



Euro Pratik Sales Ltd

Euro Pratik Sales Ltd

Rating
NEUTRAL

Issue Opens On
Sept 16, 2025

Issue Closes On
Sept 18, 2025

Listing Date
Sept 23, 2025

Price Band (INR)
235 - 247

Issue Size (INR Mn.)
4,513

Company Overview:

Euro Pratik Sales, is India's leading Company in the decorative wall panel and laminates industry, offering diverse range of products spanned across leading recognizable brands. It holds a 15.9% market share in the organized Decorative Wall Panels industry. Its diversified portfolio includes wide-ranging products spread across 30+ categories and 3,000+ designs, offered for residential and commercial applications.

The Company positions itself as a fast-fashion brand in the decorative surfaces industry, and it has launched over 113 product catalogues in the last four years, ensuring relevant and appealing new design are made available to diverse consumer segments and needs.

It is known for its differentiated product offerings, driven by continuous innovation and development of unique product designs and templates, aligned with contemporary architectural and interior trends.

Its products are eco-friendly, durable and cost-effective, compared to traditional wall decor products including wallpaper, plywood, and paints, offering special consumer requirements such as anti-bacterial, anti-fungal, heavy-metal free, positioning them as superior and value-added wall decoration solutions.

Outlook:

To deploy asset-light model, it outsources all the finished products from contract manufacturers located in India and globally, to focus higher on branding, marketing, product innovation and distribution, by leveraging its in-house research team and entrenched network of 180 distributors spread across 25 states and five union territories.

The Company plans to expand both domestically and internationally in selected markets, through setup of additional distributors to capitalize on growing demand for quality, premium and luxury home interiors. It has witnessed a strong revenue growth of 23.7% CAGR over FY20-25, while during the same period EBITDA margins have improved from sub 30% range to 35.7% in FY25.

Euro Pratik's initial issue is priced at 32.9x TTM P/E, similar to listed peers in ceramics and paints industry. With stronger revenue growth and higher EBITDA margin profile, we expect the Company to deliver stronger financial growth, driven by stronger demand across end sectors. We assign a "NEUTRAL" rating to the issue.

Particulars (In INR Mn)	FY23*	FY24	FY25
Revenue	2,636	2,217	2,842
EBITDA	787	811	1,014
EBITDA Margin (%)	29.8%	36.6%	35.7%
Profit After Tax	596	629	767

*Standalone financial statement
Source: IPO Prospectus, DevenChoksey Research

OFFER STRUCTURE

Particulars	IPO Details
No. of shares under IPO (Mn.)	18.3
Fresh issue (# shares) (Mn.)	-
Offer for sale (# shares) (Mn.)	18.3
Price band (INR)	235 – 247
Post issue MCAP (INR Mn.)	24,017 – 25,243

Issue	# Shares	INR Mn.	%
QIB	91,35,931	Max 2,257	Not more than 50%
NIB	27,40,779	Min 677	Not less than 15%
Retail	63,95,152	Min 1,580	Not less than 35%
Net Offer	1,82,71,862	4,513	100%

Shareholding Pattern	Pre Issue (%)	Post Issue (%)
Promoters	87.97%	70.10%
Public	12.03%	29.90%
Total	100.0%	100.0%

Objects of the Offer	INR Mn.
NA	

BRLM

- Axis Capital Ltd
- DAM Capital Advisors Ltd

Indicative Timetable

Offer Closing Date	Thursday, Sept 18, 2025
Basis of Allotment	Friday, Sept 19, 2025
Initiation of Refunds	Monday, Sept 22, 2025
Credit of Shares to Demat	Monday, Sept 22, 2025
Listing Date	Tuesday, Sept 23, 2025

Source: IPO Prospectus

Euro Pratik Sales Ltd

Industry Overview

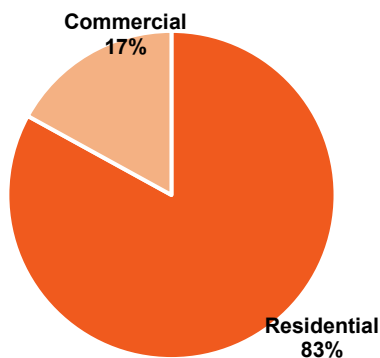
India's real estate market

The Indian real estate market was valued at ~USD 550bn in CY24, of which the residential segment accounted for ~83% of industry by value. The Indian real estate market is expected to reach to USD 650bn by 2025 and ~USD 1tn by 2030, contributing around ~13% to India's GDP in 2025.

The rapid growth in India's residential real estate market is expected to be driven by several factors including

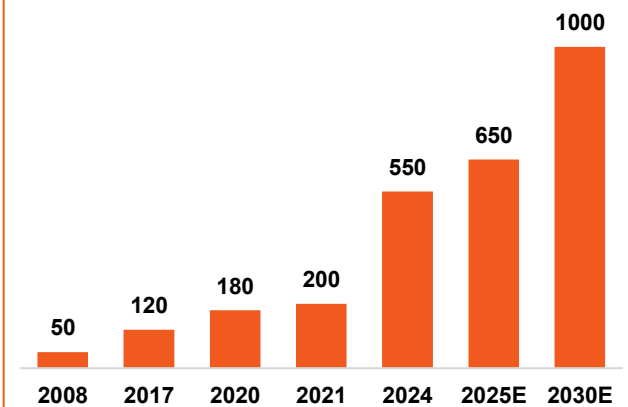
- Higher demand for residential space across both affordable and premium segments.
- Rapid urbanization (causing millions to migrate to cities for better employment opportunities and living standards) and the government initiatives including the Pradhan Mantri Awas Yojana (PMAY), is expected to drive higher demand for affordable housing, particularly across Tier-1, Tier-2 and Tier-3 cities.
- Stronger economic growth, along with higher per capita and disposable incomes is expected to fuel demand for mid to premium residential properties.
- Moreover, favorable demographics including reducing dependency ratio, rising education levels, and a growing young and working population, is expected to improve demand for residential flats across key metros and Tier-1 cities. Further, stable interest rate environment is expected to drive sustainable growth in the industry.

