



# IPO INSIGHTS



**Elin Electronics Ltd**

**Issue Dates - Opens: 20-12-2022 | Closes: 22-12-2022**

<b>IPO Note</b>	<ul style="list-style-type: none"> <li>▪ <b>Leading Electronics Manufacturing Services manufacturer of end-to-end products solutions for major brands of lighting, fans and small/kitchen appliances in India</b></li> <li>▪ <b>Largest Fractional Horsepower manufacturer in India</b></li> <li>▪ <b>Serves under OEM and ODM Business Models</b></li> <li>▪ <b>Major Portion Offer for Sale</b></li> <li>▪ <b>Fully-Priced</b></li> </ul>
<b>Rating</b>	<b>★ ★ ★ (GOOD)</b>

## IPO SNAPSHOT

<b>Issue Size</b>	<b>₹ 475 Crores</b>
<b>Issue Type</b>	<b>Fresh Issue &amp; Offer for sale</b>
<b>Fresh Issue</b>	<b>₹ 175 Crores</b>
<b>Offer for Sale</b>	<b>₹ 300 Crores</b>
<b>Face Value Per Share</b>	<b>₹ 5</b>
<b>Price Band Per Share</b>	<b>₹ 234 - ₹ 247</b>
<b>Minimum Lot Size</b>	<b>60 shares</b>
<b>Listing On</b>	<b>BSE, NSE</b>
<b>Pre-Issue Promoter Holding</b>	<b>53.98%</b>
<b>Post-Issue Promoter Holding</b>	<b>32.93%</b>
<b>Registrar to the Issue</b>	<b>Kfin Technologies Ltd</b>

# IPO SNAPSHOT – Elin Electronics Ltd

<b>About the Company</b>	<ul style="list-style-type: none"> <li>▪ Incorporated on March 26, 1982</li> <li>▪ Leading Electronics Manufacturing Services manufacturer of end-to-end products solutions for major brands of lighting, fans and small/kitchen appliances in India</li> <li>▪ One of the largest fractional horse-power motors manufacturers in India</li> <li>▪ Manufactures and Assembles a wide array of products and provides end to end product solutions</li> <li>▪ Key Business Verticles include <b>LED Lighting, fans and switches, small appliances, fractional horsepower motors, medical diagnostic cartridges and moulded and sheet metal parts and components</b></li> <li>▪ Serves under both Original Equipments Manufacturer (OEM) and Original Designer Manufacturer (ODM) business models</li> <li>▪ OEM Model manufactures and supplies products basis designs developed by the customers who then further distribute these products under their own brand</li> <li>▪ ODM conceptualizes and designs products which are marketed to their customers and prospective customers under Elin's Brands</li> <li>▪ Developed ODM Capabilities with respect to lighting products and small appliances</li> <li>▪ Also manufactures medical diagnostic cartridges for use in diagnostic devices and plastic moulded and sheet metal parts and components, largely for customers in auto ancillary and consumer durables sectors</li> <li>▪ Manufactures and Sells fractional horsepower motors in their own brand name Elin</li> <li>▪ Has a centralized R&amp;D centre in Ghaziabad (UP) and as on October 31, 2022 – R&amp;D Team Consisted of 171 employees including engineers, designers and other workers</li> </ul>																														
<b>Competitive Strengths</b>	<ul style="list-style-type: none"> <li>▪ Established Market Position in Key Verticals including leadership in fractional horsepower motors</li> <li>▪ Diversified products resulting in a de-risked business model</li> <li>▪ Entrenched relationship with marquee customer base</li> <li>▪ High degree of backward integration resulting in higher efficiencies, enhanced quality of products and customer retention capabilities</li> <li>▪ Consistent Financial Performance</li> </ul>																														
<b>Financials</b> (₹ in Crores)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2020</th> <th>31-3-2021</th> <th>31-3-2022</th> <th>Y-o-Y</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>785.58</td> <td>862.38</td> <td>1093.75</td> <td>26.83%</td> </tr> <tr> <td>EBITDA as stated</td> <td>56.24</td> <td>69.00</td> <td>79.93</td> <td>15.84 %</td> </tr> <tr> <td>EBITDA Margin</td> <td>7.16%</td> <td>8.00%</td> <td>7.31%</td> <td></td> </tr> <tr> <td>Profit After Tax as stated</td> <td>27.49</td> <td>34.86</td> <td>39.15</td> <td>12.31%</td> </tr> <tr> <td>Profit After Tax Margin</td> <td>3.5%</td> <td>4.03%</td> <td>3.58%</td> <td></td> </tr> </tbody> </table> <p>Debt to Equity = 0.32</p>	Particulars	31-3-2020	31-3-2021	31-3-2022	Y-o-Y	Revenue from Operations	785.58	862.38	1093.75	26.83%	EBITDA as stated	56.24	69.00	79.93	15.84 %	EBITDA Margin	7.16%	8.00%	7.31%		Profit After Tax as stated	27.49	34.86	39.15	12.31%	Profit After Tax Margin	3.5%	4.03%	3.58%	
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<b>Valuation</b>	<ul style="list-style-type: none"> <li>▪ Based on Annualized FY23 Earnings, fully diluted paid up equity capital Asking P/E = 29.69</li> </ul>																														
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<b>Promoters</b>	<ul style="list-style-type: none"> <li>▪ Mangilal Sethia</li> <li>▪ Kamal Sethia</li> <li>▪ Kishore Sethia</li> <li>▪ Sanjeev Sethia</li> <li>▪ Suman Sethia</li> <li>▪ Gaurav Sethia</li> <li>▪ Sumit Sethia</li> <li>▪ Vasudha Sethia</li> <li>▪ Vinaykumar Sethia</li> </ul>																														

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