

July 30, 2024

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001
Scrip Code: 500135

National Stock Exchange of India Limited

Exchange Plaza, C/1, Block G,
Bandra-Kurla Complex, Bandra (E), Mumbai - 400051
Trading Symbol: EPL

Sub. : Annual Report of EPL Limited (“Company”), for the Financial Year 2023-24, including the Notice of 41st Annual General Meeting of the Company

**Ref. : 1. Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (“SEBI LODR Regulations”)
2. ISIN: INE255A01020**

Sir/ Madam,

In terms of the above referred provisions of the SEBI LODR Regulations, please find enclosed herewith, the Annual Report of the Company, for the Financial Year 2023-24 (“Annual Report”), including the Notice of 41st Annual General Meeting of the Company (“AGM”), which is scheduled to be held on Wednesday, August 21, 2024 at 3:00 p.m. (IST) through Video Conferencing (“Notice of the AGM”).

The Annual Report and the Notice of the AGM is being sent through electronic mode to those Members whose Email IDs are registered with the Company/ Depositories.

Further, please note that the Annual Report including the Notice of the AGM of the Company is also available on the website of the Company i.e. at <https://www.eplglobal.com/investors>, and on the website of National Securities Depository Limited (“NSDL”), who have been appointed to provide the e-Voting facility to the Members of the Company with respect to the ensuing 41st AGM of the Company, i.e. at <https://evoting.nsdl.com>.

This is for your information and records.

Thanking you.

Yours faithfully,
For **EPL Limited**

Onkar Ghangurde

Head - Legal, Company Secretary & Compliance Officer

Encl.: As above

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LEADING THE PACK
Sustainably!

**Strong
Today,
Stronger
Tomorrow**

EPL LIMITED
ANNUAL REPORT 2023-24

ABOUT THE THEME & REPORT

Strong Today, Stronger Tomorrow.

We are proud to present our FY 2023-24 Annual Report, showcasing our journey of perseverance, innovation, and unwavering commitment to excellence.

Over the past 40 years, EPL has grown from strength to strength, driven by our people-centric approach, strong business fundamentals, visionary leadership, and dedicated workforce. Our employees are the heart of our organization, and their relentless dedication has been the cornerstone of our success. We foster a culture of aspirations, continuous learning, inclusivity, and collaboration, ensuring that our team is always equipped to meet the challenges of tomorrow.

Our focus on business and operational consistency has allowed us to maintain high standards of quality and efficiency. By streamlining processes and embracing advanced technologies, we have optimized our operations to deliver reliable and innovative packaging solutions in high technology led set up. This operational excellence is complemented by our unwavering commitment to customer satisfaction. By forging close partnerships with our clients, we tailor our solutions to meet their specific needs, ensuring their success is intertwined with ours. With customers partnership average tenure of 20 years, our teams lead with relentless pride each day.

Sustainability is at the core of EPL's mission. In 2023-24, we made significant strides in reducing our environmental impact and enhancing our recycling initiatives. Our dedication to sustainability not only underscores our corporate social responsibility but also reinforces our position as a trusted partner in the packaging industry. Through innovative, environmentally friendly solutions, we meet the evolving demands of our markets while safeguarding our planet for future generations.

In this fiscal year, our relentless focus on these key areas has solidified our position as a market leader. We have strengthened relationships with existing clients and forged new partnerships across various industries, all while maintaining our commitment to sustainability. Our extensive global presence ensures that we provide top-tier service and support across borders, reinforcing our reputation for excellence.

Our robust performance reflects our strong market position and strategic initiatives. This financial stability has enabled continuous investments in research and development, positioning us at the forefront of innovation within the packaging industry. These investments prepare us to capture future opportunities and sustain our market leadership.

Looking ahead, EPL is poised for continued growth. With strong business fundamentals, a clear strategic direction, and sustainability at our core, we are well-equipped to face future challenges and secure sustainable success. Our commitment to leveraging cutting-edge technology and fostering innovation will drive us to offer even more advanced, high-quality packaging solutions. As we navigate the ever-changing landscape of the packaging industry, our focus on people, operational excellence, customer satisfaction, and sustainability will ensure that we not only remain strong today but become even stronger tomorrow.

The Geographical Segments addressed in this report are:

AMESA (Africa, Middle East and South Asia) includes operations in India and Egypt.