Residential vs Commercial Split of Real Estate Market (FY24)
 (Total Market size ~USD 550bn)



Source: IPO Prospectus, DevenChoksey Research

Indian Real Estate Market (USD Bn.)



Source: IPO Prospectus, DevenChoksey Research

Residential sales volumes across India's major cities, have experienced a significant growth of 41.5% CAGR (~2x) from 2.4 lakh household units in 2021 to 4.8 lakh household units in 2023, led by strong pent-up demand for large residential spaces after onset of Covid-19, higher demand for quality and personal spaces.

However, in 2024, housing sales volume declined by ~4% YoY to 4.6 lakh household units, led by following factors

- Higher than normal price increases across key housing markets (on an avg. prices increased by ~30%),
- Elevated home loan interest rates (negatively impacting buyer sentiments)
- Occurrence of general elections
- Delayed project launches, contributing to slower demand and a reduction in new housing supply

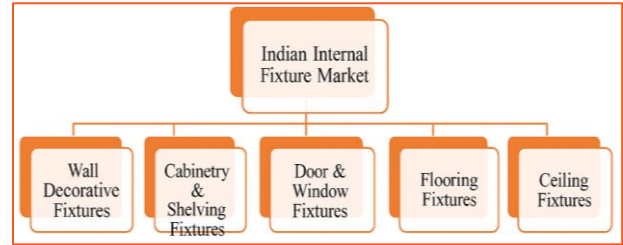
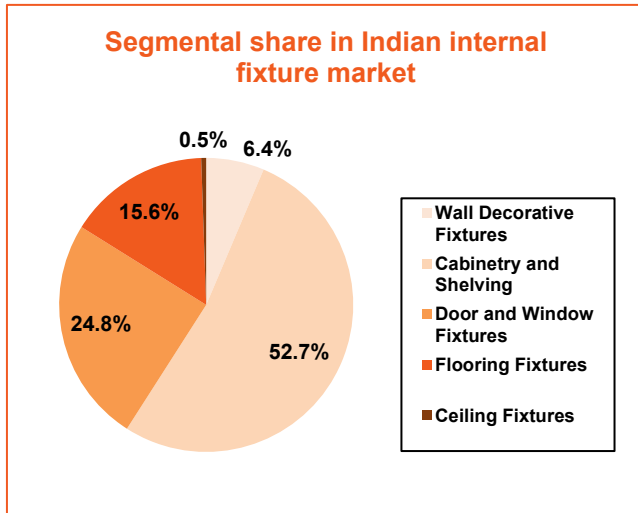
In 2024, the top 7 cities with highest residential unit sales included Delhi NCR, Mumbai, Bengaluru, Pune, Chennai, Hyderabad, and Kolkata. The Mumbai Metropolitan Region (MMR) accounted for the largest share of housing sales at 29.2%, followed by Bengaluru (15.4%), Pune (13.1%), Hyderabad (12.7%), Delhi NCR (11.5%), Chennai (4.5%), and Kolkata (3.1%).

Euro Pratik Sales Ltd

Industry Overview:

Indian Internal Fixture Market

The Indian real estate market significantly drives the demand for the Indian internal fixtures market through a combination of economic, social, and demographic factors. The internal fixtures market, which includes products like wall panels, decorative laminates, cabinetry, shelving, door and window fixtures, flooring, and ceiling fixtures, is rapidly evolving due to changing consumer preferences, urbanization, and the growing importance of interior design in both residential and commercial applications .



Source: IPO Prospectus, Deven Choksey Research

Indian Internal Fixture Market (FY25–FY29P)

The Indian Internal Fixture Market was valued at INR 5,734.8bn as of FY25 and is expected to grow at 7.6% CAGR to INR 7,687.2bn by FY29.

- Cabinetry and Shelving category dominated the sector, with ~52.7% market share and was valued at INR 3,021.0bn in FY25 and is expected to grow at moderate pace of 6.7% CAGR over FY25-29.
- Door and Window Fixtures with ~24.8% share, is the second-largest segment valued at INR 1,423.1bn, and is expected to grow at 7.6% CAGR over FY25-29, aligned with the overall market.
- Flooring Fixtures with ~15.6% share, was valued at INR 893.3bn, and is expected to grow at 7.1% CAGR over FY25-29 contributing meaningfully to overall market expansion.
- Wall Decorative Fixtures accounted for ~6.4% share, and was valued at INR 366.2bn in FY25, Although, the category is small it is expected to grow at a fastest pace of 14.5% CAGR over FY25-29, reflecting strong demand driven by aesthetics, design trends, and consumer upgradation.
- Ceiling Fixtures which contributed for ~0.5% share, was valued at INR 31.2 Bn, and is expected to grow at 8.3% CAGR over FY25-29.

Category	Value (INR Bn)	% Share	CAGR (FY25 to FY29P)
Wall Decorative Fixtures	366.2	6.4%	14.5%
Cabinetry and Shelving	3,021.0	52.7%	6.7%
Door and Window Fixtures	1,423.1	24.8%	7.6%
Flooring Fixtures	893.3	15.6%	7.1%
Ceiling Fixtures	31.2	0.5%	8.3%
Total Indian Internal Fixture Market	5,734.8	100.0%	7.6%

Source: IPO Prospectus, Deven Choksey Research

Euro Pratik Sales Ltd

Industry Overview

Wall Decorative Fixtures

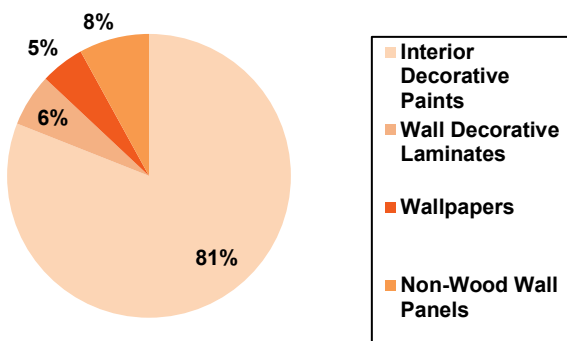
The wall decorative industry was valued at INR 195.6bn in FY18 and grew at 9.4% CAGR over FY18-25 to reach INR 366.2 bn. Moreover, the wall decorative industry is expected to grow at 14.5% CAGR over FY25-29 to INR 628.9bn by FY29.

