

IPO Details		Company Background					
<b>Opening Date</b>	Nov 22, 2023	<ul style="list-style-type: none"> <li>Tata Technologies Limited was incorporated in the year 1994 and has its registered office in Pune, Maharashtra.</li> <li>The company leading global engineering services company offering product development and digital solutions, including turnkey solutions, to global original equipment manufacturers and their Tier 1 suppliers globally.</li> <li>With over two decades of experience, the Company has deep domain expertise in the automotive industry and leverages such expertise to serve clients in adjacent industries, such as the aerospace and transportation and construction heavy machinery (“TCHM”) industries.</li> <li>As of 30<sup>th</sup> September 23, the Company has 12,451 employees on its payroll.</li> </ul>					
<b>Closing Date</b>	Nov 24, 2023						
<b>Stock Exchange</b>	NSE, BSE						
<b>Lot Size</b>	30 Shares						
<b>Issue Price</b>	₹475 to ₹500 per share						
<b>Issue Size</b>	Aggregating up to 3,042.51 Cr.						
<b>Fresh Issue</b>	-						
<b>Offer for Sale</b>	Aggregating up to 3,042.51 Cr.						
<b>Application Amount</b>	Min. Inv. - ₹ 15,000 (30 shares) Max. Inv. – ₹ 1,95,000 (390 shares)						
IPO Objective		Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders.					
Pre-Issue Shareholding			Market Capitalization (In Cr.)				
Category	No. of Shares	% of Total Shares	Pre-Issue	Post-Issue			
Promoter & Promoter Group	27,09,64,736	66.79%	₹ 20,283	₹ 20,283			
Public	13,47,03,794	33.21%					
Promoter of the Company			Financial Summary (In Cr.)				
1. Tata Motors Limited.			For the Period Ended	Mar-21	Mar-22	Mar-23	Sep-23
			<b>Total Assets</b>	3,572.74	4,218.00	5,201.49	5,142.42
			<b>Net Assets</b>	2,142.15	2,280.16	2,989.47	2,853.13
			<b>Total Borrowings</b>	-	-	-	-
			<b>Total Revenue</b>	2,425.74	3,578.38	4,501.93	2,587.42
			<b>Profit After Tax</b>	239.17	436.99	624.04	351.90
Competitive Strengths			Tentative Timeline				
1. Deep expertise in the automotive industry.			<b>Opening Date</b>		Nov 22, 2023		
2. Differentiated capabilities in new age automotive trends – electric vehicles (“EVs”), connected and autonomous.			<b>Closing Date</b>		Nov 24, 2023		
3. Strong digital capabilities bolstered by proprietary accelerators.			<b>Basis of Allotment</b>		Nov 30, 2023		
4. Marquee set of clients across anchor accounts, traditional OEMs and new energy vehicle companies.			<b>Initiation of Refunds</b>		Dec 01, 2023		
5. Global delivery model enabling intimate client engagement and scalability.			<b>Credit of Shares to Demat</b>		Dec 04, 2023		
6. Proprietary e-learning platform leveraging the manufacturing domain knowledge to tap into the large upskilling and reskilling market.			<b>Listing Date</b>		Dec 05, 2023		
7. Well-recognized brand with experienced Promoter, board of directors and management team.							

## Company Background and Analysis

Tata Technologies Limited was incorporated in 1994 and is a leading global engineering services company offering product development and digital solutions, including turnkey solutions, to global original equipment manufacturers (OEMs) and their tier-1 suppliers. The company has deep domain expertise in the automotive industry and serves clients in industries such as aerospace and transportation and construction heavy machinery.

The company primarily categorises the line of business as follows –

1. Services - The primary business line is services (“Services”), which includes providing outsourced engineering services and digital transformation services to global manufacturing clients helping them conceive, design, develop and deliver better products. Services business contributed ₹35,311.55 million and ₹19,863.90 million to our revenue from operations in Fiscal 2023 and the six-month period ended September 30, 2023, respectively, comprising 80.00% and 78.62% of our revenue from operations for the respective periods.
2. Technology Solutions - complement our service offerings with our Products and Education businesses (collectively, “Technology Solutions”). Through our Products business we resell third-party software applications, primarily product lifecycle management (“PLM”) software and solutions and provide value-added services such as consulting, implementation, systems integration and support. Technology Solutions business contributed ₹8,830.22 million and ₹5,403.12 million to our revenue from operations, respectively, comprising 20.00% and 21.38% of our revenue from operations for the respective periods.

