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India | Equity Research | Results Update

## EPL

## Speciality Chemicals

## Strong print, and improving outlook!

EPL's Q1FY26 print was impressive despite challenges; personal care tube revenue jumped 27.7% YoY; oral care dipped 2.8%. Company anticipates revenue momentum to sustain in personal care backed by innovation, geographical expansion, new logo addition, sustainability; it is now aspiring inorganic growth. It is evaluating a proposal for M&A in personal care segment. EPL has generated steady FCF, and is reducing debt which should support the addition of greenfield plants and M&A. We are impressed by a turnaround in Europe, and execution of Brazil facility. Retain our estimates and TP of INR 320 with an unchanged FY27E P/E multiple of 20x. Maintain **BUY**. EPL's valuation is attractive at FY27E PE of 13.7x and FCF yield at 7% with EPS CAGR of 20% over FY25-27E.

## EPL tube revenue grew 11.5% YoY to INR 10.4bn

Amid macro challenges in India, EPL's revenue was up 10% YoY to INR 11bn, driven by strong growth in three out of four regions. Company aims to sustain double-digit growth in FY26, with oral care likely to recover and aid in long-term growth. In Q1FY26, oral care segment's revenue fell 2.8% YoY to INR 4.8b amid macro challenges/soft demand. Personal care segment revenue surged 27.7% YoY to INR 5.6bn – remains a focus area for EPL, and it envisages mix to improve towards personal care. Gross profit grew 11.2% YoY/ 4.6% QoQ to INR 6.7bn.

Elsewhere, EPL's performance was mixed – strong growth in the Americas (revenue up 13.2% YoY) was partly aided by growing Brazil penetration. Brazil offtake/capacity ramp-up underpins EPL's ability to expand in new geographies profitably. Europe revenue growth expanded to 15.5% YoY with new logo wins, and innovation driving market share gains. China revenue recovered with growth of 10.6% QoQ/ 9.6% YoY. In India, revenue growth was weak at just 1.3% YoY; AMESA revenue rose 1.7%. EPL plans to add export geographies to push revenue growth further.

EPL is setting up a greenfield B&C tube plant in Thailand. It will start with a small facility (USD 5mn investment), and will keep expanding with growing demand. Its greenfield is progressing as per the timeline and should start contributing H2FY26 onwards. EPL is expanding B&C tube segment in Brazil with capacity addition of 40mn tubes, post its strong performance in oral care. It is exploring more greenfield geographies.

## Financial Summary

Y/E March (INR mn)	FY24A	FY25A	FY26E	FY27E
Net Revenue	39,161	42,133	46,471	51,365
EBITDA	7,143	8,359	9,688	10,739
EBITDA Margin (%)	18.2	19.8	20.8	20.9
Net Profit	2,070	3,590	4,439	5,127
EPS (INR)	6.5	11.2	13.9	16.0
EPS % Chg YoY	(9.0)	73.4	23.7	15.5
P/E (x)	34.0	19.6	15.9	13.7
EV/EBITDA (x)	10.7	9.0	7.6	6.6
RoCE (%)	11.1	14.4	15.6	16.1
RoE (%)	10.1	16.1	17.8	18.4

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## Market Data

Market Cap (INR)	71bn
Market Cap (USD)	803mn
Bloomberg Code	EPLL IN
Reuters Code	EPLI BO
52-week Range (INR)	290 /175
Free Float (%)	43.0
ADTV-3M (mn) (USD)	2.2

Price Performance (%)	3m	6m	12m
Absolute	11.4	(3.9)	5.7
Relative to Sensex	11.5	(7.0)	3.2

ESG Score	2023	2024	Change
ESG score	67.2	67.5	0.3
Environment	46.7	51.1	4.4
Social	71.8	71.5	(0.3)
Governance	77.8	79.4	1.6

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

## Previous Reports

09-05-2025: [Q4FY25 results review](#)

12-02-2025: [Q3FY25 results review](#)

### EBITDA margin narrowed 15bp QoQ to 20.5%

Gross profit was up 11.2% YoY to INR 6.7bn and gross profit margin widened 260bp QoQ to 60.2%, supported by change in geography mix and higher contribution of personal care segment. The Americas, Europe and EAP have sustained double-digit growth vs. AMESA. Employee expenses rose 7.5% YoY to INR 2.2bn; other expenses were up 5.2% YoY at INR 2bn. EBITDA grew 22.1% YoY to INR 2.3bn, and benefited from forex gain of INR 40mn (vs. of INR 34mn in Q4FY25). EBITDA margin improved in the AMESA, and Europe but dipped in the Americas and EAP. Europe margin benefited from cost optimisation, operating leverage and realignment. Interest cost reduced 3.1% YoY/ 1.1% QoQ to INR 281mn. Reported PAT gained 55.8% YoY to INR 1bn; effective tax rate was 13.6% in Q1FY26.

EPL expects margins to stay close to global levels, aided by a shift in its product mix towards beauty and cosmetics, and a reversal in the oral segment's short-term weakness, which should further drive margin expansion in the long term.

### Geography-wise performance

**1) AMESA** revenue was up 1.7% YoY at INR 3.7bn and was restricted due to oral care segment; however, key customers have witnessed recovery and EPL expects better performance H2FY26 onwards. EBITDA was up 2% YoY to INR 714mn, and EBITDA margin was 19.1%.

