

Q3FY25 Result Highlights

- Revenue increased to ₹10,143mn in Q3FY25 from ₹9,751mn in Q3FY24, reflecting a 4.0% YoY growth.
- EBITDA increased from ₹1,834mn in Q3FY24 to ₹2,062mn in Q3FY25, a 10% YoY growth.
- The EBITDA margin saw expansion to 20% in Q3FY25 from 18.8% in Q3FY24, an increase of 107 basis points YoY.
- Profit After Tax grew 8% YoY, from ₹873mn in Q3FY24 to ₹941mn in Q3FY25.
- Americas and Europe posted strong revenue growth of 7.3% and 8.7% YoY, respectively, while AMESA and EAP saw modest declines of -1.0% YoY.
- ROCE improved by 321 basis points YoY, reaching 16.9% in Q3FY25 compared to 13.7% in Q3FY24.
- The Debt/EQUITY ratio improved from 0.41x in Q2FY25 to 0.34x in Q3FY25, indicating better financial stability sequentially.
- EPS increased from ₹2.7 in Q3FY24 to ₹2.9 in Q3FY25, reflecting a 8% YoY growth.

Important Statistics

Nifty	22,907
Sensex	75,449
LTP*	202.85
MCAP (₹ bn)	64.83
52 Week H/L (₹)	290/170
NSE Code	EPL
BSE Code	500135
Bloomberg Code	ESEL:IN

LTP* as on 19th Mar 25

Shareholding Pattern (%)	Dec'23	Mar'24	Jun'24	Sep'24	Dec'24
Promoter	51.5	51.5	51.5	51.5	51.5
FII	9.9	10.9	11.4	13.4	14.9
DII	14.5	13.4	11.6	11.2	11.6
Public & Others	24.1	24.2	25.6	23.9	22

Concall KTA

- The company aims to sustain double-digit revenue growth by expanding into high-growth categories like Beauty & Cosmetics (B&C) and Pharma. Strong demand in Americas and Europe will be leveraged for growth.
- EPL's expansion into Brazil is ongoing, with capacity increases to fulfill rising demand. New greenfield investments in Thailand will boost growth in Southeast Asia. Additionally, EPL is exploring opportunities in Sub-Saharan Africa to establish a foothold in this high-potential market.
- The Net Debt/EBITDA ratio improved from 0.94x to 0.72x, while ROCE rose to 16.9%. There will be an ongoing emphasis on capital efficiency to achieve higher returns.
- The new strategic investor, Indorama Ventures, will create synergies in procurement, cost optimization, and geographic expansion. Their expertise in packaging and chemicals will also enhance innovation and product development.
- In the Beauty & Cosmetics sector, EPL aims to secure more business from existing customers through new product innovations. Meanwhile, in Oral Care, the company is steadily gaining global market share by placing a stronger emphasis on premium and sustainable tubes.
- New product development in Personal Care, Pharma, and Homecare will fuel long-term growth. Additionally, Platina tubes and Neo Seam tubes are gaining popularity in global markets.
- EPL will persist in optimizing costs by strategically managing prices, minimizing waste, implementing automation, and insourcing processes. Additionally, realigning manufacturing operations, particularly in Europe and the Americas, will enhance efficiency.

Financials

Particulars	₹ mn			
	FY24	FY25E	FY26E	FY27E
Revenue	39161	42444	47118	52102
EBITDA	7143	8393	9576	10689
EBITDA (%)	18.2	19.8	20.3	20.5
Net Profit	2,060	3,410	4,239	5,002
EPS (₹)	6.5	10.8	13.4	15.7
DPS (₹)	4.3	4.9	5.4	5.9
P/E (x)	30.3	18.2	14.6	12.4
EV/EBITDA (x)	8.7	8.1	7.1	6.4
P/BV (x)	3.0	2.7	2.5	2.2
RoE (%)	14.5	15.2	16.6	17.1
RoA (%)	9.3	12.1	12.9	13.4

