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IPO REPORT

“Subscribe for Long Term” to
Data Patterns (India) Ltd.

One of the fastest growing companies in the defence & aerospace electronics segment in India

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Nurturing Financial Excellence

IPO UPDATE

13th Dec. 2021

Salient features of the IPO:

- Chennai-based specialist in defence & aerospace electronics system, **Data Patterns (India) Ltd.** (DPIL), is coming up with an IPO to raise Rs. 590cr, which opens on 14th Dec. and closes on 16th Dec. 2021. The price band is Rs. 555 - 585 per share.
- The company has undertaken a pre-IPO placement and allotted 10.4lakh shares at Rs. 577 per shares on 29th Oct. 2021. Total amount realized was Rs. 60cr. Consequently, the fresh issue size was reduced from Rs. 300cr (as indicated in the DRHP) to Rs. 240cr.
- The issue is a combination of fresh and OFS. The company will not receive any proceeds from the OFS part of the issue. From the fresh issue net proceeds, Rs. 60.8cr will be used for the prepayment/repayment of the borrowings availed by the company; Rs. 95.2cr will be utilized to fund the working capital requirement and Rs. 59.8cr will be used for funding the upgrades & expansion of the existing manufacturing facilities.

Key competitive strengths:

- Indigenous integrated and strategic defence & aerospace electronics solutions provider, which is well positioned to benefit from the Make-in-India opportunity
- Innovation focused business model
- Sound order book across product categories supplying to marquee customers in the defence & aerospace industry
- Modern certified manufacturing facility of international standards
- Consistent track record of profitable growth due to a scalable business model
- Experienced management team and skilled workforce

Risk and concerns:

- Unfavorable government policies and regulations
- Delay in the production capacity expansion
- Working capital intensive operations
- Unfavorable product-mix
- Difficulty in maintaining the profitability
- Competition

Below are the key highlights of the company:

- The government's latest policies seek to build greater self-reliance in Indian defence R&D and manufacturing through a combination of the Aatmanirbhar Bharat mission, DAP 2020, Offsets and the Defence Production & Exports Policy. These policy tailwinds are expected to be one of the key growth drivers for the Indian indigenous defence industry. Further, according to the RHP the capital and stores allocation of the Indian defence budget is expected to grow to USD 33.2bn and USD 9.6bn, respectively, by FY31. Cumulatively the amount available during the forecast period would be USD 339bn.
- DPIL is among the few vertically integrated defence & aerospace electronics solutions provider catering to the indigenously developed defence products segment. The company's offerings cater to the entire spectrum of defence & aerospace platforms - space, air, land and sea.

Recommendation	**Subscribe for Long Term**
Price band	Rs. 555 - 585 per share
Face value	Rs. 2
Shares for fresh issue	0.410 - 0.432cr shares
Shares for OFS	0.595cr shares
Fresh issue size	Rs. 240cr
OFS issue size	Rs. 330.4 - 348.2cr
Total issue size	1.006 - 1.028cr shares (Rs. 570.4 - 588.2cr)
Bidding date	14th Dec. - 15th Dec. 2021
MCAP at higher price band	Rs. 3,035cr
Enterprise value at higher price band	Rs. 2,768cr
Book running lead manager	JM Financial Ltd. and IIFL Securities Ltd.
Registrar	Link Intime India Pvt. Ltd.
Sector	Defence
Promoters	Mr. Srinivasagopalan Rangarajan and Rekha Murthy Rangarajan

Issue breakup

Category	Percent of issue (%)	Number of shares
QIB portion	50%	0.503 - 0.514cr shares
Non institutional portion	15%	0.151 - 0.154cr shares
Retail portion	35%	0.352 - 0.360cr shares

Indicative IPO process time line

Finalization of basis of allotment	21st Dec. 2021
Unblocking of ASBA account	22nd Dec. 2021
Credit to demat accounts	23rd Dec. 2021
Commencement of trading	24th Dec. 2021

Pre and post - issue shareholding pattern

	Pre-issue	Post-issue
Promoter & promoter group	58.64%	45.62%
Public	41.36%	54.38%
Total	**100.00%**	**100.00%**

Retail application money at higher cut-off price per lot

Number of shares per lot	25
Application money	Rs. 14,625 per Lot

Analyst

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Key highlights of the company (Contd…):