**2) EAP** revenue jumped 9.6% YoY to INR 2.7bn; EBITDA was up 8% YoY to INR 579mn with EBITDA margin at 21.6%, down 31bp QoQ.

**3) Revenue from the Americas** rose 13.2% YoY to INR 3bn and EBITDA rose 35% YoY to INR 551mn. EBITDA margin narrowed 18bp QoQ to 18.8%.

**4) Europe** revenue rose 15.5% YoY to INR 2.7bn; EBITDA surged 52.2% YoY to INR 478mn and EBITDA margin was 17.9%, up 60bp QoQ.

### Q1FY26 conference call highlights

- **Beauty & Cosmetics (B&C):** B&C has benefited from efforts put over the years in innovation [neo seam tubes, extruder and other], superior printing capabilities, efficiencies [reduced minimum order quantities to tap new-age companies], sustainability [sustainable tubes], etc. Company has won multiple new logos which is further helping in deeper market penetration. It anticipates growth momentum to sustain, and likely accelerate with potential M&A.
- **M&A:** EPL has signed certain NDAs, and is evaluating potential inorganic growth opportunities particularly in B&C segment. This will help in both geographic expansion and expanding presence in extruder tubes.
- **Brazil:** Ramp up in tube production remains encouraging; rising demand for B&C has also encouraged EPL to set up more capacities ahead of the timeline.
- **US tariff:** Company does not expect any impact from tariffs in the US. It was able to pass-on the tariff impact in past few months. A significant customer's contract has pass-through clause for higher costs including increased duties.
- Sustainable tubes now contribute 38% of total volume (vs. 33% in FY25).
- Effective tax rate likely at 18–20%; the tax rate will be slightly lower than steady-state range.
- Capex for FY26 guided at INR 3.5–4bn which does not include inorganic growth.

### Risks

- Slower revenue growth in India and EAP, which are generally growth markets.
- Pressure on margins, particularly in the Americas/Europe.

**Exhibit 1: EPL – consolidated financials**

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
Net revenue	10,074	10,862	10,143	11,054	11,079	0.2	10.0
Cost of Goods sold	4,079	4,564	4,032	4,680	4,411	(5.7)	8.1
<b>Gross profit</b>	<b>5,995</b>	<b>6,298</b>	<b>6,111</b>	<b>6,374</b>	<b>6,668</b>	<b>4.6</b>	<b>11.2</b>
Gross profit margin (%)	59.5	58.0	60.2	57.7	60.2		
Employee cost	2,090	2,058	2,085	2,091	2,246	7.4	7.5
% of revenue	20.7	18.9	20.6	18.9	20.3		
Other expenses	2,047	2,035	2,010	2,003	2,154	7.5	5.2
% of revenue	20.3	18.7	19.8	18.1	19.4		
<b>Total expenses</b>	<b>4,137</b>	<b>4,093</b>	<b>4,095</b>	<b>4,094</b>	<b>4,400</b>	<b>7.5</b>	<b>6.4</b>
<b>EBITDA</b>	<b>1,858</b>	<b>2,205</b>	<b>2,016</b>	<b>2,280</b>	<b>2,268</b>	<b>(0.5)</b>	<b>22.1</b>
EBITDA margin (%)	18.4	20.3	19.9	20.6	20.5		
Depreciation	836	852	863	876	896	2.3	7.2
<b>EBIT</b>	<b>1,022</b>	<b>1,353</b>	<b>1,153</b>	<b>1,404</b>	<b>1,372</b>	<b>(2.3)</b>	<b>34.2</b>
EBIT margin (%)	10.1	12.5	11.4	12.7	12.4		
Other income	65	140	127	104	80	(23.1)	23.1
Finance cost	290	291	274	284	281	(1.1)	(3.1)
<b>PBT</b>	<b>797</b>	<b>1,202</b>	<b>1,006</b>	<b>1,224</b>	<b>1,171</b>	<b>(4.3)</b>	<b>46.9</b>
Tax expenses	139	301	64	73	159	117.8	14.4
ETR (%)	17.4	25.0	6.4	6.0	13.6		
Non-controlling interest	15.0	13.0	6.0	14.0	14.0		
Profit from associates	(1.0)	(18.0)	(1.0)	42.0	2.0		
Exceptional item	-	-	-	(36)	-		
<b>PAT</b>	<b>642</b>	<b>870</b>	<b>935</b>	<b>1,143</b>	<b>1,000</b>	<b>(12.5)</b>	<b>55.8</b>
Net profit margin (%)	6.4	8.0	9.2	10.3	9.0		
<b>Adj EPS (INR)</b>	<b>2.0</b>	<b>2.8</b>	<b>3.0</b>	<b>3.7</b>	<b>3.2</b>	<b>(15.2)</b>	<b>55.8</b>