The table below sets out revenue of Inside and Outside India for the Fiscal 2023, and the Period Ended Sep-2023 -

(Rs. In Cr)

Particulars	Mar-23		Sep-23	
	Amount	(%)	Amount	(%)
India	1,313.831	29.76	887.78	35.14
Europe	1,007.624	22.83	679.57	26.90
North America	946.535	21.44	486.66	19.26
Rest of the World	1,146.187	25.97	472.68	18.71
Total	4,414.177	100	2,526.702	100

The table below sets out the bifurcation of segment-wise revenue for the Fiscal ended 2021, 2022, 2023, and the Period ended Sep 2023 -

(Rs. In Cr.)

Particulars	Mar-21		Mar-22		Mar-23		Sep-23	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Service Segments	19,114.37	97.62	2,651.35	75.12	3,531.16	80.00	1,986.39	78.62
Technology Solutions	466.54	2.383	878.23	24.88	883.02	20.00	540.31	21.38
Total	19,580.91	100	3,529.58	100	4,414.177	100	2,526.702	100

The company's full-service offerings are as follows –

1. Engineering – a) Automotive – Turnkey vehicle development b) Transportation – Product concept, definition, design, validation c) Aerospace – Airframe design, wiring harness etc d) Digital – Digital twin and thread, telematics.
2. Manufacturing – a) Automotive – Simulation, ALME Tool Design b) Transportation – Process and manufacturing engineering, factory automation c) Aerospace – Process design, simulation, jigs d) Digital – Industry 4.0 factory automation.
3. After Sales and Customer Experience - a) Automotive – CRM Sales, dealer management, e-commerce, aftersales, tracking analytics b) Transportation – CRM Sales, dealer management, e-commerce, aftersales, tracking analytics c) Aerospace – MRO, non-conformity review, tool design, technical publications d) Digital – Connected products and services, cyber security, customer service and experience.

To conclude, the company operates in various states and outside the country. The company generates the majority of its revenue through the Service Segments.

## **Business Strategies**

### **1. Deepen engagements within the existing client base.**

The company invests in building capabilities of the frontline sales teams in priority domains and aims to conduct proactive campaigns and cultivate relationships across the top accounts to increase penetration of the priority offerings. The company also leverages an account-based marketing approach and highly skilled subject matter experts to gain industry insights and develop customer-specific value propositions in order to cultivate deeper engagements.

### **2. Target top ER&D spenders in select high-priority verticals and key geographies**

The company aims to strengthen its dedicated business development strategy to focus on high-potential accounts with large annual ER&D spending and new energy vehicle companies. The company believes the global delivery model will continue to enable value delivery into these territories. The company continues to rely on the global delivery model and complement it, as necessary, with additional delivery centres that are exclusively focused on delivering country-specific services, as necessary.

### **3. Expand capabilities in digital engineering and embedded systems.**

The company intends to expand the business through selective acquisitions that provide access to better technology, a broader geographical reach, capabilities and key clients. They focus on scaling up the embedded, digital and software-defined vehicle (“SDV”) capabilities and offerings through investments and strengthening alliances as part of the diversification strategy.

### **4. Strengthening service delivery through capacity and capability building and optimizing delivery processes.**

The company focuses on building a strong talent development strategy to onboard and upskill employees and they launched various campaigns to strengthen the employer brand in order to attract new talent. In addition, the company launched initiatives to develop talent in digital lines of services, supported by differentiated compensation strategies with a view to launching a holistic career path strategy in the near future including predictable growth opportunities for talent with niche skills.

### **5. Expand capabilities and enterprise client base in the education sector.**

The company aims to leverage the experience and relationships within the public sector to improve the iGetIT platform and will continue to invest and develop the platform with additional modules as needed to reinforce the private sector enterprise proposition.

## Competitive Scenario and Peer Mapping

### Competition

The company faces significant competition in this Industry. The company operates in a highly competitive global ER&D industry. The company has a low barrier to entry, The bargaining power with the suppliers is low in this industry. The bargaining power with the customers is low in the sector in which the company operates.