Company name	Face value (Rs.)	CMP (Rs.)	MCAP (Rs. cr)	EV (Rs. cr)	Stock return (%) 1 M	3 M	6 M	1 Y	TTM Total operating revenue (Rs. cr)	TTM EBITDA (Rs. cr)	TTM PAT (Rs. cr)	TTM Gross margin	TTM EBITDA margin	TTM PAT margin
Data Patterns (India) Ltd.	**2**	**585**	**3,035**	**2,768**					**276**	**128**	**85**	**72.8%**	**46.4%**	**30.9%**
Apollo Micro Systems Ltd.	10	112	232	335	-10.6%	-2.1%	-3.7%	-9.6%	186	39	9	29.0%	20.9%	4.8%
Astra Microwave Products Ltd.	2	268	2,320	2,385	-6.6%	52.0%	56.1%	99.6%	741	109	56	30.7%	14.7%	7.5%
Bharat Electronics Ltd.	1	208	50,608	45,534	-1.7%	6.0%	36.7%	84.8%	14,252	3,371	2,249	41.9%	23.7%	15.8%
Centum Electronics Ltd.	10	561	722	950	-8.6%	22.8%	30.3%	77.7%	721	69	(41)	57.7%	9.6%	-5.7%
Dynamatic Technologies Ltd.	10	2,313	1,467	1,920	-4.0%	-4.6%	55.0%	165.8%	1,319	165	14	48.7%	12.5%	1.1%
MTAR Technologies Ltd.	10	2,313	7,113	6,934	25.5%	66.6%	125.9%		270	91	55	70.4%	33.9%	20.2%
Paras Defence and Space Technologies Ltd.	10	736	2,872	2,957	-4.9%				143	44	16	54.4%	30.7%	11.0%
Average												**47.5%**	**20.9%**	**7.8%**

Company name	3Y top-line growth (CAGR)	3Y EBITDA growth (CAGR)	3Y PAT growth (CAGR)	3Y average EBITDA margin	3Y average PAT margin	3Y capital employed growth (CAGR)	3Y CFO growth (CAGR)	3Y average working capital cycle (days)	3Y average fixed asset turnover (x)	3Y average RoE	3Y average RoIC
Data Patterns (India) Ltd.	**30.7%**	**89.8%**	**168.6%**	**29.4%**	**14.7%**	**80.2%**		**681.9**	**5.0**	**10.2%**	**14.8%**
Apollo Micro Systems Ltd.	-12.1%	-10.8%	-40.7%	19.1%	7.3%	5.2%		405.2	2.9	6.1%	8.8%
Astra Microwave Products Ltd.	47.8%	56.9%	65.7%	14.2%	6.2%	4.5%		314.2	2.8	5.5%	6.0%
Bharat Electronics Ltd.	7.7%	7.3%	5.8%	21.6%	14.6%	11.0%	83.4%	211.6	3.8	18.9%	18.5%
Centum Electronics Ltd.	-14.2%	0.7%	-31.4%	8.9%	2.0%	7.6%	26.5%	117.6	3.9	8.9%	10.4%
Dynamatic Technologies Ltd.	-12.4%	-7.5%		10.5%	0.9%	6.9%	1.0%	43.4	1.9	4.3%	14.1%
MTAR Technologies Ltd.	15.8%	24.4%	8.4%	30.0%	18.2%	45.1%	-46.6%	135.0	1.3	13.4%	14.5%
Paras Defence and Space Technologies Ltd.	-3.7%	1.0%	-8.8%	28.6%	12.2%	8.0%		235.3	0.9	10.5%	10.7%
Average	**4.1%**	**10.3%**	**-0.1%**	**19.0%**	**8.8%**	**12.6%**	**16.1%**	**208.9**	**2.5**	**9.7%**	**11.8%**