Source: I-Sec research, Company data

**Exhibit 2: Personal care segment revenue improved 27.7% YoY**

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
<b>Revenue</b>							
Oral care	4,973	5,274	4,898	5,221	4,833	(7.4)	(2.8)
Personal Care	4,382	4,901	4,647	5,164	5,598	8.4	27.7
Others	719	687	598	669	648	(3.1)	(9.9)
<b>Total</b>	<b>10,074</b>	<b>10,862</b>	<b>10,143</b>	<b>11,054</b>	<b>11,079</b>	<b>0.2</b>	<b>10.0</b>
<b>Mix</b>							
Oral care	49.4	48.6	48.3	47.2	43.6		
Personal Care	43.5	45.1	45.8	46.7	50.5		
Others	7.1	6.3	5.9	6.1	5.8		

Source: I-Sec research, Company data

**Exhibit 3: Asia, Middle East, South Asia (AMESA) financials**

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
Revenue	3,677	3,931	3,535	3,551	3,739	5.3	1.7
<b>EBITDA</b>	<b>700</b>	<b>712</b>	<b>627</b>	<b>676</b>	<b>714</b>	<b>5.6</b>	<b>2.0</b>
EBITDA margin (%)	19.0	18.1	17.7	19.0	19.1		
EBIT	430	440	341	395	420	6.3	(2.3)
EBIT margin (%)	11.7	11.2	9.6	11.1	11.2		

Source: I-Sec research, Company data

**Exhibit 4: East Asia and Pacific (EAP) financials**

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
Revenue	2,448	2,667	2,500	2,424	2,682	10.6	9.6
<b>EBITDA</b>	<b>536</b>	<b>580</b>	<b>530</b>	<b>475</b>	<b>579</b>	<b>21.9</b>	<b>8.0</b>
EBITDA margin (%)	21.9	21.7	21.2	19.6	21.6		
EBIT	392	431	379	312	426	36.5	8.7
EBIT margin (%)	16.0	16.2	15.2	12.9	15.9		

Source: I-Sec research, Company data

### Exhibit 5: Americas financials

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
Revenue	2,589	2,757	2,713	3,044	2,930	(3.7)	13.2
<b>EBITDA</b>	<b>408</b>	<b>496</b>	<b>532</b>	<b>578</b>	<b>551</b>	<b>(4.7)</b>	<b>35.0</b>
EBITDA margin (%)	15.8	18.0	19.6	19.0	18.8		
EBIT	169	260	292	334	305	(8.7)	80.5
EBIT margin (%)	6.5	9.4	10.8	11.0	10.4		

Source: I-Sec research, Company data

### Exhibit 6: Europe financials

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
Revenue	2,316	2,617	2,257	2,697	2,674	(0.9)	15.5
<b>EBITDA</b>	<b>314</b>	<b>446</b>	<b>415</b>	<b>465</b>	<b>478</b>	<b>2.8</b>	<b>52.2</b>
EBITDA margin (%)	13.6	17.0	18.4	17.2	17.9		
EBIT	135	258	232	280	277	(1.1)	105.2
EBIT margin (%)	5.8	9.9	10.3	10.4	10.4		

Source: I-Sec research, Company data

### Exhibit 7: Geography-wise revenue

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
<b>Revenue</b>							
AMESA	3,677	3,931	3,535	3,551	3,739	5.3	1.7
EAP	2,448	2,667	2,500	2,424	2,682	10.6	9.6
Americas	2,589	2,757	2,713	3,044	2,930	(3.7)	13.2
Europe	2,316	2,617	2,257	2,697	2,674	(0.9)	15.5
Unallocated	4	4	4	5	4		
Intersegment elimination	(960)	(1,114)	(866)	(667)	(950)		
<b>Total revenue</b>	<b>10,074</b>	<b>10,862</b>	<b>10,143</b>	<b>11,054</b>	<b>11,079</b>	<b>0.2</b>	<b>10.0</b>
<b>Mix</b>							
AMESA	36.5	36.2	34.9	32.1	33.7		
EAP	24.3	24.6	24.6	21.9	24.2		
Americas	25.7	25.4	26.7	27.5	26.4		
Europe	23.0	24.1	22.3	24.4	24.1		

