August 28, 2026

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. : Transcript of the Conference Call - EPL Limited ("Company")

Ref. :
1. **Regulation 30 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,

Please find enclosed herewith, the Transcript of the conference call for the Analysts/ Investors, which was held on Tuesday, August 11, 2026 ("said conference call"), to discuss the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended on June 30, 2026 ("said transcript").

The said transcript is also made available on the website of the Company i.e. at https://www.eplglobal.com/investors/shareholder-information/.

We request you to note that while the Audio Recording of the said con-call was duly made available on the website of the Company (which was also intimated to the Stock Exchanges), delay in submission of the said transcript is attributable to an inadvertent administrative oversight. The Company has taken necessary steps to ensure that such instances are not repeated in future.

This is for your information and records.

Thanking you.

Yours faithfully,
For **EPL Limited**
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Date: 2026.08.28 19:46:08 +05'30'
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"EPL Limited

Q1 FY27 Earnings Conference Call"

August 11, 2026

MANAGEMENT: **MR. HEMANT BAKSHI, MANAGING DIRECTOR AND GLOBAL CHIEF EXECUTIVE OFFICER – EPL LIMITED**
MR. M. R. RAMASAMY, CHIEF OPERATING OFFICER– EPL LIMITED
MR. DEEPAK GOYAL, CHIEF FINANCIAL OFFICER – EPL LIMITED
MR. ONKAR GHANGURDE, HEAD - LEGAL, COMPANY SECRETARY AND COMPLIANCE OFFICER – EPL LIMITED

MODERATOR: **MR. PRATIK OZA, SYSTEMATIX SHARES & STOCKS INDIA LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the EPL Limited Q1 FY27 Earnings Conference Call hosted by Systematix Institutional Equities. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Pratik Oza from Systematix Institutional Equities. Thank you, and over to you, Mr. Oza.

Pratik Oza: Thank you. Good evening, everyone. On behalf of Systematix Institutional Equities, I welcome you all to Q1 FY27 Earnings Conference Call of EPL Limited. Representing the management today, we have Mr. Hemant Bakshi, MD and Global CEO; Mr. M.R. Ramasamy, COO; Mr. Deepak Goyal, CFO; and Mr. Onkar Ghangurde, Head - Legal, CS and Compliance Officer.

We sincerely thank the EPL management team for giving us the opportunity to host this call. And without further ado, I will hand the floor over to Mr. Hemant Bakshi sir to commence the proceedings. Over to you, sir.

Hemant Bakshi: Thank you, Pratik. Good evening, everyone, and thank you for joining us for EPL Limited Quarter One FY27 Earnings Call.

I am delighted to share that EPL has delivered an outstanding quarter in the midst of unparalleled external challenges and a very volatile environment. This amply demonstrates the clarity of our strategy, the resilience of our business model, strength of our customer partnerships and our continued focus on disciplined execution.

Revenue for the quarter grew by 25.3%, while EBITDA increased by 15.2% with EBITDA margins at 18.8%. On an underlying basis, excluding the pass-through impact of higher raw material prices, we delivered 20% underlying revenue growth while delivering EBITDA margins of 19.6%. This is a record performance. We have grown our top line faster than any time in the past and held margins despite unprecedented cost inflation.

This is the fifth consecutive quarter of double-digit growth. Our growth continued to be broad-based across both categories and geographies. Beauty & Cosmetics maintained its strong growth trajectory with growth exceeding 20%, while Oral Care also crossed the 20% growth mark. Personal Care & Beyond continues to expand and now accounts for 54% of our portfolio, further strengthening our presence in high-growth categories.

Regionally, EAP led the quarter with growth of 34.3%, followed by Americas at 29.4%, while Europe and AMESA grew by 20.2% and 17%, respectively, marking another quarter where every region delivered double-digit growth.

EBITDA continued its strong momentum, growing by 15.2% and marking our 15th consecutive quarter of double-digit EBITDA growth. We were able to pass on the entire cost increase through judicious pricing across all our regions and customers. Further, our frugal mindset and relentless cost discipline enabled us to continue making growth investments while staying in the target margin range.