The wall decorative fixtures encompasses following products

- **Decorative Paints**, such as emulsions, distempers, and primers.
- **Non-wood Wall Panels**, made from materials like Polystyrene (PS), Polyvinyl Chloride (PVC), Wood Plastic Composite (WPC), and acrylic.
- **Wallpapers**, available in types such as vinyl, non-woven, and fabric-based variants.
- **Decorative Laminates**, crafted from resin-bonded layers, and veneers.

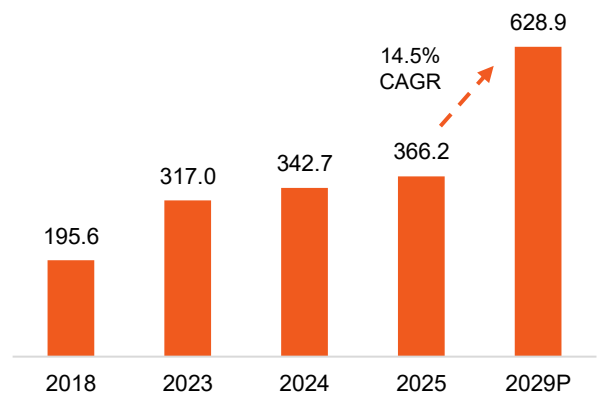
Wall decorative fixtures, remains one of the most dynamic segments of the internal fixtures market, encompassing products that are both functional and decorative, including wall panels, wallpapers, decorative laminates and decorative paints. The Indian market has witnessed substantial growth driven by evolving consumer preferences and advancements in material technology.

Indian Wall Decorative Market Segmentation (FY25)



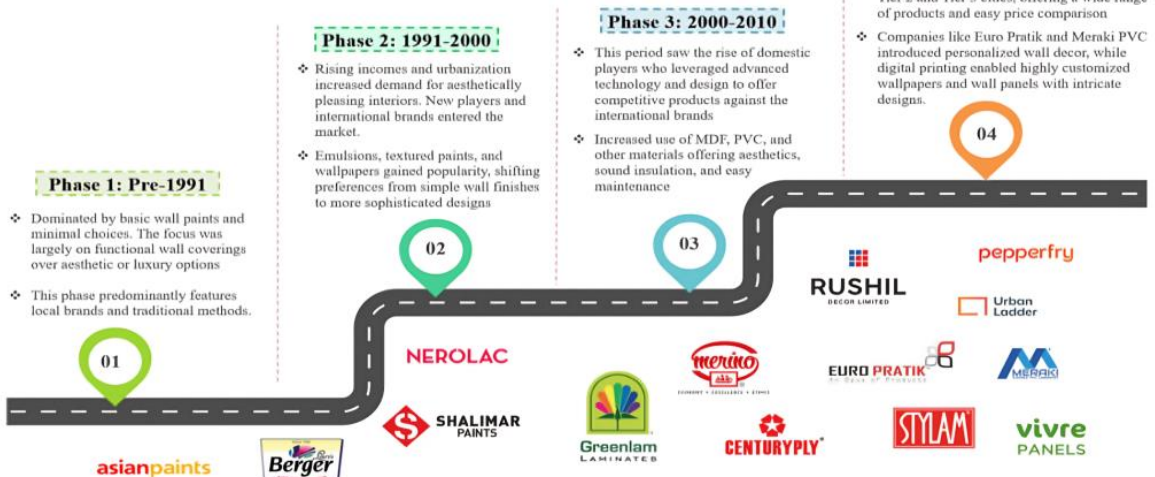
Source: IPO Prospectus, Deven Choksey Research

Indian Wall Decorative Market Size – By Value (INR bn, Fiscal)



Source: IPO Prospectus, Deven Choksey Research

Evolution of the Wall Decorative Industry in India



Source: IPO Prospectus, DevenChoksey Research

Euro Pratik Sales Ltd

Industry Overview:

Wall Decorative Fixtures

The Wall Decorative Market in India is segmented into several key categories including

1. Interior Decorative Paints:

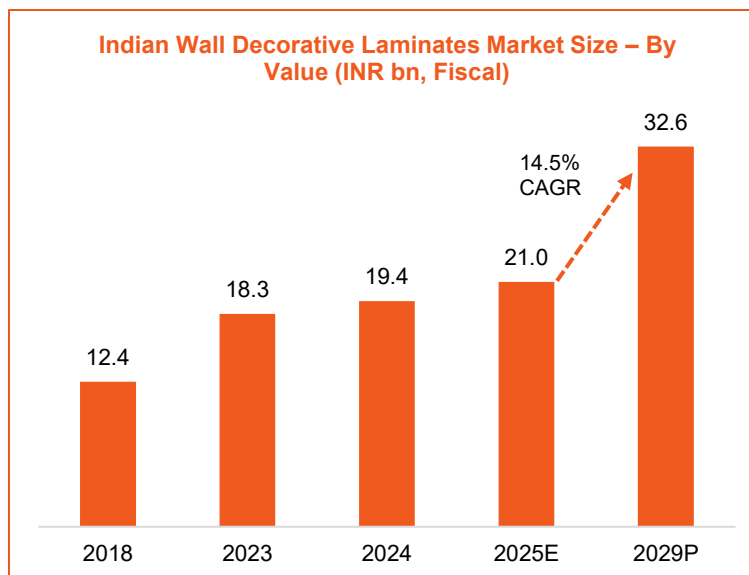
- The segment is focused on enhancing the aesthetic appeal of indoor spaces, encompassing a diverse range of products such as interior emulsions, distempers, and primers.
- The segment growth is driven by increasing consumer preference for premium-quality paints, along with rising demand for innovative textures, stylish finishes, and environmentally friendly solutions. It remains the cornerstone of the decorative paints market, contributing ~53% to the total decorative paints market value. The interior decorative paints market was valued at INR 297.3bn in FY25 and is expected to grow at 14.8% CAGR over FY25-29 to reach INR 516.8bn by FY29.
- The organized interior decorative paint market was valued at INR 213.2bn in FY24 (~76% market share) and is expected to grow at 14.2% CAGR to reach INR 413.4bn by FY29.