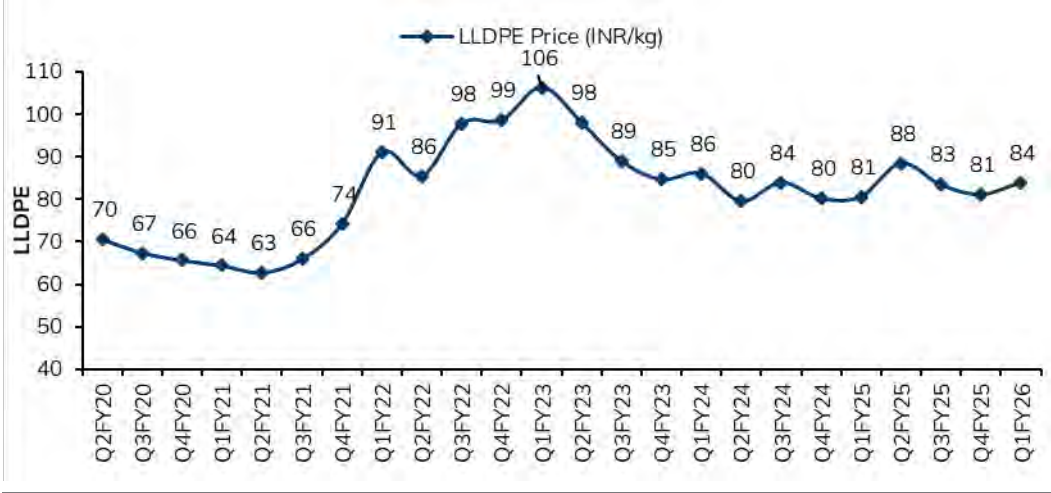
Source: I-Sec research, Company data

### Exhibit 8: Geography-wise EBITDA

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
<b>EBITDA</b>							
AMESA	700	712	627	676	714	5.6	2.0
EAP	536	580	530	475	579	21.9	8.0
Americas	408	496	532	578	551	(4.7)	35.0
Europe	314	446	415	465	478	2.8	52.2
Unallocated	-	-	-	-	-		
Intersegment elimination							
<b>Total revenue</b>	<b>1,958</b>	<b>2,234</b>	<b>2,104</b>	<b>2,194</b>	<b>2,322</b>	<b>5.8</b>	<b>18.6</b>
<b>Mix</b>							
AMESA	35.8	31.9	29.8	30.8	30.7		
EAP	27.4	26.0	25.2	21.6	24.9		
Americas	20.8	22.2	25.3	26.3	23.7		
Europe	16.0	20.0	19.7	21.2	20.6		

Source: I-Sec research, Company data

Exhibit 9: LLDPE prices up 4.1% YoY



Source: Ministry of Commerce, I-Sec research

## Financials

### Exhibit 10: Geographical data

INR mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	CAGR (%) FY25-27E
<b>Revenue</b>								
AMESA	9,934	12,259	13,692	14,185	14,694	15,870	17,456	9.0
EAP	7,820	8,626	8,498	9,356	10,039	11,043	12,147	10.0
Americas	6,521	7,362	8,758	9,889	11,103	12,435	13,928	12.0
Europe	7,686	7,484	8,435	8,927	9,887	11,073	12,181	11.0
Unallocated	12	11	14	14	17	17	17	
Intersegment elimination	(1,057)	(1,414)	(2,456)	(3,210)	(3,607)	(3,968)	(4,364)	
<b>Total revenue</b>	<b>30,916</b>	<b>34,328</b>	<b>36,941</b>	<b>39,161</b>	<b>42,133</b>	<b>46,471</b>	<b>51,365</b>	<b>10.4</b>
<b>EBIT</b>								
AMESA	1,083	1,293	1,469	1,617	1,606	1,880	2,176	16.4
EAP	1,434	1,277	1,237	1,462	1,514	1,736	1,947	13.4
Americas	712	529	379	530	1,055	1,526	1,821	31.4
Europe	625	256	202	247	905	1,198	1,378	23.4
Unallocated	(24)	(44)	(36)	(15)	(12)	(12)	(12)	
Intersegment elimination	(21)	(42)	(65)	(26)	(99)	(99)	(99)	
<b>Total EBIT</b>	<b>3,809</b>	<b>3,269</b>	<b>3,186</b>	<b>3,815</b>	<b>4,969</b>	<b>6,229</b>	<b>7,211</b>	<b>20.5</b>

Source: I-Sec research, Company data

### Exhibit 11: EPL's consolidated financials

INR mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	CAGR (%) FY25-27E
<b>Financial</b>								
Revenue	30,916	34,328	36,941	39,161	42,133	46,471	51,365	10.4
COGS	12,934	15,176	16,738	16,570	17,355	19,235	21,260	
<b>Gross profit</b>	<b>17,982</b>	<b>19,152</b>	<b>20,203</b>	<b>22,591</b>	<b>24,778</b>	<b>27,236</b>	<b>30,104</b>	<b>10.2</b>
GMP (%)	58.2	55.8	54.7	57.7	58.8	58.6	58.6	
Growth (%)		6.5	5.5	11.8	9.7	9.9	10.5	
Employee cost	6,064	6,500	6,895	7,725	8,324	8,823	9,353	6.0
% of revenue	19.6	18.9	18.7	19.7	19.8	19.0	18.2	
Other expenses	5,807	6,891	7,530	7,723	8,095	8,725	10,013	11.2
% of revenue	18.8	20.1	20.4	19.7	19.2	18.8	19.5	
Total expenses	11,871	13,391	14,425	15,448	16,419	17,548	19,365	8.6
<b>EBITDA</b>	<b>6,111</b>	<b>5,761</b>	<b>5,778</b>	<b>7,143</b>	<b>8,359</b>	<b>9,688</b>	<b>10,739</b>	<b>13.3</b>
EBITDA (%)	19.8	16.8	15.6	18.2	19.8	20.8	20.9	
Growth (%)		(5.7)	0.3	23.6	17.0	15.9	10.9	
D&A	2,346	2,514	2,805	3,328	3,427	3,564	3,634	3.0
<b>EBIT</b>	<b>3,765</b>	<b>3,247</b>	<b>2,973</b>	<b>3,815</b>	<b>4,932</b>	<b>6,123</b>	<b>7,105</b>	<b>20.0</b>
Growth (%)		(13.8)	(8.4)	28.3	29.3	24.2	16.0	
Other income	145	120	421	594	436	471	509	8.0
Finance cost	429	403	674	1,156	1,139	1,038	1,038	
<b>PBT</b>	<b>3,481</b>	<b>2,964</b>	<b>2,720</b>	<b>3,253</b>	<b>4,229</b>	<b>5,557</b>	<b>6,576</b>	<b>24.7</b>
Growth (%)		(14.9)	(8.2)	19.6	30.0	31.4	18.3	
Tax expenses	868	675	373	582	577	1,092	1,423	57.1
ETR (%)	24.9	22.8	13.7	17.9	13.6	19.6	21.6	
<b>PAT</b>	<b>2,391</b>	<b>2,144</b>	<b>2,267</b>	<b>2,070</b>	<b>3,590</b>	<b>4,439</b>	<b>5,127</b>	<b>19.5</b>
Growth (%)		(10.3)	5.7	(8.7)	73.4	23.7	15.5	
<b>EPS (INR)</b>	<b>7.6</b>	<b>6.8</b>	<b>7.1</b>	<b>6.5</b>	<b>11.2</b>	<b>13.9</b>	<b>16.0</b>	<b>19.5</b>