PAT delivery was in line with our estimates and is on track to deliver double-digit growth in the full year. While Q1 PAT declined by 1.4%, our PBT increased by 10%. The difference is because we are lapping a very low base year ETR, and this will get corrected on full year basis. We have made significant proactive growth investment ahead of the curve in the key strategic areas. This is translating in higher growth. While doing so, we have maintained strong capital efficiency and a disciplined capital allocation approach, resulting in return on capital employed at 18.5%.

Sustainability and innovation. Innovation remains central to our long-term strategy as we continue to invest in new technologies and differentiated packaging solutions. This commitment was recognized through multiple innovation awards across India and Europe during the quarter, including the ETMA Tube of the Year Award and the FIPSA Awards for Responsible Packaging. We continue to make meaningful progress on our sustainability agenda with sustainable tubes now accounting for 44% of our overall product mix.

Our focus on operational excellence and our people was also recognized through the prestigious IMC Ramkrishna Bajaj National Quality Award for Performance Excellence and our recognition as one of India's Best Company to Work For 2026.

Looking ahead, let me first provide an update on our proposed merger with Indovida. During the quarter, we received approval from the Competition Commission of India and the transaction continues to progress well. We remain on track to complete it within our planned timeline and are excited about the opportunities this partnership will create for our customers, employees and shareholders.

As we look ahead, while the geopolitical environment and trade dynamics continue to evolve, our priorities remain clear. First, to further strengthen our leadership in Beauty & Cosmetics, we continue to see immense long-term opportunity in the category, supported by a strong pipeline across customers and markets. Our continued investment in innovation, differentiated packaging solutions, front-end specialization and new technologies provides us with a strong platform to capture this opportunity and sustain our growth momentum.

Second, to accelerate our presence in high-growth markets. Thailand continues to make excellent progress, supported by a strong customer pipeline and recent wins with multinational customers. We will continue investment behind these opportunities while actively expanding our presence across other attractive growth markets to strengthen our global footprint.

Third, to remain relentless on margins and capital efficiency. In an increasingly dynamic global environment, maintaining financial discipline is more important than ever. We remain focused on driving productivity, operational excellence and disciplined capital allocation to support sustainable margin expansion and profitable growth.

Fourth, our long-term vision is to go beyond our current format of tubes to expand into newer, higher-growth packaging formats, to become a leader in consumer packaging in emerging markets. Our merger with Indovida is the first step in this very exciting journey.

Based on our recent performance and the current environment, we are raising our growth guidance to high teens for next few quarters while holding on to our margin range of underlying 20% EBITDA. We continue to remain focused on managing the extremely volatile environment and feel confident that we will retain and grow our market share, while we also cover the entire cost impact through our pricing actions as we've demonstrated in quarter 1. Our confidence stems from our actions in this quarter where we've demonstrated agility, focus and resilience while continuing to invest behind our strategic big bets.

We believe EPL is entering an exciting new phase in its journey with a strong foundation, clear strategic priorities and a relentless focus on execution. We are confident in our ability to deliver sustainable, profitable growth and create enduring value for our customers, employees, shareholders and all our stakeholders. This will be further enhanced as and when the merger with Indovida gets approval and the synergies are fully realized.

Thank you for your continued support, and we will now open the floor for questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. Our first question comes from the line of Sameer Gupta with IIFL Capital.

Sameer Gupta: Now firstly, I'm just looking at the net debt number. And if I back calculate, because capex is already given, the net working capital would have roughly increased by INR180 crores in a quarter. And if I look at this number for full year, that increase for the full year in FY26 was around INR170 crores. So just trying to understand what has driven this increase? In particular, have receivables seen a material increase this quarter?

Moderator: Ladies and gentlemen, please stay with us. The management line seems to have disconnected. Ladies and gentlemen, we thank you for your patience. We have now reconnected with the management. Sameer, I would request you to please repeat your question.

Sameer Gupta: Sure. I'll repeat it. Congrats on a fantastic set of numbers. First question, I'm just looking at the net debt number that you have disclosed in the PPT. And if I just back calculate, net working capital would have roughly increased by around INR180 crores versus March, in a particular quarter. And if I look at the full year increase in FY26 in working capital, that number was around INR170 crores. So just trying to understand what has driven the sharp increase? Is receivables, in particular, has it seen a material increase this quarter? That would be the first question, sir.