### Peer Analysis

The comparison of the key performance indicators of the listed peers as on Mar-23 is given below –

Particulars	Tata Technologies Limited	KPIT Technologies Limited	L&T Technologies Limited	Tata Elxis Limited
	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023
Net Profit Margin	14.14%	11.50%	14.65%	24.01%
EBITDA Margin	18.60%	18.81%	21.35%	30.59%
Return on Capital Employed	24.87%	22.41%	27.43%	38.54%
Return on Equity	10.58%	23.44%	23.71%	36.21%
EPS (INR)	15.37	13.90	110.77	121.26

The comparison of the key performance indicators of the listed peers as on Mar-22 is given below –

Particulars	Tata Technologies Limited	KPIT Technologies Limited	L&T Technologies Limited	Tata Elxis Limited
	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022
Net Profit Margin	12.38%	11.35%	14.63%	22.26%
EBITDA Margin	18.29%	18.54%	21.54%	31.04%
Return on Capital Employed	24.73%	20.32%	25.56%	40.48%
Return on Equity	9.67%	21.07%	23.09%	34.35%
EPS (INR)	10.77	10.00	90.68	88.26

The comparison of the key performance indicators of the listed peers as on Mar-21 is given below –

Particulars	Tata Technologies Limited	KPIT Technologies Limited	L&T Technologies Limited	Tata Elxis Limited
	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021
Net Profit Margin	10.05%	7.22%	1.11%	20.15%
EBITDA Margin	15.97%	15.08%	10.50%	28.70%
Return on Capital Employed	15.17%	12.07%	8.00%	33.04%
Return on Equity	5.64%	12.18%	21.26%	27.22%
EPS (INR)	5.89	5.33	63.14	59.11

**Industry Overview**

Exhibit 1: Global ER&D Services Spend.

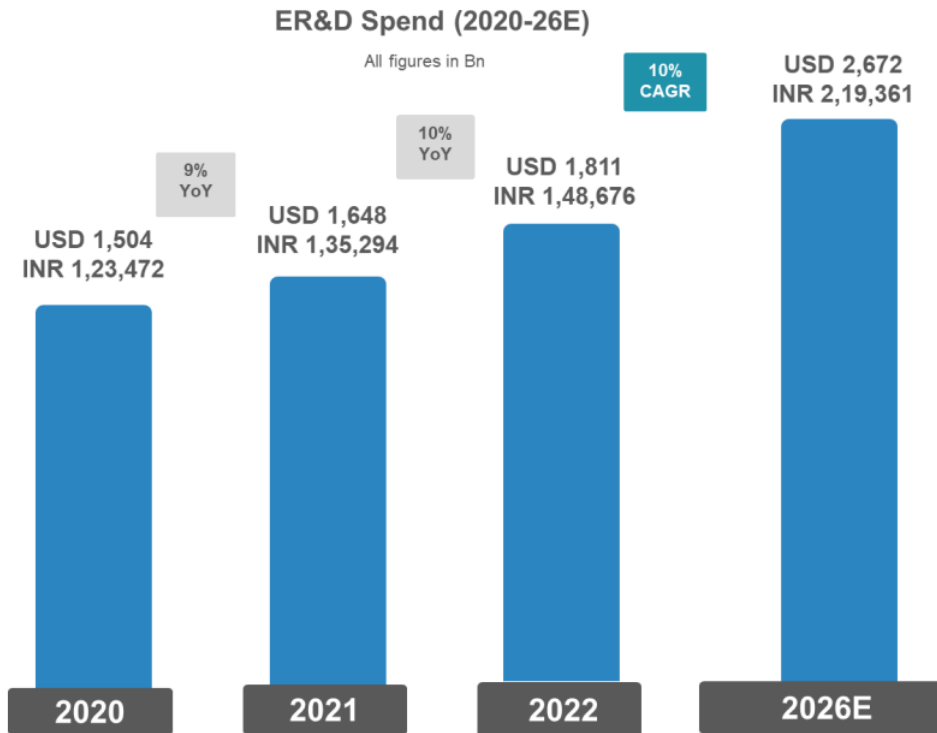
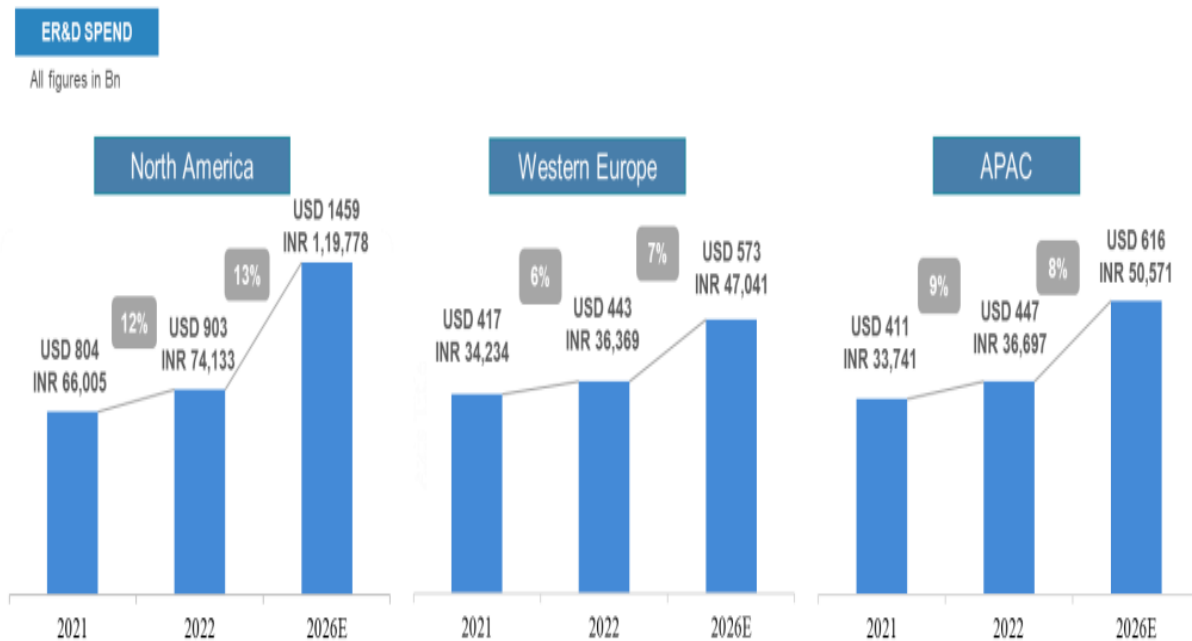