Source: I-Sec research, Company data

**Exhibit 12: Balance sheet parameters**

INR mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	CAGR (%) FY25-27E
<b>Capital productivity</b>								
<b>Gross block</b>	<b>26,809</b>	<b>28,652</b>	<b>33,374</b>	<b>38,479</b>	<b>42,488</b>	<b>46,288</b>	<b>49,788</b>	<b>8.3</b>
Revenue/GB (x)	1.15	1.20	1.11	1.02	0.99	1.00	1.03	
EBITDA/GB (x)	0.23	0.20	0.17	0.19	0.20	0.21	0.22	
<b>Capex</b>								
<b>Capex</b>	<b>1,760</b>	<b>2,755</b>	<b>3,871</b>	<b>3,746</b>	<b>3,622</b>	<b>3,800</b>	<b>3,500</b>	
Intensity (% of revenue)	5.7	8.0	10.5	9.6	8.6	8.2	6.8	
D&A/capex (x)	1.3	0.9	0.7	0.9	0.9	0.9	1.0	
Capital employed	22,517	24,817	27,578	28,955	30,275	32,957	36,150	9.3
pre-tax ROCE (%)	17.0	13.7	11.3	13.5	16.7	19.4	20.6	
<b>Leverage</b>								
Net debt	3,122	4,645	5,092	5,967	4,508	2,801	303	
ND/EBITDA (x)	0.5	0.8	0.9	0.8	0.5	0.3	0.0	
<b>Cash conversion</b>								
Inventory days	49	63	60	61	62	61	60	
Debtor days	70	68	64	65	61	61	61	
Creditor days	50	48	49	53	51	51	51	
<b>Cash conversion</b>	<b>69</b>	<b>83</b>	<b>74</b>	<b>73</b>	<b>71</b>	<b>70</b>	<b>69</b>	
WC as % of revenue	18.8	22.6	20.3	20.1	19.6	19.3	19.0	

Source: I-Sec research, Company data

**Exhibit 13: EPL's capex plan**

INR mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	CAGR (%) FY25-27E
Ops CF (after tax & lease)	5,287	5,227	5,120	5,046	5,819	5,604	5,604	(1.9)
% of EBITDA	86.5	90.7	88.6	70.6	69.6	57.8	52.2	
Chg of WC	(380)	(2,217)	136	(931)	(580)	(787)	(877)	
<b>CFO</b>	<b>4,907</b>	<b>3,010</b>	<b>5,256</b>	<b>4,115</b>	<b>5,239</b>	<b>4,817</b>	<b>4,727</b>	<b>(5.0)</b>
% of revenue	15.9	8.8	14.2	10.5	12.4	10.4	9.2	
Capex (incl acquisition)	(3,432)	(2,755)	(3,871)	(3,746)	(3,622)	(3,800)	(3,500)	
<b>FCF</b>	<b>1,475</b>	<b>255</b>	<b>1,385</b>	<b>369</b>	<b>1,617</b>	<b>1,017</b>	<b>1,227</b>	
% of revenue	4.8	0.7	3.7	0.9	3.8	2.2	2.4	
Finance cost	(321)	(278)	(575)	(1,046)	(1,139)	(1,038)	(1,038)	
<b>FCFE</b>	<b>1,154</b>	<b>(23)</b>	<b>810</b>	<b>(677)</b>	<b>478</b>	<b>(20)</b>	<b>189</b>	

