Retail Research	IPO Note
Sector: Building Materials	Price Band (Rs): 194 – 204
22nd September 2025	Recommendation: SUBSCRIBE for Long-Term

Epack Prefab Technologies Ltd

Company Overview:

Epack Prefab Technologies Ltd (EPTL), with an legacy of over 25 years is engaged in 2 business verticals: **a) Prefabrication (Pre-Fab) business**, offering complete turnkey solutions including design, manufacturing, installation, and erection of pre-engineered steel buildings, prefabricated structures, & components in India and overseas; and **b) EPS Packaging business**, wherein it manufacturers expanded polystyrene (EPS) sheets and blocks for various industries such as construction, packaging, and consumer goods in India. As of Mar'25, EPTL's total pre-engineered capacity stood at 1,26,546 MTPA, Sandwich Insulated panel capacity stood at 5,10,000 sq. meters, and packaging capacity stood at 8,400 MTPA.

Key Highlights:

1. **Diversified market presence with comprehensive product offerings:** The company has built a diversified market base with a wide product portfolio. Its expertise in cost-effective, high-quality pre-engineered steel building solutions has positioned it as a reliable partner across sectors. EPTL has supplied Pre-Fab products and completed projects across 30 states and UTs. In EPS packaging, it holds ~8% domestic market share.

2. **Strategically located manufacturing facilities with robust expansion plans:** As of Mar'25, the company operates three Pre-Fab manufacturing plants at Greater Noida (Uttar Pradesh), Ghiloth (Rajasthan), and Mambattu (Andhra Pradesh), and one EPS packaging facility at Greater Noida. These are strategically placed to serve customers across India. The company plans to add 24,000 MTPA at Mambattu (Pre-Fab) and 8,00,000 sq. meters of sandwich panel capacity at Ghiloth, Rajasthan funded through IPO proceeds.

3. **Established client relationships:** Over the years, EPTL has built strong and long-standing client relationships. Between FY22–FY25, it served over 2,020 clients including marquee names such as Safari Manufacturing Ltd and Century Panels Ltd, Havells India Ltd, Asahi India Glass Ltd, India Glycols Ltd. It has completed 4,410 projects between FY23–FY25 across commercial, residential, industrial, and infrastructure segments. Revenue from repeat customers grew from 40.3% in FY23 to 43.4% in FY25, underscoring customer confidence.

4. **Robust orderbook:** Focus on customer satisfaction and meeting pre-qualification standards has strengthened the company's brand reputation, enabling it to win more projects. Consequently, its Pre-Fab order book rose from Rs 704 cr in FY23 to Rs 1,209 cr in FY25, while pending orders increased from Rs 449 cr to Rs 917 cr during the same period.

View & Valuation: At the upper price band of Rs 204, the issue is valued at P/E and EV/EBITDA multiples of 34.5x and 15.3x, respectively, on post-issue capital. EPTL was one of the fastest growing companies between FY22-FY25 among Pre-Fab peers in terms of Revenue and EBITDA CAGR. With strong customer relationships, completion of over 4,400 projects for ~2,000 clients in FY23–FY25, and firm capacity expansion plans (24,000 MTPA in Pre-Fab and 8,00,000 sq. meters in sandwich panels), the company is well positioned for growth. While comparing with its listed peers, the issue is fairly priced on most valuation parameters. We recommend investors to SUBSCRIBE to the issue at the Cut-off price for a long-term investment horizon.

Issue Details	
Date of Opening	24th September 2025
Date of Closing	26th September 2025
Price Band (Rs)	194 – 204
Issue Size (Rs cr) @ upper band	504.0
Fresh Issue (Rs cr)	300.0
Offer for sale (shares)	1,00,00,000
Issue Size (No. of shares) @ upper band	2,47,05,882
Face Value (Rs)	2.0
Post Issue Market Cap (Rs cr) @ upper band	1,963 – 2,049
BRLMs	Monarch Networth Capital Ltd, Motilal Oswal Investment Advisors Ltd
Registrar	KFin Technologies Ltd
Bid Lot	73 shares and in multiples thereof
QIB shares	50%
Retail shares	35%
NIB shares	15%

