July 21, 2026

Epack Prefab Technologies Limited: Ratings reaffirmed; rated amount enhanced

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial Sector Regulator#
Long-term - Fund based- Cash credit*	172.00	264.66	[ICRA]A+ (Stable); reaffirmed and assigned for enhanced amount	RBI
Long-term - Fund based - Term loan	278.34	32.42	[ICRA]A+ (Stable); reaffirmed	RBI
Short-term - Non-fund based	166.00	371.00	[ICRA]A1; reaffirmed and assigned for enhanced amount	RBI
Total	**616.34**	**668.08**		

**majority of CC in interchangeable to LC/BG*

**Instrument details are provided in Annexure I*

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Rationale

The reaffirmation of ratings for Epack Prefab Technologies Limited (EPTL) factors in its established track record of operations and an extensive experience of its promoters in the prefabricated structure (prefab) and expanded polystyrene (EPS) businesses. Over the years, the company has expanded its manufacturing footprint across the country, enabling it to develop a diversified customer base which includes reputed companies across industrial, renewable energy, warehousing, logistics, electronics and infrastructure sectors.

EPTL's revenues rose at a CAGR of around 45% over FY2021-FY2026 supported by strong execution in the prefab business, which accounted for over 90% of revenues in FY2026. ICRA expects EPTL to sustain a healthy double-digit growth momentum over the medium term, aided by its order book of around Rs. 1,113 crore as of March 2026, in the prefab division. Further, capacity additions at manufacturing facilities at Ghiloth (Rajasthan), Mambattu (Andhra Pradesh) and a new facility in Gujarat are expected to support future growth.

The ratings further draw comfort from the company's comfortable financial profile, supported by steady growth in earnings, moderate debt levels and increased net worth position, translating into healthy debt protection metrics. While ICRA expects EPTL to maintain its comfortable financial profile, any sizeable debt-funded capex/acquisition and its impact on the company's credit profile will be assessed on a case-to-case basis. EPTL has maintained a healthy working capital cycle, supported in part by letter of credit (LC) backed credit from its vendors. However, the proportion of receivables outstanding for more than six months has increased in recent years, driven by the strong scale-up in operations. The company's ability to effectively manage receivables and sustain its working capital efficiency amid the anticipated growth in business volumes will remain monitorable.

The ratings, however, remain constrained by the company's exposure to intense competition and tender-based nature of the prefabricated structures industry, limiting pricing flexibility. The profitability also remains susceptible to fluctuations in steel and other raw material prices, although this risk is partially mitigated through back-to-back procurement arrangements and procurement of a significant portion of raw material after order confirmation. The company's revenues remain linked to private sector capex activity and industrial investment cycles, albeit mitigated to an extent by increasing adoption of prefabricated construction solutions and diversification across end-user industries.

The Stable outlook on the long-term rating reflects ICRA's opinion that EPTL's credit profile will be supported by a healthy growth in revenues and earnings, along with sustenance of a comfortable capital structure and liquidity position.

Key rating drivers and their description

Credit strengths

Established operational track record and extensive experience of promoters – EPTL benefits from the extensive experience of its promoters, who have been associated with the EPC and prefabricated building solutions industry for over two decades. The promoters also have business interests across consumer durables, electronics manufacturing services and thermocol packaging through various Group entities. EPTL, backed by this experience and operational understanding, has established a strong track record in its core businesses and has significantly scaled up its prefab capacities over the past few years, supporting robust growth in revenues from the division.

Established and diversified clientele – EPTL has long relationships with its customers, supporting repeat business and steady order inflows. The prefab division has a diversified customer base across public and private sectors. Its clientele includes reputed entities such as Waree Renewables, Reliance Industries, Aditya Birla Group, Adani Ports, Royal Enfield, Centuryply and Larsen & Toubro, among others. Its EPS division primarily caters to leading consumer durable players, including LG.

Strong growth in revenue in recent years; momentum expected to sustain – EPTL has reported strong revenue growth over the past years, with revenues increasing at a CAGR of around 45% during FY2021-FY2026, reaching revenue of Rs. 1,525 crore in FY2026. This growth has primarily been driven by the prefab division, which witnessed growth at a similar pace, supported by repeat orders from an established clientele, healthy demand from end-user industries and capacity additions undertaken over the years. Revenue growth in the EPS division has remained relatively steady, broadly tracking demand trends in the consumer durables industry. The company's growth momentum is expected to remain healthy over the near term, supported by its established market position and outstanding order book of Rs. 1,112 crore as on March 31, 2026.

Comfortable financial risk profile – EPTL's financial risk profile remains comfortable and has improved steadily over the past few years, supported by healthy growth in revenues and earnings, as well as the equity fund raise of Rs. 300 crore through its initial public offering (IPO) in October 2025. As on March 31, 2026, the company's Total Debt/OPBDITA stood at 0.7 times (1.8x in FY2025), along with interest coverage of 5.1 times. The debt protection metrics are expected to improve further over the near term, aided by scheduled debt repayments and limited reliance on debt-funded capex over the near-to-medium term given the surplus liquidity available as of March 2026, for funding the near-term capex.

Credit challenges

Profitability vulnerable to fluctuation in raw material prices – EPTL's profitability remains susceptible to fluctuations in raw material prices, particularly steel in the prefab division and crude-linked inputs in the EPS division. In the prefab business, the risk is partly mitigated by price-escalation clauses in select contracts and back-to-back raw material procurement arrangements for a major portion of the requirements. Similarly, in the EPS division, the company is able to pass on input cost increases to most customers through escalation clauses. Nevertheless, timing gaps in cost pass-through, competitive intensity and variation in revenue mix can result in fluctuations in operating margins, which are expected to remain range-bound.