Source: Company, Way2Wealth

Relative Performance

Return (%)	1Yr	3Yr	5Yr
EPL	6	16	18
Nifty 50	2	35	126
Sensex	2	33	117

Source: Company, Way2Wealth

Dhananjay Kansara
dhananjay.k@way2wealth.com
Ph:022-4019 2911

View

EPL Limited's Q3FY25 financial performance highlights robust profitability, with the EBITDA margin expanding to 20%, marking a significant increase YoY, and PAT growing by 8. The company has successfully enhanced its cost efficiencies, as evidenced by the Net Debt/EBITDA ratio improving to 0.72 and Return on Capital Employed (ROCE) rising to 16.9%. Strategic synergies from the partnership with Indorama Ventures are supporting EPL's global expansion efforts, including a new plant in Thailand and potential entry into Africa.

However, revenue growth was modest at 4% YoY, with challenges in India and the EAP region, while the Americas and Europe showed strong growth, driven by the Beauty & Cosmetics segment. Sustainability remains a key focus, with 31% of sales coming from recyclable tubes and an EcoVadis Gold rating.

The short-term outlook is neutral due to the need for revenue acceleration, but long-term growth prospects remain strong, supported by global expansion, sustainability leadership, and margin improvements. Hence, **the stock is recommended to Hold at its current price, trading at P/E 12.4x FY27E EPS of ₹15.7.**

20th Mar 2025

LTP* - ₹202.85/-

View - **HOLD**

FINANCIAL & OPERATING PERFORMANCE

Particulars	Q3	Q4	Q1F	Q2	Q3	Q4	Q1	Q2	Q3	YoY	QoQ	9M	9M	YoY
	FY23	FY23	Y24	FY24	FY24	FY24	FY25	FY25	FY25	%	%	FY25	FY24	(%)
Revenue	9,449	9,693	9,102	10,016	9,751	10,292	10,074	10,862	10,143	4.0	(6.6)	31,079	27,248	14.1
EBITDA	1,490	1,546	1,590	1,810	1,834	1,909	1,858	2,205	2,016	9.9	(8.6)	6,079	4,232	43.6
EBITDA Margin (%)	15.8	15.9	17.5	18.1	18.8	18.5	18.4	20.3	19.9	107	(42)	19.6	15.5	403
Net Profit	628	851	543	505	861	151	642	883	941.0	9.3	6.6	2,466	1,440	71.3

Source: Company, Way2Wealth

Geography wise Revenue mix (%)

Region	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
AMESA	37	35	37	38	36	34	36	36	35
EAP	24	22	24	25	26	22	24	25	25
Americas	24	24	24	25	26	26	26	25	27
Europe	20	26	23	22	21	25	23	24	22

AMESA (India & Egypt); EAP (China, Philippines); Americas (US, Mexico & Columbia); Europe (Poland, Germany & Russia)

Source: Company, Way2Wealth

Geography-wise Performance

AMESA	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	FY22	FY22	FY23	FY23	FY23	FY23	FY24	FY24	FY24	FY24	FY25	FY25	FY25
Revenue (₹ mn)	3,225	3,140	3,197	3,595	3,521	3,379	3,358	3,791	3,500	3,536	3,677	3,931	3,535
YoY Growth (%)	36.5	13.5	13.4	16.9	9.2	7.6	5.0	5.5	(0.6)	4.6	9.5	3.7	1.0
EBIT (₹ mn)	353	277	309	333	404	423	365	446	392	414	430	440	341
Margin (%)	10.9	8.8	9.7	9.3	11.5	12.5	10.9	11.8	11.2	11.7	11.7	11.2	9.6
YoY Growth (%)	12.1	23.7	(0.6)	(5.4)	14.4	52.7	18.1	33.9	(3.0)	(2.1)	17.8	(1.3)	(13.0)