Deepak Goyal: Sameer, Deepak here. Thank you for the question. So you're right that our working capital has gone up during this crisis period. However, this is largely driven by inventories. There are 2 reasons. One is the pricing of the inventory itself. With the raw material prices going up, our inventory cost has gone up. So it's not as much an increase in quantity as in the price as well.

Second is the safety stock. Supply security was paramount for us, and we ensured that we build the right level of inventory to avoid any supply disruptions. One of the reasons for the net debt growing also is some of the ahead of the curve investments that we have made in our CapEx.

So with these 3 reasons, the numbers kind of add up to what you mentioned.

Sameer Gupta: Got it. Got it. Just to clarify, receivables has grown in a normal range is what I'm assuming?

Deepak Goyal: That is right. So while the value would grow because we have taken pricing, the number of days and the aging is well under control.

Sameer Gupta: Got it. But the pricing would also affect the receivables as well as the sales, right?

Deepak Goyal: That's right. That's exactly what I'm saying that the AR values will show an increase because we have taken pricing. However, the underlying aging of the ARs and the quality of receivables remain very solid.

Sameer Gupta: Second question is on the Europe margin contraction. So firstly, can you explain the transitional costs here? What is the adjustment amount? And is it a one-off for this quarter or do you expect this to continue in near future?

And a part question to this, which is more strategic. We have had multiple instances of moving manufacturing bases in Europe. So what is the status currently? You think that all of this is now done and large part of manufacturing now is based out of Poland? Or do you think there are any other transitions in the pipeline that you foresee in near future?

Hemant Bakshi: Yes. So Sameer, firstly, on Europe, I just want to call out that Europe delivered a 20.2% revenue growth, which is a really exceptional performance. And the growth trajectory in Europe has continued for the last couple of quarters. So we are really pleased with our performance on the top line in Europe.

Having said that, as we had called out a couple of quarters back also, there have been operational challenges in Europe. The good thing is that these have been identified fully and are now getting disproportionate focus from the team. We are confident that these will be resolved in the coming quarters.

Also, I would like to call out that Europe is the biggest and a widespread B&C market. We have invested in Europe being the future of growth. We have invested in capacity expansion, new production capabilities and front-end people. The pipeline of sales remains very promising, which we -- which helps us in deleveraging our dependency on few customers. These investments are for the long-term growth and are bound to give scale benefits in the coming years. As the operational efficiency improve, we expect margins to progressively recover.

I think on the manufacturing footprint, we have a manufacturing footprint in Poland and in Germany. That's our current position, and that's what we will stay with in the near future. As we might have said in the past also, we have centralized some of our capabilities in Poland, both in terms of customer service as well as printing, and this is bringing both efficiency as well as superior service to our customers in Europe.

Sameer Gupta: Got it. So just to quickly summarize, this is new investments that have been made in basically eyeing the great growth opportunity in the medium-term. That would be a correct interpretation?

Hemant Bakshi: Yes. The investments are in line with the B&C opportunity we see in Europe and the investments have been made both in terms of front-end capabilities of salespeople as well as capex in certain new technologies.

Moderator: Our next question comes from the line of Sanjesh Jain with ICICI Securities.

Sanjesh Jain: First question on the guidance, which you have upgraded to high teens from the double digit. But if I look at -- there are 2 benefits to it, right? Because we are looking at in a rupee term, one is currency depreciation, the other one is the inflation. But if we come down till the PBT level, a lot of it gets offset because we also have a currency negative impact on the depreciation and on the cost line item.

Does your view change on the PBT growth as well, or it is largely to the revenue growth?

Hemant Bakshi: So I think, firstly, I want to call out that we've increased our guidance on top line. We've raised our guidance from early double digits to high teens. And this is because we've seen continued momentum in B&C over the last few quarters. And with demand remaining healthy and our investments continuing to contribute, we expect this momentum to sustain.

Equally, Oral has started to recover strongly, adding further momentum to our growth outlook. We've also, as we've mentioned, set up operations in Thailand. Our Thailand operations are beginning to ramp up, and Thailand is a really significant B&C market, and this ramp-up will be another growth driver as we go forward.