Exhibit 2: ER&D Spend By Geographic Distribution.



(Source: Prospectus)

## **Global Engineering Research & Development (“ER&D”) Services Industry**

ER&D services is defined as the set of services offered to enterprises on activities which involve the process of designing and developing a device, equipment, assembly, platform, or application such that it may be produced as a product for sale through software development or a manufacturing process.

Players in the ER&D services industry typically focus on the design, development, testing, rollout, and maintenance aspects of the product and process development chain. The ER&D services market is comprised of product engineering services and process engineering services.

## **Global ER&D Spend & Addressed ER&D Market**

In 2022, ER&D spending continued its upward trend, marking another significant year of steady growth. Enterprises, committed to sustaining innovation while funding it through cost optimization and productivity improvements, have maintained their focus on futureproofing and transformation, with an intensified emphasis on digital engineering. This mainly comprised of spending on new-age technologies like the IoT, blockchain, 5G, augmented reality, virtual reality, cloud engineering, digital thread initiatives, advanced analytics, embedded engineering and generative artificial intelligence (“AI”), among others. Additionally, digital engineering spending is expected to grow at a compound annual growth rate (“CAGR”) of approximately 16% from 2022 to 2026.

The ER&D services addressed market refers to the sum of the ER&D expenditure by global capability centers (“GCCs”) and the ER&D expenditure outsourced to third-party engineering service providers (“ESPs”). The global ER&D addressed market was pegged at \$170-180 billion (₹13,956-14,777 billion) in 2022 – which was an increase from \$145-155 billion (₹11,904-12,725 billion) in 2021, and accounts for approximately 10% of the overall ER&D spend. Of the \$170-180 billion (₹13,956-14,777 billion), \$65-70 billion (₹5,336-5,747 billion) is accounted for by GCCs, and they are expected to witness a steady growth of seven nine percent to reach \$90-95 billion (₹7,389-7,799 billion) by 2026.

## **India and Romania addressed ER&D Market Opportunity**

The India Opportunity -

Indian ESPs are defined as Indian heritage players and do not include global players with Indian centers. They account for almost a fourth of the overall outsourced ER&D spend, while more than 85% of the top 50 R&D spenders have a GCC presence in India. With a talent pool that adds 2.3 million science, technology, engineering, and mathematics (“STEM”) graduates annually, India’s software engineering maturity and abundant digital engineering talent are drawing enterprises to outsource end-to-end product/platform development to the region.

The Romania Opportunity -

Eastern Europe has emerged as a hub for organizations to set up their global centers. Among the Eastern European countries, Romania has emerged as a key R&D hotspot in recent years due to its talent and innovation ecosystem, presence of global companies, and low-cost structure.

