

UPL (UPLL)

Chemicals | 1QFY26 Result Update

HOLD

CMP: Rs665 | Target Price (TP): Rs659 | Downside: 1.0%

August 02, 2025

Margin beat offset by fx loss, higher interest

Key Points

- We retain HOLD on UPL after its 33% YTD rally, due to muted risk reward after cutting TP by 9% to Rs659 post roll over to Jun'27E. We have cut estimates in FY26E/27E by 43.6%/18.5%, to align FY26E revenue growth with management guidance of 4-8%, as well as the 1QFY26 results. Our new TP is based on unchanged P/E of 12.1x on Jun'27E vs 5-year median P/E of 16.2x. The management guided for 4-8% topline growth, and 10-14% EBITDA growth, while hinting at improved outlook for topline growth/margins in 2HFY26E, particularly in Latam. UPL also said that it does not have major exposure to US tariff. **Other management comments:** Fitch and S&P have upgraded UPL's credit rating. There are signs of stability in CPC prices, with recovery in some products like Mancozeb, and Clethodim.; China excess supply may be slowly abating with signs of capacity rationalisation.
- **Consolidated Adjusted loss at Rs790mn whereas our estimate was Cons. Adj. profit of Rs1bn and Bloomberg (street) estimate was Cons. Adj. Loss of Rs2.8bn.**
- Revenue at Rs92.16bn was a miss by 5.4%/1.4% vs NBIE estimates/street estimates, up 1.6% YoY. **Segment Revenue YoY trend:** India/LatAm/NA/Europe/ROW grew by 20.8%/(9.7%)/8.3%/7.7%/(10.4%) respectively. India/Europe revenue beat of 9.8%/2.6% vs our estimates and NA was a tad beat Vs our estimates whereas LatAm/RoW business came below our estimates by 14.0%/18.5%.
- Gross contribution reported at Rs50.47bn was a beat of 1.6% vs our estimate, Gross margin was a beat against our estimates by 376bps and up by 462bps YoY at 54.8%. EBITDA reported at Rs13.96bn was a beat of 7.7%/11.8% Vs NB estimates/street estimates. The 15.2% EBITDA Margin was up by 301bps YoY, and EBITDA grew by 26.8% YoY, as other expenses came in 6.7% higher than our estimate. Interest expense in 1QFY26 was up 10.3% YoY to Rs10.07bn, and was 91.6% above NB estimate. This includes the impact of FX gain on forex loans and MTM impact on hedges of Rs2.7bn.

Positives: UPL believes that destocking is over and sees healthy outlook for CPC consumption. although weak commodity prices still remain a concern. UPL has also reduced Net debt/EBITDA to 2.01x by end-FY25. New products revenue share is likely to rise from US\$93mn in FY25 to US\$130mn in FY26E. UPL SAS, NA and Europe have shown healthy growth in 1QFY26. **Concerns:** Pricing power may remain subdued for the global CPC industry over the next 12 months. The decline in ROW, Latam, remain a worry.

Est Change	Downward
TP Change	Downward
Rating Change	No Change

Company Data and Valuation Summary

Reuters	UPLL.BO
Bloomberg	UPLL IN Equity
Mkt Cap (Rsbn/US\$bn)	561.7 / 6.5
52 Wk H / L (Rs)	736 / 484
ADTV-3M (mn) (Rs/US\$)	1,702.0 / 19.8
Stock performance (%) 1M/6M/1yr	(0.9) / 10.1 / 23.7
Nifty 50 performance(%) 1M/6M/1yr	(3.8) / 1.2 / (0.6)

Shareholding	3QFY25	4QFY25	1QFY26
Promoters	33.5	33.5	33.5
DII's	18.7	18.4	18.1
FII's	32.5	34.2	34.9
Others	12.3	10.9	10.6
Pro pledge	0.0	0.0	0.0

Financial and Valuation Summary

Particulars (Rsmn)	FY24	FY25	FY26E	FY27E
Net Sales	4,30,980	4,66,370	4,92,646	5,61,064
Growth YoY %	-19.6	8.2	5.6	13.9
Gross margin %	43.17	48.06	50.33	52.33
EBITDA	45,390	76,000	83,325	1,11,140
EBITDA margin %	10.5	16.3	16.9	19.8
Adj PAT	(9,480)	13,050	16,316	41,188
Growth YoY %	(125)	(238)	25	152
Adj EPS (Rs)	-12.63	16.80	19.32	48.78
RoCE	2.6	8.0	7.4	11.2
RoE	-3.3	4.4	5.1	12.3
RoIC	3.2	9.8	9.2	14.1
P/E	-52.7	39.6	34.4	13.6
EV/EBITDA	17.4	10.4	9.5	7.1
P/BV	1.8	1.6	1.8	1.6

