,

Additionally, the SMT lines includes a Fume exhaust system in the reflow oven and in the wave soldering machine (machines part of the SMT lines) to ensure that the pollution is within the prescribed limits. Further, annual air quality monitoring with external lab shall be conducted to ensure that the air quality is within the prescribed limits of pollution.

The Company will ensure that terms in the Consent order approval from the Tamil Nadu State Pollution Control Board will be complied with for existing as well as proposed facilities.

During the process, some E-Waste may be generated. The E-scrap generated at manufacturing plant (Existing/Proposed) is/will be disposed through Authorized scrap dealer. The machineries required to be set up in the factory for maintaining appropriate pollution levels, are included in the list of equipment mentioned above and no other machineries are required to be set up for pollution control.

III. Safety

Safety of its employees is utmost priority for the Company. The proposed locations are fitted with suitable & sufficient Fire safety equipment like fire extinguishers, fire alarm system, fire hydrant system etc. Further, the Company shall design a full fledged fire exit plan in the new manufacturing facility set up.

IV. Power Requirements

The power availability will normally remain stable since, the Company is settling in an industrial zone. The proposed locations will be having High Tension power supply connections to cater to the requirement of the Manufacturing Operations. The average monthly Power requirement for the additional SMT lines of the Company shall be as given below.

Particulars	Monthly Power Capacity (Kilo Watt (KW))
Average Power requirement each SMT line	100 KW
Additional power requirement w.r.t additional 3 SMT lines for EMS Manufacturing	300 KW

V. Manpower Requirement

The incremental manpower requirement across 3 years as per the projections are given below:

S. No.	Project Details	FY 21-22	FY 22-23	FY 23-24	Total
Developing and setting up SMT lines for EMS manufacturing.					
1	Senior Level Executives	-	5	2	7
2	Middle Level Executives	-	20	10	30
3	Junior Level Executives and Apprentices	-	700	500	1200
Total		-	725	512	1237

Setting up the additional SMT lines, the manpower requirement for each SMT lines should be as follows, where on an average, a single SMT line, shall involve 10 operators per shift for the production in the SMT lines. The Company is currently running for 2 shifts hence, the average requirement per day for each SMT line production shall be around 20 operators each at a broad level. However, apart from the main SMT lines production, variable operators shall be required for the backend operations for making of Box Build.

VI. Water Requirements

Existing as well as proposed expansion do not have any water requirement in the manufacturing requirement. All the water requirement of the Company is for domestic use only which could vary between 5 Kilo liters a day to 30 Kilo liters across the existing and proposed expansions mentioned above.

VII. Government Approvals

In relation to the Capital Expenditure, we are required to obtain approvals from various authorities which are routine in nature. The necessary applications will be made with respective authorities as and when the project execution is in force on a timely basis. As on date, no approvals are required at this stage and are obtainable only following commencement of projects. .

List of Material Government approvals or registrations which shall be obtained by the Company are as follows:

1. Obtaining factory license
2. Consent order from Pollution control board (PCB), Water department, etc. under the respective State government.
3. Registration of the new premises under Goods and Services tax (GST) and Customs.
4. Restriction of certain Hazardous Substances (RoHS) Certification as required for electronic devices for sale in European Union.
5. Renewal & updation of agreements and power sanctions for electricity with local electricity boards.
6. E-waste registration.
7. No-objection certification (NOC) from fire safety authorities.
8. License required under specific labour laws for setting up new establishments or factories such as Provident funds, Employee State Insurance, Professional tax, etc.
9. End use industry specific compliances.