Objects of Issue	**Estimated utilization from net proceeds (Rs cr)**
Financing capex requirements for setting up a new manufacturing facility for continuous Sandwich Insulated Panels and pre-engineered steel building at Ghiloth Industrial Area, Rajasthan.	103.0
Financing capex towards expansion of pre-engineered steel building capacity at Unit 4, Andhra Pradesh.	58.2
Prepayment or repayment of outstanding availed by the company	70.0
General corporate purposes*	-
Total proceeds from fresh issue*	**300.0**

**To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Shareholding Pattern

Pre-Issue	No. of Shares	%
Promoter & Promoter Group	7,48,34,088	87.3
Public & Others	1,09,12,027	12.7
Total	**8,57,46,115**	**100.0**

Post Issue @ Upper Price Band	No. of Shares	%
Promoter & Promoter Group	6,48,34,088	64.5
Public & Others	3,56,17,909	35.5
Total	**10,04,51,997**	**100.0**

Source: RHP, SSL Research

Key Financials

Particulars (Rs cr)	FY23	FY24	FY25
Revenue from operations	657	905	1,134
EBITDA	52	87	118
Reported PAT	24	43	59
EBITDA Margin (%)	7.8	9.6	10.4
Reported PAT Margin (%)	3.7	4.7	5.2
RoE (%)	19.0	25.4	16.8
RoCE (%)	19.4	24.1	19.0
P/E (x)*	73.0	40.7	29.5

Source: RHP, SSL Research
**** Pre-issue based on upper price band***

Risk Factors

- **Legal and Regulatory risk:** The company is exposed to multiple regulatory and statutory requirements including environmental laws. Uttar Pradesh Pollution Control Board has filed a complaint against the company for non-compliance of the Commission for Air Quality Management in National Capital Region and Adjoining Areas Act, 2021. In case of any penalty is imposed against or any adverse order is passed by any regulatory or statutory body may have an adverse impact on the company's performance.

- **Customer concentration risk:** During FY23/FY24/FY25, the company derived 80.1%/76.0%/71.0% of its EPS Packaging revenue respectively from its Top 10 partner institutions. Any loss of one or more of the significant partner institutions, decrease in demand or reduction in the fee structure may have an adverse impact on the company's performance.

- **Geographic concentration:** During FY23/FY24/FY25, the company derived 57.2%/75.6%/64.8% of its revenue cumulatively from the North, Central and Western part of India. Further, its operations are primarily concentrated North and Central India as two of the manufacturing facilities are based in Greater Noida and Rajasthan. Thus, any regulatory, economic or changes in industrial trends in these regions may impact the company's performance.

Growth Strategy

- Increase installed capacity through proposed expansions to capitalize on the rapid growth of the pre-engineered steel building industry.
- Deepen geographical footprint for the Pre–Fab business to cater to strategic markets domestically while also expanding internationally.
- Increase wallet share from existing customers as well as expand customer base.
- Continue to invest in technology infrastructure and design capabilities to enhance in-house design, engineering and manufacturing capabilities.
- Leverage growing demand for environment friendly structures.

Revenue Mix – Segment wise

Particulars	FY23		FY24		FY25	
	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue
Pre-Fab Business	475.5	72.4	737.8	81.5	953.2	84.1
EPS Packaging Business	181.3	27.6	167.1	18.5	180.7	15.9
Total	**656.8**	**100.0**	**904.9**	**100.0**	**1,133.9**	**100.0**

Source: RHP, SSL Research

Pre-Fab Revenue Mix – Geography wise

Particulars	FY23		FY24		FY25	
	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue
North and Central	159.7	33.6	329.7	44.7	313.4	32.9
East	49.9	10.5	46.7	6.3	108.4	11.4
South	148.4	31.2	129.1	17.5	224.9	23.6
West	112.1	23.6	228.0	30.9	304.6	32.0
Exports	5.4	1.1	4.3	0.6	1.9	0.2
Total	**475.5**	**100.0**	**737.8**	**100.0**	**953.2**	**100.0**

Source: RHP, SSL Research

Order Book for Pre-Fab Business

Particulars (Rs cr)	FY23	FY24	FY25
Net Order Book	704.1	944.5	1,209.2
Pending Order Book	448.5	630.2	917.0

Source: RHP, SSL Research

Installed Capacity and Utilization (%)

