

ÖSEL[®]

OSEL DEVICES LIMITED



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Corporate Identity Number: U72200DL2006PLC152027

Osel Devices Limited (the "Company" or the "Issuer") was incorporated on August 14, 2006 as a private limited company under the name and style of 'Innovative Infratech Solutions Private Limited', under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 14, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, in order to rectify the transposition error in the name of our Company, pursuant to a resolution passed by our Board of Directors in its meeting held on November 6, 2013, and by the Shareholders in their Extraordinary General Meeting held on November 8, 2013, the name of our Company was changed to 'Innovative Infratech Solutions Private Limited' and a fresh certificate of incorporation dated November 22, 2013 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, pursuant to a resolution passed by our Board of Directors in its meeting held on November 13, 2023, and by the Shareholders in their extraordinary general meeting held on December 15, 2023, in order to reflect the main business activity of the Company and for better branding, the name of our Company was changed to 'Osel Devices Private Limited' and a fresh certificate of incorporation dated January 16, 2024 was issued by the Registrar of Companies, Delhi and Haryana at Delhi. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in its meeting held on March 15, 2024, and by the Shareholders in an extraordinary general meeting held on March 22, 2024 and consequently the name of our Company was changed to 'Osel Devices Limited' and a fresh certificate of incorporation dated May 2, 2024 was issued by the Registrar of Companies, Central Processing Centre. For details of change in Registered Office of our Company, please refer to the chapter titled "History and Certain Corporate Matters" on page 165 of the Red Herring Prospectus.

Registered office: Office No.- 712, Naurang House K.G. Marg, Connaught Place, Central Delhi, New Delhi- 110 001, Delhi, India | **Telephone:** +91 116 666 7621 | **Facsimile:** N.A.
Corporate Office (Address where the books of accounts of our Company are maintained): Signature Tower, 1st Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India.
Telephone: +91 120 635 1600 | **Facsimile:** N.A. | **E-mail:** info@oseldevices.com | **Website:** www.oseldevices.com
Contact Person: Sandeep Kumar, Company Secretary & Compliance Officer

OUR PROMOTERS: RAJENDRA RAVI SHANKER MISHRA AND JYOTSNA JAWAHAR

THE ISSUE 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 Limited (NSE EMERGE).

THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 44,16,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF OUR COMPANY AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LACS ("PUBLIC ISSUE") OUT OF WHICH 2,21,600 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 41,94,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LACS IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 27.38% AND 26.01% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

- **QIB PORTION:** NOT MORE THAN 49.97% OF THE NET ISSUE
- **RETAIL PORTION:** NOT LESS THAN 35.02% OF THE NET ISSUE
- **NON-INSTITUTIONAL PORTION:** NOT LESS THAN 15.01% OF THE NET ISSUE
- **MARKET MAKER PORTION:** UPTO 2,21,600 EQUITY SHARES OR 5.02% OF THE ISSUE

PRICE BAND: ₹ 155.00 TO ₹ 160.00 PER EQUITY SHARE OF FACE VALUE ₹ 10/- EACH.

**THE FLOOR PRICE IS 15.5 TIMES OF THE FACE VALUE AND
 THE CAP PRICE IS 16.0 TIMES OF THE FACE VALUE OF THE EQUITY SHARES
 BIDS CAN BE MADE FOR A MINIMUM OF 800 EQUITY SHARES AND IN MULTIPLES
 OF 800 EQUITY SHARES THEREAFTER.**

RISKS TO INVESTORS:

- Our commercial success is largely dependent upon our ability to develop and design innovative products suitable for the requirements of our customers. Our inability to effectively utilize and manage our ability to develop and design innovative products would impact our business, revenue and profitability.
- Our Company is reliant on the demand from the healthcare industry for a significant portion of our revenue. Any downturn in the healthcare industry or an inability to increase or effectively manage our sales could have an adverse impact on our Company's business and results of operations.
- The commercial success of our products depends to a large extent on the success of the products of our end use customers. If the demand for the end use products in which our products are used as a raw materials declines, it could have a material adverse effect on our business, financial condition and results of operations.
- We depend on a few customers of our products, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.
- We generate our major portion of sales from our operations in certain geographical regions. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.
- The Merchant Banker associated with the Issue has handled only 7 (seven) public issues in the past three years.

• Average cost of acquisition of Equity Shares for the Promoters are as under:

NAME	WACA in ₹ per equity share
Rajendra Ravi Shanker Mishra	1.61
Jyotsna Jawahar	1.61

• The Issue Price at the upper end of the Price Band is ₹ 160.00 per Equity Share.

• 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. ₹ 155)	Cap price (i.e. ₹ 160)
WACA of Primary Issuance (except for bonus issue) (exceeding 5% of the pre issue capital)	NA*	NA*	NA*
WACA for secondary sale / acquisition (exceeding 5% of the pre issue capital)	NA*	NA*	NA*

*As there were no primary issue issuance, secondary sale / acquisition in last 18 months exceeding 5% of pre issue capital from the date of the Red Herring Prospectus.