EAP (East Asia Pacific) includes operations in China and Philippines.

AMERICAS includes operations in United States of America, Mexico, Colombia and Brazil.

EUROPE includes operations in United Kingdom, Poland, Russia and Germany.

Reporting period

The information is reported for the period 1 April 2023 to 31 March 2024. For key performance indicators (KPIs), comparative figures for the last five years have been incorporated in the Five-Year Summary of the report to provide a comprehensive view.

Auditors' reports

The Auditors' Reports, on Standalone and Consolidated Financial Statements of the Company for the Financial Year 2023-24, do not contain any any qualification, reservation or adverse remark. The same form part of this Annual Report, along with the Audited Standalone and Consolidated Financial Statements of the Company.

The Secretarial Audit Report for the Financial Year 2023-24 also does not contain any qualification, reservation or adverse remark and the same is enclosed as an annexure to the Board's Report, which forms part of this Annual Report.

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CORPORATE OVERVIEW

From the MD & CEO's Desk Strong Today, Stronger Tomorrow



Anand Kripalu
Managing Director & Global CEO

Dear Valued Stakeholders,

I am delighted to present EPL's annual report for FY 2024, marking my third year as the MD & Global CEO.

Brazil Greenfield Stabilized and Soaring

At the outset, I am pleased to share that our Brazil plant which became operational this year, has successfully stabilized. The establishment and stabilization of our greenfield plant not only enhances our presence in the Americas but also opens significant opportunities in this large market. We have now met 100% of the demand from our anchor customer and secured orders from other multinational corporations and local clients. Our focus now is on further growth in this promising market.

Overall Environment

The global business landscape in FY 2023-24 presented numerous challenges, including economic instability, inflationary pressures, and geopolitical tensions. Supply chain disruptions and fluctuating raw material costs added further complexity, requiring companies to be highly adaptive and innovative. The tightening of monetary policies worldwide also impacted financial strategies, while evolving consumer demands for sustainability necessitated significant adjustments in operations and product offerings. Having said that, the environment was more stable and predictable than in past years.

Strong Today, Stronger Tomorrow

Within this backdrop of 2023-24, EPL has successfully maintained growth while expanding margins. Our strategy enabled us to navigate the environment effectively, laying the groundwork for continued growth and success. Throughout the year, we focused on leveraging our strengths to improve our products and meet the evolving demands of the markets we serve. Our commitment to harnessing technology has enabled us to deliver high-quality, environmentally friendly packaging solutions, reinforcing our dedication to sustainability.

We have made significant strides in reducing our environmental impact and enhancing our recycling initiatives, demonstrating our commitment to ecological responsibility. Our customer-centric approach has strengthened relationships with existing clients and facilitated new partnerships across various industries. By working closely with our customers, we have tailored our solutions to meet their specific needs more effectively.

Financially, EPL has shown robust performance, allowing continuous investment in research and development. By continuously enhancing operational efficiency and fostering innovation, we are solidifying our current strengths and building a formidable foundation for continued success and for a stronger tomorrow.

EPL's Business Performance

This year witnessed remarkable resilience and recovery, marked by strategic focus and operational excellence amidst a challenging global landscape. I am pleased to report a revenue growth of 6% to Rs 39,161 million, despite negative pricing impact in the second half of the year. This growth was driven by our efforts to build a robust sales pipeline and aggressively pursue market share gains. All four regions delivered revenue growth, with EAP and Americas achieving double-digit growth of 10.1% and 12.9%, respectively. We also witnessed substantial improvement on the margins front. Absolute EBITDA grew by 19.2%, and EBITDA margins improved by 202 basis points to 18.2%. This achievement is the result of our continuous, company-wide initiatives to lower costs and enhance asset utilization. These initiatives include active price management, raw material substitution, supplier consolidation, and increased manufacturing efficiency through SKU reductions.

Sustainable and Conscious Growth

During the year, we achieved significant milestones reflecting our commitment to a sustainable future. We developed tubes with up

to 50% PCR content and doubled our contribution of sustainable tube volumes to 21% from 10% in the previous year. Additionally, 24 new patents we received in 2023-24 highlight our ongoing dedication to pushing our boundaries.