A. PRE-ENGINEERED BUILDING CAPACITY (MTPA)

Particulars	FY23	FY24	FY25
Unit 4 Mambattu, Andhra Pradesh			
Effective Installed Capacity	-	4,820	60,736
Actual Production	-	3,177	20,755
Capacity Utilization	-	*65.9%*	*34.2%*
Unit 2 Greater Noida, Uttar Pradesh			
Effective Installed Capacity	38,262	38,262	38,259
Actual Production	18,749	24,612	25,832
Capacity Utilization	*49.0%*	*64.3%*	*67.5%*
Unit 2 Greater Noida, Uttar Pradesh			
Effective Installed Capacity	22,750	27,550	27,551
Actual Production	9,594	13,356	17,075
Capacity Utilization	*42.2%*	*48.5%*	*62.0%*
Total for Pre-Fab Business			
Effective Installed Capacity	**61,012**	**70,632**	**1,26,546**
Actual Production	**28,343**	**41,145**	**63,662**
Capacity Utilization	***46.5%***	***58.3%***	***50.3%***

B. SANDWICH INSULATED PANELS (SQM) – UNIT I, GREATER NOIDA

Particulars	FY23	FY24	FY25
Sandwich Insulated Panels			
Effective Installed Capacity	3,60,000	3,60,000	3,60,000
Actual Production	1,50,919	3,33,237	3,05,627
Capacity Utilization	*41.9%*	*92.6%*	*84.9%*
EPS/Glasswool/Rockwool			
Effective Installed Capacity	1,50,000	1,50,000	1,50,000
Actual Production	49,056	58,437	60,051
Capacity Utilization	*32.7%*	*39.0%*	*40.0%*
Total for Sandwich Insulated Panels			
Effective Installed Capacity	**5,10,000**	**5,10,000**	**5,10,000**
Actual Production	**1,99,975**	**3,91,674**	**3,65,678**
Capacity Utilization	***39.2%***	***76.8%***	***71.7%***

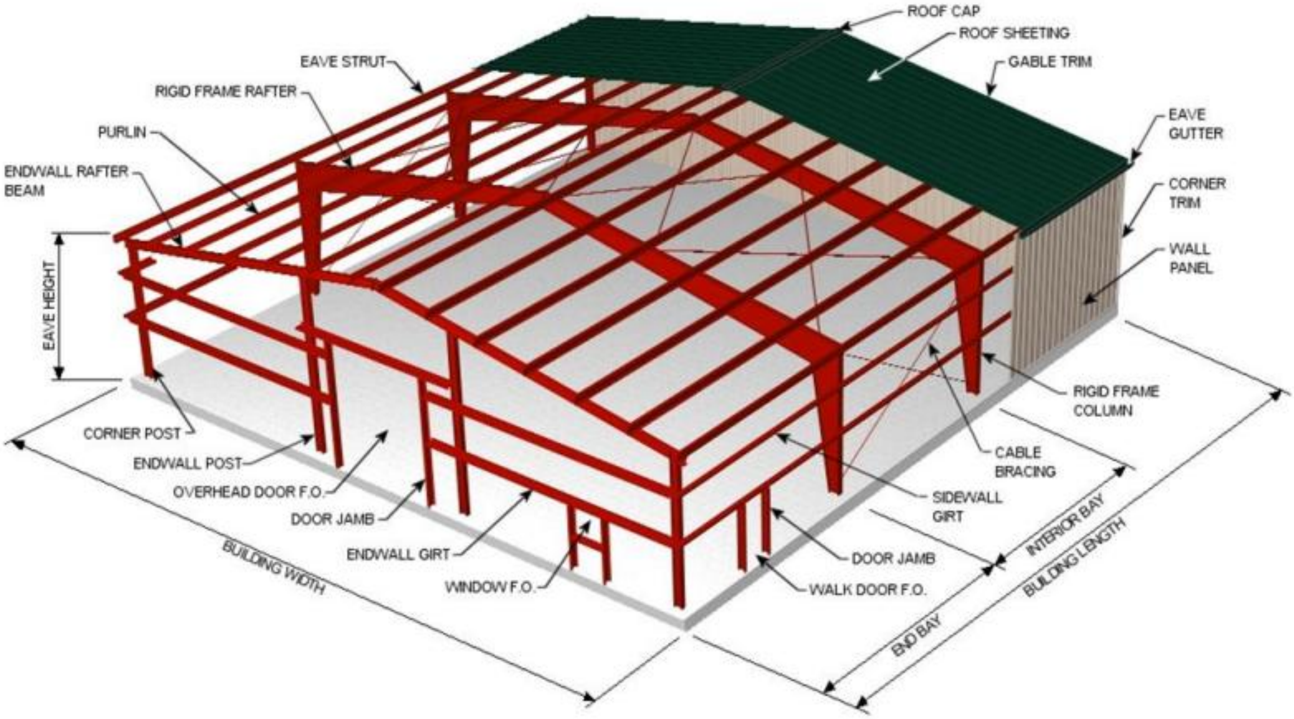
C. EPS PACKAGING (MTPA) – UNIT I, GREATER NOIDA