• The Weighted average cost of acquisition of all Equity Shares transacted in the last one year, 18 months and three years from the date of RHP is as given below:

Period	Weighted Average Cost of Acquisition (in ₹)	Upper end of the Price Band (₹ 160) is "X" times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price - Highest Price (in ₹)
Last 1 year / Last 18 months	10.00	16.00	10.00 – 10.00
Last 3 years	10.00	16.00	10.00 – 10.00

PROPOSED LISTING:

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Emerge Platform of the National Stock Exchange of India Limited ("NSE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an 'in-principle' approval letter dated September 3, 2024 from NSE for using its name in the Offer Documents for listing our shares on the Emerge Platform of NSE. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI): Since the Issue 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 217 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF 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'."

CREDIT RATING: This being the Issue of Equity Shares, no credit rating is required.

DEBENTURE TRUSTEES: As this is an Issue of Equity Shares, the appointment of Debenture trustees is not required.

IPO GRADING: Since this Issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading Agency.

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 Issue. Full copy of the Red Herring Prospectus is available on the website of Company at www.oseldevices.com or at website of the BRLM at www.horizonmanagement.in or NSE EMERGE at www.nseindia.com and is expected to be available on the website of SEBI at www.sebi.gov.in.

AVAILABILITY OF BID-CUM-APPLICATION FORMS: **Corporate Office:** Signature Tower, 1st Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India.; **Tel:** +91 120 635 1600; **Email:** info@oseldevices.com ; **Facsimile:** N.A.; **Horizon Management Private Limited, Telephone:** +91 33 4600 0607; **Email ID:** smeipo@horizon.net.co, and at the selected locations of Registered Brokers, RTAs and CDPs participating in the Issue. 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.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Floor Price is 15.5 times the face value at the lower end of the Price Band and 16.0 times the face value at the higher end of the Price Band. 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 "Restated Financial Information" and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on page 26, 124, 193 and 234, 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.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Issue Price are:

- Specialized LED display system and hearing aids manufacturer with long standing market presence
- Geographical presence
- Quality Assurance and Quality Control of our products
- Strong, cordial & long-term relationship with our clients
- Cost effective production and timely fulfillment of orders
- Well experienced management team
- Marquee Customers
- Post Sale service and support

For further details, see "Our Business –Strengths" on page 137.

Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For details, see "Restated Financial Statements" on page 193. Investors should evaluate our Company and form their decisions taking into consideration its earnings, and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

I. Basic and Diluted Earnings per share ("EPS")

Fiscal Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2024	11.31	11.31	3
March 31, 2023	4.04	4.04	2
March 31, 2022	1.84	1.84	1
Weighted Average	7.31	7.31	-

(Continued from previous page...)

3.	MVK Agro Food Product Ltd	65.88	120	March 7, 2024	79.00	-56%	0%	-66%	3%	79	-56%
4.	Shree Karni Fabcom Limited	42.49	227	March 14, 2024	260.00	101%	2%	207%	5%	260	101%
5.	Veritaas Advertising Limited	8.48	114	May 21, 2024	275.00	NA	NA	NA	NA	NA	NA
6.	Tunwal E-Motors Limited	124.12	59	July 23, 2024	64	NA	NA	NA	NA	NA	NA
7.	Forcas Studio Limited	37.44	80	August 26, 2024	152.00	NA	NA	NA	NA	NA	NA

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30th calendar day from listing day*			Nos. of IPOs trading at premium - 30th calendar day from listing day*			Nos. of IPOs trading at discount - 180th calendar day from listing day*			Nos. of IPOs trading at premium - 180th calendar day from listing day*		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	4	198.46	Nil	Nil	2	Nil	1	Nil	Nil	Nil	Nil	1	Nil	Nil
2024-25	3	170.04	Nil	Nil	1	Nil	1	Nil	-	-	-	-	-	-

Break -up of past issues handled by Horizon Management Private Limited

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2023-24	4	Nil
2024-25	3	Nil

Notes:

- In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
- Source: www.bseindia.com and www.nseindia.com

Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the Book Running Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer the website of Lead Manager at www.horizonmanagement.in.

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

For OSEL DEVICES LIMITED

Sd/-

Rajendra Ravi Shanker Mishra
Managing Director

Place: Delhi

Date: September 10, 2024

Disclaimer: Osel Devices 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 and has filed the RHP with the Registrar of Companies, Delhi, on September 9, 2024, and thereafter with SEBI and the Stock Exchange. The RHP is available on the website of SEBI at www.sebi.gov.in, NSE at www.nseindia.com and is available on the website of the BRLM at www.horizonmanagement.in. 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 RHP including the section titled "Risk Factors" beginning on page 26 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.