(Source: Prospectus)



## Key Managerial Personnel

**Ajoyendra Mukherjee**, aged 64 years, is the Chairman and Independent Director of the Company. He holds a bachelor's degree in engineering (electrical and electronics) from the Birla Institute of Technology and Science. He was previously associated with TCS Limited for almost four decades, where he held positions such as the head of business operations, global head of CSR function, global head of energy and utilities practice and global head of human resources.

**Warren Kevin Harris**, aged 60 years, is the Chief Executive Officer and Managing Director of the Company. He holds a bachelor's degree in engineering (technology) from the University of Wales Institute of Science and Technology and doctorate in philosophy (honoris causa) from Amity University, Uttar Pradesh. He is a chartered mechanical engineer registered with and a member of the Institution of Mechanical Engineers. He is currently a director of Company's Subsidiaries, namely, Cambric Limited, Bahamas, INCAT International Plc., Tata Manufacturing Technologies (Shanghai) Co., Limited and so on.

**Usha Sangwan**, aged 65 years, is an Independent Director of the Company. She holds a bachelor's degree in arts and a master's degree in arts (economics) from Punjab University and a post-graduate diploma in human resource management from IGNOU. She has successfully completed a licentiate examination (life branch) from Federation of Insurance Institutes. She was also associated with the LIC India as the managing director before joining the company.

**Aarthi Sivanandh**, aged 46 years, is an Independent Director of the Company. She holds a bachelor's degree in commerce from the University of Madras, a bachelor's degree in law from the Tamil Nadu Dr. Ambedkar Law University and a master's degree in law from Tulane University. She is enrolled with the Bar Council of Tamil Nadu. She is a senior partner with AZB & Partners.

**Nagaraj Ijari**, aged 64 years, is an Independent Director of the Company. He holds a bachelor's degree in technology (textiles) from the Bangalore University and has completed the advanced management program from the Harvard Business School. Prior to joining the Company, he was associated with Gherzi Eastern Limited as senior programmer, Mafatlal Consultancy Services (India) Limited as systems engineer, and Tata Consultancy Services as head – business unit.

**Pathamadai Balachandran Balaji**, aged 54 years, is a Non-Executive Director of the Company. He holds a bachelor's degree in engineering (mechanical) from the IIT, Madras and a post-graduate diploma in business management from IIM, Kolkata. He is currently the president and chief financial officer of Tata Motors group.

**Shailesh Chandra**, aged 50 years, is a Non-Executive Director of the Company. He holds B.Tech in mechanical engineering from Banaras Hindu University and an executive master's degree in business administration from S.P. Jain Institute of Management and Research. Currently, he is the managing director of subsidiaries of Promoter, namely, Tata Motors Passenger Vehicle Limited and Tata Passenger Electric Mobility Limited.

To Conclude, the company has one corporate promoter, which has vast experience in the fields directly linked to the operations. The Remaining Directors of the company have good knowledge and experience in their respective fields which helps in the overall growth of the company.

## Financial Snapshot

<b>Profit and Loss Statement</b>					<b>(In Cr.)</b>
<b>Particulars</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	<b>Sep-23</b>	
Revenue from Operations	2,380.91	3,529.58	4,414.18	2,526.70	
Other Income	44.83	48.80	87.75	60.72	
<b>Total Income</b>	<b>2,425.74</b>	<b>3,578.38</b>	<b>4,501.93</b>	<b>2,587.42</b>	
<b>Expenses</b>					
Purchase of technology solutions	338.30	688.54	682.48	423.52	
Outsourcing and consultancy charges	241.44	399.80	569.66	290.46	
Employee benefits expense	1,216.00	1,512.69	1,929.46	1,131.94	
Finance Costs	17.66	21.90	17.98	9.48	
Depreciation and Amortization expense	92.20	85.71	94.55	49.74	
Other expenses	199.47	282.88	411.65	216.04	
<b>Total Expenses</b>	<b>2,105.06</b>	<b>2,991.53</b>	<b>3,705.78</b>	<b>2,121.17</b>	
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization</b>	<b>380.29</b>	<b>645.66</b>	<b>820.93</b>	<b>464.75</b>	
<b>EBITDA Margin</b>	<b>16%</b>	<b>18%</b>	<b>19%</b>	<b>18%</b>	
<b>Profit before exceptional and extraordinary items and tax</b>	<b>320.68</b>	<b>586.86</b>	<b>796.15</b>	<b>466.25</b>	
<b>Exceptional items</b>	<b>5.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Profit/(Loss) before tax</b>	<b>315.27</b>	<b>586.86</b>	<b>796.15</b>	<b>466.25</b>	
Tax Expense					
Current Tax	87.79	158.67	261.16	144.67	
Deferred Tax	-11.70	-8.81	-89.04	-30.32	
Total Tax Expense	76.09	149.87	172.11	114.35	
<b>Profit/(Loss) for the year</b>	<b>239.17</b>	<b>436.99</b>	<b>624.04</b>	<b>351.90</b>	
Net Profit Margin	10%	12%	14%	14%	