At this stage, we expect to operate in a high inflationary environment for some time. Against this backdrop, we've raised our guidance to high teens for the next few quarters, reflecting our confidence in the underlying momentum of the business.

Having said this, on margin, we are holding on to our guidance of 20% underlying margin in terms of EBITDA, and this is something which we will sustain as we go forward. I would also like to call out...

Sanjesh Jain: So it is fair to assume that -- sorry, sorry, go ahead.

Hemant Bakshi: Yes. I would also like to point out that you mentioned our EBIT and PAT. I want to firstly call out that our PAT delivery is fully in line with our plans to deliver a double-digit growth for the year. This quarter numbers are seeming low because of the effective tax rate and phasing issues. Our PBT, if you focus on our profit before tax, is a 10% growth. So therefore, I want to clarify the bottom line.

And EBIT has -- there has been a significant increase in CapEx because, as we mentioned already, we are investing ahead of the curve, and that is what is reflecting in these numbers.

Sanjesh Jain: So we are looking at a high teens growth in revenue as well as EBITDA and a lot of it will get translated to PBT for the year as a whole. Correct?

Hemant Bakshi: Yes.

Sanjesh Jain: And second question on the other point you touched upon, moving beyond the tube revenue. One obviously is the Indovida acquisition, which will get us footprint into the rigid plastic. So what other opportunities are we looking? Because you said that is just one of the opportunity we are evaluating. If you can talk about the other opportunities that are today on the drawing board.

Hemant Bakshi: Yes. So firstly, I want to just reiterate our vision. Our vision is to become a leader from emerging markets in consumer packaging. So that's our vision going forward. And as we've said in the past, there are 3 drivers to this vision. One is to expand our portfolio going beyond tubes. The second is to go into high-growth markets in the emerging world. And the third is to move from just being a supplier to becoming an innovation partner. I think our merger, which has been proposed with Indovida ticks all 3 boxes.

And firstly, we go into another category, which is in terms of TAM, much bigger than tubes. So therefore, that is a positive. But also Indovida is present in a number of emerging markets in Southeast Asia and Africa, where we don't have presence. So therefore, the merger once the approval comes through, will allow us to go into new markets.

Having said that, this is a really big first step in our journey. We are interested in moving into new formats, and we actively are scouting for opportunities for acquisition. As far as acquisitions are concerned, our strategy is very clear. We will seek targets which allow us to move into new capabilities, which means new formats or indeed into new markets. Of course, they must meet the criteria of helping us build growth and margin as we go forward. So we are very actively also looking at opportunities for acquisition.

Sanjesh Jain: And then how about the synergies from the Indovida because India, which is a much larger market and a secular market, do we want to bring that? Or do you think India is overserviced as far as the rigid plastic goes?

Hemant Bakshi: So on Indovida, I must firstly say that we are still awaiting the merger. And till we get approval for the merger, we are not in a position to share any information between the 2 companies. So therefore, anything I can speak is more from what's available in the public domain.

I think from that point of view, I just want to also share with all of you that Indovida declared its results a little while back, and they've come out with a really impressive set of results for this quarter. Their volume grew by 11%. Their revenue grew by 25%. Their EBITDA grew by 62%. The margin expanded by 614 basis points to 27%. And in some ways, if I really reflect it, the EBITDA in this quarter of Indovida is almost INR383 crores.

So as you can see, they are doing exceedingly well. And the strategy which they have in place, a growth strategy, is delivering both top line and bottom line.

In terms of your specific question on India and so on, I think it's best addressed to the Indovida management right now because we remain 2 independent companies. Post the merger, of course, we look at all opportunities to see how this really handsome growth can be further accelerated.

Sanjesh Jain: Got it. One last question on my side. Was there any element of inventory gain because the prices moved quite sharply and we do carry a decent amount of inventory? Was there any element of inventory gain or there was no benefit of inventory gain?

Hemant Bakshi: So the consumption cost does have an impact of old inventory, but the pricing also comes with some lag with a few customers. I think net-net, what's important is that in quarter 1, we have recovered the entire cost impact, and we are absolutely confident that we will continue to do so in the future quarters as well.

Sanjesh Jain: And when you say entire cost, you mean both raw material and the higher freight cost and currency depreciation, all put together, right?