Company name	TTM EPS (Rs.)	BVPS (Rs.)	DPS (Rs.)	Debt equity ratio (x)	TTM Total asset turnover ratio (x)	TTM RoE	TTM RoCE	TTM P / E (x)	TTM P / B (x)	EV / Sales (x)	EV / TTM EBITDA (x)	MCAP / TTM Sales (x)	TTM Earning yield
Data Patterns (India) Ltd.	**16.4**	**97.9**	**0.1**	**0.1**	**0.4**	**16.8%**	**21.9%**	**35.6**	**6.0**	**10.0**	**21.6**	**11.0**	**2.8%**
Apollo Micro Systems Ltd.	4.3	147.0	0.5	0.4	0.3	2.9%	9.3%	25.8	0.8	1.8	8.6	1.2	3.9%
Astra Microwave Products Ltd.	6.4	64.5	1.2	0.2	0.8	9.9%	15.6%	41.8	4.2	3.2	21.9	3.1	2.4%
Bharat Electronics Ltd.	9.2	45.4	4.2	0.0	0.5	20.3%	24.4%	22.5	4.6	3.2	13.5	3.6	4.4%
Centum Electronics Ltd.	(31.9)	173.1	4.5	1.3	0.7	-18.4%	5.5%		3.2	1.3	13.7	1.0	-5.7%
Dynamatic Technologies Ltd.	22.6	581.5	0.0	1.4	0.9	3.9%	9.5%	102.5	4.0	1.5	11.6	1.1	1.0%
MTAR Technologies Ltd.	17.8	155.0	2.6	0.0	0.5	11.5%	15.7%	130.2	14.9	25.7	75.8	26.4	0.8%
Paras Defence and Space Technologies Ltd.	4.0	53.0	0.0	0.5	0.4	7.6%	13.4%	181.9	13.9	20.6	67.1	20.0	0.5%
Average			**1.9**	**0.5**	**0.6**	**5.4%**	**13.4%**	**84.1**	**6.5**	**8.2**	**30.3**	**8.1**	**1.0%**

Source: Choice Broking Research

- It has proven in-house design & development capabilities and experience of more than three decades in the defence & aerospace electronics space. This capability assisted the company in developing complete systems as well as sub-systems for various strategic defence & aerospace electronics solutions. DPIL's systems find applications on various platforms & programs such as the Tejas Light Combat Aircraft, the Light Utility Helicopter, BrahMos missile program, precision approach radars & various communications intelligence and electronic intelligence systems. According to the management, such end-to-end capabilities develops competitive benefits in terms of overall development time & cost, thereby allowing it to offer competitive pricing when bidding for projects.
- The company's electronic solutions include processors, power, radio frequencies & microwave, embedded software & firmware and mechanical engineering. DPIL's core competencies include electronic hardware design & development, software design & development, firmware design & development, mechanical design & development, product prototype design & development, functional testing & validation, environment testing & verification and engineering services opportunities.
- Besides defence & space applications, its electronics solutions are also capable of being deployed in civilian fields, including wind profile radars, doppler weather radars, data buoy sub-systems and tsunami warning sub system applications. These products benefit from the reliability engineering built into defence products, assuring a long life and stable performance over many years.

Key highlights of the company (Contd…):

