EPACK PREFAB TECHNOLOGIES LTD.

September 23, 2025

SMC Ranking

★★☆☆☆ (2/5)

Issue Highlights

Industry	**Construction Materials**
Offer for sale (Shares)	10,000,000
Fresh Issue (Shares)	14,705,882
Net Offer to the Public	**24,705,882**
Issue Size (Rs. Cr.)	479.29-504.00
Price Band (Rs.)	194-204
Offer Date	24-Sep-25
Close Date	26-Sep-25
Face Value	2
Lot Size	73

Issue Composition

	In shares
Total Issue for Sale	24,705,882
QIB	12,352,941
NIB	3,705,882
Retail	8,647,059

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	87.27%	64.54%
QIB	12.73%	23.16%
NIB	0.00%	3.69%
Retail	0.00%	8.61%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company Epack Prefab Technologies IPO proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Financing the capital expenditure requirements for setting up new manufacturing facility at Ghiloth Industrial Area, Shahjahanpur, Alwar in Rajasthan for manufacturing of continuous Sandwich Insulated Panels and pre- engineered steel building ("Project")
2. Financing the capital expenditure towards expansion of existing manufacturing facility at Mambattu (Unit 4) in Andhra Pradesh for increasing the pre- engineered steel building capacity
3. Repayment and/or pre-payment, in full or part, of certain borrowings availed by the Company
4. General corporate purposes

Book Running Lead Manager

- Monarch Networth Capital Limited
- Motilal Oswal Investment Advisors Limited

Name of the registrar

- KFin Technologies Limited

About the company

Incorporated in February 1999, Epack Prefab Technologies Limited is engaged in turnkey solutions for pre-engineered steel buildings and prefabricated structures, offering design, fabrication, and installation services across industrial, institutional, and commercial sectors. The company also manufactures EPS thermocol blocks, sheets, and molded packaging products, catering to insulation and packaging needs in the packaging and construction industries. Its operations are divided into two segments: Pre-Fab Business and EPS Packaging Business. As of March 31, 2025, Epack Prefab operates three manufacturing facilities in Greater Noida, Ghiloth, and Mambattu, with a total installed capacity of 1,26,546 MTPA of pre-engineered buildings and 510,000 SQM of sandwich insulated panels. It also runs three design centres located in Noida, Hyderabad, and Visakhapatnam.

Products and Services include:

- Pre-engineered Steel Buildings
- Pre-fabricated Structures
- Light Gauge Steel Framing
- Sandwich Insulated Panels
- Standard Modular Solutions

Strength

Strong Market Presence with Comprehensive Offerings: According to CRISIL, E-Pack Prefab Technologies Limited ranks as the third-largest producer in India's pre-engineered steel building (PEB) industry. The company's Pre-Fab Business reported a revenue CAGR of 55.48% between FY2022 and FY2024, supported by high-quality raw materials, reliable execution, and strong industry trust. With operations spanning 30 states and union territories, its diversified portfolio includes pre-engineered steel buildings, insulated panels, and light gauge steel frames. The organized pre-fabricated sector, where the company operates, continues to gain share over the fragmented unorganized market due to superior quality and execution capabilities.

Strategic Manufacturing and Design Capabilities: E-Pack Prefab operates four strategically located manufacturing facilities—three for its Pre-Fab Business in Greater Noida, Ghiloth, and Mambattu, and one in Greater Noida for its EPS Packaging Business—serving customers across India. As of March 31, 2025, the company's installed capacity stood at 133,922 MTPA for Pre-Fab and 8,400 MTPA for EPS Packaging. With a 252-member project execution team and three in-house design and detailing centres, the company has executed projects across India, Nepal, and Bhutan.

Diverse Customer Base and Repeat Business: The company has built enduring relationships across industries, driven by its focus on quality, cost efficiency, and timely delivery. Between FY2023 and FY2025, it served more than 2,020 customers in the Pre-Fab Business. In FY2025, repeat orders generated Rs. 271.82 crore from the Pre-Fab Business and Rs. 168.40 crore from the EPS Packaging Business. Notably, the top ten customers accounted for 25.18% of Pre-Fab revenue and 70.97% of EPS revenue. Recognition such as Tata Steel's Emerging Star Performer Award in 2023 underscores its execution excellence. Over three years, it completed 4,410 projects across multiple sectors.