Source: I-Sec research, Company data



## Peer Comparison

### Exhibit 14: Specialty chemicals coverage valuation snapshot

INR mn	CMP (INR)	Mcap (INR bn)	Revenue			CAGR (%) FY25-27E	EPS (INR)			CAGR (%) FY25-27E
			FY25A	FY26E	FY27E		FY25A	FY26E	FY27E	
SRF	3,043	902	1,46,931	1,66,743	1,87,662	13%	42.2	67.4	80.9	38%
Navin Fluorine	5,177	257	23,494	31,394	36,708	25%	58.2	91.7	111.1	38%
Gujarat Fluoro	3,496	384	47,370	62,363	72,362	24%	49.7	89.6	100.9	42%
Atul Ltd	6,679	197	55,834	67,380	75,774	16%	164.3	216.4	263.8	27%
Deepak Nitrite	1,825	249	82,819	99,958	1,10,500	16%	51.1	59.5	66.7	14%
Chemplast	422	67	43,461	56,143	58,236	16%	(7.0)	(2.2)	12.7	
Galaxy	2,553	90	42,237	48,296	49,155	8%	86.0	101.7	117.1	17%
Rossari	699	39	20,803	24,030	28,059	16%	24.6	28.4	37.9	24%
EPL	220	70	42,133	46,471	51,365	10%	11.2	13.9	16.0	20%
Sudarshan	1,450	100	28,050	32,144	35,025	12%	24.6	36.7	41.5	30%
Tatva Chintan	1,138	27	3,827	5,529	6,981	35%	2.4	31.0	40.1	305%
Clean Science	1,216	129	9,666	12,135	15,829	28%	24.9	30.9	38.1	24%
BlueJet Healthcare	790	137	10,300	12,583	14,339	18%	17.6	20.4	22.3	13%
Archean Chemical	638	79	10,410	16,101	18,669	34%	13.1	30.7	40.2	75%
PCBL	398	150	84,043	87,304	94,099	6%	13.3	13.6	18.1	17%
Himadri	471	233	46,126	55,990	69,027	22%	11.3	14.3	16.5	21%
<b>Median</b>						<b>16%</b>				<b>24%</b>

Source: I-Sec research, Company data

### Exhibit 15: Specialty chemicals coverage valuation snapshot

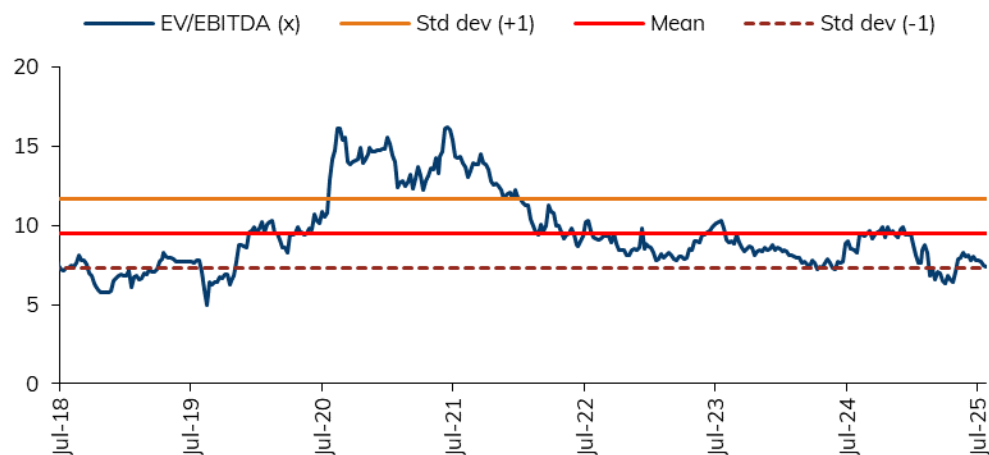
INR mn	PE (x)		EV/EBITDA (x)		ROCE (pre-tax)		GB turnover (x)		Capex (INR mn)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
SRF	45.1	37.6	25.4	21.7	16.1	17.2	0.8	0.8	27,516	26,754
Navin Fluorine	56.4	46.6	33.2	28.2	15.2	16.5	0.8	0.9	5,000	5,250
Gujarat Fluoro	39.0	34.7	22.5	19.3	14.1	14.3	0.8	0.9	15,190	7,595
Atul Ltd	30.9	25.3	16.4	13.7	13.2	14.7	1.4	1.5	3,000	2,700
Chemplast	30.7	27.4	19.9	19.7	14.3	12.0	2.1	2.2	17,730	32,867
Galaxy	(190.5)	33.1	23.0	12.4	3.6	10.6	1.2	1.1	2,800	2,940
Rossari	25.1	21.8	15.3	13.1	16.1	16.7	2.5	2.4	1,500	1,650
EPL	24.7	18.4	13.5	10.7	15.3	17.8	2.3	2.4	2,570	953
Sudarshan	15.9	13.7	7.6	6.6	19.4	20.6	1.0	1.0	3,800	3,500
Tatva Chintan	39.6	34.9	20.3	18.0	19.7	19.7	1.5	1.6	1,000	1,000
Clean Science	36.7	28.4	22.0	17.4	10.1	11.2	0.8	0.8	1,121	1,534
BlueJet Healthcare	39.3	32.0	26.9	21.6	25.8	27.3	1.0	1.2	2,998	1,100
Archean Chemical	38.8	35.4	29.5	26.4	34.2	31.9	2.2	2.1	2,000	1,000
PCBL	20.8	15.9	13.7	10.1	21.3	23.9	0.9	1.0	1,000	1,100
Himadri	29.2	22.0	13.6	11.2	9.6	11.5	1.7	1.6	6,000	7,000
<b>Median</b>	<b>31.9</b>	<b>28.5</b>	<b>21.2</b>	<b>17.7</b>	<b>15.7</b>	<b>17.0</b>	<b>1.3</b>	<b>1.3</b>		