We have significantly invested in our backend capabilities, making 85% of our capacity ready for sustainable tubes. We partner with our customers to provide tailored sustainable solutions, helping them meet their targets with our extensive range of sustainable products.

EPL made positive progress on all ESG commitments, achieving a Green rating from the Ellen MacArthur Foundation for the second consecutive year and an "A" leadership rating in the CDP 2023 Supplier Engagement rating, showcasing our leadership and engagement in sustainable practices throughout our supply chain.

We prioritize the well-being and development of our employees, customers, and communities. As a member of the United Nations Global Compact, we integrate its Ten Principles on Human Rights, Labor, Environment, and Anti-Corruption into our business strategy and culture. Our CSR initiatives, including Plastic Waste Management, Community Welfare, and Skill Development, were recognized by the World HRD Congress with an award for best CSR processes. All our collective efforts helped us earn the Ecovadis Gold rating during the year.

Business Strategy

Our strategy, anchored by our 4X4 mantra, focuses on driving growth across Categories, Customers, and Countries, while maintaining a strong emphasis on Costs. The progress on each has been strong in the year, setting a strong base for the years to come.

Category: We remain market leaders in Oral Care, and while building on this momentum, we aim to drive significant growth in Beauty & Cosmetics and Pharma. This year, our Non-Oral category grew by 8.1%, outpacing the 5% growth in Oral Care. We have increased our headcount to support new customer acquisitions in beauty and cosmetics and enhanced flexibility for smaller batch sizes, critical for this sector. Our NeoSeam technology, which eliminates the side seam impact, is gaining traction across regions.

Customers: We are strengthening relationships with both global and regional customers by tailoring our solutions to meet their unique needs. This year, we improved our wallet share with key customers and acquired new beauty and cosmetics clients in key markets like EAP and the Americas.

Country: We continue to expand our global presence. This year, we added a new greenfield plant in Brazil, now stabilized and operational, strengthening our position in Latin America. We also boosted our presence in markets like Thailand and Australia through exports.

Cost: Our commitment to cost efficiency remains paramount. We are optimizing expenditures and enhancing operational efficiencies for sustainable growth. Additionally, we are

undertaking a restructuring exercise in Europe to improve margins to mid-teens.

Investing in Our People

Our talented workforce is our greatest asset. We are honored to receive the Best Employers Award by Kincentric, a recognition of our dedication to employee well-being and development. We invest heavily in training and development programs, ensuring our team possesses the skills and knowledge necessary to navigate the ever-evolving packaging landscape. Furthermore, we prioritize diversity and inclusion, understanding that a workforce that reflects the communities we serve fosters innovation and creativity.

Our resilient, innovative, and sustainable foundation positions us to seize opportunities, drive growth, deliver value, and shape a brighter future for generations.

Looking Ahead: Building a Stronger Tomorrow at EPL

We are in a strong position today, evidenced by our consistent progress in recent quarters. Our strategic initiatives are guiding us towards achieving double-digit growth with a 20% EBITDA margin. We are encouraged by our current momentum and energized by the opportunities ahead.

Continuously refining our strategies and leveraging our strengths instills confidence in our ability to sustain growth and deliver enduring value to our stakeholders. This approach strengthens our foundation today and sets the stage for an even more prosperous future.

Entering a new fiscal year fills us with optimism. The resilient foundation we have built—marked by innovation and a deep commitment to sustainability—positions us well to seize upcoming opportunities. We are committed to driving sustainable growth, delivering exceptional value, and shaping a brighter future for generations to come.

Looking forward, we value collaboration in our journey ahead. We extend our hand in partnership to our valued customers, suppliers, and partners. Together, by leveraging our collective expertise and steadfast commitment to sustainability, we can foster an environment where innovation thrives and prosperity is shared.

Conclusion

I extend my heartfelt gratitude to our exceptional team whose dedication drives our success. To our loyal customers - thank you for your continued trust. To our shareholders, your steadfast support is invaluable. And to our partners, we eagerly anticipate collaborating as we build a sustainable and prosperous future together.

With everything in place, our path to achieving double-digit growth remains clear. Let's continue working together towards a stronger tomorrow that benefits everyone.