Robust Financial Performance and Order Book: E-Pack Prefab has consistently delivered strong financial results, supported by operational efficiency and rising capacity utilization. Between FY2022 and FY2024, revenue from operations grew at a CAGR of 41.79%, the fastest among peers, while EBITDA, ROE, and ROCE ranked among the top three in its segment. In FY2025, revenue from operations stood at Rs. 1,133.92 crore with a Profit After Tax of Rs. 59.32 crore. Its Pre-Fab order book was valued at Rs. 916.96 crore as of March 31, 2025, providing strong revenue visibility.

Experienced Promoters and Skilled Workforce: The company's growth is underpinned by its experienced promoters and management team with deep domain expertise. As of March 31, 2025, it employed 849 full-time staff and 1,522 laborers, investing in training to enhance scalability. Its three in-house design centres and advanced computer-aided design software enable delivery of complex, customized structures, strengthening its technical edge and execution capability.

Strategy

Capacity Expansion to Capture Industry Growth: E-Pack Prefab Technologies Limited is enhancing its production footprint to capitalize on the rapid expansion of India's pre-engineered steel buildings sector. The company is setting up a new facility in Ghiloth, Rajasthan, adding 800,000 SQM of continuous sandwich insulated panel capacity to serve northern and western markets. It is also expanding its Mambattu, Andhra Pradesh unit with an additional 24,000 MTPA of capacity, enabling access to southern and western regions as well as export markets through its port connectivity. These expansions align with industry growth, as India's prefabricated building sector is expected to rise from Rs. 465–485 billion in FY2025 to Rs. 730–800 billion by FY2030, supported by infrastructure investments and favorable policy measures.

Expanding Domestic and International Presence: The company continues to strengthen its sales reach, expanding from 8 locations in FY2023 to 10 in FY2025, with its sales force increasing from 31 to 43 representatives. While domestic operations remain the core focus, E-Pack Prefab is actively exploring international opportunities in Bhutan, Nepal, Bangladesh, and Oman, aided by its new facilities and port proximity. With global demand for pre-engineered steel buildings projected to grow from USD 20–22 billion in 2024 to USD 32–35 billion by 2029, the company intends to expand its sales and marketing team to tap this rising opportunity.

Customer Base Expansion and Higher Wallet Share: According to CRISIL, key supplier selection criteria in India's PEB market include strong brand reputation, proven design capabilities, timely execution, competitive pricing, and pan-India presence. Leveraging its established customer base, E-Pack Prefab aims to drive repeat orders through quality execution while acquiring new clients via strengthened sales initiatives and a dedicated business development team. The company also plans to increase wallet share by offering an expanded product portfolio. In its EPS Packaging Business, it is introducing value-engineered solutions to cater to evolving customer needs, particularly during peak demand cycles.

Investments in Technology and Design Capabilities: E-Pack Prefab continues to enhance its in-house design and engineering capabilities through its 97-member team across Noida, Hyderabad, and Vizag. Investments in advanced CAD tools such as Staad Pro, Tekla, G-Matrix, and AutoCAD are improving precision and efficiency. Automation initiatives, including customized software for BOQ generation and workflow optimization, are reducing errors and turnaround time. The company is also deploying advanced AI models, including an Agentic Retrieval-Augmented Generation (RAG) system and Google's Gemini AI, to strengthen marketing, content creation, and data-driven decision-making.

Sustainability as a Growth Lever: E-Pack Prefab is well-positioned to benefit from the rising preference for environmentally friendly construction. Pre-engineered steel buildings inherently reduce waste, improve site safety, and leverage recyclable materials, lowering carbon footprint. The company's PUF Sandwich Insulated Panel with steel structures has received certification from the Building Materials and Technology Promotion Council (BMTPC), while its PUF roof and wall panels are registered with the Green Rating for Integrated Habitat Assessment (GRIHA) Council, enabling participation in certified green projects. With sustainability and labor efficiency gaining prominence, prefabricated solutions are expected to see sustained adoption in India's construction sector.