2. Wallpapers:

- Wallpapers are decorative coverings designed to enhance the aesthetics of interior walls, influenced largely by Western décor trends, steadily gaining acceptance across both residential and commercial spaces.
- Wallpapers stand out from traditional paints offering distinct patterns, textures, and design highlights, making them especially popular for feature walls or accent areas. Despite rising adoption, their overall market share remains smaller compared to decorative paints, with Indian consumers preferring wallpapers selectively for parts of the home.
- Wallpaper market was valued at INR 19.5bn in FY25 and is expected to grow at 5.8% CAGR to INR 24.5bn by FY29, with the share of the organized sector expected to increase from 70.0% in FY24 to 72.0% FY29.

3. Wall Decorative Laminates:

- Wall Decorative Laminates are durable composite materials made by pressing layers of paper or fabric with resins. They provide style and functionality with diverse textures, colors, and patterns that replicate wood, stone, and abstract finishes. They are commonly used for wall cladding, enhancing interiors by transforming plain walls into attractive focal points, suitable for both residential and commercial spaces. Although laminates are less luxurious compared to veneers, are more practical, offering easy maintenance and wear resistance, which drives their popularity.
- Decorative laminate market was valued at INR 21.0bn in FY25 and is expected to grow at 11.6% CAGR over FY25-29, reaching INR 32.6bn by FY29, with the organized segment share is expected to improve from 63.0% in FY24 to 70.0% FY29.



Source: IPO Prospectus, Deven Choksey Research

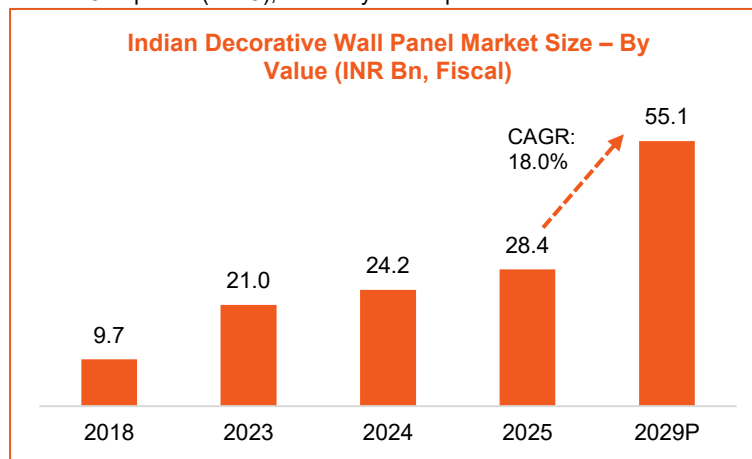
Euro Pratik Sales Ltd

Industry Overview:

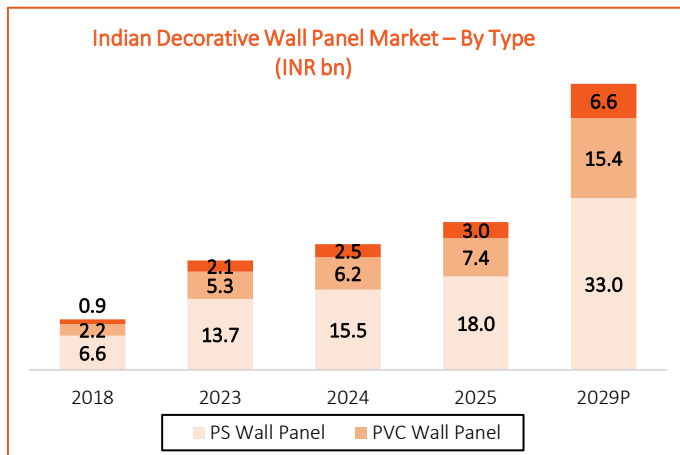
Wall Decorative Fixtures

4. Interior Decorative Wall Panels:

- PVC (Polyvinyl Chloride) and PS (Polystyrene) wall panels are emerging as modern, durable, and versatile alternatives to traditional finishes like paint and wallpaper. Their key advantages include **lightweight and quick installation**, **long lifespan with minimal maintenance**, and **resistance to water, termites, and bacteria**, making them suitable for both residential and hygiene-sensitive environments.
- They also provide **insulation and soundproofing**, while offering **aesthetic versatility** through customizable textures, designs, and digital printing that replicate natural materials at lower costs. With **eco-friendly attributes** like recyclability, alignment with **green building certifications**, and **cost-effectiveness**, these panels appeal to sustainability-conscious buyers.
- The market was valued at INR 28.4bn in FY25 and is expected to grow at a 18.0% CAGR over FY25-29 to reach INR 55.1bn by FY29. Wall panel segment includes **"Non-Wood" Decorative Wall Panels** such as Polystyrene (PS), Polyvinyl Chloride (PVC), Wood Plastic Composite (WPC), and Acrylic wall panels.



Source: IPO Prospectus, DevenChoksey Research



Source: IPO Prospectus, DevenChoksey Research

Period	PS Wall Panel	PVC Wall Panel	Others
FY18–23	15.7%	18.7%	19.2%
FY23–24	13.2%	17.8%	19.6%
FY24–25	16.2%	19.3%	20.9%
FY24–29P	16.4%	20.2%	21.4%

Source: IPO Prospectus, DevenChoksey Research

The PS Wall panels was valued at INR 15.5bn in FY24 and expected to grow at 16.4% CAGR over FY24-29, to INR 33.0bn by FY29, while the PVC wall panels was valued at INR 6.2bn in FY24 and is expected to grow at 2.0% CAGR over FY24-29 to reach INR 15.4 bn by FY29.