Hemant Bakshi: That is right.

Deepak Goyal: That's correct.

Hemant Bakshi: So all our customer contracts, Sanjesh, are on blended cost basis. So currency depreciation also gets recovered. Freight also saw a sharp increase, and we have been able to recover that from the customers.

Sanjesh Jain: Very clear. So this time around, we are not struggling with the same problem what we faced post-COVID era, right?

Hemant Bakshi: I think it's important to just reflect on what's happened in the past. And you're absolutely right, we did have a challenge when in the past, we were hit by this crisis. I think over a period of time, we've learnt our lessons, and we've built a muscle whereby we can recover price as we go forward. We've built strong tracking and review mechanisms around cost inflation and recovery. Our sales teams proactively have engaged with customers to ensure consistent supplies even during a volatile period and have remained engaged with customers throughout.

Our approach is anchored in a few clear principles, which is executing with agility, maintaining financial discipline, safeguarding customer relationships and continuing to drive long-term value. We are confident that our business model has the strength to overcome volatile and uncertain commodity cycles and in some ways, this...

Deepak Goyal: Cyclicality…

Hemant Bakshi: Cyclicality. Yes. So we should be able to overcome business cycles as we go forward.

Deepak Goyal: And I would just kind of add, Hemant. Sanjesh, if you recall, in the past, we have always mentioned that one of our key focus areas is to make this business cyclicality proof because the commodity cycles will come and go. And that's exactly what you see demonstrated in our numbers in the quarter.

Sanjesh Jain: That's clear. And I think it's good to see those errors being or those issues being fixed. Just one last question.

Moderator: Our next question comes from the line of Jaymin with Ardeko Asset Management.

Jaymin: My first question is on, if you look at the investment you are making in new technologies and the customer acquisition infrastructure, how should we think about the split between the growth enabling opex, which is going to be temporary in nature, versus the structural addition to the cost base?

Hemant Bakshi: Sorry, it wasn't clear, can you repeat, Jaymin? I couldn't hear your question.

Jaymin: Yes. So when we just look at your step-up investment you are making on the new technology as well as, I mean, your manpower cost, how should we think about the split between your growth enabling capex, which is temporary in nature, which is in your control to cut down in future, versus any structural additions which are adding to the cost base?

Hemant Bakshi: Yes. So I think, Jaymin, a really good question. And let me address both the opex as well as the capex question you asked.

Our opex growth is in line with our plans. Firstly, I want to be very clear on that. We've articulated a strategy of growing B&C discontinuously. We have also put in place investments to deliver on this strategy. So while the quarter has other challenges, we've remained completely focused on our long-term strategy.

This includes setting up of a full-service center of excellence for B&C, which we've set up in India. We've fully divisionalized our front-end sales team, which means that in the past, we had one sales team which would sell both -- all our categories. Now we have a separate team which sells B&C and a separate team which focuses on Oral and large key accounts.

We've also made significant investments in embellishments and decorations and some of these products are still being outsourced. You will see increases not only in opex, but also in capex, where we've made investments ahead of the growth curve to ensure we are fully ready to service the additional demand that our business will generate.

Having said that, our underlying costs, both in opex and capex, remain extremely efficient. And while we are driving new capabilities, we are also making sure that our underlying margins remain at the target range of 20% and whatever costs we incur are also managed. On a steady-state basis, our EBITDA will grow faster than our revenue growth.

Jaymin: Understood, sir. And sir, on the innovation in the sustainability portfolio side, could you give us some color on which platforms are scaling faster commercially? And how is the customer response you are seeing on those platforms?

Hemant Bakshi: Yes. So I think one of the things we've said always is that our core business is Oral Care, which under normal circumstances should get high single-digit growth because it's a mature category. In this quarter, we've seen a very significant increase in Oral Care, and this is coming from across all regions.

There are multiple reasons behind it, but one significant reason is that during a difficult time when everyone is facing a crisis, our service and quality of engagement with customers has remained intact, and that has allowed us to win wallet share and gain share across many markets.

The 24% growth will not be something which we'll be able to deliver every quarter, but this quarter has been exceptional on Oral.