Risk Factor

- The UP Pollution Control Board has filed a complaint under the Air Act for non-compliance, which, if decided against the company, may affect the EPS Packaging Business.
- Non-compliances relating to AGM, financial statement filings, loans to directors, and inaccuracies in Form DPT-3 may expose the company to penalties if compounding applications are rejected.
- Promoter/Director interests in group companies, EPACK Durable Limited and East India Technologies Private Limited, may lead to potential conflicts of interest.
- Dependence on the top ten customers in the EPS Packaging Business poses a risk, as loss of any major client could impact revenue.
- Surviving obligations under the Share Subscription and Purchase Agreement dated December 18, 2024, may have an adverse effect on business, operations, and cash flows.
- Negative cash flows from investing activities, if prolonged, could impact the company's financial performance.
- Contingent liabilities and capital commitments, if they materialize, may adversely affect the company's financial condition.

Peer Comparison

Co_Name	Total Income	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Interarch Build.	1453.83	107.83	69.12	30.15	4.69	444.65	10	2084.10	3495.42
Pennar Industrie	3226.58	119.27	9.25	26.56	3.32	73.99	5	245.70	3315.63
Everest Inds.	1722.82	-3.60	0.00	0.00	1.82	377.13	10	687.15	1087.06
Beardsell	268.35	9.83	2.65	12.02	1.55	20.58	2	31.84	125.57
Epack Prefab Technologies Limited	1133.92	59.32	6.92	34.54	3.13	65.10	2	204.00	2049.22

***Peer companies financials are TTM based**
*****Epack Prefab Technologies Ltd Financial are based on FY25**

Valuation

Considering the P/E valuation, on the upper end of the price band of Rs.204, the stock is priced at pre issue P/E of 29.49 x on an FY25 EPS of Rs.6.92. Post issue, the stock is priced at a P/E of 34.54x on its EPS of Rs. 5.91. Looking at the P/B ratio at Rs.204 pre issue, book value of Rs. 41.28 of P/Bvx 4.94x. Post issue, book value of Rs.65.10 of P/Bvx 3.13x.

Considering the P/E valuation, on the lower end of the price band of Rs.194, the stock is priced at pre issue P/E of 28.04 x on FY25 EPS of Rs. 6.92. Post issue, the stock is priced at a P/E of 32.85x on its EPS of Rs.5.91. Looking at the P/B ratio at Rs.194 pre issue, book value of Rs. 41.28 of P/Bvx 4.70x. Post issue, book value of Rs.65.10 of P/Bvx 2.98x.

Industry Outlook

According to the CRISIL Report, the Indian pre-fabricated building market was estimated to be around Rs. 465-485 billion in fiscal year 2025. This market is projected to grow at a Compound Annual Growth Rate (CAGR) of 9-11% between fiscal years 2025 and 2030, reaching a value of approximately Rs. 730-800 billion. The report indicates that this growth will be driven by increased investments in construction, favorable government policies, rising urbanization, and a growing population. The organized sector within this industry is expected to see its market share improve from 42-47% in fiscal year 2025 to 47-52% by fiscal year 2030, as it gains an edge over the fragmented unorganized industry through a reliable track record, maximized supply chain capabilities, and quality engineering services. The pre-engineered steel building industry specifically is anticipated to expand at a CAGR of 9.5-10.5% between fiscals 2025 and 2030, reaching Rs. 330-345 billion, with growth supported by investments in industrial and infrastructure sectors.