Other types of panels (WPC and Acrylic) market was valued at INR 2.5bn in FY24 and is anticipated to grow at 21.3% CAGR over FY24-29 to reach INR 6.6bn by FY29. Moreover, the organized market share in the decorative wall panels is expected to increase from 71.0% in FY24 to 75.0% in FY29.

Euro Pratik Sales Ltd

Company Overview

Euro Pratik Sales, is India's leading Company in the decorative wall panel and laminates industry, offering diverse range of products spanned across leading recognizable brands. It holds a 15.9% market share in the organized Decorative Wall Panels industry. Its diversified portfolio includes wide-ranging products spread across 30+ categories and 3,000+ designs, offered for residential and commercial applications.

The Company positions itself as a fast-fashion brand in the decorative surfaces industry, and it has launched over 113 product catalogues in the last four years, ensuring relevant and appealing new design are made available to diverse consumer segments and needs. It is known for its differentiated product offerings, driven by continuous innovation and development of unique product designs and templates, aligned with contemporary architectural and interior trends. It has launched several catalogues spread across mid to premium and luxury product ranges including Louvres, Chisel, and Auris, which have been showcased at the India Coverings Expo (2019–2022), strengthening its brand recall and equity for its flagship brands such as “Euro Pratik” and “Gloirio.”

Its products are eco-friendly, durable and cost-effective, compared to traditional wall decor products including wallpaper, plywood, and paints, offering special consumer requirements such as anti-bacterial, anti-fungal, heavy-metal free, positioning them as superior and value-added wall decoration solutions.

Asset-Light Business Model

The Company operates on an asset-light business model by outsourcing the manufacturing of finished products to vendors, primarily to focus on driving product innovation through development of new design, investing in building brand equity and higher recall with an internal design team, and for expanding its distribution network.

As of March 31, 2025, it has partnered with 36 contract manufacturers across India and globally, and has maintained decade long and entrenched partnership with Miga (South Korea) for leveraging advanced technology in wall panels and interior moldings.

The outsourcing of finished products is a strategic decision that reinforces its asset-light business model, to minimize capital expenditures on facilities and equipment, thereby increasing flexibility in design processes. It allows for a concentrated effort on marketing strategies that enhance profitability, while also enabling the provision of competitively priced, design-focused products across diverse markets.

Product Portfolio

The Company's diverse product portfolio spans across decorative wall panels, laminates and other ancillary products. Decorative wall panels accounts for the highest share in the overall revenue base.

Decorative Wall Panels

It specializes in decorative wall panels, which provides aesthetic appeal along with functional benefits such as insulation, soundproofing, and durable finishes. These are widely used across homes and commercial spaces, as they are designed for quick, cost-effective and hassle-free installation. Its product offering span across 19 categories, including flagship series such as Chisel, Decolite, and Miga Edge, each delivering distinct value propositions. Decorative Wall Panels are manufactured with a focus on durability and quality, for ensuring long-term use with minimal maintenance, across interior and exterior applications.

Decorative Laminates

It offers high-quality, durable and stylish decorative laminates, providing versatile solutions for interior applications. Laminates are available in wide range of textures, colors, and patterns, replicating natural materials such as wood and stone, and are delivered in a polished finish to ensure long-lasting performance. These are widely used for applications including furniture, cabinetry, countertops, and wall coverings. The product portfolio spans across 11 categories ranges, including Sapphire, Acroglass, and Mirage.

Revenue Mix (%) by Products

Product	FY23	FY24	FY25
Decorative Wall Panels	66.1%	76.5%	66.1%
Decorative Laminates	28.6%	19.3%	25.6%
#Others	5.3%	4.2%	8.2%

#Other products include interior films, adhesives, catalogues and other miscellaneous products
Source: IPO Prospectus, DevenChoksey Research

Number of Contract Manufacturers

	FY 23		FY 24		FY 25	
Region	Count	%#	Count	%#	Count	%#
India	2	1.0%	1	1.1%	16	9.4%
Outside India	15	88.0%	11	90.9%	20	54.6%

Percentage of total purchases of stock in trade
Source: IPO Prospectus, Deven Choksey Research

Euro Pratik Sales Ltd

Company Overview

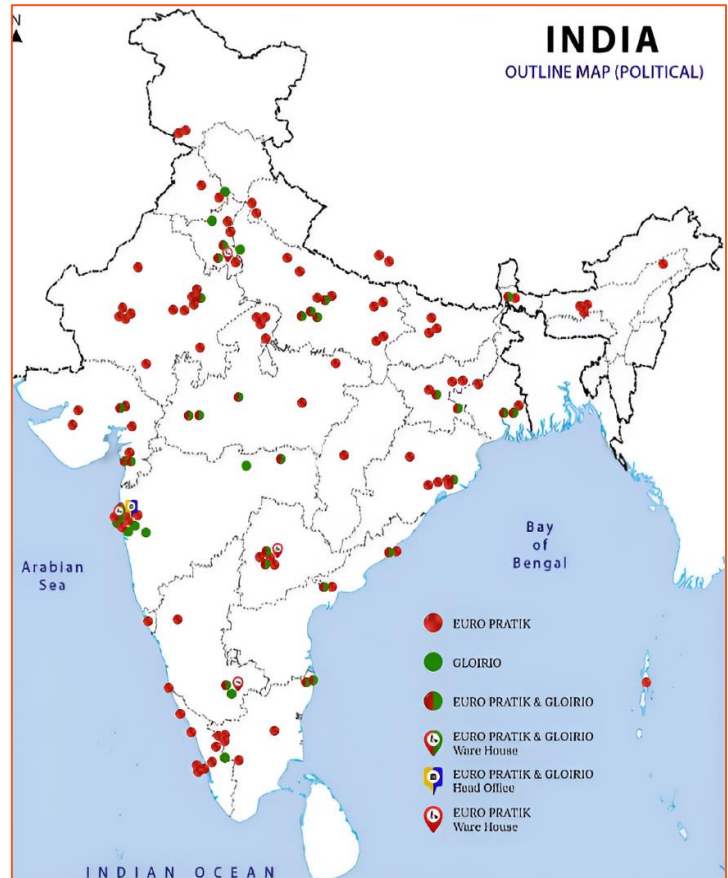
Comprehensive Pan-India Footprint with Established Distribution

The Company maintains a well-established distribution network, which provides for strong market presence and supports higher operational efficiency. As of FY25, its sales network comprised of 180 distributors spread across 25 states and five union territories. It has built a pan-India presence over time by continuously investing resources in building entrenched and exclusive relations with its distributor's, ensuring strong product visibility and reach.