Source: Company, Nirmal Bang Institutional Equities Research

Key Links- [Press release](#)

[Investor Presentation](#)

Street estimate Rs	FY26E	FY27E
EPS	33.19	48.54

Please refer to the disclaimer towards the end of the document.

Gross debt/net debt as of Jun-25 stood at Rs268.35bn/Rs54.64bn. UPL has raised Rs16.9bn through the rights issue of 93.7mn shares at Rs360/sh from the allotment and first call money received by end-FY25. The balance calls are expected to be made in 1HFY26.

Exhibit 1: UPL consolidated quarterly results and variance analysis

Y/E March (Rsmn)	1QFY25	1QFY26	Ch YoY %	4QFY25	Ch QoQ %	1QFY26E	Var. (%)
Net sales	90,670	92,160	1.6	1,55,730	-40.8	97,448	-5.4
Cost of goods	45,200	41,690	-7.8	85,510	-51.2	47,750	-12.7
% of Sales	49.9	45.2	-461.5	54.9	-967.3	49.0	-376.3
Contribution	45,470	50,470	11.0	70,220	-28.1	49,698	1.6
Gross Margin %	50.1	54.8	461.5	45.1	967.3	51.0	376.3
Employee benefits expenses	13,370	13,220	-1.1	14,510	-8.9	14,039	-5.8
% of Sales	14.7	14.3	-40.1	9.3	502.7	14.4	-6.2
Other expenses	20,640	24,220	17.3	23,340	3.8	22,704	6.7
% of Sales	22.8	26.3	351.7	15.0	1,129.3	23.3	298.2
FX loss/(gain) - trade rec/payable	450	-930	PTL	460	PTL	-	-
EBITDA	11,010	13,960	26.8	31,910	-56.3	12,956	7.7
EBITDAM (%)	12.14	15.15	300.5	20.49	-534.3	13.30	185.2
Depreciation	6,600	7,310	10.8	7,050	3.7	6,900	5.9
Other income	980	1,430	45.9	1,070	33.6	1,000	43.0
Interest expenses	9,130	10,070	10.3	9,140	10.2	5,255	91.6
Exceptional Income/(Expense)	-490	-90	-	-2,750	-	-200	-
Reported PBT	-4,230	-2,080	-	14,040	PTL	1,601	PTL
Adjusted PBT	-3,740	-1,990	-	16,790	PTL	1,801	PTL
Reported Tax	720	-140	PTL	2,980	PTL	270	PTL
Share of profits/loss in associates	-320	180	-156.3	-270	LTP	-320	LTP
Minority Interest	-1,430	-880	-	1,830	-	203	PTL
Consolidated PAT adjusted	-3,350	-790	-	11,710	PTL	1,008	PTL
NPM (%)	-3.69	-0.86	284	7.52	-837.7	1.03	-189.2
Consolidated PAT Reported	-3,840	-880	-	8,960	PTL	808	PTL

Source: Company, Nirmal Bang Institutional Equities Research; Note: Margins and tax rate – YoY change and variance in bps. PTL means profit turned to loss