Outlook

E-Pack Prefab Technologies Limited is well-positioned for growth, supported by strong market presence, diversified offerings, and robust financial performance. Its capacity expansions in Rajasthan and Andhra Pradesh, coupled with increasing domestic and international reach, provide a solid platform to capture demand in India's fast-growing prefabricated construction sector. Investments in technology, design capabilities, and sustainability further enhance competitiveness. However, regulatory non-compliances, customer concentration in EPS Packaging, and contingent liabilities pose risks. Overall, the company is poised for long-term growth with prudent risk management.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
BID/ISSUE OPENS ON	24-September-25
BID/ISSUE CLOSES ON	26-September-25
Finalisation of Basis of Allotment with the Designated Stock Exchange	29-September-25
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	30-September-25
Credit of Equity Shares to Demat Accounts of Allottees	30-September-25
Commencement of trading of the Equity Shares on the Stock Exchanges	01-October-25

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)	Period ended 31-Mar-23 (12 Months)
Revenue from operations	1133.92	904.90	656.76
Total expenditure	1016.12	817.91	605.23
Operating Profit	**117.79**	**86.99**	**51.53**
OPM%	10.39	9.61	7.85
Other Income	6.57	1.47	3.73
Total Net Income	**124.37**	**88.47**	**55.26**
Interest	24.25	17.27	12.33
PBDT	**100.12**	**71.20**	**42.94**
Depreciation	17.31	12.67	10.22
Restated Profit / (loss) before share of profit/(loss) of associate	**82.81**	**58.53**	**32.72**
Share of Profit/(Loss) of Associate	-1.92	-0.06	-0.02
Restated loss before tax	**80.89**	**58.48**	**32.70**
Tax	21.57	15.52	8.73
Profit & Loss	**59.32**	**42.96**	**23.97**

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-25	As on 31-Mar-24	As on 31-Mar-23
Non-current assets			
Property, plant and equipment	202.71	186.99	114.07
Capital work-in-progress	55.91	0.00	2.07
Goodwill on Consolidation	3.03	3.03	3.03
Intangible Assets	1.13	1.22	0.67
Right of Use Assets	44.42	46.90	35.00
Financial Assets			
Investments	2.16	1.92	1.98
Loans	4.16	0.00	0.00
Others Financial Assets	1.23	0.01	0.01
Other Non - Current Assets	0.03	0.61	11.07
Total non-current assets	**314.77**	**240.69**	**167.89**
Current asset			
Inventories	151.47	137.87	81.73
Financial assets			
Trade receivables	205.33	126.53	120.15
Cash and cash equivalents	79.36	1.58	1.61
Bank balances other than (iii) above	76.98	14.11	11.69
Loans	3.17	6.70	1.60
Others financial assets	7.50	4.47	6.56
Other current assets	92.46	81.78	40.82
Total current assets	**616.26**	**373.04**	**264.16**
Total Assets	**931.02**	**613.72**	**432.05**
Non-current liabilities			
Financial liabilities			
Borrowings	102.13	80.43	61.70
Lease Liabilities	3.43	3.73	3.01
Other Financial Liabilities	24.12	18.46	6.97
Long Term Provisions	3.44	1.71	1.97
Deferred Tax Liabilities	8.80	7.39	6.08
Total Non- Current liabilities	**141.91**	**111.71**	**79.73**
Current liabilities			
Financial Liabilities			
Borrowings	108.11	64.89	44.23
Lease Liabilities	1.16	0.73	0.45
Trade payables- Total outstanding dues of micro and small enterprises	23.73	25.32	13.25
Trade payables-Total outstanding dues of creditors other than micro and small enterprises	190.19	157.64	111.63
Other Current Financial Liabilities	13.15	9.72	10.92
Short Term Provisions	7.12	2.03	1.70
Liability for Current Tax	19.60	14.15	8.15
Other Current Liabilities	72.15	58.58	35.88
Total - Current Liabilities	**435.19**	**333.05**	**226.22**
Total Liabilities	**577.09**	**444.76**	**305.95**
Net worth represented by:			
Equity share capital	15.50	3.88	3.88
Instruments Entirely Equity in Nature	1.41	0.00	0.00
Other equity	337.01	165.08	122.22
Total Equity	**353.93**	**168.96**	**126.10**

RANKING METHODOLOGY

WEAK	★
NEUTRAL	★★
FAIR	★★★
GOOD	★★★★
EXCELLENT	★★★★★

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