- DPIL derives its revenue mainly from three verticals namely production contracts, development contract and AMCs. During FY19-21, production contracts contributed an average of 78% to the operating revenue. AMCs contributed 8%, while the rest was from development contracts.
- From 1st Apr. 2018 to H1 FY22, the company has reported a 40.1% CAGR growth in the order book to Rs. 581.3cr, which is around 2.1x of the TTM revenue. 67% and 12% of the order book is from the production contracts and AMCs, which cumulatively lends steadiness to the business. Development contracts formed around 21% of the order book, thereby providing visibility of continued production contracts in the medium term.
- These order book is generated from orders from several marquee customers in the Indian defence ecosystem, which includes the Indian government defence ministry, BrahMos, DRDO, the Indian government space organization, HAL, BEL and a DPSU involved in the missile space.
- To capitalize on the anticipated robust business growth, the company is in process of upgrading and expanding its existing facility at Chennai. From the new fresh issue proceeds, it will be utilizing Rs. 59.8cr for funding this expansion plans.
- Additionally, from the IPO net proceeds, DPIL will be using Rs. 60.8cr for the prepayment/repayment of the borrowings. As of 30th Sept. 2021, the company had financial liabilities of Rs. 62cr. Post repayment of the borrowings, it will be debt free. During FY19-21, finance costs as percent of the top-line were an average of 7.7%. Thus, earnings will get boosted mainly on the absence of interest charge.
- On financial performance front, DPIL has reported a consistent track record of profitable growth. On the back of repeated production contracts over FY19-21, the company has reported a 30.7% CAGR rise in consolidated revenue to Rs. 224cr in FY21. Total operating expenditure increased by 11.8% CAGR (lower than top-line growth), thereby leading to an 89.8% CAGR rise in consolidated EBITDA to Rs. 92cr in FY21. EBITDA margin expanded from 19.5% in FY19 to 41.1% in FY21. Depreciation charge declined by 2.6% CAGR, while finance cost increased by 16% CAGR. With relatively higher other income and lower effective tax rate, reported PAT increased by 168.6% CAGR to Rs. 55.6cr in FY21. PAT margin expanded from 5.9% in FY19 to 24.8% in FY21.
- DPIL reported negative operating in FY19, but with improved operations, average cash flow in next two fiscals was Rs. 34.8cr. Consolidated financial liabilities declined by 23.7% CAGR, with debt-to-equity ratio improving from 0.5x in FY19 to 0.2x in FY21. Average RoIC and RoE stood at 19.9% and 15.4%, respectively, over FY19-20.
- On TTM basis, the company reported a top-line of Rs. 275.9cr, with EBITDA and PAT margins of 46.4% and 30.9%, respectively. Based on our quick estimate, over FY21-24E we are forecasting a top-line growth of 20.8% CAGR to Rs. 395.2cr in FY24E. Considering the inflationary pressure and reversal of certain suppressed costs during the pandemic era, we believe the TTM profitability is not sustainable in future. We are expecting around 10ppts contraction in the EBITDA margin during FY21-24E. However, with the absence of finance cost post FY22, PAT margin is likely to contract by around 3ppts to 21.9% in FY24E. RoIC to contract by 110bps, while RoE is likely to expand by 102bps over FY21-24E.

Peer comparison and valuation: At higher price band of Rs. 585, the company is demanding a TTM P/E multiple of 35.6x, which is at premium to the peer average of 30x (excluding Dynamatic Technologies Ltd., MTAR Technologies Ltd. and Paras Defence and Space Technologies Ltd.). Thus the issue seems be fully priced. However, with favorable macros and diversified product profile, the company has the potential to expand its business and earnings. Thus considering the above observations, we assign a "**Subscribe for Long Term**" rating for the issue.

About the issue:

- DPIL is coming up with an IPO with 1.006 - 1.028cr shares (fresh issue: 0.410 - 0.432cr shares; OFS shares: 0.595cr shares) in offering. The offer represents around 19.38% of its post issue paid-up equity shares of the company. Total IPO size is Rs. 570.4 - 588.2cr.

- The issue will open on 14th Dec. 2021 and close on 16th Dec. 2021.

- The issue is through book building process with a price band of Rs. 555 - 585 per share.

- The company has undertaken a pre-IPO placement and allotted 10.4lakh shares at Rs. 577 per shares on 29th Oct. 2021. Total amount realized was Rs. 60cr. Consequently, the fresh issue size was reduced from Rs. 300cr (as indicated in the DRHP) to Rs. 240cr.

- The issue is a combination of fresh and OFS. The company will not receive any proceeds from the OFS part of the issue. From the fresh issue net proceeds, Rs. 60.8cr will be used for the prepayment/repayment of the borrowings availed by the company; Rs. 95.2cr will be utilized to fund the working capital requirement and Rs. 59.8cr will be used for funding the upgrades & expansion of the existing manufacturing facilities.

- 50% of the net issue are reserved for qualified institutional buyers, while 15% and 35% of the net issue is reserved for non-institutional bidders and retail investors, respectively.