Exhibit 2: UPL consolidated quarterly performance

Particulars (Rsmn)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	3QFY26E	4QFY26E	FY25	FY26E
Net Sales	90,670	1,10,900	1,09,070	1,55,730	92,160	1,13,386	1,18,212	1,68,889	4,66,370	4,92,646
YoY Change (%)	1.2	9.0	10.3	10.6	1.6	2.2	8.4	8.4	8.2	5.6
Gross Profit	45,470	52,670	55,780	70,220	50,470	57,827	60,288	79,378	2,24,140	2,47,962
Margin (%)	50.1	47.5	51.1	45.1	54.8	51.0	51.0	47.0	48.1	50.3
EBITDA	11,010	13,520	19,560	31,910	13,960	16,983	19,656	32,726	76,000	83,325
YoY Change (%)	-13.5	2.0	2,003.2	72.7	26.8	25.6	0.5	2.6	67.4	9.6
Margin (%)	12.1	12.2	17.9	20.5	15.1	15.0	16.6	19.4	16.3	16.9
Depreciation	6,600	6,970	6,880	7,050	7,310	7,310	7,310	7,560	27,500	29,490
Interest	8,140	9,190	8,280	8,750	7,360	7,360	7,360	5,730	34,360	27,810
Other income	8,140	9,190	8,280	8,750	7,360	7,360	7,360	5,730	34,360	27,810
Extraordinary Items	490	80	760	2,750	90	200	200	200	4,080	690
PBT (bei)	-3,740	-3,040	7,080	16,790	-1,990	1,919	4,731	17,819	17,090	22,479
PBT	-4,230	-3,120	6,320	14,040	-2,080	1,719	4,531	17,619	13,010	21,789
Tax	720	1,380	-4,990	2,980	-140	307	804	3,029	90	4,001
Rate (%)	-19.3	-45.4	-70.5	17.7	7.0	16.0	17.0	17.0	0.5	17.8
Reported PAT	-3,840	-4,430	8,280	8,960	-880	1,233	3,496	11,776	8,970	15,626
Adj. PAT	-3,350	-4,350	9,040	11,710	-790	1,433	3,696	11,976	13,050	16,316
YoY Change (%)	PTL	-	LTP	707.6	-	LTP	-59.1	2.3	LTP	25.0
Adj. EPS (Rs)	-4.5	-5.8	12.0	15.6	-1.1	1.9	4.9	16.0	16.8	19.32

Source: Company, Nirmal Bang Institutional Equities Research; Note: Margin changes are in bps

Exhibit 3: UPL earnings and TP revision

(Rsmn)	Revised estimate		Earlier estimate		% Revision	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Total Revenue	4,92,646	5,61,064	5,25,363	5,98,954	-6.2	-6.3
EBITDA	83,325	1,11,140	95,981	1,27,340	-13.2	-12.7
EBITDA margin (%)	16.9	19.8	18.3	21.3	-135.6	-145.1
EBIT	53,835	80,561	67,452	97,722	-20.2	-17.6
EBIT margin	11	14	13	16	-191.2	-195.7
PAT	16,316	41,188	28,914	50,528	-43.6	-18.5
EPS (Rs)	19.32	48.78	34.24	59.84	-43.6	-18.5
TP	659		724		-9.0	

Source: Nirmal Bang Institutional Equities Research; Note: Margin changes are in bps. We have cut F26 estimates 13.5% based on the FY26 guidance of 14-18% EBITDA growth and 4-8% revenue growth, which implies about 17% EBITDA margin at the top end of this guidance

- We expect free cash flow to move from Rs53.9bn in FY23 to Rs50.19bn in FY26 after negative cashflows of Rs1.7bn in FY24.
- ROCE is set to move from 11.5% in FY23 to 8.0%/7.4%/11.2% in FY25/FY26E/FY27E after dipping to 2.6% in FY24.
- **Net debt/EBITDA to decline to 2.01x/1.83x/1.2x in FY25/FY26E/FY27E from 5.17x in FY24.**
- In FY26, UPL will receive the balance money due on rights issue of US\$200, with the board approval to make the final call on the rights shares of Rs180/share. This and the FCF likely from FY26 operations would improve UPL's cash position further.
- The stock trades at a P/E of 13.6x on FY27E.

Risks:

- Adverse weather could hurt crops, farm incomes, and hence, the demand for CPC. Also, lower-than-expected infestations pose risk to CPC demand.
- Decline in commodity prices could hit cash available with farmers to buy farm inputs.
- Debt could rise due to higher inventories amid seasonal nature of the business and higher chemical prices. This and any inability to cap the net debt/EBITDA below 2x pose risk to its credit rating.
- Regulatory overhang, especially in the EU, where renewal of registrations of some molecules is at risk.
- The lingering pricing pressure and delinquencies in LATAM CPC distribution chain remain a concern.