<b>Balance Sheet</b>					<b>(In Cr.)</b>
<b>Particulars</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	<b>Sep-23</b>	
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment	87.24	114.52	120.15	131.81	
Capital work-in-progress	0.04	0.26	2.65	-	
Goodwill	725.90	729.30	762.92	766.17	
other Intangible Assets	44.03	36.22	31.96	40.77	
Right of Use Asset	232.64	187.85	180.29	184.80	
Intangible assets under development	0.07	-	0.10	-	
Financial Assets	-	-	-	-	
(i) Investments	-	-	-	-	
(ii) Loans	0.34	0.04	-	-	
(i)Other financial assets	21.57	44.22	43.70	62.67	
Deferred tax asset (net)	42.97	57.44	152.08	185.97	
Other Non-Current Assets	8.47	37.66	79.65	94.86	
Income tax assets (net)	21.97	30.30	30.52	30.34	
<b>Total Non-Current assets</b>	<b>1,185.23</b>	<b>1,237.83</b>	<b>1,404.02</b>	<b>1,497.38</b>	
<b>Current Assets</b>					
Financial Assets					
(i)Investments	497.07	527.67	29.78	89.76	
(ii)Trade Receivables	-	-	-	-	
(a) Billed	453.45	647.29	951.75	1,013.41	



<b>Balance Sheet</b>				<b>(In Cr.)</b>
(b) Unbilled	142.30	120.89	154.47	211.31
(iii) Cash and Cash Equivalents	781.32	768.26	382.82	428.55
(iv) Other Bank Balances	2.08	101.14	616.38	385.95
(v) Loans	251.71	46.25	490.22	120.75
(vi) Others	26.80	32.77	74.43	87.50
Current tax assets (net)	31.39	10.72	32.62	2.98
Other current assets	201.38	725.18	1,065.00	1,304.82
<b>Total Current assets</b>	<b>2,387.50</b>	<b>2,980.17</b>	<b>3,797.47</b>	<b>3,645.03</b>
<b>Total Assets</b>	<b>3,572.74</b>	<b>4,218.00</b>	<b>5,201.49</b>	<b>5,142.42</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share Capital	41.81	41.81	81.13	81.13
Instruments entirely in the nature of equity	-	-	-	-
Other Equity	2,100.35	2,238.35	2,908.34	2,771.99
<b>Total Equity</b>	<b>2,142.15</b>	<b>2,280.16</b>	<b>2,989.47</b>	<b>2,853.13</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
(i) Borrowings	-	-	-	-
(ii) Lease liabilities	232.74	223.16	214.76	212.83
total outstanding dues of creditors other than micro-enterprises and small enterprises	-	-	-	-
(iii) Trade Payables	-	-	-	-
(iii) Others	0.47	0.35	0.54	0.73
Long term provisions	15.20	18.65	23.33	29.18
other non-current liabilities	-	-	-	-
<b>Total Non-current liabilities</b>	<b>248.41</b>	<b>242.16</b>	<b>238.62</b>	<b>242.73</b>
<b>Current liabilities</b>				
Financial Liabilities				
(i) Borrowings	-	-	-	-
(ii) Lease liabilities	33.47	38.28	40.60	47.04
(iii) Trade Payables				
total outstanding dues of micro-enterprises and small enterprises	0.07	17.22	107.17	8.53
total outstanding dues of creditors other than micro-enterprises and small enterprises	223.60	319.38	550.63	471.03
(iv) Others	3.06	255.87	4.57	3.70
Other current liabilities	907.23	1,012.65	1,174.88	1,396.17
Short-Term Provisions	11.91	30.69	33.91	25.61
Liabilities for current tax (Net)	2.84	21.60	61.64	94.48
<b>Total Current liabilities</b>	<b>1,182.17</b>	<b>1,695.68</b>	<b>1,973.39</b>	<b>2,046.56</b>
<b>Total Liabilities</b>	<b>1,430.58</b>	<b>1,937.84</b>	<b>2,212.02</b>	<b>2,289.29</b>
<b>Total Equity and Liabilities</b>	<b>3,572.74</b>	<b>4,218.00</b>	<b>5,201.49</b>	<b>5,142.42</b>