However, on the other hand, B&C is a category where our shares are relatively low. And we believe we have the opportunity of doubling our market share in the next few years. Currently, our market share is 8%. This, we believe, can go up to 16%.

All our large B&C markets have performed exceedingly well, and that is resulting in the growth which you are seeing. So, if I can share -- I mean, summarize, our core category of Oral has bounced back very strongly, and B&C, which is our growth category, is continuing to show momentum.

Moderator: Our next question comes from the line of Sumant Kumar with Motilal Oswal.

Sumant Kumar: For Europe, the profitability impact because of transitional cost, apart from that, any other issue with Europe? Profitability momentum and profitability likely to recover in the coming quarters?

Hemant Bakshi: Yes. As I mentioned earlier also, firstly, I want to again state that our revenue growth in Europe has been very good, and that's been something which has continued for the last couple of quarters. As we said earlier, we have mentioned in the last 2 quarters that there have been some operational challenges in Europe.

These have been identified and are getting disproportionate focus from the team. We are confident that these will get fully resolved in the coming quarters. As operational efficiencies improve, we expect margins to progressively recover.

Sumant Kumar: Okay. And can you talk on the volume growth for the quarter?

Deepak Goyal: So as you know, Sumant, we generally talk about revenue growth because that is the best indicator of our business performance. However, this quarter, revenue growth also includes the Middle East pricing impact, and that is why we are also talking about the underlying growth. While the reported growth is 25.3%, excluding the Middle East pricing impact, the underlying revenue has grown 20%, which is very strong.

The volume growth, I can tell you that the -- this growth is driven by a very strong underlying business performance. However, volume growth still will not make too much of sense because there is a significant mix impact given that the product prices differ strongly between categories and countries.

Moderator: Our next question is a follow-up from Sameer Gupta with IIFL Capital.

Sameer Gupta: Sir, from a cost perspective, would you say that worst is yet to hit the P&L in full terms, given that we ended FY26 with a slightly higher inventory? And also the EBITDA margin from that perspective may still have some downside left? Or would you say that this was the worst quarter in any case? And going forward, I mean, Middle East is still going on. But going forward, things should be better from here on, I mean, from this base, which is already fantastic.

Hemant Bakshi: Yes, Sameer, so firstly, I want to say this isn't the worst quarter. It's actually quite a positive quarter for us. We feel very happy and confident with what we've done. As you remember, Sameer, before the quarter started and when we faced the crisis, we said we have 2 key principles during this crisis. One is that our customers must get uninterrupted service from us, and they should see no dislocation on account of this crisis.

And the second thing we said is the entire cost which we incur, we'll recover through pricing. I'm very happy to report to all of you that we've met both these principles fully in this quarter. So therefore, we feel this quarter is a very satisfying quarter.

Having said that, as you rightly pointed out, there was some old inventory -- old cost inventory in our overall repertoire. And as the quarter has gone through, some of it has passed on. Equally, some of our customer pricing also has some lag. And therefore, if you keep both of these things in account, net-net, the entire cost has been recovered. And we feel very confident that as we go forward, the same principles will continue to apply.

Sameer Gupta: Another, if I may just squeeze in. So Europe -- this is a follow-up from the earlier question only. So Europe, if you are investing for growth here, it would also mean that we already have reached a good utilization level till FY26, but the margin or the ROCE profile of the segment in Europe still was subpar. So how should we read this?

Hemant Bakshi: Yes. So Sameer, first of all, Europe remains a very exciting market for us. And we want to make sure that while the margin profile is being corrected, we capitalize on all the growth opportunities which are available in Europe. We are expanding our capacities in extruded. We are expanding our capabilities on printing side and on multiple Beauty & Cosmetics capability like die and tooling, etcetera. So we are investing in all of that. We want to make sure that our market share keeps growing.

On the margin profile, we have identified -- there are 2 reasons. One is the investments that we are making in growth. As the growth continues, I think those costs will become normalized and the scale leverage would come in.

Second is that we have identified certain cost inefficiencies, which are there in Europe today. And those we are working through very specific cost programs. And I think in the coming quarters, we will see Europe margins improving to our target range of mid-teens.

Moderator: Our next question is from the line of Giriraj Daga with Visaria Family Trust.