The distribution network is well integrated with strong marketing and promotional efforts; for strengthening its brand equity and brand recall among consumers. The Company actively engages with architects, interior designers, and furniture manufacturers, while assisting distributors in creating dedicated display spaces. Notable initiatives include the launch of 'Palette' (Mumbai, 2021) and 'Show Space' (Navi Mumbai, 2023), to showcase its product range through distributor-led studios.

Its distributor network footprint is spread across metros, Tier-1, Tier-2, and Tier-3 cities, ensuring product accessibility to a wide consumer base nationwide. Moreover, its distributor network are serviced through its warehouse in Bhiwandi, Maharashtra, spanning over ~194,878 Sq. Ft., strategically located near the Nhava Sheva port, enabling efficient logistics.

Distributors, warehouses and head office in India



Source: IPO Prospectus, Deven Choksey Research

Expansion of Product Portfolio and Distribution Network

Particulars	2023	2024	2025
Number of SKUs	2,810	3,047	3,438
Number of Distributors	97	97	180
Number of States in India with Presence	24	23	25

Source: IPO Prospectus, DevenChoksey Research

Conclusion

Euro Pratik Sales, is India's one of the prominent player in the decorative wall panel and decorative laminates industry, primarily focused on offering innovative products through development of new to market design and templates. With ~15.9% market share it has established itself as India's leading and largest organized decorative wall panel brand.

It operates through an asset-light business model, emphasizing on product design and innovation, with outsourcing all the finished products from a network of 36 contract manufacturers located both in India and globally, enabling it to consistently introduce new products and designs, catering to evolving consumer preferences.

Euro Pratik is well positioned to capitalize on growing demand of premium and quality interior products, by leveraging's, its strong product portfolio spanned across 30+ categories and 3,000+ designs, and an extensive pan-India distribution network spread across 25 states and five union territories. It aims to expand domestically and selected international markets, by further strengthening its distributor network and pursue inorganic growth opportunities to diversify revenue streams and strengthen its market presence.

Euro Pratik Sales Ltd**Strategies:****Expand into New Markets**

- The Company plans to expand across selected international locations through both organic and inorganic routes, based on demographic, market size, growth potential of the construction industry, competitive intensity, multi-channel opportunities and overall strong infrastructure.

Broaden Distribution Network and Upgrade Inventory Systems

- The Company boasts a strong network of 180 distributors spread out across 25 states and five union territories, integrated with its contract manufacturers through logistics providers, providing for streamlined operations and reduced lead times.
- It plans to expand its distribution network across Tier-2 / Tier-3 / Tier-4 Indian cities and execute tie-ups with commercial projects to expand its consumer base. Moreover, it plans to deploy new inventory management systems for real-time tracking, for optimizing inventory, and efficient fulfillment of orders.

Boost Brand Equity and Awareness

- To improve its brand awareness and strengthen its brand equity, it plans to participate in global trade shows, use of brand ambassadors for advertising and run targeted marketing campaigns. Efforts to include higher social media engagement, enhanced online product listings, detailed catalogs, and improved inquiry systems.

Focus on Product Innovation and Portfolio Expansion

- The Company aims to drive product innovation through acknowledging consumer feedback and development of emerging styles and designs, by deploying a dedicated research and design team, supported by an independent advisory panel. As of March 31, 2025, it has nine new products with 308+ designs in the pipeline.
- Further, through pilot testing across select regions, it aims to enter new segments within Decorative Wall Panels and Laminates, driving higher value-added product mix and improvement in margins.

Leverage Market Leadership & Industry Trends

- It aims to capitalize its market leadership and pan India presence, along with its wider product and design portfolio built up over last two decades (~15.8% share of the organized Decorative Wall Panels market during FY23) in wall panels industry, driven by improving disposable incomes, rising urbanization and growing demand for premium interior products.

Risks:

- Higher dependence on contract manufacturers for supply of finished products, leads to higher operational vulnerability. Losing key manufacturers could materially impact its business operations and financial performance.
- Higher dependence on overseas vendors and customers spread across China, Indonesia, Portugal, Romania, South Korea, Turkey, and the US, can impact its business and financial performance significantly, with change in trade policies, imposition of tariffs in the global market.
- The company doesn't own the IP for most product designs. Inability to safeguard its designs or IP could materially impact its competitive positioning and financial performance.
- Higher competition from international players operating in the competitive Decorative Wall Panel and Laminates market may adversely impact its growth ambitions of international and domestic expansion.

Euro Pratik Sales Ltd

SWOT Analysis



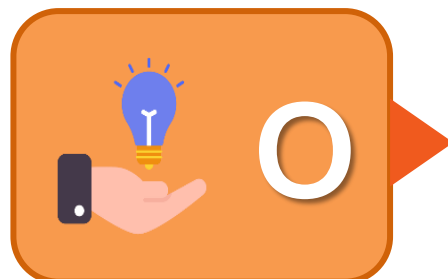
Strengths:

- **Higher Competitive advantage led by strong Product Portfolio and Innovation:** Over the years it has built a strong and diversified portfolio with product offerings across 30+ categories and 3,000+ available designs (as of Mar'25). It plans to introduce ~2 new design catalogue each month and over the FY21-25, it has launched 113 catalogues including Louvers, Chisel, and Auris. Its shorter design-to-launch cycle, along with presence from mid-range to premium and luxury design ranges, lends strong competitive advantage.
- **Asset-Light Operation and Distribution Model:** Its sources all its finished products from a long entrenched relationship with 36 contract manufacturers located both in India and outside India, along with a strong network of 180 distributors spread across 25 states and five union territories, supports its asset-light business model.
- **Strong Market Position and Higher Brand Recognition:** Led by its huge product portfolio and diverse offerings, along with continuous innovation and regular launches, it holds ~15.8% share in the organized decorative wall panels market (as of FY23).
- **Higher resilience in financial performance:** It has witnessed a revenue growth of 23.7% CAGR over FY20-25, while during the same period EBITDA margins have improved from sub 30% range to 35.7% in FY25, significantly higher compared to peer's margin range of 8.0-18.0%, led by its focus on improving product mix towards high margin products.



