

Comprehensive Corporate Analysis Report: Sahasra Electronic Solutions Limited

FY26–FY27 Strategic Trajectory and Operational Consolidation

1. Executive Summary

Sahasra Electronic Solutions Limited (SESL) is a premier, integrated Electronic System Design and Manufacturing (ESDM) enterprise, systematically expanding its footprint within the semiconductor packaging sector. Following an unprecedented financial performance in FY26, the organization is executing a strategic consolidation through the amalgamation of its subsidiaries. This structural optimization is designed to scale operational capabilities, targeting a post-merger consolidated revenue of ₹325 crores for FY27. Key growth catalysts include the operationalization of a state-of-the-art EMS facility in Bhiwadi and a strategic pivot toward advanced semiconductor packaging, robustly aligned with the forthcoming Indian Semiconductor Mission (ISM) 2.0 framework.

2. Financial Performance Overview

FY26 Standalone Performance:

- Revenue from Operations: Achieved ₹123.6 crores, registering a robust 42% Year-over-Year (YoY) growth.
- EBITDA: Scaled to ₹18.8 crores (93% YoY growth), maintaining a healthy margin of 15.2%.
- Profit After Tax (PAT): Witnessed a significant surge of 137%, culminating at ₹19.7 crores.
- Order Book: Stood at ₹57.5 crores as of May 2026, marking substantial growth from ₹39.11 crores in the preceding year.

Consolidated & Subsidiary Performance:

- Revenue Growth: Consolidated revenue demonstrated a 45% YoY growth, with the semiconductor unit (Sahasra Semiconductors) contributing ₹15.7 crores.
- Consolidated EBITDA: Stood at ₹18.2 crores, reflecting a 141% YoY escalation.
- Semiconductor Breakeven: Management projects the semiconductor division to achieve breakeven upon surpassing a revenue threshold of ₹50 crores.

Q1 FY27 Estimates:

- Total Consolidated Income: Projected at ₹53.11 crores, representing a greater than 100% increase compared to the corresponding quarter of the previous fiscal year.
- Growth Momentum: The semiconductor division realized nearly its entire FY26 revenue within the first quarter of FY27, evidencing accelerated market penetration.

3. Strategic Corporate Restructuring

- The Amalgamation: SESL is advancing the integration of three pivotal subsidiaries into the primary listed entity, effective retrospectively from April 1, 2026. This consolidation incorporates Sahasra Electronics Private Limited (SEPL) focusing on EMS, InfoPower Technologies Pvt Ltd (IPTL) specializing in printed circuit boards (PCBs), and Sahasra Sambhav Skill Development Pvt Ltd dedicated to technical skill competency building.
- FY27 Revenue Target Allocation: The enterprise anticipates a consolidated turnover of ₹325 crores, strategically distributed as follows: SESL (Standalone) at ₹160 crores, SEPL at ₹90 crores, IPTL at ₹25 crores, and SSPL at ₹50 crores.

4. Operational Capabilities and Capacity Optimization

- EMS Operations (Bhiwadi Facility): Commissioned in December 2024, this advanced facility expands operational capacity by a multiple of eight compared to the legacy Noida plant. While initial Surface-Mount Technology (SMT) line utilization remains conservative (10-12%), management forecasts an acceleration to 70-80% within two to three quarters, catalyzed by substantial enterprise contracts in automotive, energy, metering and IoT infrastructure.
- Semiconductor Packaging (ATMP): The current operational focus targets NAND flash memory architectures (Micro SD, USB, SSDs). SSPL commands a distinct market advantage, operating with negligible domestic competition in memory packaging, thereby capitalizing on the prevailing industry reliance on imports from China and Taiwan. Current utilization stands at 6-7%, with a strategic year-end target of 18-20%.

5. Future Growth Strategy & R&D Initiatives

- ISM 2.0 Integration: SSPL is strategically positioned to leverage central government subventions under the Indian Semiconductor Mission 2.0, with applications scheduled for the August/September 2026 window.
- Advanced Packaging Transition: The enterprise is migrating toward 2.5D and 3D packaging technologies (UFS, eMMC, BGA), which command premium margins

projected between 25-35%, significantly outpacing conventional packaging value addition.

- R&D Commitment: The organization has earmarked 2-3% of gross revenue to Research & Development, spearheaded by a specialized 12-member team under the guidance of an industry expert.
- Export Strategy: SESL maintains a balanced 50/50 portfolio between domestic and export markets, effectively mitigating geographic concentration risk while capturing premium international margins.

6. Key Risk Factors and Mitigation Strategies

- Commodity Price Volatility: Copper Clad Laminate (CCL) prices have escalated by 50%, currently constituting 60-75% of total PCB manufacturing costs.
- Supply Chain Dependencies: The sector remains heavily contingent on Chinese imports for CCL and wafers; however, as announced in public domain the domestic infrastructural capacities are projected to come online by late 2026.
- Working Capital Dynamics: Standalone cash conversion days have expanded from 149 to 156 days. Management is actively executing mitigation strategies by renegotiating commercial terms to secure advance customer payments—an initiative already yielding results in the semiconductor division.
- Validation Cycles: The scaling of semiconductor operations remains subject to protracted and rigorous customer approval and certification protocols.

7. Post-Merger Financial Projections & Entity Breakdown

Management has delineated a comprehensive roadmap for the consolidated group following the retrospective merger on April 1, 2026, targeting an aggressive 25% overall growth trajectory to reach an operational turnover base of ₹325 crores.

Entity	Current Revenue (FY26)	Post-Merger Target (FY27)	Strategic Role
SESL (Listed Entity)	₹123.6 cr	₹150–160 cr	Core standalone operations and listco anchor.
SEPL (Electronics)	₹99.41 cr	₹85–90 cr	Focus on maintaining high-volume EMS business.
IPTL (PCBs)	₹18.67 cr	₹22-25 cr	Strategic backward integration for circuit board supply.
SSPL (Semicon)	₹15.2 cr	₹45-50 cr	High-growth engine focused on specialized

			semiconductor training/ops.
In Total		325 cr	

8. Futuristic Strategic Pivot: From Assembly & Entry Level Packaging to Deep Tech & Design Led Manufacturing

- **Evolution of Capability:** The semiconductor vertical is undergoing a critical evolution from a pure-play OSAT facility into a comprehensive 'Semi-conductor packaging ATMP entity. This strategic pivot signifies a profound shift in value addition.
- **Advanced Packaging Adoption:** A transition toward 2.5D and 3D packaging methodologies (UFS, eMMC, BGA) is anticipated to drive margin expansion (25-35%), bypassing the saturation of conventional 'Moore's Law' scaling.
- **ODM Capability in IT Hardware:** SESL is fortifying its Original Design Manufacturer (ODM) competencies in memory and IT hardware. This vertical integration enables end-to-end product lifecycle ownership—from wafer sourcing and packaging design to the commercialization of branded or white-labeled products.
- **Policy Synergy for Future Scale:** The structural amalgamation and subsequent expansion are intricately aligned with the objective of establishing a dominant presence within ISM 2.0. By synergizing central subsidies with progressive state policies, SESL aims to underwrite a significant proportion of its capital expenditure for R&D and advanced manufacturing infrastructure.
- **Growth Catalysts for Subsidiaries:** Sahasra Semiconductors Pvt Ltd (SSPL) represents the most aggressive growth vertical, projected to achieve a 3x revenue multiplier (₹15.2 cr to ₹50 cr). SESL is instrumental to the group's sustainable expansion, ensuring the requisite technical bandwidth and specialized workforce necessary to scale complex advanced packaging and SMT operations at the Bhiwadi facility.