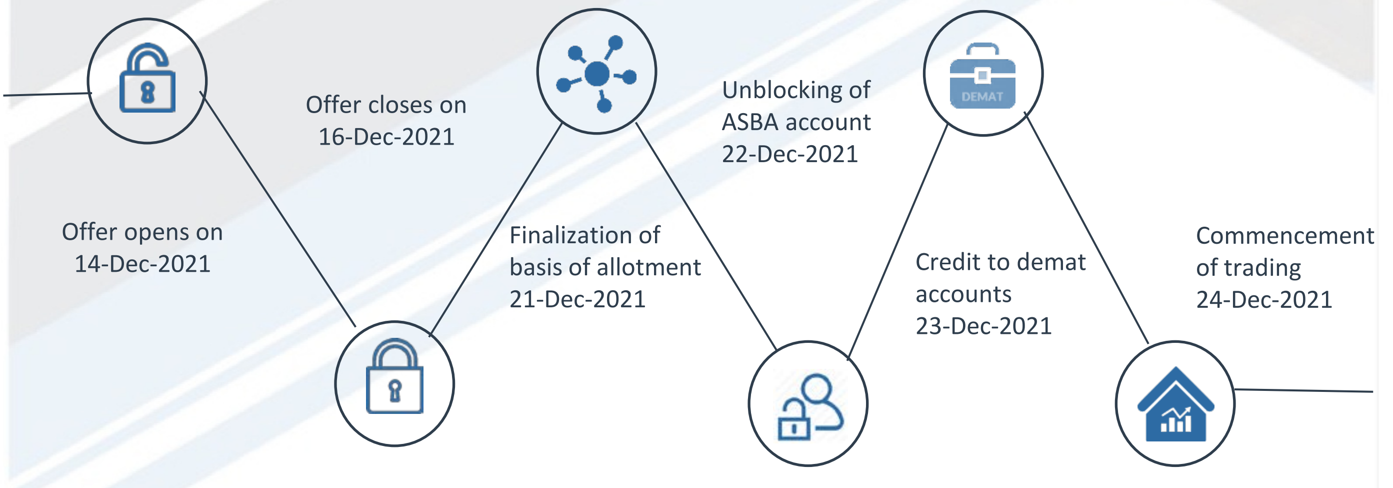
- Promoter currently holds 83.99% stake in the company and post-IPO this will come down to 74.27%. Public holding will increase from current 16.01% to 25.73%.

Pre and post-issue shareholding pattern (%)

	Pre-issue	Post-issue (at higher price band)
Promoter & promoter group (%)	58.64%	45.62%
Public (%)	41.36%	54.38%

Source: Choice Equity Broking

Indicative IPO process time line:



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IPO UPDATE

Financial performance:

Performance over FY19-21: On financial performance front, DPIL has reported a consistent track record of profitable growth. On the back of repeated production contracts over FY19-21, the company has reported a 30.7% CAGR rise in consolidated revenue to Rs. 224cr in FY21. Business from production contracts and AMCs increased by 41.9% and 31% CAGR, respectively, with business contribution of 76% and 7.7% in FY21.

Total operating expenditure increased by 11.8% CAGR (lower than top-line growth), thereby leading to an 89.8% CAGR rise in consolidated EBITDA to Rs. 92cr in FY21. EBITDA margin expanded from 19.5% in FY19 to 41.1% in FY21.
Depreciation charge declined by 2.6% CAGR, while finance cost increased by 16% CAGR. With relatively higher other income and lower effective tax rate, reported PAT increased by 168.6% CAGR to Rs. 55.6% in FY21. PAT margin expanded from 5.9% in FY19 to 24.8% in FY21.

DPIL reported negative operating in FY19, but with improved operations, average cash flow in next two fiscals was Rs. 34.8cr. Consolidated financial liabilities declined by 23.7% CAGR, with debt-to-equity ratio improving from 0.5x in FY19 to 0.2x in FY21. Average RoIC and RoE stood at 19.9% and 15.4%, respectively, over FY19-20.

On TTM basis, the company reported a top-line of Rs. 275.9cr, with EBITDA and PAT margins of 46.4% and 30.9%, respectively.

