

TATA TECHNOLOGIES IPO

Issue Details	
Issue Opens	Nov 22, 2023
Issue Closes	Nov 24, 2023
Issue Size (Rs. Crore)	3042.51
Price Band (Rs.)	475-500
No. of share (Cr)	60.85
Face Value (Rs.)	2
Lot size (No. of units)	30
Listing at	BSE, NSE
Issue Type	Book Building

Issue Structure	
Qualified Institutional Buyers (QIB)	50%
Non-Institutional Investors	15%
Retail	35%

Application Structure			
Application	Lot	Shares	Amount
Retail (Min)	1	30	Rs 15,000
Retail (Max)	13	390	Rs 195,000

Registrar
Link Intime India Private Ltd

Book Running Lead Managers
JM Financial Limited
Citigroup Global Markets India Private Limited
Bofa Securities India Limited

Tentative Timetable	
Basis of Allotment Date	Nov 30, 2023
Initiation of Refunds	Dec 01, 2023
Credit of Shares to Demat Account	Dec 04, 2023
IPO Listing Date	Dec 05, 2023

Company Background

Incorporated in 1994 as a part of Tata group, Tata Technologies Limited is a leading global engineering services company. They offer product development and digital solutions including turnkey solutions, to global original equipment manufacturers (OEMs) and their tier-1 suppliers.

Tata Technologies aspire to create value for their customers by assisting them in the development of products that are safer, cleaner and improve the quality of life for the end customers.

With their deep domain expertise in the automotive industry, they have gained high expertise to serve clients in adjacent industries also, such as aerospace and transportation and heavy construction machinery.

The operation of Tata Technologies Limited is spread globally. They bring together diverse teams from different parts of the world with varied skill sets to collaborate in real time and solve complex engineering problems.

Objects of the Issue

The Company proposes to utilize the Net Proceeds from the Issue towards funding the following objects:

- Achieve the benefits of listing the Equity Shares on the Stock Exchanges;
- Carry out the Offer for Sale of up to 95,708,984 Equity Shares by the Selling Shareholders.

Strengths

- Automotive domain expertise and deep understanding of client requirements
- Differentiated capabilities in new age automotive trends such as electric vehicles ("EVs")
- Proprietary e-learning platform leveraging manufacturing domain knowledge to tap into the large upskilling and reskilling market.
- Delivery centres are located globally to ensure client engagement and scalability.
- Marquee set of clients spread across the globe.
- Well-recognized brand with experienced Promoter, board of directors and management team

Risks

- Derives significant portion of revenue (73%) generated from top 5 clients which includes Tata Motors.
- Revenues are highly dependent on clients concentrated in the automotive segment.
- Expect significant future revenues to come from new energy vehicle companies, many of which can be startup
- Negative cash flow in the past and may incur negative cash flows in future also.
- The company operates in a very competitive environment
- Exposed to foreign exchange rate fluctuations.

Financials

Profit and Loss

Particulars	For the year/period ended (in Rs Cr)		
	FY23	FY22	FY21
Revenue from Operation	4414.17	3529.58	2380.91
Other Income	87.75	48.8	44.82
Total Income	4501.92	3578.38	2425.73
EBITDA	820.93	645.66	385.71
EBITDA Margin (%)	18.60	18.29	16.20
Profit Before Tax	796.15	586.85	315.26
Tax	172.12	149.86	76.09
Profit After Tax	624.03	436.99	239.17

CA & CL Key Parameters

Particulars	For the year/period ended (in Rs Cr)		
	FY23	FY22	FY21
Current Assets			
Trade receivables	1106.14	768.17	595.74
Cash and cash equivalents	382.82	768.25	781.32
Bank Balance	616.37	101.13	2.08
Current Liabilities			
Trade Payables	657.8	336.59	223.65

Coverage Ratio

Particulars	For the year/period ended (in Rs Cr)		
	FY23	FY22	FY21
EBITDA/Int Cost	45.66	29.50	21.85

Cash Flows

Particulars	For the year/period ended (in Rs Cr)		
	FY23	FY22	FY21
CFO	401.37	-38.67	1112.89
CFI	-487.42	74.2	673.57
CFF	-346.86	-44.41	-44.07

Tata Technologies is a leading global engineering services company with deep expertise in the automation industry. The company posted consistent growth in revenue and margins in the last few years. Tata is known as investor friendly group and enjoys special preference amongst investors. Company has differentiated capabilities in new age automation trend EV's. Investors can invest in the Tata group IPO with a long-term perspective.

INVEST NOW

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