

# TATA ELXSI

## TATA ELXSI LIMITED

ISIN : INE670A01012

BSE: 500408

NSE: TATAELXSI

CMP: . 6073.10

Wed, 13<sup>th</sup> Oct, 21

### OVERVIEW

- India-based provider of design and technology services for the aerospace and defence, automotive, broadcasting and media, communications, consumer products, healthcare, semiconductor, and automotive industries
- Its solutions include product engineering, design, Big Data analytics, Internet of Things, content development, artificial intelligence, virtual reality, and systems integration.

### STRENGTHS

- Consistent Highest Return Stocks over Five Years - Nifty500
- Company with high TTM EPS Growth
- Company with No Debt
- Strong cash generating ability from core business - Improving Cash Flow from operation for last 2 years
- Company with Zero Promoter Pledge

### BUSINESS STRATEGY

- Tata Elxsi provides integrated services – from research and strategy, to electronics and mechanical design, software development, validation and deployment, and is supported by a network of design studios, global development centres and offices worldwide
- Combine deep domain expertise with over 30 years of technology and product development experience, that enable brands to differentiate and win.

### KEY DEAL WINS

- A leading global automotive OEM selected Tata Elxsi for a multi-year and multi-million USD connected vehicle program for one of their key markets, that will leverage our IoT platform.
- A leading European Tier1 automotive supplier selected Tata Elxsi as a strategic partner for next-generation cybersecurity services.
- A leading European operator selected Tata Elxsi to support its Software Defined Network implementation and workflow automation.
- A leading global healthcare provider selected Tata Elxsi as their strategic digital and development partner for their next-generation digital health platform

### FUTURE PROSPECTS

- Tata Elxsi to exhibit for the first time at CABSAT
- The company's main objective is to acquire new clients, network with existing ones
- TEPlay will also showcase iCX, QoEtient, Ad Monetisation services and Android TV services at the event
- New exhibitor Tata Elxsi Limited will showcase TEPlay, a pre-integrated, scalable, secure end-to-end OTT video delivery platform, at CABSAT.

### SUMMARY OF FINANCIALS

- Revenue / turnover of TATA ELXSI LIMITED is Over INR 1500 crs
- Net worth of the company has increased by 30.27 %
- EBITDA of the company has increased by 71.31 %
- Total assets of the company has increased by 19.0 %
- Liabilities of the company has increased by 17.99 %

**Disclaimer:** The analysis is only for information purposes only. Please consult your financial advisor, agent, broker before acting on any information. We may or may not have positions in the stock. We would not be responsible for the profit/loss resulting from this analysis.

Growth Rates (Compound Annual)	1 Yr	3 Yr	5 Yr	10yr
Revenue %	13.4	9.6	11.2	16.0
Operating Income %	61.3	14.7	16.1	32.6
Earnings/Share %	43.8	15.3	18.9	27.5
Dividends %	22.2	27.3	8.5	9.0
Book Value/Share %	24.1	22.4	28.5	22.2
Stock Total Return	314.5	84.9	55.8	50.6
Market +/-	287.7	71.5		

Valuation Analysis	Current	5Yr Avg	Ind	Mkt.
Price/Earning	91.7	29.5	48.1	15.2
Forward P/E	-	-	-	-
Price/Cash Flow	86.5	34.5	-	9.9
Price/Free Cash Flow	94.9	42.8	-	-
Dividend Yield %	0.4	1.1	0.5	2.8
Price/Book	19.1	4.5	4.8	-
Price/Sales	-	-	-	-

Profitability Analysis	Current	5Yr Avg	Ind.	Mkt.
Return on Equity %	-	32.8	13.7	
Return on Asset %	-	25.4	8.2	5.6
Gross Margin %				-
Operating Margin %	27.3	23.0	14.6	-
Net Margin %	20.8	17.1	10.0	
Inventory Turns	-		13.2	-
Fixed Asset Turns	-	14.9	7.4	-

Financial Position (INR)	03-20(Mil.)	03-21 (Mil.)
Cash	2,284	1,004
Inventories	17	1
Receivables	—	—
Current Assets	12,012	13,914
Fixed Assets	1,350	1,584
Intangibles	129	186
Total Assets	13,890	17,167
Payables	530	637
Short-Term Debt	-	0
Current Liabilities	2,174	2,645
Long-Term Debt	-	-
Total Liabilities	2,989	3,645
Total Equity	10,900	13,522

Source: Company filings & Analyst research