Consolidated financial snapshot (Rs. cr)	FY19	FY20	FY21	H1 FY21	H1 FY22	TTM	CAGR over FY19-21	Y-o-Y (Annual)
Sale of products	114.8	143.0	196.2	39.5	87.4	244.1	30.7%	37.2%
Sale of Services	16.2	13.1	27.8	5.0	9.0	31.9	30.9%	112.6%
Revenue from operations	131.1	156.1	224.0	44.5	96.4	275.9	30.7%	43.5%
EBITDA	25.5	43.2	92.0	1.9	37.8	127.9	89.8%	113.2%
Reported PAT	7.7	21.0	55.6	(6.4)	23.2	85.2	168.6%	164.0%
Restated reported EPS	1.5	4.1	10.7	(1.2)	4.5	16.4		
Cash flow from operating activities	(4.5)	15.2	54.3	29.1	10.1	35.4		256.4%
NOPLAT	13.2	27.7	64.5	(0.8)	26.5	93.3	120.7%	133.1%
FCF		29.0	(27.1)		(20.7)			-193.4%
RoIC (%)	10.0%	20.9%	28.9%	-0.5%	12.7%	44.9%	1,890 bps	796 bps
Revenue growth rate (%)		19.1%	43.5%		116.8%			
Gross profit growth rate (%)		21.8%	53.5%		168.7%			
Gross profit margin (%)	62.7%	64.1%	68.6%	63.1%	78.2%	72.8%	591 bps	449 bps
EBITDA growth rate (%)		68.9%	113.2%		1880.1%			
EBITDA margin (%)	19.5%	27.6%	41.1%	4.3%	39.2%	46.4%	2,158 bps	1,343 bps
Restated reported PAT growth rate (%)		173.3%	164.0%		-463.8%			
Restated reported PAT margin (%)	5.9%	13.5%	24.8%	-14.3%	24.1%	30.9%	1,894 bps	1,133 bps
Inventory days	646.4	540.4	397.0	998.9	743.3	422.4	-21.6%	-26.5%
Debtor days	286.7	255.5	221.3	441.6	251.1	178.0	-12.1%	-13.4%
Payable days	(118.3)	(107.8)	(75.8)	(254.0)	(86.1)	(48.9)	-19.9%	-29.6%
Cash conversion cycle	814.8	688.2	542.5	1,186.5	908.3	551.4	-18.4%	-21.2%
Fixed asset turnover ratio (x)	3.6	4.7	6.8	1.4	2.3	6.7	37.4%	45.1%
Total asset turnover ratio (x)	0.5	0.5	0.7	0.1	0.3	0.8	20.2%	29.0%
Current ratio (x)	1.9	1.8	3.7	2.1	2.9	2.9	38.9%	99.3%
Total debt (Rs.)	70.7	74.4	41.2	60.6	62.0	62.0	-23.7%	-44.7%
Net debt (Rs.)	70.4	72.9	32.4	46.9	54.3	54.3	-32.2%	-55.6%
Debt to equity (x)	0.5	0.5	0.2	0.4	0.3	0.3	-39.0%	-59.1%
Net debt to EBITDA (x)	2.8	1.7	0.4	24.6	1.4	0.4	-64.3%	-79.2%
RoE (%)	5.8%	13.7%	26.7%	-4.3%	10.7%	39.3%	2,095 bps	1,303 bps
RoA (%)	2.8%	7.1%	16.9%	-2.0%	6.5%	23.9%	1,415 bps	980 bps
RoCE (%)	11.5%	21.1%	33.6%	-0.4%	13.0%	45.6%	2,211 bps	1,250 bps

Source: Choice Equity Broking

Competitive strengths:

- Indigenous integrated and strategic defence & aerospace electronics solutions provider, which is well positioned to benefit from the Make-in-India opportunity
- Innovation focused business model
- Sound order book across product categories supplying to marquee customers in the defence & aerospace industry
- Modern certified manufacturing facility of international standards
- Consistent track record of profitable growth due to a scalable business model
- Experienced management team and skilled workforce

Business strategy:

- Continued expansion of product portfolio with complex technology-based products
- Focus on repeat large volume production orders
- Augmenting design & development capabilities and expanding manufacturing infrastructure
- Focus on increasing revenues by leveraging core competencies and grow services business
- Focus on increasing export business

Risk and concerns:

- Unfavorable government policies and regulations
- Delay in the production capacity expansion
- Working capital intensive operations
- Unfavorable product-mix
- Difficulty in maintaining the profitability
- Competition

Financial statements:

