



EPACK Durable Limited

COMPANY BACKGROUND.....

- EPACK Durables is one of the leading room air conditioners (RAC) original design manufacturers (ODM) in India.
- Incorporated in 2003, as an OEM for Room Air Conditioner brands. Later ventured into manufacturing and designing indoor & outdoor units for RACs and small domestic appliances.
- Led by management with more than 2 decades of industry experience.
- The company's key focus lies in building a customer-centric business and evolving into a preferred ODM partner for RACs.
- Operates three strategically located manufacturing facilities in Dehradun, Bhiwadi, and Sri City.
- One of the early Indian RAC ODM companies to manufacture 5 mm copper tubing for heat exchangers in 2019
- The company's product range includes Room Air Conditioners, Small Domestic Appliances, and RAC components.
- Associated with the top players catering to the RAC segment, including BlueStar, Voltas, Daikin, Carrier, Godrej, Havells & others, and in the SDA segment including, Bajaj Electricals, Usha International & others.

BUSINESS MIX.....

- **Room Air Conditioners (RAC):** Designing & manufacturing window air conditioners (WACs) and split inverter air conditioners (SACs), and indoor units (IDUs), outdoor units (ODUs) for split air conditioners (SACs)
- **Small Domestic Appliances (SDA):** Designing & manufacturing induction cooktops, mixer grinders, and water dispensers.
- **Components Manufacturing:** Manufacture heat exchangers, cross-flow fans, axial fans, sheet metal press parts, injection molded components, copper fabricated products, PCBAs, universal motors, and induction coils.

KEY STRENGTHS.....

- Second largest Original Design Manufacturer (ODM) for air conditioners and small domestic appliances with ~24% market share.
- Serving marquee clientele including Voltas, Philips, Godrej, Whirlpool and Bluestar among others with established strong relationships.
- Highest amount of organically grown backward integration for Room Air Conditioners at a single location.
- Leveraged existing infrastructure of RAC facilities to expand product portfolio by adding Small Domestic Appliances like Induction Cooktops, Mixer Grinders, Water Dispensers, and RAC components

FINANCIAL PERFORMANCE (CONSOLIDATED)

(INR Mn)	Operating Income	EBITDA	EBITDA%	PAT	PAT%	EPS
FY21	7,362	420	5.71%	78	1.06%	1.62
FY22	9,242	688	7.44%	174	1.89%	3.47
FY23	15,388	1,026	6.67%	320	2.08%	4.64
FY24	14,196	1,162	8.19%	354	2.49%	4.35

Note: All numbers are as per IND-AS

Key Data

BSE Code	544095
NSE Code	EPACK
Reuters	-
Bloomberg	EPACK:IN

Market Data (INR)

Face Value	10.0
CMP	151.5
52 Week H/L	225.0/151.0
MCAP (Mn)	14,508.7
Shares O/S (Mn)	95.8
Avg Volume ('000)	1,151.5

Performance as on 31th March 2024

	3M	6M	12M
EPACK *	-	-	-
SENSEX	1.98%	11.91%	24.56%
BSE SMALLCAP	0.73%	14.53%	59.62%

*EPACK was listed on 30th January 2024

Shareholding Pattern as on 31th March 2024

Promoters	48.11%
Public	32.42%
FII's	1.30%
DII's	18.17%

BUSINESS SEGMENTS

About Room Air Conditioners (RACS) Segment

- Catering to top brands like BlueStar, Voltas, Daikin, Carrier, Godrej, Havells & others.
- Bhiwadi & Dehradun manufacturing facilities have a combined manufacturing capacity of 0.90 million IDUs, 0.66 million ODUs, 0.36 million ODU Kits, and 0.42 million WACs.
- Recently started Sri City facility has a manufacturing capacity of 0.66 million IDUs and 0.66 million ODUs.

About Small Domestic Appliances (SDA) Segment

- Catering to top brands like Bajaj Electricals, Usha International & others.
- Bhiwadi & Dehradun manufacturing facilities have a combined manufacturing capacity of 0.11 million water dispensers, 1.2 million induction cooktops, and 0.30 million mixer grinders, and components.
- Recently started, the Sri City facility has a manufacturing capacity of 0.65 million induction cooktops and components.

GROWTH DRIVERS.....