Source: I-Sec research, Company data



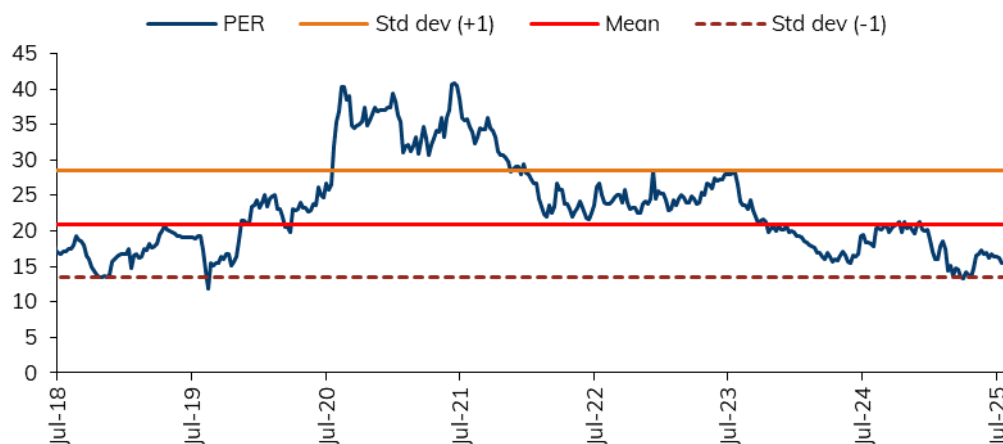
## Band Charts

**Exhibit 16: EPL's one-year forward EV/EBITDA**



Source: I-Sec research, Bloomberg

**Exhibit 17: EPL's one-year forward PE**



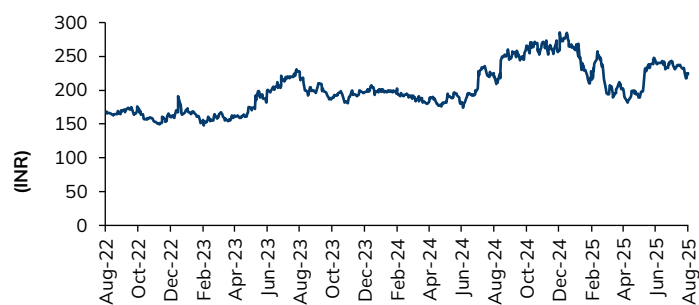
Source: I-Sec research, Bloomberg

**Exhibit 18: Shareholding pattern**

%	Dec'24	Mar'25	Jun'25
Promoters	51.5	51.3	26.4
Institutional investors	26.6	27.5	27.7
MFs and others	8.7	8.6	8.4
FIs/Banks	-	0.2	0.1
Insurance	2.8	2.3	2.0
FIIIs	15.1	16.5	17.2
Others	21.9	21.2	45.9

Source: Bloomberg, I-Sec research

**Exhibit 19: Price chart**



Source: Bloomberg, I-Sec research

## Financial Summary

### Exhibit 20: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
<b>Net Sales</b>	<b>39,161</b>	<b>42,133</b>	<b>46,471</b>	<b>51,365</b>
Operating Expenses	32,018	33,774	36,783	40,626
<b>EBITDA</b>	<b>7,143</b>	<b>8,359</b>	<b>9,688</b>	<b>10,739</b>
EBITDA Margin (%)	18.2	19.8	20.8	20.9
Depreciation & Amortization	3,328	3,427	3,564	3,634
EBIT	3,815	4,932	6,123	7,105
Interest expenditure	1,156	1,139	1,038	1,038
Other Non-operating Income	-	-	-	-
<b>Recurring PBT</b>	<b>3,253</b>	<b>4,229</b>	<b>5,557</b>	<b>6,576</b>
<b>Profit / (Loss) from Associates</b>	<b>35</b>	<b>22</b>	<b>22</b>	<b>22</b>
Less: Taxes	582	577	1,092	1,423
PAT	2,671	3,652	4,465	5,153
Less: Minority Interest	(31)	(48)	(48)	(48)
Extraordinaries (Net)	-	-	-	-
<b>Net Income (Reported)</b>	<b>2,070</b>	<b>3,590</b>	<b>4,439</b>	<b>5,127</b>
<b>Net Income (Adjusted)</b>	<b>2,070</b>	<b>3,590</b>	<b>4,439</b>	<b>5,127</b>