Consolidated profit and loss statement (Rs. cr)	FY19	FY20	FY21	H1 FY21	H1 FY22	TTM	CAGR over FY19 - 21	Annual growth over FY20
Revenue from operations	**131.1**	**156.1**	**224.0**	**44.5**	**96.4**	**275.9**	**30.7%**	**43.5%**
Cost of materials consumed	(45.4)	(53.2)	(63.0)	(28.0)	(26.2)	(61.2)	17.7%	18.4%
Changes in inventories of finished goods, work in progress and stock-in-trade	(3.5)	(2.9)	(7.4)	11.6	5.2	(13.9)	45.3%	158.2%
Gross profit	**82.1**	**100.0**	**153.5**	**28.1**	**75.4**	**200.9**	**36.7%**	**53.5%**
Employee benefits expenses	(37.6)	(42.3)	(48.4)	(21.4)	(28.1)	(55.1)	13.4%	14.5%
Other expenses	(18.9)	(14.6)	(13.1)	(4.8)	(9.5)	(17.9)	-16.7%	-9.9%
EBITDA	**25.5**	**43.2**	**92.0**	**1.9**	**37.8**	**127.9**	**89.8%**	**113.2%**
Depreciation / amortization	(5.9)	(5.5)	(5.6)	(2.8)	(3.0)	(5.8)	-2.6%	1.4%
EBIT	**19.7**	**37.7**	**86.4**	**(0.8)**	**34.9**	**122.1**	**109.5%**	**129.4%**
Finance cost	(10.8)	(13.3)	(14.5)	(7.0)	(4.8)	(12.3)	16.0%	8.7%
Other income	1.4	4.1	2.6	1.4	0.7	1.9	34.1%	-36.5%
PBT	**10.4**	**28.4**	**74.5**	**(6.4)**	**30.8**	**111.7**	**168.2%**	**162.2%**
Tax expenses	(2.7)	(7.4)	(19.0)	0.0	(7.6)	(26.6)	167.2%	156.9%
Reported PAT	**7.7**	**21.0**	**55.6**	**(6.4)**	**23.2**	**85.2**	**168.6%**	**164.0%**

Consolidated balance sheet statement (Rs. cr)	FY19	FY20	FY21	H1 FY21	H1 FY22	TTM	CAGR over FY19 - 21	Annual growth over FY20
Equity share capital	1.7	1.7	1.7	1.7	9.3	9.3	0.0%	0.0%
Other equity	131.2	151.8	206.1	145.5	207.3	207.3	25.3%	35.8%
Non current borrowings	2.0	0.7	10.5	5.5	11.3	11.3		1389.7%
Non current lease liabilities	5.9	3.8	2.4	3.1	1.7	1.7	-35.9%	-36.7%
Non current provisions	4.8	5.6	8.5	5.8	9.2	9.2	33.5%	51.0%
Other non current liabilities	25.2	14.3	27.4	36.5	28.0	28.0	4.2%	91.1%
Net deferred tax liability	0.9	0.8	0.8	0.8	1.0	1.0	-6.5%	7.0%
Current borrowings	58.2	59.9	22.7	46.5	41.1	41.1	-37.6%	-62.1%
Current lease liabilities	1.1	2.1	1.5	1.6	1.5	1.5	18.6%	-27.3%
Other current financial liabilities	3.6	7.9	4.0	3.9	6.4	6.4	5.5%	-49.4%
Trade payables	15.9	17.3	12.0	23.1	10.1	10.1	-13.0%	-30.5%
Current provisions	1.4	1.5	1.0	1.5	0.4	0.4	-18.4%	-35.4%
Current tax liabilities	0.8	5.5	5.1	5.4	12.2	12.2	149.0%	-7.0%
Other current liabilities	24.8	22.5	24.6	30.9	16.3	16.3	-0.3%	9.7%
Total liabilities	**277.4**	**295.4**	**328.4**	**311.9**	**355.8**	**355.8**	**8.8%**	**11.2%**
Property, plant and equipment	29.4	27.8	29.2	27.9	35.5	35.5	-0.4%	5.0%
Intangible assets	0.2	0.2	0.6	0.1	1.2	1.2	54.3%	249.1%
Capital work-in-progress					2.0	2.0		
Right of use assets	6.8	5.4	3.2	4.1	2.5	2.5	-31.1%	-40.0%
Non current financial assets	39.0	46.5	34.1	39.0	59.9	59.9	-6.6%	-26.7%
Inventories	86.7	79.4	73.7	91.0	86.8	86.8	-7.8%	-7.1%
Trade receivables	102.9	115.6	155.9	109.1	134.5	134.5	23.1%	34.9%
Cash and cash equivalents	0.3	1.5	8.8	13.7	7.7	7.7	431.3%	482.8%
Other current financial assets	0.3	3.7	5.1	4.8	4.7	4.7	308.8%	36.8%
Other current assets	11.7	15.3	17.7	22.1	21.0	21.0	23.1%	16.2%
Total assets	**277.4**	**295.4**	**328.4**	**311.9**	**355.8**	**355.8**	**8.8%**	**11.2%**