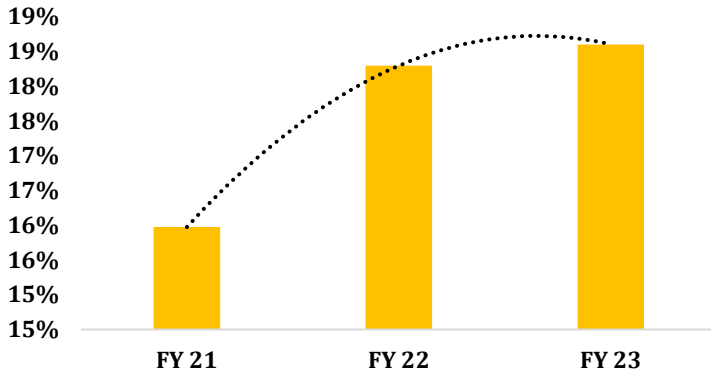
<b>Cash Flow Statement</b>					<b>(In Cr.)</b>
<b>Particulars</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	<b>Sep-23</b>	
Net Cash Flow from Operating Activities	1,112.89	-38.68	401.38	-7.82	
Net Cash Flow from Investing Activities	673.57	74.21	-487.42	580.32	
Net Cash Flow from Financing Activities	-44.07	-44.41	-346.87	-526.51	

<b>Ratio Sheet</b>				
<b>Particulars</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	<b>Sep-23*</b>
<b><u>Per Share Data</u></b>				
Diluted EPS	5.89	10.77	15.37	17.20
BV per share	52.81	56.21	73.69	90.89
<b><u>Operating Ratios</u></b>				
EBITDA Margins	16%	18%	19%	18%
PAT Margins	10%	12%	14%	13%
Debtor days	91.33	79.44	91.47	0.85
Creditor days	241.32	178.43	351.80	103.61
<b><u>Return Ratios</u></b>				
RoCE	12%	22%	23%	23%
RoE	11%	19%	21%	23%
<b><u>Valuation Ratios (x)</u></b>				
EV/EBITDA	3.58	2.34	3.18	4.04
Market Cap / Sales	8.52	5.75	4.60	4.01
P/E	84.89	46.43	32.53	29.08
Price to Book Value	9.47	8.90	6.78	5.50
<b><u>Solvency Ratios</u></b>				
Debt / Equity	0.00	0.00	0.00	0.14
Current Ratio	2.02	1.76	1.92	1.78
Quick Ratio	2.02	1.76	1.92	1.78
Asset Turnover	0.67	0.84	0.85	0.98
Interest Coverage Ratio	16.32	25.57	40.40	43.79