About EPL



EPL's state-of-the-art plant at Vapi, India

EPL is the world's largest specialty packaging company, providing sustainable solutions through 21 advanced manufacturing facilities across 10 countries: Brazil, China, Colombia, Egypt, Germany, India, Mexico, Philippines, Poland, and the USA. With an annual production of over 8 billion tubes, EPL manufactures one in every three tubes used in the oral care category across the globe. We are trusted by leading brands in Beauty & Cosmetics, Food, Pharma & Healthcare, and Home Care sectors.

Guided by our vision, 'Leading the pack sustainably,' EPL offers a wide range of innovative, eco-friendly products, including laminates, laminated tubes, extruded tubes, caps, closures, and dispensing systems. We are dedicated to advancing materials, technology, and processes, ensuring our customers receive tailored, sustainable packaging solutions. In 2023-24, we were granted 24 new patents, underscoring our commitment to continuous innovation.

Our dedication to sustainability is evident in our EcoVadis Gold rating during the year, reflecting our high standards in sustainability across our operations. Currently, 43% of our packaging is recyclable, and our tubes incorporate up to 50% post-consumer recycled (PCR) content, significantly reducing the need for new plastics. We aim to transition our entire tube range to sustainable formats by 2025.

At EPL, we pride ourselves on being a great place to work. With over 5300+ employees from 25 nationalities, we are committed to having diverse workforce and build inclusive environment. Women account for 29% of our workforce, and during the year we employed 59 specially-abled individuals across six locations in India. Our commitment to sustainability, innovation, and a positive workplace culture has established us as a global industry leader.

Further information about EPL can be found on the internet at www.eplglobal.com.



Our Vision, Mission & Values



Our Vision

To be the most sustainable packaging company in the world

Our Mission

Market leader in revenue growth. Capital efficient, consistent earnings growth.

Our Values

- » Disciplined Creativity
- » Remarkable Service
- » Commerce with Care
- » Customer Leading



Our Product Categories

Beauty and Cosmetics

We provide innovative and sustainable packaging solutions for a wide range of beauty and cosmetic products, including skincare, makeup, and hair care. Our advanced designs and materials not only ensure product integrity but also enhance the consumer experience with aesthetically pleasing and functional packaging that stands out on the shelves.

Our packaging solutions include high-definition finishes, 3D effects, matte gloss, laser designs, diamond textures, and aromatic features. Each option is meticulously designed to impart flair and style, ensuring that cosmetic brands can present their products with elegance and distinction.

Food & Nutrition

As a trusted partner for food and dairy brands, EPL facilitates the transition from rigid plastics or ABL to laminated tubes, promoting cost-effective solutions and sustainability. Our packaging for products such as sauces, pastes, ketchup, and honey ensures convenience, affordability, and precise dosing. Additionally, our laminated tubes are designed for resilience, capable of withstanding temperatures up to 90°C, making them a reliable choice for a wide range of food and nutrition products.

Our packaging solutions encompass a variety of sophisticated options tailored for the beauty and cosmetics industry. These include high-definition finishes, 3D effects, matte gloss, laser designs, diamond textures, and aromatic features. Each option is meticulously designed to impart flair and style, ensuring that cosmetic brands can present their products with elegance and distinction.



Oral Care

EPL is a leading player in the oral care category, contributing to one-third of the world's toothpaste tube market. Our distinctive solutions, featuring cutting-edge barrier coatings, are provided to esteemed global partners, including Colgate Palmolive, P&G, Unilever, and GSK.

Home Care

As a reliable partner for the home care industry, EPL delivers high-quality packaging solutions for industrial, cleaning, and hygiene products, ensuring the preservation of the potency and efficacy of robust chemicals while meeting consumer standards. Our laminated tube structures are meticulously engineered to exhibit exceptional resistance to oils and grease, making them an ideal choice for a wide range of home care applications.

Pharma

As an indispensable partner of the pharmaceutical sector, we provide specialized packaging that ensures the safety, efficacy, and compliance of medicinal products, including tamper-evident, child-resistant, and eco-friendly options that meet stringent industry standards for protection and reliability. Through innovative laminated tubes, we continuously enhance the value proposition for pharmaceutical dispensing, offering 100% sterile tubes and establishing ourselves as a reliable supplier for ointments and creams. Our expertise in sterile manufacturing, coupled with our dedication to safety and sustainability, guarantees that our pharmaceutical packaging solutions meet the industry's rigorous demands.