Exposed to intense competition in industry – The EPS and prefab industries remain highly competitive, with the presence of several organised and unorganised players. In the EPS segment, EPTL's established position as a key supplier to LG provides some competitive advantage and acts as an entry barrier. However, the prefab segment remains tender-driven and competitive, which limits pricing flexibility. This, in turn, can constrain margins, particularly during periods of aggressive bidding or higher raw material cost volatility.

Environmental and social risks

Environmental considerations: EPTL operates in the prefabricated building solutions segment, which primarily involves steel structures and insulated panels. Manufacturing steel-based components and sandwich panels is energy intensive and contributes to carbon emissions. Compliance with environmental norms related to emissions, waste disposal, and energy efficiency is critical. Any tightening of sustainability regulations or introduction of carbon taxes could increase operating costs.

Social considerations: Given the fabrication and installation of large steel structures at project sites, adherence to occupational health and safety standards remains critical. Any lapse in worker safety practices could lead to operational disruptions, regulatory actions and reputational risks.

Liquidity position: Adequate

EPTL's liquidity is Adequate, supported by healthy cash flow generation and cash and cash equivalents of around Rs. 308 crore as on March 31, 2026, in addition to undrawn fund-based working capital limits to the tune of Rs. 8 crore. The company has debt repayment liability of Rs. 7-9 crore p.a. over FY2027-FY2028 and planned capex of around Rs. 150 crore for FY2027 and Rs. 50 crore for FY2028 (for their projects at Mambattu, Ghiloth and Vithalapur facility), which will be funded through its internal accruals and available liquidity. EPTL also receives interest-free advances from customers, which also supports the funding requirements.

Rating sensitivities

Positive factors – An upgrade in ratings would be driven by sustained strong growth in revenue and earnings, while maintaining a healthy order book leading to comfortable debt protection metrics and liquidity position.

Negative factors – A material decline in revenue and profitability due to slower order execution or reduction in incremental order inflow, or any deterioration in the working capital cycle that constrains liquidity, could result in ratings downgrade. Additionally, a Total Debt/OPBDITA ratio exceeding 1.8 times, on a sustained basis, may also trigger a downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the standalone financial profile of the company

About the company

EPTL (formerly known as Epack Polymers Private Limited), established in 1999, is a part of the Epack Group and promoted by members of the Singhania and Bothra families. It is involved in manufacturing EPS thermocol products and prefabricated structures. Its manufacturing facilities are in Greater Noida (Uttar Pradesh), Ghiloth (Rajasthan) and Mambattu (Andhra Pradesh).

EPTL received about Rs. 140 crore of PE fund in December 2024 in the form of compulsory convertible preference shares (CCPS) from GEF Capital Partners through South Asia Growth Funds III Holdings, LLC. Additionally, the company concluded fund raise worth Rs. 300 crore in September 2025, through an IPO and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The shareholding of GEF Capital partners now stands at 12.9%, post the IPO.

Key financial indicators (audited)

EPTL – Standalone	FY2025	FY2026
Operating income	1,133.9	1,525.3
PAT	61.2	92.6
OPBDIT/OI	10.4%	10.5%
PAT/OI	5.4%	6.1%
Total outside liabilities/Tangible net worth (times)	1.6	0.9
Total debt/OPBDIT (times)	1.8	0.7
Interest coverage (times)	4.9	5.1

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Current (FY2027)			Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
Instrument	**Type**	**Amount rated (Rs. crore)**	**July 21, 2026**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**
Fund-based - Cash credit	Long-term	264.66	[ICRA]A+ (Stable)	Aug 20, 2025	[ICRA]A (Stable)	Jan 24, 2025	[ICRA]A (Stable)	Mar 31, 2024	[ICRA]A- (Stable)
				Oct 14, 2025	[ICRA]A+ (Stable)	-	-	-	-
Fund-based - Term loan	Long-term	32.42	[ICRA]A+ (Stable)	Aug 20, 2025	[ICRA]A (Stable)	Jan 24, 2025	[ICRA]A (Stable)	Mar 31, 2024	[ICRA]A- (Stable)
				Oct 14, 2025	[ICRA]A+ (Stable)	-	-	-	-
Non-fund based- Others	Short-term	371.00	[ICRA]A1	Aug 20, 2025	[ICRA]A2+	Jan 24, 2025	[ICRA]A2+	Mar 31, 2024	[ICRA]A2+
				Oct 14, 2025	[ICRA]A1	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term - Fund based - Term loan	Simple
Long-term-Fund based - Cash credit	Simple
Short-term – Non-fund based - Others	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook	Financial Sector Regulator#
NA	**Cash credit**	NA	NA	NA	264.66	[ICRA]A+ (Stable)	RBI
NA	**Term loans**	Apr 2023	7-8.5%	Mar 2030	32.42	[ICRA]A+ (Stable)	RBI
NA	**Letter of credit/bank guarantee**	NA	NA	NA	371.00	[ICRA]A1	RBI

Source: Company

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis – Not Applicable

ANALYST CONTACTS

Jitin Makkar
+91 124 4545 368
jitinm@icraindia.com

Deepak Jotwani
+91 124 4545 870
deepak.jotwani@icraindia.com

Shubham Gupta
+91 124 4545 399
shubham.gupta2@icraindia.com

Kinjal Shah
+91 22 6114 3442
kinjal.shah@icraindia.com

Gaurav Kushwaha
+91 404 5474829
gaurav.kushwaha@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches