



IPO INSIGHTS



EPACK Durable Limited

Issue Dates - Opens: 19-01-2024 | Closes: 23-01-2024

IPO Note	<ol style="list-style-type: none"> EPACK Durable Limited is an Original Design Manufacturer (ODM) of room air conditioners (RAC). The Company also manufactures components such as sheet metal parts, injection moulded parts, cross-flow fans, and PCBA components that are actively used in the production of RACs.
Rating	★★★ (Good)

IPO SNAPSHOT

Issue Size	₹ 640.05 Crores
Issue Type	Book Built Issue IPO
Fresh Issue	₹ 400 Crores
Offer for Sale	₹ 240.05 Crores
Face Value Per Share	₹ 10
Price Band Per Share	₹218 to ₹230
Minimum Lot Size	65 shares
Listing On	BSE, NSE
Registrar to the Issue	Kfin Technologies Limited

IPO SNAPSHOT – EPACK Durable Limited

About the Company

- Incorporated in 2019
- The Company is the second largest room air conditioner original design manufacturer (“ODM”) in India in terms of number of units (indoor units and outdoor units) manufactured in Fiscal 2023 through the ODM route.
- The Company also manufactures components such as sheet metal parts, injection moulded parts, cross-flow fans, and PCBA components that are actively used in the production of RACs.
- The Company has expanded its business into the small domestic appliance (SDA) market, particularly given the seasonal demand for RACs, and is currently developing and producing induction hobs, blenders, and water dispensers.
- The Company design and manufacture complete RACs, comprising (i) window air conditioners (“WACs”), including window inverter air conditioners, (ii) indoor units (“IDUs”) and (iii) outdoor units (“ODUs”, which combined with IDUs form split air conditioners (“SACs”)) with specifications ranging from 0.75 ton to 2 ton, across a range of energy ratings and types of refrigerants. We also manufacture split inverter air conditioners.
- They also manufacture heat exchangers, cross flow fans, axial fans, sheet metal press parts, injection moulded components, copper fabricated products, PCBAs, universal motors and induction coils for captive consumption as well as part of our product offerings to our customers.

Competitive Strengths

- Long-standing relationships with established customers, with potential to expand our customer base
- Among the key manufacturers in the fast-growing RAC and SDA manufacturing industries
- Advanced vertically integrated manufacturing operations with product portfolio aimed at capturing the full spectrum of the RAC and SDA value chain
- Robust product development and design optimisation capabilities
- Experienced Promoters supported by senior management team with proven track record of performance

Financials (₹ in Crores)

Particulars	31-3-2021	31-3-2022	31-03-2023	Y-o-Y
Revenue	736.24	924.16	1538.83	67%
EBITDA	44.02	68.80	100.53	46%
EBITDA Margin	6.0%	7.4%	6.5%	
PAT	7.80	17.43	31.97	83%
PAT Margin	1.1%	1.9%	2.1%	

Valuation

- Attributing Annualized FY23 Earnings asking P/E = 56.37

Peers

Company Name	P/E ratio
Amber Enterprises India Ltd	78.67
PG Electroplast Limited	59.54
Dixon Technologies (India) Ltd	149.32
Elin Electronics Ltd	25.99

Note : P/E ratio is calculated as closing share price as on January 15, 2023.

Promoters

- Bajrang Bothra
- Laxmi Pat Bothra
- Sanjay Singhania
- Ajay DD Singhania

Objects of the issue

- Funding capital expenditure for the expansion or setting up of manufacturing facilities
- Repayment or prepayment, in part or in full, of certain outstanding loans of the company
- General Corporate purposes

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