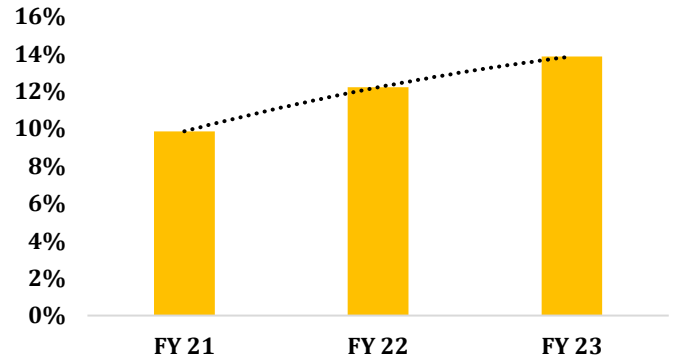
\*Annualized Figures

## Financial Charts

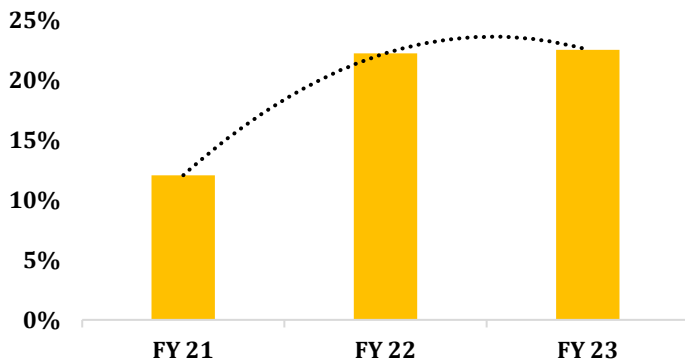
**EBITDA Margin**



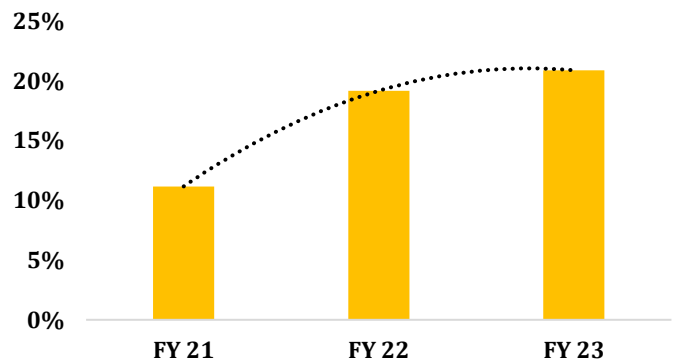
**Net Profit Margin**



**Return On Capital Employed**



**Return on Equity**



## Key Risk Factors

1. The company has negative operating cash flow for the FY ended 2022, and the Period Ended September 30, 2023.
2. The company depends on several single-source or limited-source vendor relationships that have contributed 11.86% and 10.89% of revenue for the financial year ended 2022 and 2023 respectively. Any disruption of supply from such entities may affect the business operations.
3. The company's contingent liabilities amounted to Rs. 29.313 crores and if materialized could adversely affect the results of operations.
4. There are outstanding legal proceedings involving the Company, the Directors, the Subsidiaries and the Promoter amounted to Rs.7447.635 Cr which have an adverse effect on the business, prospects, results of operations and financial condition.

### Track Record of Lead Manager

The lead manager to the issue is JM Financial Limited, Citigroup Global Markets India Private Limited and Bofa Securities India Limited. A table has been set below highlighting the details of the IPO of the last companies handled by the Lead Manager in recent times –

#### JM Financial Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	ASK Automotive Limited	834.00	282.00	November 15, 2023	314.00
2.	Honasa Consumer Limited	1,701.44	324.00	November 07, 2023	332.00
3.	Cello World Limited	1,900.00	648.00	November 06, 2023	786.00
4.	JSW Infrastructure Limited	2,800.00	119.00	October 03, 2023	773.00
5.	SAMHI Hotels Limited	1,370.10	126.00	September 22, 2023	161.00

The company has had 39 mandates in the past three years (including the current year)

#### Citigroup Global Markets India Private Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Honasa Consumer Limited	1,701.44	324.00	November 07, 2023	332.00
2.	R R Kabel Limited	1,964.01	1,035.00	September 20, 2023	1,673.00
3.	Concord Biotech Limited	1,551.00	741.00	August 18, 2023	1287.00
4.	Nexus Select Trust	3,200.00	100.00	May 19, 2023	130.00
5.	Delhivery Limited	5,235.00	487.00	May 24, 2022	403.00

The company has had 13 mandates in the past three years (including the current year)

#### Bofa Securities India Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Nexus Select Trust	3,200.00	100.00	May 19, 2023	130.00
2.	Delhivery Limited	5,235.00	487.00	May 24, 2022	403.00
3.	Life Insurance Corporation of India	21,008.48	949.00	May 17, 2022	615.00
4.	Campus Activewear Limited	1,400.14	292.00	May 09, 2022	262.00
5.	Adani Wilmar Limited	3,600.00	230.00	February 08, 2022	296.00

The company has had 11 mandates in the past three years (including the current year)

\*CMP for the above-mentioned companies is taken as of 17<sup>th</sup> November 2023.

As per the offer document, from the above-mentioned for Bofa Securities India Limited has 1 mandate opened at a discount and remaining all mandates are opened at a premium on the listing date.

## **Recommendation**

The company has been in the industry since 1994 and thus has vast experience in the industry. The company has seen consistency in the increase of its top line and bottom line of its financials. The company faces significant competition in the market/industry. The management overview of the company is satisfactory.

The P/E on a post-IPO basis is around 57.64 times which makes it slightly highly priced by looking at the performance of the company and its peers.

The company has performed well over the years, which is evident in the revenue growth. The company also has a huge footprint in the Indian market with good brand value. The company is here only to get listed on the stock exchange and benefit from it. The company has seen a good increase in revenues and the outlook of the company is good. We believe one should **APPLY** to this IPO for the above-mentioned points.

## **Disclaimer**

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