EAP	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	FY22	FY22	FY23	FY23	FY23	FY23	FY24	FY24	FY24	FY24	FY25	FY25	FY25
Revenue (₹ mn)	2,459	1,971	1,928	2,166	2,263	2,141	2,149	2,454	2,524	2,229	2,448	2,667	2,500
YoY Growth (%)	20.4	6.6	(6.4)	1.4	(8.0)	8.6	11.5	13.3	11.5	4.1	13.9	8.7	(1.0)
EBIT (₹ mn)	419	160	247	377	365	248	351	428	412	271	392	431	379
Margin (%)	17.0	8.1	12.8	17.4	16.1	11.6	16.3	17.4	16.3	12.2	16.0	16.2	15.2
YoY Growth (%)	8.8	(25.9)	(28.4)	6.8	(12.9)	55.0	42.1	13.5	12.9	9.3	11.7	0.7	(8.0)

Source: Company, Way2Wealth

Americas	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	FY22	FY22	FY23	FY23	FY23	FY23	FY24	FY24	FY24	FY24	FY25	FY25	FY25
Revenue (₹ mn)	1,899	1,964	1,973	2,226	2,260	2,299	2,178	2,519	2,528	2,664	2,589	2,757	2,713
YoY Growth (%)	9.5	12.3	20.4	19.7	19.0	17.1	10.4	13.2	11.9	15.9	18.9	9.4	7.3
EBIT (₹ mn)	53	189	105	106	109	59	24	91	175	240	169	260	292
Margin (%)	2.8	9.6	5.3	4.8	4.8	2.6	1.1	3.6	6.9	9.0	6.5	9.4	10.8
YoY Growth (%)	(73.6)	(6.4)	(11.8)	(36.9)	105.7	(68.8)	(77.1)	(14.2)	60.6	306.8	604.2	185.7	66.9

20th Mar 2025

LTP* – ₹202.85/-

 View – **HOLD**

Europe	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
Revenue (₹ mn)	1,732	2,086	1,972	2,050	1,911	2,502	2,125	2,163	2,076	2,563	2,316	2,617	2,257
YoY Growth (%)	(2.0)	4.2	10.5	8.9	10.3	19.9	7.8	5.5	8.6	2.4	9.0	21.0	8.7
EBIT (₹ mn)	(22)	104	34	70	(36)	134	79	46	23	99	135	258	232
Margin (%)	(1.3)	5.0	1.7	3.4	(1.9)	5.4	3.7	2.1	1.1	3.9	5.8	9.9	10.3
YoY Growth (%)	(122.2)	(45.0)	(65.7)	(6.7)	63.6	28.8	132.4	(34.3)	163.9	(26.1)	70.9	460.9	908.7

Source: Company, Way2Wealth

FINANCIALS & VALUATIONS

Particulars	Q3FY25	Q3FY24	YoY (%)	Q2FY25	QoQ (%)	9MFY25	9MFY24	YoY (%)
Revenue	10,143	9,751	4.0	10,862	(6.6)	31,079	28,869	7.7
Matl Cost	4,519	4,224	7.0	4,558	(0.9)	13,273	12,684	4.6
Inventory Changes	(487)	(154)	216.2	6	(8,216.7)	(598)	(493)	21.3
Employee Exps	2,085	1,942	7.4	2,058	1.3	6,233	5,735	8.7
Other Exps	2,010	1,905	5.5	2,035	(1.2)	6,092	5,709	6.7
EBITDA	2,016	1,834	9.9	2,205	(8.6)	6,079	5,234	16.1
EBITDA Margin (%)	19.9	18.8	107	20.3	(42)	19.6	18.1	143
Other Income	127	237	(46.4)	140	(9.3)	332	433	(23.3)
Depreciation	863	842	2.5	852	1.3	2,551	2,478	2.9
Finance Cost	274	294	(6.8)	291	(5.8)	855	835	2.4
PBT	1,005	943	6.6	1,184	(15.1)	2,985	2,380	25.4
Tax	64	70	(8.6)	301	(78.7)	504	430	17.2
Net Profit	941.0	873.0	7.8	883.0	6.6	2,481.0	1,950.0	27.2
EPS (₹)	2.9	2.7	7.6	2.8	6.4	7.8	6.1	27.0
As % of Sales			BPS		BPS			BPS
Raw Matl Cost	39.8	41.7	(199)	42.0	(227)	40.8	42.2	(145)
Employee Exps	20.6	19.9	64	18.9	161	20.1	19.9	19
Other Exps	19.8	19.5	28	18.7	108	19.6	19.8	(17)