Particulars	FY23	FY24	FY25
EPS Shape Molding			
Effective Installed Capacity	4,800	4,800	4,800
Actual Production	3,981	3,685	3,323
Capacity Utilization	*82.9%*	*76.8%*	*69.2%*
EPS Block Molding			
Effective Installed Capacity	3,600	3,600	3,600
Actual Production	2,319	2,616	3,045
Capacity Utilization	*64.4%*	*72.7%*	*84.6%*
Total for EPS Packaging Business			
Effective Installed Capacity	**8,400**	**8,400**	**8,400**
Actual Production	**6,300**	**6,301**	**6,368**
Capacity Utilization	***75.0%***	***75.0%***	***75.8%***

Source: RHP, SSL Research

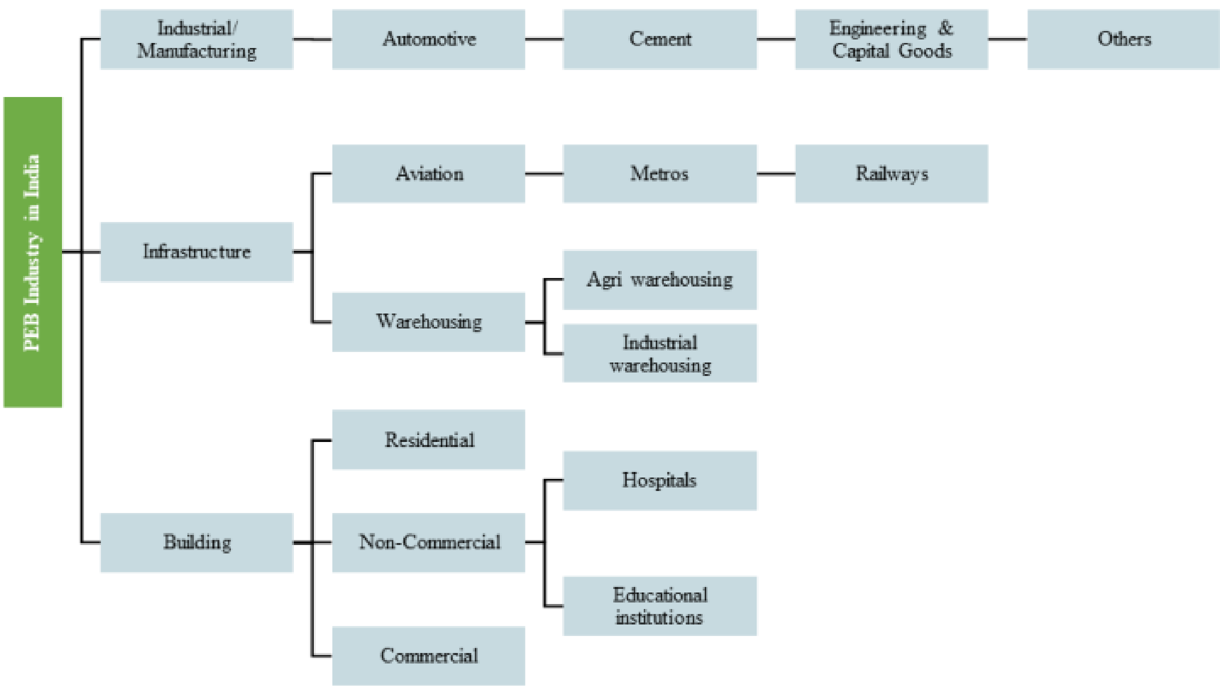
Industry Overview

Pre-engineered steel building (PEB)

