



IPO INSIGHTS

DATA PATTERNS

DATA PATTERNS (INDIA) LTD

Issue Dates - Opens: 14-12-2021 | Closes: 16-12-2021

IPO Note	<ol style="list-style-type: none"> 1. High Growth in Sales 2. High Growth in Operating and Net Profits 3. High Operating Margins 20 to 40% and Net Margins 5 to 25% 4. Fair Valuation Compared to Peers 5. Major Portion – Offer for Sale
Rating	★★★★★ (VERY GOOD)

IPO SNAPSHOT

Issue Size	₹ 588.22 Crores
Issue Type	Fresh Issue & Offer For Sale
Fresh Issue	₹ 240 Crores
Offer for Sale	₹ 348.22 Crores
Face Value Per Share	₹ 2
Price Band Per Share	₹ 555 - ₹ 585
Minimum Lot Size	25 shares
Listing On	BSE & NSE
Pre-Issue Promoter Shareholding	58.63%
Post-Issue Promoter Shareholding	45.62%
Registrar to the Issue	Link Intime Private Ltd

IPO SNAPSHOT – Data Patterns (India) Ltd

About the Company	<ul style="list-style-type: none"> One of the few vertically integrated defence and aerospace electronics solutions provider catering to the indigenously developed defence products industry Proven in-house design and development capabilities and experience of more than three decades (including through erstwhile subsidiary) in the defence and aerospace electronics space. As on September 30, 2021, we had 818 employees with more than 500 qualified engineers, including 416 members in our Design & Engineering department Order book of ₹ 5,812.98 million as on September 30, 2021, that has increased from ₹ 1,786.98 million as on April 1, 2018 at a CAGR of 40.08% Manufacturing facility consists of a 100,000 square feet factory built on 5.75 acres of land in Chennai, which has facilities for design, manufacturing, qualification and life cycle support of high reliability electronic systems used in defence and aerospace applications 																																										
Industry	<ul style="list-style-type: none"> The global defence expenditure is expected to grow to \$ 2031 billion by 2025 The global defence spending rose to \$ 1981 billion in 2020 representing an increase of 2.6% over 2019 spending the global defence expenditure has been steadily increasing in the last 5 years at a CAGR of approximately 3.6% India was the third largest spender accounting for \$ 72.9 billion with an increase of 2.1% over 2019 Indian Defence Electronics Market <ul style="list-style-type: none"> The Defence Electronics market is evaluated to be worth approximately \$ 1.88 billion in 2021 and is expected to grow to approximately \$ 6.99 billion in 2030 with a cumulative market opportunity for this segment in the order of approximately \$ 43.98 billion and a CAGR of 15.71% during the period. The Indian EMP Protection market will grow from approximately \$ 513 million in 2021 to approximately \$ 4.3 billion in 2030 at a CAGR of 26.6% during the period. The total market valuation for EMP Protection equipment during this time frame is forecasted to be \$ 27.8 billion. Space Electronics Market <ul style="list-style-type: none"> the Indian satellite manufacturing revenues is estimated to be \$803.26 Million as of 2021, which is expected to grow up to \$1061.5 Million by 2030, growing at a CAGR of 3.15% The Indian Ground Station equipment Market has been estimated to be about \$1.09 Million in 2021 growing to \$1.54 Million in 2030 at a CAGR of 3.91%. The market for testing equipment for space is projected to be \$2.22 in 2021 and expected to grow to \$7.34 in 2030 at a CAGR of 14.21%. 																																										
Financials (₹ in Millions)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2019</th> <th>31-3-2020</th> <th>31-3-2021</th> <th>30-9-2021</th> <th>Y-o-Y</th> <th>2-Yrs CAGR</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>1,311</td> <td>1,561</td> <td>2,240</td> <td>964</td> <td>43%</td> <td>31%</td> </tr> <tr> <td>EBITDA</td> <td>270</td> <td>473</td> <td>946</td> <td>385</td> <td>100%</td> <td>87%</td> </tr> <tr> <td>EBITDA Margin</td> <td>20.6%</td> <td>30.3%</td> <td>42.2%</td> <td>40.0%</td> <td></td> <td></td> </tr> <tr> <td>PAT</td> <td>77</td> <td>210</td> <td>556</td> <td>232</td> <td>164%</td> <td>169%</td> </tr> <tr> <td>PAT Margin</td> <td>5.9%</td> <td>13.5%</td> <td>24.8%</td> <td>24.1%</td> <td></td> <td></td> </tr> </tbody> </table> <ul style="list-style-type: none"> Debt to Networth < 0.5 	Particulars	31-3-2019	31-3-2020	31-3-2021	30-9-2021	Y-o-Y	2-Yrs CAGR	Revenue	1,311	1,561	2,240	964	43%	31%	EBITDA	270	473	946	385	100%	87%	EBITDA Margin	20.6%	30.3%	42.2%	40.0%			PAT	77	210	556	232	164%	169%	PAT Margin	5.9%	13.5%	24.8%	24.1%		
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Valuation	<ul style="list-style-type: none"> At FY2021 EPS of 11.89 P/E comes at 49.2 at the upper price band Assuming 10-20% growth in EPS next year P/E can be in the range of 40 to 45 																																										
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Promoters	<ul style="list-style-type: none"> Srinivasagopalan Rangarajan and Rekha Murthy Rangarajan 																																										

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