- Portfolio diversification through new products in small domestic appliances will drive revenue growth in coming years.
- Transition from luxury to necessity, underpinned by increased purchasing power and erratic climatic conditions is driving market expansion and volume growth of ACs in India.
- Growth in residential construction, supported by government policies and rising per capita income fueling demand for room air conditioners.
- Availability of easy financing options, reduced load shedding aiding incremental demand for air conditioners from tier 2 and tier 3 segments
- The Phased Manufacturing Programme (PMP) has increased customs duties on RACs and components thus incentivizing local sourcing.
- Mandatory BIS certification hindered RAC exports from countries like China and Thailand.
- Production Linked Incentive Scheme (PLI) favors incentives for local manufacturing of components driving brands towards local sourcing.
- E-commerce and retail marketing initiatives like exchange programs and bundled offers drive growth in the consumer appliances market.
- Under-penetrated semi-urban/rural markets, fueled by rising incomes and electrification, will boost demand for small appliances in the coming years.
- Increased construction of commercial buildings, offices, educational institutions, and healthcare facilities drives demand for water dispensers, ensuring clean drinking water for workers, students, and visitors.

PEER COMPARISON (TRAILING 12 MONTHS) INR MN

Company (INR Mn)	Revenue	EBITDA	EBITDA %	PAT	PAT %	Market Cap
EPACK Durables Ltd	14,196	1,162	8.19%	354	2.49%	14,509
Amber Enterprises India Ltd	67,293	4,919	7.31%	1,395	2.07%	1,23,146
PG ElectroPlast Ltd	27,465	2,618	9.53%	1,370	4.99%	43,142
Virtuoso Optoelectronics Ltd	5,311	515	9.70%	102	1.92%	5,565

INCOME STATEMENT (CONSOLIDATED)

PARTICULARS (INR Mn)	FY21	FY22	FY23	FY24
Operational Income	7,362	9,242	15,388	14,196
Total Expenses	6,941	8,554	14,362	13,034
EBITDA	421	688	1,026	1,162
EBITDA Margins (%)	5.71%	7.44%	6.67%	8.19%
Depreciation and amortisation	90	163	261	355
Finance costs	256	294	315	389
Other Income	34	32	14	89
Profit before share of profit /(loss) of associates and Exceptional Item	109	263	464	507
Share of Profit /(loss) of associates	0	0	(8)	(15)
Exceptional Item	0	0	(16)	0
PBT	109	263	440	492
Tax Expense	31	89	120	138
PAT	78	174	320	354
PAT Margins (%)	1.06%	1.89%	2.08%	2.49%
Other Comprehensive Income	0	-1	-2	-2
Total Comprehensive Income	78	174	318	352
Diluted EPS	1.62	3.47	4.64	4.35

BALANCE SHEET (CONSOLIDATED)

PARTICULARS (INR Mn)	FY22	FY23	FY24	PARTICULARS (INR Mn)	FY22	FY23	FY24
EQUITIES AND LIABILITIES				ASSETS			
Total Equity	1,219	3,136	8,922	Total Non-Current Assets	3,498	5,935	7,673
(A) Equity Share Capital	521	521	958	(A) Property, plant and equipment	2,379	3,235	5,362
(B) Other Equity	698	2,615	7,964	B) Capital Work-in-progress	85	915	266
Total Non-Current Liabilities	998	1,563	1,231	(C) Intangible assets	2	2	1
(A) Provisions	20	28	38	D) Goodwill	5	5	5
(B) Lease Liabilities	258	260	387	E) Right Of Use Assets	882	951	1,413
(C) Borrowings	596	1,136	618	F) Investments Accounted For Using Equity Method	0	18	55
(D) Deferred tax liabilities (net)	124	139	188	G) Financial Assets			
Total Current Liabilities	8,550	9,943	7,525	i) Investments	31	31	31
(A) Financial Liabilities				ii) Loans	0	46	46
i) Borrowings	3,244	3,789	2,696	iii) Other Financial Assets	23	20	26
ii) Lease Liabilities	56	65	160	H) Income Tax Assets (Net)	14	42	49
iii) Trade Payables	3,339	3,891	4,156	I) Other Non-current Assets	77	671	419
iv) Other financial liabilities	1,746	1,917	303	Total Current Assets	7,269	8,707	10,005
(B) Other current liabilities	153	275	194	A) Financial Assets			
(C) Provisions	11	6	16	I) Trade Receivables	3,562	4,791	2,124
D) Current Tax Liabilities (Net)	1	0	0	ii) Cash And Cash Equivalents	242	600	1,069
TOTAL LIABILITIES	9,548	11,505	8,756	iii) Bank Balances Other Than Above	348	154	1
TOTAL - EQUITY & LIABILITIES	10,767	14,642	17,678	iv) Other Financial Assets	26	13	2,389
				B) Other Current Assets	312	212	640
				C) Inventories	2,773	2,937	3,782
				D) Income Tax Assets (Net)	6	0	0
				GRAND TOTAL - ASSETS	10,767	14,642	17,678

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