

Company Business

Eppeltone Engineers Limited is primarily engaged in the manufacturing of electronic energy meters, including smart meters, and various power conditioning devices. These devices include high-grade chargers and UPS systems. The company supplies its products to consumers from institutions, industries, and electricity distribution utilities. Key aspects of their business include:

- ✦ **Product Portfolio** : Their diversified product portfolio includes:
 - Electronic energy meters (single-phase and three-phase meters)
 - Smart meters (as per BIS 16444)
 - Water meters
 - Power conditioning devices (high-grade chargers, UPS systems)
 - Other products: BPL Kits, LED luminaries, battery management systems, battery chargers and packs, software applications, and various electrical components like control cards, transformers, resistors, batteries, and diodes.
- ✦ **Manufacturing Facilities** : The company operates a manufacturing plant covering 28,000 square feet at G-91, UPSIDC Site V, Industrial Area, Surajpur Kasna Road, Greater Noida, Uttar Pradesh. They also have an additional 8,000 square feet manufacturing plant at Plot No H – 164, Site – 5, Area 800, Industrial Area, Surajpur, Dist. Gautam Budh Nagar, Uttar Pradesh, aggregating to 36,000 square feet. They also plan to set up a new manufacturing facility in Greater Noida.
- ✦ **Customer Base** : The company operates primarily in the business-to-business (B2B) segment, with a major focus on supplying products and services to Government Entities, which constitute the majority of their business transactions. They also supply to private sector companies, including Non-Government and Government Companies. They have established long-term relationships with state utility DISCOMs across India and are approved by over 30 state government utilities and many central public sector undertakings, as well as blue-chip private turnkey contractors. Their top 10 customers contributed 85.73% of their total sales in the financial year ended March 31, 2025.
- ✦ **Transition from Outsourcing** : The company is transitioning from outsourcing basic molding work to performing it in-house due to rapid growth and increased orders, aiming to enhance quality control and operational efficiency.

It's important to note that the company previously engaged in the trading of shares and securities, but decided to focus on its core business of manufacturing and trading of energy electricity meters from FY 2023–24 onwards. They have also amended their Memorandum of Association to reflect this shift.

IPO Details

- ✦ Issue Type : **Fresh issue**
- ✦ Issue Size : **₹43.96 crore**
(34,34,000 shares)
- ✦ Price Band : **₹125 – ₹128 per share**
- ✦ Lot Size : **1,000 Shares**
- ✦ IPO Date : **June 17–19, 2025**
- ✦ Pre IPO Promoters Holding : **83.69%**
- ✦ Post IPO Promoters Holding : **61.51%**

Objects of the issue

- ✦ Working Capital Requirements : **Rs 30 Cr.**
- ✦ Funding working capital requirements : **Rs. 5 Cr.**
- ✦ General corporate purposes

Financials of the company _____

(Fig. in Cr)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations	124.33	78.45	72.64
EBITDA	17.78	13.06	2.91
EBITDA Margins	14.30%	16.66%	4.01%
PAT	11.23	8.15	1.08
PAT Margins	9.03%	10.40%	1.49%
ROCE	23.37%	33.51%	9.08%
Debt–Equity Ratio	0.76	0.80	1.10
CFOA	–5.99	4.65	0.35

Comparison with Peers _____

Companies	Revenue	EBITDA Margin	PAT Margin	D/E Ratio	MCap	P/E
Eppeltone Engineers (FY 2025)	124.33 Cr.	14.30%	9.03%	0.76	165.87 Cr.	14.77
Akanksha Power and Infrastructure (FY 2025)	77.69 Cr.	10.41%	5.52%	0.41	206 Cr.	47.80
Rishabh Instruments (FY 2025)	720 Cr.	7%	2.92%	0.16	1,166 Cr.	55
Genus Power Infrastructures (FY 2025)	2,442 Cr.	19%	12.20%	0.74	11,040 Cr.	37.70

Pros and Cons

Pros (Strengths and Advantages)

- ✦ **Established Presence and History** : The company has a long operational history, starting as a proprietorship in 1977 and later incorporated in 2002, before converting to a public limited company on June 19, 2024. This indicates decades of experience in the industry.
- ✦ **Significant Revenue Growth** : The company has shown impressive revenue growth in its core business; revenue from electric meters grew.
- ✦ **Healthy Order Book** : As of the date of the Red Herring Prospectus, Eppeltone has approximately ₹ 650 crores.
- ✦ **No Offer for Sale (OFS)** : The current issue is a 100% Fresh Issue of equity shares, meaning there is no offer for sale by existing promoters or shareholders, indicating that the funds raised will directly benefit the company's operations and growth.

Cons (Risks and Challenges)

- ✦ **High Dependence on Government Tenders and Customer Concentration** : A significant portion of the company's revenue is derived from government tenders and a limited number of customers. In FY 2025, government projects contributed 52.68% of revenue, and the top 10 customers accounted for 85.73% of total sales. Losing these key customers or failing to secure future tenders could significantly impact revenue and profitability.
- ✦ **Negative Cash Flows from Operations**
- ✦ **Past Delays in Statutory Compliance**
- ✦ **Low Capacity Underutilization**
- ✦ **Highly Competitive Markets with No Entry Barriers** : The company operates in a fiercely competitive market with both organized and unorganized players, and there are no significant entry barriers for new competitors. This can lead to intense price competition, potentially affecting market share and operating margins.



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