

October 8, 2025

## Growth momentum to pick-up...

**About the stock:** Data Patterns (India) (DPIL) is a vertically integrated defence and aerospace electronics solutions provider

- Company's domain expertise is in development & manufacturing of key electronic systems like radars, electronic warfare, communication systems, avionics, satellite and test equipment's. Customers include MoD, DRDO, DPSUs, private sector players and exports
- Company's order backlog (including orders negotiated) stood at ₹ 1079 crore as of Jun'25

## Investment Rationale:

- Operating in high-growth defence electronics segment; moving up the value chain by leveraging existing competencies:** With strong positioning across the high-growth categories of defence electronics (including radars, electronic warfare, avionics, communication systems, satellites etc), the company has been focused on development & production of future-ready systems/sub-systems in these segments as per the requirements from DRDO, PSUs, defence services, private players and international clients. As per the industry reports, electronics contribution has been rising in all the defence platforms considering the requirement of hi-tech & modernised platforms. With huge potential opportunities in future, company has been moving up the value chain and building full products through leveraging existing domain expertise and availability of in-house building blocks
- Order-book position remains healthy; execution is expected to pick-up:** Order backlog (including orders negotiated) as of June 2025 stood healthy at ₹ 1079 crore (1.5x TTM revenue), providing healthy revenue visibility. Order inflows expected to pick-up in coming period as management remains confident of Rs 1000-1500 crore of orders intake in FY26E. Moreover, company guides orders pipeline of Rs 2,000-3,000 crores over 18-24 months, including significant opportunities across platforms from domestic and export markets. Share of development contracts to total order backlog remains high at ~38%, signifies strong inflows for production orders in the coming period. After a muted Q1FY26, management guides execution pick-up in coming quarters (maintains revenue growth guidance of 20-25% YoY). In terms of exports, management is confident of increasing exports potential in key electronic sub-systems & components. Company's exports contribution has improved substantially to ~15% in FY25 (vs ~6% in FY24), led by increasing capabilities across product portfolio. Exports orders stood at Rs 98 crore (~12% of total order book)

## Rating and Target Price

- Strong order-backlog, improving execution and robust pipeline provides healthy growth visibility for the coming period. We estimate revenue CAGR of ~22% over FY25-28E with EBITDA margin sustaining at 39-40%.
- We maintain BUY on Data Patterns with target price of ₹ 3560 per share (based on 50x FY28E EPS)

## DATA PATTERNS

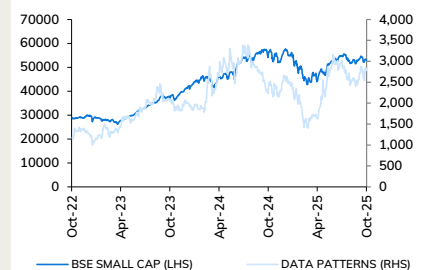
## Particulars

Particular	Amount (Rs crore)
Market Capitalisation	15,754
FY25 Gross Debt	0
FY25 Cash	126
EV	15,627
52 Week H/L (Rs)	3269 / 1350
Equity Capital (Rs)	11.2
Face Value (Rs)	2.0

## Shareholding pattern

	Sep-24	Dec-24	Mar-25	Jun-25
Promoter	42.4	42.4	42.4	42.4
FII	14.4	14.1	12.8	12.8
DII	8.7	8.8	7.4	8.1
Others	34.5	34.7	37.5	36.7

## Price Chart



## Key risks

- Dependent on govt contracts
- High working capital requirement
- Availability of key raw materials/components

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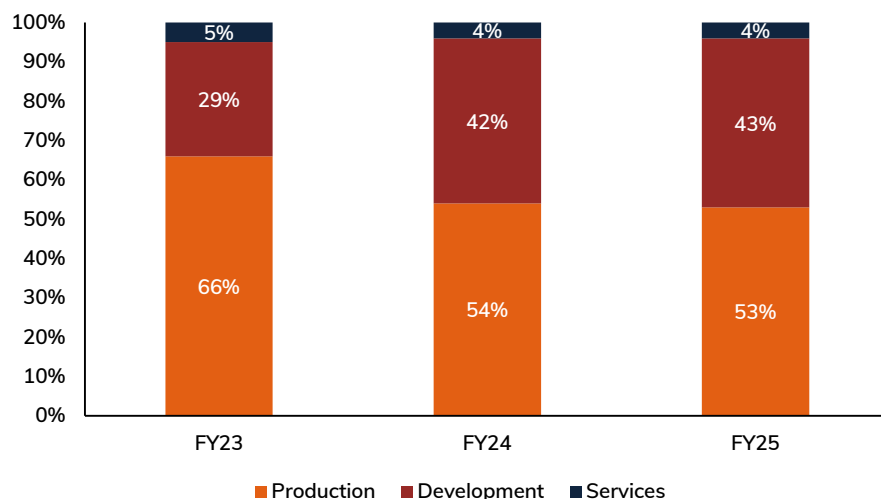
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## Key Financial Summary

(Rs crore)	FY23	FY24	FY25	3 Year CAGR (FY22-25)	FY26E	FY27E	FY28E	3 Year CAGR (FY25-28E)
Revenues	453	520	708	31.6	875	1,080	1,297	22.3
EBITDA	172	222	275	24.9	343	429	515	23.2
EBITDA margin (%)	37.9	42.6	38.8		39.2	39.7	39.7	
Net Profit	124	182	222	33.1	272	337	399	21.6
Diluted EPS (Rs)	22.1	32.5	39.6		48.6	60.1	71.2	
P/E (x)	127.1	86.7	71.0		57.9	46.8	39.5	
EV/EBITDA (x)	81.5	62.9	51.4		41.5	33.1	27.6	
RoCE (%)	14.8	19.0	20.4		21.5	22.8	23.0	
RoE (%)	10.6	13.7	14.7		15.6	16.6	16.9	

Source: Company, ICICI Direct Research

Exhibit 1: Revenue Breakup over the years



Source: Company, ICICI Direct Research

- Longer term orders pipeline remains robust from both domestic and export markets:** Electronic warfare, Radars & Avionics remain the key product segments for company (contributed ~81% to total FY25 revenue and ~71% of total order backlog) for both domestic and exports markets. Moreover, company sees sizable opportunity in other key product segments also like ATE (automated test equipment), Check-out systems, Fire control systems & seekers for existing & future Brahmos missile programs. Upcoming BrahMos-II program, which is also expected to feature on platforms like upgraded Super Sukhoi, provides huge demand potential for these products in coming years. Additionally, with its avionics and electronic warfare solutions deployed in the LCA Tejas, the recent order to Hindustan Aeronautics (HAL) for 97 additional Tejas aircraft offers significant incremental revenue visibility. Further, the indigenously developed HAWK AESA radar opens new opportunities in advanced fighter jet platforms, enhancing long-term growth prospects across India's aerospace and defence modernization programs

Exhibit 2: Order-book split as on Jun-25 (Segment wise)

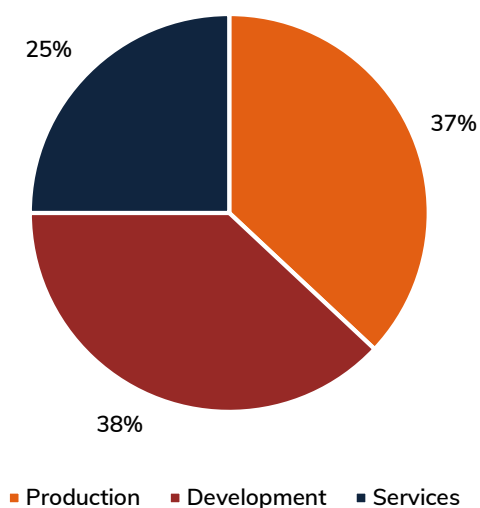
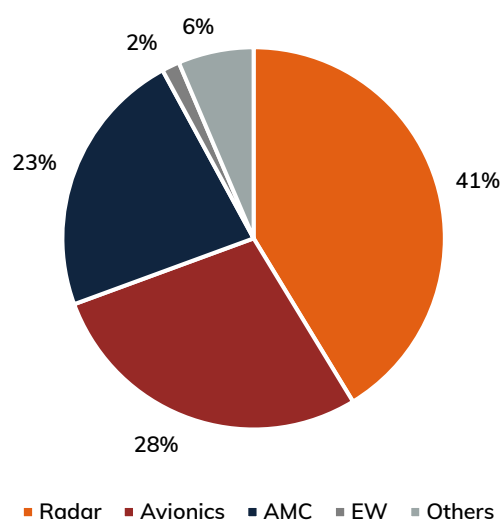


Exhibit 3: Order-book split as on Jun-25 (Product wise)



## Financial Summary

Exhibit 4: Profit and loss statement

₹ crore

(Year-end March)	FY25	FY26E	FY27E	FY28E
Revenue from operations	708.4	874.9	1,080.5	1,296.6
% Growth	36.3	23.5	23.5	20.0
Other income	46.3	53.3	62.4	68.6
<b>Total Revenue</b>	<b>708.4</b>	<b>874.9</b>	<b>1,080.5</b>	<b>1,296.6</b>
% Growth	36.3	23.5	23.5	20.0
Total Raw Material Costs	276	346	427	512
Employee Expenses	114	137	164	197
other expenses	43	49	60	73
<b>Total Operating Expenditure</b>	<b>433.4</b>	<b>531.7</b>	<b>651.1</b>	<b>781.9</b>
<b>EBITDA</b>	<b>275.0</b>	<b>343.2</b>	<b>429.4</b>	<b>514.6</b>
% Growth	24.1	24.8	25.1	19.9
Interest	12	12	12	12
PBDT	309	384	480	572
Depreciation	14	22	31	40
PBT before Exceptional Items	295	363	449	532
Total Tax	74	91	112	133
PAT before MI	222	272	337	399
<b>PAT</b>	<b>221.8</b>	<b>272.0</b>	<b>336.7</b>	<b>398.8</b>
% Growth	22.1	22.6	23.8	18.5
EPS	39.6	48.6	60.1	71.2