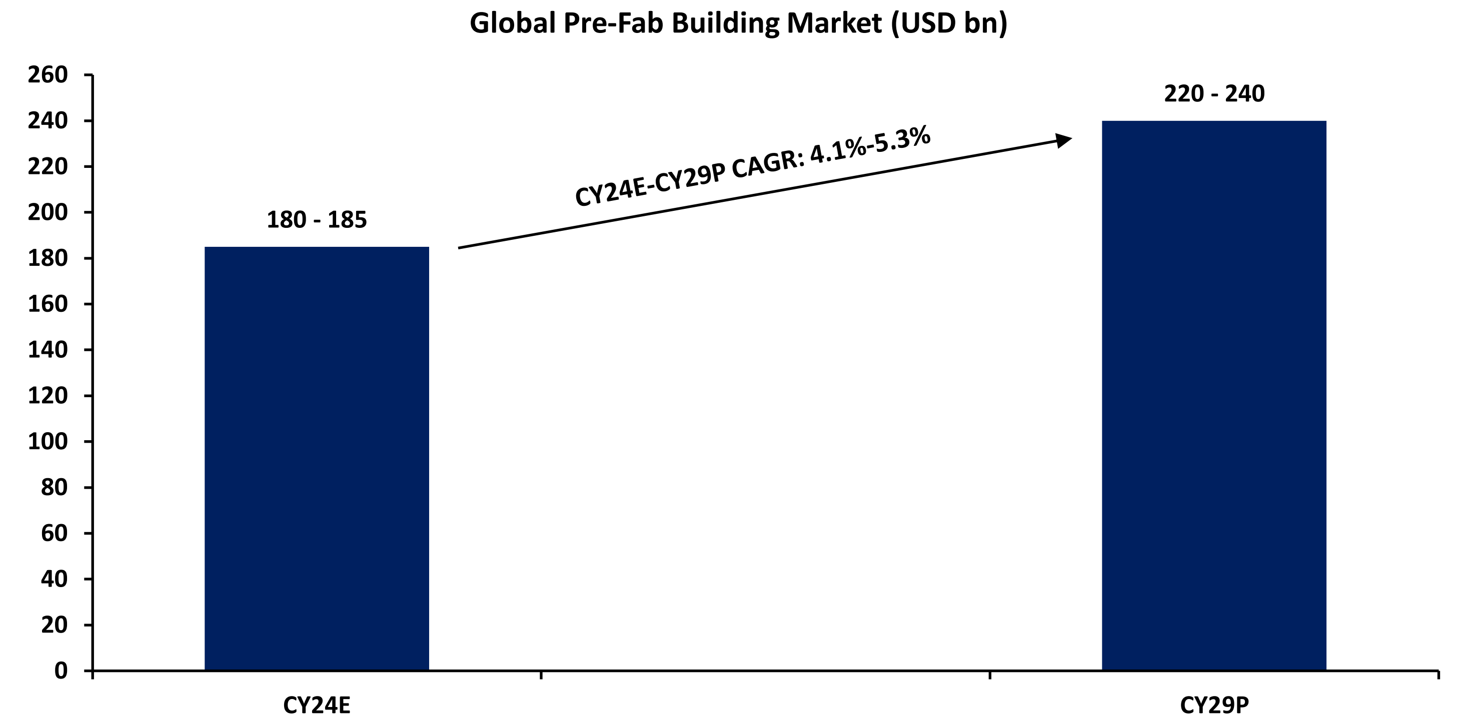


Source: RHP, SSL Research

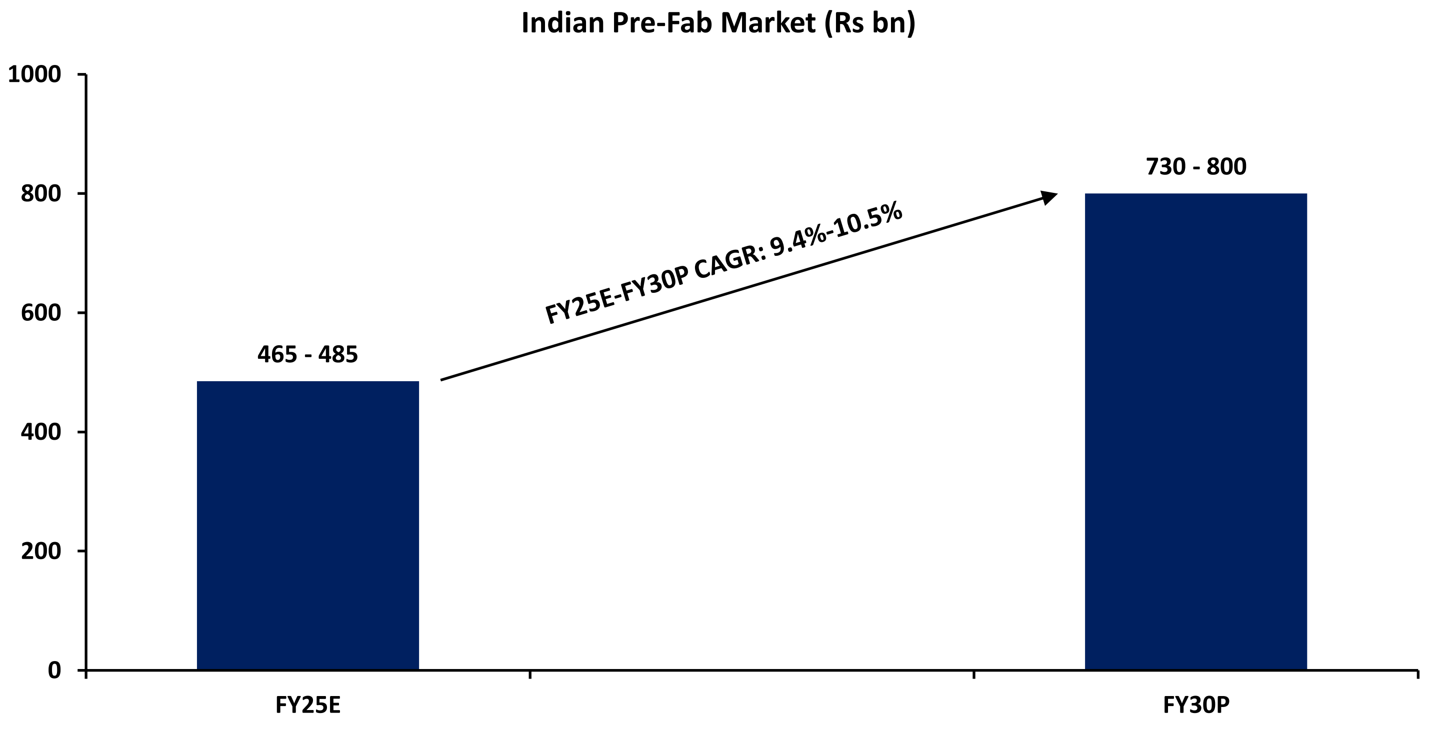
Pre-engineered buildings industry segmentation by end user



Source: RHP, SSL Research



Source: RHP, SSL Research



Source: RHP, SSL Research

Financial Snapshot

INCOME STATEMENT			
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**
Revenue from Operations	**657**	**905**	**1,134**
YoY growth	**-**	***37.8%***	***25.3%***
Cost Of Revenues (incl. Stock Adj.)	**456**	**613**	**745**
Gross Profit	**200**	**292**	**389**
Gross margin	***30.5%***	***32.3%***	***34.3%***
Employee Cost	39	65	101
Other Operating Expenses	110	140	171
EBITDA	**52**	**87**	**118**
EBITDA margin	***7.8%***	***9.6%***	***10.4%***
Other Income	4	1	7
Interest Exp.	12	17	24
Depreciation	10	13	17
PBT	**33**	**59**	**83**
Tax	9	16	22
Reported PAT	**24**	**43**	**59**
Reported PAT margin	***3.7%***	***4.7%***	***5.2%***