Weaknesses:

- **Fully Dependent on Outsourced Contractors:** Its total reliance on contract manufacturers for sourcing finished products, makes its operations vulnerable and exposes towards risks including supply, quality, and input cost volatility.
- **Working Capital Strain:** The Company's working capital cycle has increased from sub 120 days in FY23 to 167 days in FY25, led by its higher inventory and receivables. The Company may need continuous external funding to support its working capital requirements.



Opportunities:

- **Increase in Home owners Aspirations:** The Company is well placed to capitalize the growing aspirations and demand of Indians for premium and luxury home interiors. Moreover, the growth will be supplemented as the Indian real estate grows to USD 1tn by 2030, driven by overall higher demand for quality home interiors.
- **International Expansion:** It aims to expand internationally across selected markets through setup of additional distributor network.
- **Higher domestic penetration:** It plans to increase its distributor network in India, to capture additional market share and increase the penetration of wall panels and laminates across Tier-2/ Tier -3 and Tier-4 cities.



Threats:

- **Higher International Competition:** Intense competition from organized domestic and international players can impact its pricing, profitability and financial performance.
- **Economic Cyclicity:** Downturn in the economy, deterioration in macro factors and weaker growth in real estate, can significantly impact its performance.
- **Changes in Trade Policies:** As the company has many vendors and customers overseas, changes in trade policies and imposition of trade tariffs, can materially impact its operational and financial performance.

Euro Pratik Sales Ltd

Peer Comparison

Peers	FY25 (In INR Mn.)				
	Euro Pratik sales	Greenply Industries	Somany Ceramics	Indigo Paints	Asian Paints
Market cap	25,243	40,405	19,500	54,427	24,51,374
Enterprise Value	25,299	45,316	86,272	52,290	24,21,346
Sales	2,842	24,876	26,555	13,376	3,38,594
Sales Growth (YoY)	28.2%	14.1%	2.7%	2.7%	-4.5%
EBITDA	1,014	2,436	2,216	2,339	61,190
EBITDA Margin	35.7%	9.8%	8.3%	17.5%	18.1%
Net profit	767	916	601	1,418	36,672
Profit Margin	27.0%	3.7%	2.3%	10.6%	10.8%
Total Equity	2,345	8,086	7,717	10,306	1,93,998
ROAE	32.7%	12.1%	8.1%	14.7%	19.2%
ROAIC	32.9%	7.9%	6.3%	14.5%	18.0%
P/E	32.9x	44.1x	32.5x	38.4x	66.8x
P/S	8.9x	1.6x	0.7x	4.1x	7.2x
EV/EBITDA	25.0x	18.6x	38.9x	22.4x	39.6x
EV/Sales	8.9x	1.8x	3.2x	3.9x	7.2x
Net Debt / EBITDA	0.1x	2.0x	1.2x	-1.0x	-0.4x
Net Debt / Equity	0.1x	0.6x	0.3x	-0.2x	-0.1x

Source: FactSet, Deven Choksey Research

Euro Pratik Sales Ltd

Outlook:

Euro Pratik Sales, is **the largest decorative wall panel and laminate Company** in India with deep and strong experience of two decades long. To deploy asset-light model, it outsources all the finished products from contract manufacturers located in India and globally, to focus higher on branding, marketing, product innovation and distribution, by leveraging its in-house research team and entrenched **network of 180 distributors spread across 25 states and five union territories**.

The Company plans to expand both domestically and internationally in selected markets, through setup of additional distributors to capitalize on growing demand for quality, premium and luxury home interiors. It has witnessed a strong revenue growth of **23.7% CAGR over FY20-25**, while during the same period EBITDA margins **have improved from sub 30% range to 35.7% in FY25**, significantly higher compared to **peer's margin range of 8.0-18.0%**, led by its stronger focus on **improving product mix skewed towards high margin products**.

It's initial issue **comprises of OFS amounting for INR 4.5bn**, with no proceeds reaching the Company, as it stands well capitalized.

Euro Pratik's initial issue is priced at **32.9x TTM P/E**, similar to **listed peers in ceramics and paints industry**. With stronger **revenue growth and higher EBITDA margin profile**, we expect the **Company to deliver stronger financial growth**, driven by stronger demand across end sectors. We assign a **"NEUTRAL"** rating to the issue.

Relative Valuation

Company Name	CMP (INR)	Market Cap (INR Mn)	Revenue CAGR	EBITDA CAGR	PAT CAGR	EBITDA Margin	P/E		ROE
			FY23-25	FY23-25	FY23-25	FY25	FY25	TTM	FY25
Euro Pratik sales	247	25,243	3.8%	13.5%	13.5%	35.7%	32.9x	32.9x	32.7%
Plywood and Laminates Listed Peer									
Greenply Industries	319	40,405	22.3%	22.5%	-7.0%	9.8%	38.9x	44.1x	12.1%
Paints Listed Peer									
Asian Paints	2,544	24,51,374	-0.8%	-2.6%	-5.5%	18.1%	61.1x	66.8x	19.2%
Indigo Paints	1,145	54,427	11.8%	12.8%	3.7%	17.5%	31.7x	38.4x	14.7%
Mean			5.5%	5.1%	-0.9%	17.8%	46.4x	52.6x	17.0%
Median			5.5%	5.1%	-0.9%	17.8%	46.4x	52.6x	17.0%
Tiles and Ceramics Listed Peer									
Somany Ceramics	483	19,500	3.7%	10.6%	-8.3%	8.3%	28.7x	32.5x	8.1%