Source: Company, ICICI Direct Research

Exhibit 5: Cash Flow Statement

(Year-end March)	FY25	FY26E	FY27E	FY28E
Profit after Tax	222	272	337	399
Depreciation	14	22	31	40
Interest	12	12	12	12
Cash Flow before WC changes	248	306	379	450
Changes in inventory	(52)	(75)	(92)	(83)
Changes in debtors	(198)	(123)	(110)	(148)
Changes in loans & Advances	-	-	-	-
Changes in other current assets	0	(14)	(17)	(18)
Net Increase in Current Assets	(267)	(211)	(219)	(249)
Changes in creditors	34	19	15	13
Changes in provisions	1	1	1	1
Net Inc in Current Liabilities	(73)	63	68	69
<b>Net CF from Op activities</b>	<b>(92.7)</b>	<b>157.6</b>	<b>228.9</b>	<b>270.2</b>
Changes in deferred tax assets	-	-	-	-
(Purchase)/Sale of Fixed Assets	(112)	(130)	(130)	(130)
<b>Net CF from Inv activities</b>	<b>(138.3)</b>	<b>(92.7)</b>	<b>(156.3)</b>	<b>(157.6)</b>
Dividend and Dividend Tax	(34)	(42)	(52)	(58)
<b>Net CF from Fin Activities</b>	<b>(49.9)</b>	<b>(53.5)</b>	<b>(63.9)</b>	<b>(69.9)</b>
Net Cash flow	(281)	11	9	43
Opening Cash/Cash Equivalent	407	126	138	146
Closing Cash/ Cash Equivalent	126	138	146	189

Source: Company, ICICI Direct Research

Exhibit 6: Balance Sheet

₹ crore

(Year-end March)	FY25	FY26E	FY27E	FY28E
Equity Capital	11.2	11.2	11.2	11.2
Reserve and Surplus	1,497	1,727	2,012	2,353
<b>Total Shareholders funds</b>	<b>1,508</b>	<b>1,739</b>	<b>2,023</b>	<b>2,364</b>
Other Non Current Liabilities	14.3	2.0	2.0	2.0
Total Debt	-	-	-	-
<b>Total Liabilities</b>	<b>1,562.4</b>	<b>1,751.4</b>	<b>2,036.2</b>	<b>2,376.6</b>
Gross Block	225	318	448	578
Acc: Depreciation	84	106	137	177
Net Block	141	212	311	401
Capital WIP	13	50	50	50
<b>Total Fixed Assets</b>	<b>296</b>	<b>404</b>	<b>504</b>	<b>594</b>
<b>Non Current Assets</b>	<b>91</b>	<b>113</b>	<b>139</b>	<b>167</b>
Inventory	319	393	485	568
Debtors	596	719	829	977
Other Current Assets	58	72	88	106
Cash	126	138	146	189
<b>Total Current Assets</b>	<b>1,125</b>	<b>1,347</b>	<b>1,575</b>	<b>1,866</b>
Current Liabilities	84	103	118	131
Provisions	12	10	10	10
<b>Total Current Liabilities</b>	<b>277</b>	<b>339</b>	<b>408</b>	<b>476</b>
Net Current Assets	848	1,008	1,167	1,390
<b>Total Assets</b>	<b>1,562</b>	<b>1,751</b>	<b>2,036</b>	<b>2,377</b>

Source: Company, ICICI Direct Research

Exhibit 7: Key ratios

(Year-end March)	FY25	FY26E	FY27E	FY28E
<b>Per Share Data</b>				
Diluted EPS	39.6	48.6	60.1	71.2
Cash per Share	80.9	65.1	66.6	74.3
BV	269.4	310.6	361.4	422.2
Dividend per share	6.0	7.4	9.3	10.4
Dividend payout ratio	15%	15%	15%	15%
<b>Operating Ratios(%)</b>				
EBITDA Margin	38.8	39.2	39.7	39.7
PAT Margin	31.3	31.1	31.2	30.8
Asset turnover	0.5	0.5	0.5	0.5
Debtors Turnover Ratio	1.4	1.3	1.4	1.4
Creditors Turnover Ratio	10.6	9.4	9.8	10.4
<b>Return Ratios(%)</b>				
RoIC	18.9	20.1	21.2	21.8
RoNW	14.7	15.6	16.6	16.9
RoCE	20.4	21.5	22.8	23.0
<b>Valuation Ratios</b>				
EV / EBITDA	51.4	41.5	33.1	27.6
P/E	71.0	57.9	46.8	39.5
EV / Net Sales	20.0	16.3	13.2	10.9
Sales / Equity	0.5	0.5	0.5	0.5
Market Cap / Sales	20.6	16.7	13.5	11.3
Price to Book Value	10.4	9.1	7.8	6.7
<b>Solvency Ratios</b>				
Debt / Equity	-	-	-	-
Current Ratio	10.0	10.0	10.5	11.2
Quick Ratio	6.7	6.7	6.8	7.3

Source: Company, ICICI Direct Research

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Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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