Source Company data, I-Sec research

### Exhibit 21: Balance sheet

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
<b>Total Current Assets</b>	<b>16,465</b>	<b>17,342</b>	<b>20,607</b>	<b>24,856</b>
of which cash & cash eqv.	2,073	1,969	3,926	6,424
<b>Total Current Liabilities &amp; Provisions</b>	<b>10,841</b>	<b>11,515</b>	<b>12,309</b>	<b>13,206</b>
<b>Net Current Assets</b>	<b>5,624</b>	<b>5,827</b>	<b>8,298</b>	<b>11,650</b>
Investments	76	394	144	144
<b>Net Fixed Assets</b>	<b>18,680</b>	<b>19,270</b>	<b>19,506</b>	<b>19,372</b>
ROU Assets	1,012	1,207	1,207	1,207
Capital Work-in-Progress	720	728	728	728
<b>Total Intangible Assets</b>	<b>1,159</b>	<b>1,159</b>	<b>1,159</b>	<b>1,159</b>
Other assets	1,188	1,549	1,580	1,612
Deferred Tax Assets	376	532	532	532
<b>Total Assets</b>	<b>38,087</b>	<b>40,055</b>	<b>43,593</b>	<b>47,747</b>
<b>Liabilities</b>				
<b>Borrowings</b>	<b>8,040</b>	<b>6,727</b>	<b>6,727</b>	<b>6,727</b>
<b>Deferred Tax Liability</b>	<b>634</b>	<b>591</b>	<b>591</b>	<b>591</b>
Provisions	223	240	245	250
Other Liabilities	215	89	98	109
Equity Share Capital	637	639	639	639
Reserves & Surplus	20,278	22,909	25,591	28,784
<b>Total Net Worth</b>	<b>20,915</b>	<b>23,548</b>	<b>26,230</b>	<b>29,423</b>
Minority Interest	(9)	39	87	135
<b>Total Liabilities</b>	<b>38,087</b>	<b>40,055</b>	<b>43,593</b>	<b>47,747</b>

Source Company data, I-Sec research

### Exhibit 22: Quarterly trend

(INR mn, year ending March)

	Sep-24	Dec-24	Mar-25	Jun-25
<b>Net Sales</b>	<b>10,862</b>	<b>10,143</b>	<b>11,054</b>	<b>11,079</b>
% growth (YOY)	8.4	4.0	7.4	10.0
<b>EBITDA</b>	<b>2,205</b>	<b>2,016</b>	<b>2,280</b>	<b>2,268</b>
Margin %	20.3	19.9	20.6	20.5
Other Income	140	127	104	80
Extraordinaries	-	-	(36)	-
<b>Adjusted Net Profit</b>	<b>870</b>	<b>935</b>	<b>1,143</b>	<b>1,000</b>

Source Company data, I-Sec research

### Exhibit 23: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
<b>Operating Cashflow</b>	<b>6,796</b>	<b>7,804</b>	<b>8,618</b>	<b>9,338</b>
Working Capital Changes	(931)	(580)	(787)	(877)
Capital Commitments	(3,746)	(3,622)	(3,800)	(3,500)
<b>Free Cashflow</b>	<b>2,119</b>	<b>3,602</b>	<b>4,031</b>	<b>4,960</b>
<b>Other investing cashflow</b>	<b>276</b>	<b>118</b>	<b>721</b>	<b>509</b>
Cashflow from Investing Activities	303	118	721	509
Issue of Share Capital	28	2	-	-
Interest Cost	-	-	-	-
Inc (Dec) in Borrowings	342	(1,313)	-	-
Dividend paid	(1,396)	(1,598)	(1,757)	(1,933)
Others	(1,604)	(924)	(1,038)	(1,038)
Cash flow from Financing Activities	(2,630)	(3,833)	(2,795)	(2,971)
<b>Chg. in Cash &amp; Bank balance</b>	<b>(208)</b>	<b>(113)</b>	<b>1,957</b>	<b>2,498</b>
Closing cash & balance	2,014	1,961	3,926	6,424

Source Company data, I-Sec research

### Exhibit 24: Key ratios

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
<b>Per Share Data (INR)</b>				
Reported EPS	6.5	11.2	13.9	16.0
Adjusted EPS (Diluted)	6.5	11.2	13.9	16.0
Cash EPS	16.9	22.0	25.0	27.4
Dividend per share (DPS)	4.4	5.0	5.5	6.1
Book Value per share (BV)	65.7	73.7	82.1	92.1
Dividend Payout (%)	68.7	44.5	39.6	37.7
<b>Growth (%)</b>				
Net Sales	6.0	7.6	10.3	10.5
EBITDA	23.6	17.0	15.9	10.9
EPS (INR)	(9.0)	73.4	23.7	15.5
<b>Valuation Ratios (x)</b>				
P/E	34.0	19.6	15.9	13.7
P/CEPS	13.0	10.0	8.8	8.0
P/BV	3.4	3.0	2.7	2.4
EV / EBITDA	10.7	9.0	7.6	6.6
EV/SALES	1.9	1.8	1.6	1.4
Dividend Yield (%)	2.0	2.3	2.5	2.7
<b>Operating Ratios</b>				
Gross Profit Margins (%)	57.7	58.8	58.6	58.6
EBITDA Margins (%)	18.2	19.8	20.8	20.9
Effective Tax Rate (%)	17.9	13.6	19.6	21.6
Net Profit Margins (%)	6.8	8.7	9.6	10.0
NWC / Total Assets (%)	14.8	14.5	19.0	24.4
Net Debt / Equity (x)	0.3	0.2	0.1	0.0
Net Debt / EBITDA (x)	0.8	0.5	0.3	0.0
<b>Profitability Ratios</b>				
RoCE (%)	11.1	14.4	15.6	16.1
RoE (%)	10.1	16.1	17.8	18.4
RoIC (%)	12.1	15.5	17.2	19.0
Fixed Asset Turnover (x)	2.2	2.3	2.5	2.8
Inventory Turnover Days	61.1	62.4	61.4	60.4
Receivables Days	64.8	60.6	60.6	60.6
Payables Days	52.7	51.5	51.5	51.5

Source Company data, I-Sec research

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