Giriraj Daga: Just one clarification on Indovida, just basic number what you mentioned. Did you mention INR383 crores of EBITDA?

Hemant Bakshi: Yes, that's correct. This is publicly available information.

Giriraj Daga: Okay. And just clarification, there's no one-off here, right?

Hemant Bakshi: We are not able to comment on the underlying reasons for the results, Giriraj, because we are in a period where we are still seeking approval on the merger. What we can share with you is information which is in the public domain, and that's what we've done.

Moderator: Our next question comes from the line of Sanjesh Jain with ICICI Securities.

Sanjesh Jain: I just have one question. What happened with Americas? Because sequentially, though revenue has been stable, I think, largely because of inflation, the EBITDA and EBIT has fallen quite sharply. It's just seasonality or there is more to it?

Hemant Bakshi: There are 2 reasons for it. One is that the revenue growth still includes the pricing impact. And hence, when we look at the EBITDA number, the underlying EBITDA margin is higher. And it is, in a way, March and June EBITDA margins are sequentially not comparative, right? And neither is revenue growth.

And second is that the investments that we are making also then are rubbing off in Americas because we are seeing exciting opportunities both in Brazil as well as in the U.S. markets, and we are investing in our capabilities there.

Sanjesh Jain: When we say capability, it is more operating because I thought when we say capability, it's more capex.

Deepak Goyal: Both actually. So we are investing in capex. But at the same time, as Hemant mentioned during his comments earlier, we are splitting our sales team, making them specific to Oral and Beauty & Cosmetics, being served by separate teams. We are equally investing in things like Beauty & Cosmetics capability where we outsource certain high-capability items, which we cannot still produce ourselves. So those kind of things are being done.

Sanjesh Jain: So these margins are supposed to improve with the revenue, or do you think this should remain subdued until the revenue completely offset this?

Deepak Goyal: Some of these are ahead of the curve investments, Sanjesh. And as the revenue keeps growing, we will see the margins normalize. But let me still again make that Americas margin remain very strong even in these times. The underlying margin is better than the reported margin because the revenue growth still includes the pass-through pricing impact.

Moderator: Our next question comes from the line of Jayesh Gandhi with Harshad H. Gandhi Securities Private Limited.

Jayesh Gandhi: Sir, I have only one question on the taxation. If you see last 2 years, our taxation has -- I mean, tax rate has been closer to like 14% and 18%. This quarter, we are more than 20%. Can you guide on the entire year's taxation rate that we may have to pay?

Deepak Goyal: Yes. So our ETR, as we have always maintained, is a combination of tax rate across multiple countries. On a steady-state basis, it will remain in the range between 18% to 22%. While the range is a little wide, it is also a function of the profitability delivery by various countries and hence we have to live with that variability.

Last year was at the lower end of this range, at 18% for the full year. And this quarter is at the higher range, at the 22% of this quarter. I think this year, on a full year basis, we should land anywhere between 20% to 22%. That's how we are looking at it.

Jayesh Gandhi: And sir, post Indovida's merger, you think it will be similar or it can go up to like more than like 25% or something like that?

Deepak Goyal: I think at this point in time, it may not be the right thing to comment on the consolidated financials, given we are still in the approval process. However, I can tell you that Indovida, and these are publicly available number or the due diligence that we did, that Indovida also generates very, very strong PAT. Their PAT is actually in line with the EPL's PAT and hence it's a very, very EPS accretive merger.

Moderator: Thank you. We have no further questions, ladies and gentlemen. I would now like to hand the conference over to the management for closing comments. Over to you, sir.

Hemant Bakshi: I don't think we have any lengthy comments. We just want to reiterate that we are very happy with our performance in this quarter. And while our overall growth is 25%, the underlying growth, if you take away the pricing impact on account of the crisis, is 20%, which is a record growth in terms of revenue. We've never had a quarter like this. And we've maintained underlying margins in line with our guidance. And that's why we feel confident of raising our guidance on revenue from low double digits to high teens and while retaining our margin guidance.

So we feel very, very confident on where we are, and we are looking forward to getting approvals on the merger, which will allow us to move to the next step in our very exciting journey. Thank you very much for your time and your engagement.

Moderator: Thank you. On behalf of Systematix Institutional Equities, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.