BALANCE SHEET			
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**
Assets			
Net Block	114	187	203
Capital WIP	2	-	56
Intangible Assets	4	4	4
Right of use assets	35	47	44
Other Non-current Assets	13	3	8
Current Assets			
Inventories	82	138	151
Trade receivables	120	127	205
Cash and Bank Balances	13	16	156
Short-term loans and advances	2	7	3
Other Current Assets	47	86	100
Total Current Assets	**264**	**373**	**616**
Current Liabilities & Provisions			
Trade payables	125	183	214
Other current liabilities	55	82	105
Short-term provisions	2	2	7
Total Current Liabilities	**182**	**267**	**326**
Net Current Assets	**83**	**106**	**290**
Total Assets	**251**	**346**	**605**
Liabilities			
Share Capital	4	4	17
Reserves and Surplus	122	165	337
Total Shareholders' Funds	**126**	**169**	**354**
Total Debt	106	145	210
Long Term Provisions	2	2	3
Lease Liabilities	3	4	5
Other Long-Term Liabilities	7	18	24
Net Deferred Tax Liability	6	7	9
Total Liabilities	**251**	**346**	**605**

CASHFLOW			
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**
Cash flow from Operating Activities	2	72	62
Cash flow from Investing Activities	(34)	(95)	(151)
Cash flow from Financing Activities	33	23	166
Free Cash Flow	(27)	(11)	(25)

RATIOS			
Particulars	**FY23**	**FY24**	**FY25**
Profitability			
Return on Assets	5.5%	7.0%	6.4%
Return on Capital Employed	19.4%	24.1%	19.0%
Return on Equity	19.0%	25.4%	16.8%
Margin Analysis			
Gross Margin	30.5%	32.3%	34.3%
EBITDA Margin	7.8%	9.6%	10.4%
Net Profit Margin	3.7%	4.7%	5.2%
Short-Term Liquidity			
Current Ratio (x)	1.2	1.1	1.4
Quick Ratio (x)	0.8	0.7	1.1
Avg. Days Sales Outstanding	67	51	66
Avg. Days Inventory Outstanding	65	82	74
Avg. Days Payables	75	82	77
Fixed asset turnover (x)	5.8	4.8	5.6
Debt-service coverage (x)	0.4	0.5	0.5
Long-Term Solvency			
Total Debt / Equity (x)	0.8	0.9	0.6
Interest Coverage Ratio (x)	3.7	4.4	4.4
Valuation Ratios*			
EV/EBITDA (x)	35.7	21.6	15.3
P/E (x)	73.0	40.7	29.5
P/B (x)	13.9	10.4	4.9
EV/Sales (x)	2.8	2.1	1.6
Mkt Cap/Sales (x)	2.7	1.9	1.5

**** Valuation ratios are based on pre-issue capital at the upper price band.***
Source: RHP, SSL Research

Peer Comparison (FY25)

Particulars (Rs cr)	Epack Prefab Technologies Ltd	Pennar Industries Ltd	Interarch Building Solutions Ltd	M & B Engineering Ltd	Everest Industries Ltd
CMP (Rs)	204	250	2,129	431	689
Sales	1,134	3,227	1,454	989	1,723
EBITDA	118	311	136	126	30
Net Profit	59	119	108	77	(4)
Mkt Cap.	2,049	3,396	3,572	2,462	1,094
Enterprise Value	1,803	3,982	3,390	2,288	1,247
EBITDA Margin (%)	10.4	9.6	9.4	12.8	1.7
Net Profit Margin (%)	5.2	3.7	7.4	7.8	(0.2)
RoE (%) - Pre-Issue/Post-Issue	16.8/9.1	12.0	14.3	13.2	-
RoCE (%) - Pre-Issue/Post-Issue	19/12.4	15.7	18.9	15.9	0.7
P/E (x)	34.5	28.4	33.1	32.0	-
EV/EBITDA (x)	15.3	12.8	24.9	18.1	41.7
EV/Sales (x)	1.6	1.2	2.3	2.3	0.7
Installed Capacity (MTPA)*	1,33,922	90,000	1,61,000	1,03,800	72,000

For Epack Prefab Technologies Limited, the Market cap, Enterprise Value, Return Ratios, P/E(x), EV/EBITDA (x) and EV/Sales(x) are calculated on post-issue equity share capital based on the upper price band.

CMP as on 19th September, 2025.

Source: RHP, SSL Research

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