Source: Factset, IPO Prospectus, Deven Choksey Research and Analysis

Euro Pratik Sales Ltd

Financials:

Income Statement (INR Mn)	FY23*	FY24	FY25
Revenue	2,636	2,217	2,842
Operating Expenditure	1,849	1,406	1,828
EBITDA	787	811	1,014
EBITDA Margin %	30%	37%	36%
Other Income	50	84	73
Depreciation	24	34	53
Interest	11	10	40
Share of Profit / (Loss) from associate	0	-5	14
PBT	801	846	1,008
Tax	206	217	243
Non Controlling interest	0	0	(3)
PAT	596	629	767
PAT Margin (%)	23%	28%	27%
Adj. EPS	5.8	6.2	7.5

Cash Flow (INR Mn.)	FY23*	FY24	FY25
Net Cash Flow from Operating Activities	571	747	(307)
Net Cash Flow from Investing Activities	(97)	(281)	360
Net Cash Flow from Financing Activities	(484)	(424)	(19)
Net Increase/(Decrease) in Cash	(10)	42	35
Cash & Cash Equivalents at the Beginning	73	63	105
Cash & Cash Equivalents at the End	63	105	140

Balance sheet (INR Mn)	FY23*	FY24	FY25
ASSETS			
Non-Current Assets			
Property, plant and equipment	17	15	31
ROU assets	135	117	160
Investment property	132	120	110
Loans	0	27	13
Other non-current assets	45	45	92
Current Assets			
Inventories	388	356	962
Investments	55	344	81
Receivables	605	444	958
Other current assets	213	277	333
Total Assets	1,591	1,745	2,738
EQUITY AND LIABILITIES			
Equity share capital	5	20	102
Other equity	1,295	1,538	2,239
Non controlling interest	0	0	4
Total Equity	1,300	1,557	2,345
Non-Current Liabilities			
Borrowings	0	0	12
Lease Liabilities	135	121	137
Provisions	6	7	7
Other non current liabilities	5	1	2
Current Liabilities			
Borrowings	30	0	15
Lease Liabilities	12	14	30
Trade Payables	56	2	79
Other financial liabilities	0	0	0
Other current liabilities	48	42	112
Total Equity and Liabilities	1,591	1,745	2,738

*Standalone financial statement

Source: IPO Prospectus, DevenChoksey Research

Euro Pratik Sales Ltd

ANALYST CERTIFICATION:

I, **Ishank Gupta** (CA), Research Analysts, authors and the names subscribed to this report, hereby certify that all the views expressed in this research report accurately reflect my views about the subject issuer(s) or securities. I also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Terms & Conditions and other disclosures:

DRChoksey FinServ Private Limited (hereinafter referred to as DCFPL) is a registered member of SEBI as a Research Entity vide Registration No. INH000011246 under SEBI (Research Analyst) Regulations, 2014, Portfolio Managers Entity vide Registration No. INP000007906 under SEBI (PORTFOLIO MANAGERS) Regulations, 2020 & Investment Adviser Entity vide Registration No. INA000017903 under SEBI (INVESTMENT ADVISERS) REGULATIONS, 2013.

The information and opinions in this report have been prepared by DCFPL and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of DCFPL. While we would endeavor to update the information herein on a reasonable basis, DCFPL is not under any obligation to update the information. Also, there may be regulatory, compliance or other reasons that may prevent DCFPL from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or DCFPL policies, in circumstances where DCFPL might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. DCFPL will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. DCFPL accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Our employees in sales and marketing team, dealers and other professionals may provide oral or written market commentary or trading strategies that reflect opinions that are contrary to the opinions expressed herein, in reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

We submit that no material disciplinary action has been taken on DCFPL and its associates (Group Companies) by any Regulatory Authority impacting Equity Research Analysis activities.

DCFPL prohibits its associate, analysts, persons reporting to analysts and their relatives from maintaining a financial interest in the securities or derivatives of any companies that the analyst covers.

DCFPL or its associates (Group Companies) collectively or its research analyst, or relatives do not hold any financial interest/beneficial ownership of more than 1% (at the end of the month immediately preceding the date of publication of the research report) in the company covered by Analyst, and has not been engaged in market making activity of the company covered by research analyst.

It is confirmed that I, **Ishank Gupta** Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months. Compensation of our Research Analysts is not based on any specific brokerage service transactions.

DCFPL or its Associates (Group Companies) have not managed or co-managed public offering of securities for the subject company in the past twelve months.

DCFPL or its associates (Group Companies) collectively or its research analyst, or relatives might have received any commission/compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of brokerage services or specific transaction or for products and services other than brokerage services.

DCFPL or its associates (Group Companies) collectively or its research analyst, or relatives might have received any commission/compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report other than investment banking or merchant banking or brokerage services from the subject company

DCFPL encourages the practice of giving independent opinion in research report preparation by the analyst and thus strives to minimize the conflict in preparation of research report. DCFPL or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither DCFPL nor Research Analysts his associate or his relative, have any material conflict of interest at the time of publication of this report.

It is confirmed that **Ishank Gupta**, Research Analyst do not serve as an officer, director or employee of the companies mentioned in the report.

DCFPL or its associates (Group Companies) or its research analyst has may been engaged in market making activity for the subject company.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other Jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject DCFPL and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform them of and to observe such restriction.

The securities quoted are for illustration only and are not recommendatory.

DCFPL (Research Entity) and its research analysts uses Artificial Intelligence tools.

DCFPL and or its Research analysts shall be solely responsible for the security, confidentiality and integrity of the client data, use of any other information or data for research services, research services based on output of Artificial Intelligence tools and compliance with any law for the time being in force.

Investment in securities are subject to market risks, read all the documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Please send your feedback to research.retail@devenchoksey.com

DRChoksey FinServ Private Limited

CIN Number -U67100MH2020PTC352816

Registered Office and Corporate Office:

5th Floor Abhishek Building, Behind Monginis Cake Factory, Off New Link Road, Andheri West, Mumbai-400058