Source: Choice Equity Broking

Financial statements:

Consolidated cash flow statement (Rs. cr)								
	FY19	FY20	FY21	H1 FY21	H1 FY22	TTM	CAGR over FY19 - 21	Annual growth over FY20
Cash flow before working capital changes	25.5	44.5	92.2	1.9	37.8	128.2	90.0%	107.3%
Working capital changes	(28.9)	(26.4)	(19.0)	27.2	(27.4)	(73.6)	-19.1%	-28.3%
Cash flow from operating activities	**(4.5)**	**15.2**	**54.3**	**29.1**	**10.1**	**35.4**		**256.4%**
Purchase and construction of property, plant and equipment	(1.0)	(1.4)	(5.7)	(1.5)	(11.2)	(15.3)	136.0%	292.7%
Cash flow from investing activities	**0.4**	**1.4**	**(2.7)**	**(0.1)**	**(10.5)**	**(13.1)**		
Cash flow from financing activities	**2.2**	**(15.4)**	**(44.3)**	**(16.8)**	**(0.8)**	**(28.3)**		**186.6%**
Net cash flow	**(1.8)**	**1.2**	**7.3**	**12.2**	**(1.1)**	**(6.0)**		**507.3%**
Opening balance of cash	2.1	0.3	1.5	1.5	8.8	13.7	-15.7%	386.2%
Closing balance of cash	**0.3**	**1.5**	**8.8**	**13.7**	**7.7**	**7.7**	**432.1%**	**482.4%**

Consolidated financial ratios						
Particulars (Rs. mn)	**FY19**	**FY20**	**FY21**	**H1 FY21**	**H1 FY22**	**TTM**
Revenue growth rate (%)		19.1%	43.5%		116.8%	
Gross profit growth rate (%)		21.8%	53.5%		168.7%	
Gross profit margin (%)	62.7%	64.1%	68.6%	63.1%	78.2%	72.8%
EBITDA growth rate (%)		68.9%	113.2%		1880.1%	
EBITDA margin (%)	19.5%	27.6%	41.1%	4.3%	39.2%	46.4%
EBIT growth rate (%)		91.4%	129.4%		-4245.3%	
EBIT margin (%)	15.0%	24.1%	38.6%	-1.9%	36.1%	44.3%
Restated reported PAT growth rate (%)		173.3%	164.0%		-463.8%	
Restated reported PAT margin (%)	5.9%	13.5%	24.8%	-14.3%	24.1%	30.9%
Turnover ratios						
Inventories turnover ratio (x)	1.5	1.9	2.9	0.5	1.1	3.2
Trade receivable turnover ratio (x)	1.3	1.4	1.6	0.4	0.7	2.1
Accounts payable turnover ratio (x)	8.3	9.4	15.3	1.9	9.6	27.4
Fixed asset turnover ratio (x)	3.6	4.7	6.8	1.4	2.3	6.7
Total asset turnover ratio (x)	0.5	0.5	0.7	0.1	0.3	0.8
Return ratios						
RoE (%)	5.8%	13.7%	26.7%	-4.3%	10.7%	39.3%
RoA (%)	2.8%	7.1%	16.9%	-2.0%	6.5%	23.9%
RoCE (%)	11.5%	21.1%	33.6%	-0.4%	13.0%	45.6%
Per share data						
Restated adjusted EPS (Rs.)	1.5	4.1	10.7	(1.2)	4.5	16.4
DPS (Rs.)	0.1	0.1	0.1	0.0	2.1	2.2
BVPS (Rs.)	25.6	29.6	40.0	28.4	41.7	41.7
Operating cash flow per share (Rs.)	(0.9)	2.9	10.5	5.6	2.0	6.8
Free cash flow per share (Rs.)		5.6	(5.2)		(4.0)	
Dividend payout ratio	4.4%	1.6%	0.6%	0.0%	47.8%	13.4%

Note: Ratios calculated on pre-issue data; Source: Choice Equity Broking

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