Source: Company, Way2Wealth

20th Mar 2025

LTP* – ₹202.85/-

 View – **HOLD**
Disclaimer

Analyst Certification: I, Dhananjay Kansara, the research analyst and author of this report, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s), principally responsible for the preparation of this research report, receives compensation based on overall revenues of the company (Way2Wealth Brokers Private Limited, hereinafter referred to as Way2Wealth) and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

It is confirmed that Dhananjay Kansara, the author of this report has not received any compensation from the companies mentioned in the report in the preceding 12 months. Our research professionals are paid in part based on the profitability of Way2Wealth, which include earnings from other business. Neither Way2Wealth nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information contained in this report.

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. Way2Wealth is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. The contents of this material are general and are neither comprehensive nor appropriate for every individual and are solely for the informational purposes of the readers. This material does not take into account the specific objectives, financial situation or needs of an individual/s or a Corporate/s or any entity/s.

This research has been prepared for the general use of the clients of the Way2Wealth and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient, you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Way2Wealth will not treat recipients as customers by virtue of their receiving this report. The distribution of this document in other jurisdictions may be restricted by the law applicable in the relevant jurisdictions and persons into whose possession this document comes should inform themselves about, and observe any such restrictions.

The report is based upon information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up to date and it should not be relied upon as such. Way2Wealth or any of its affiliates or employees makes no warranties, either express or implied of any kind regarding any matter pertaining to this report, including, but not limited to warranties of suitability, fitness for a particular purpose, accuracy, timeliness, completeness or non-infringement. We accept no obligation to correct or update the information or opinions in it. Way2Wealth or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. The recipients of this report should rely on their own investigations. In no event shall Way2Wealth be liable for any damages of any kind, including, but not limited to, indirect, special, incidental, consequential, punitive, lost profits, or lost opportunity, whether or not Way2Wealth has advised of the possibility of such damages.

This material contains statements that are forward-looking; such statements are based upon the current beliefs and expectations and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. These uncertainties include but are not limited to: the risk of adverse movements or volatility in the securities markets or in interest or foreign exchange rates or indices; adverse impact from an economic slowdown; downturn in domestic or foreign securities and trading conditions or markets; increased competition; unfavorable political and diplomatic developments; change in the governmental or regulatory policies; failure of a corporate event and such others. This is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. No part of this material may be copied or duplicated in any form by any means or redistributed without the written consent of Way2Wealth. In no event shall any reader publish, retransmit, redistribute or otherwise reproduce any information provided by Way2Wealth in any format to anyone. Way2Wealth and its affiliates, officers, directors and employees including persons involved in the preparation or issuance of this report may from time to time have interest in securities / positions, financial or otherwise in the securities related to the information contained in this report.

To enhance transparency, Way2Wealth has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report.

Disclosure of Interest Statement EPL Ltd. as on 20th March 2025

Name of the Security	EPL Ltd.
Name of the analyst	Dhananjay Kansara
Analysts' ownership of any stock related to the information contained	
Financial Interest	No
Analyst :	No
Analyst's Relative : Yes / No	No
Analyst's Associate/Firm : Yes/No	No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

This information is subject to change without any prior notice. Way2Wealth reserves at its absolute discretion the right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, Way2Wealth is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.