Exhibit 4: Operating assumptions

Revenue Growth Assumptions (%)	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
India	3.5	10.8	22.2	21.6	15.0	-15.8	8.1	15.9	15.0
LATAM	25.0	24.3	8.0	21.4	21.8	-21.5	2.0	4.2	15.0
NA	12.8	13.4	1.0	37.2	11.9	-55.4	55.8	8.1	10.0
Europe	16.5	-0.7	12.4	7.3	6.2	-9.8	8.8	7.1	7.0
RoW	5.9	7.0	3.3	11.0	15.2	9.3	0.0	-0.6	15.0
UPL consolidated revenue growth	14.3	13.1	8.2	19.5	15.9	-19.6	8.2	5.6	13.9
P&L Assumptions									
Raw material/sales (%)	49.9	52.4	49.4	47.7	49.9	56.8	51.9	49.7	47.7
Employee Cost/sales (%)	9.6	9.5	9.6	10.0	9.4	10.9	11.4	12.0	11.3
Other Expenditure/sales (%)	21.6	18.2	18.9	20.4	19.9	19.5	19.3	21.4	20.7
Effective tax rate (%)	9.0	17.3	15.7	10.3	14.3	13.1	0.5	17.8	17.0

Source: NBIE Research; Note: FY20 growth assumptions normalised assuming FY19 on proforma sales, including full Arysta impact.

Key takeaways from Analyst Meet post 1QFY26 result

Guidance

- **FY26 growth guidance:** The company expects 4%-8% revenue growth and 10%-14% EBITDA growth in FY26.
- The growth in FY26 will be seen from 2HFY26.
- **Rating upgrade by two global rating agencies from negative to Stable in 1QFY26 on account of strong FY25 performance.**
- **New product revenue:** The company expects to deliver US\$130mn of revenue from new product launches this year, mostly in the 2HFY26.
- **Tax rate guidance:** The company expects a sustainable effective tax rate between 15%-17%.
- For the rest of FY26, the management expects growth to come almost exclusively from volume, with prices expected to remain relatively flat YoY.

Industry

- 1QFY26 faced challenging macroeconomic conditions, particularly in Brazil and Latin America, characterized by lower commodity prices causing farm income stress, higher interest rates, and volatile currencies affecting distributor performance.
- Geopolitical uncertainties, including concerns about US tariffs, affected market sentiment and trade flows, while Chinese oversupply continued to pressure prices.
- Agricultural commodity prices remain subdued, with high ending stocks for soybeans, - but the stocks-to-use ratio in corn and wheat are at a 10-year low.
- Commodity Futures prices show some strength but remain below recent peak levels, leading to cautious farmer investment.
- **Some specific products like Clethodim, Mancozeb and S-metolachlor** are seeing price increases from China, giving UPL an opportunity to review prices globally.
- In currency-impacted markets, the company aims to pass through currency depreciation impacts via pricing, though there may be some lag.
- The company maintains competitive manufacturing capabilities even with low prices from China.
- **UPL ESG:** UPL delivered on their five-year ESG commitments for FY25 and is setting new targets for FY30, aiming to reduce water consumption, carbon dioxide, and waste generation by 60%.

Consolidated 1QFY26 financial performance

- Revenue growth driven by improved pricing, supported by favourable fx. Volume declined 1%, pricing improved by 1% YoY and Fx up by 1% YoY.
- The company saw improved supply chain efficiency leading to better margins and COGS improvement (COGS saving of ~US\$30mn).
- **Inventory management:** Inventory management has been optimized to maintain approximately 3 months of forward inventory coverage.
- Production rates were adjusted throughout last year to manage inventory levels down, but have now returned to normal levels.
- Channel inventory levels for UPL stock have normalized and restocking is occurring as expected.
- Gross margin up by 461bps to 54.8% driven by improved product mix, pricing, higher capacity utilization and lower input cost and EBITDA margin up by 300bps to 15.2%.

- Net debt at Rs213.71bn in Jun'25 reduced by Rs61.29bn Vs Jun'24.
- **Redemption of Perpetual bonds:** The company has redeemed the perpetual bonds of Rs34.09bn (US\$400Mn) on its first call date in May'25 – this outflow is higher than the value of these bonds at Rs29.86bn as of March 25.
- Second and final call for rights issue partly-paid equity shares for balance US\$200Mn; proceeds expected by Sep end, subject to regulatory clearances.
- Net debt to EBITDA improved to 2.6x Vs 5.4x in 1QFY25.
- Net working capital days improved by 35 days YoY to 86 days in 1QFY26. Inventory days lowered by 7 days, through operational efficiency and inventory optimization and receivables days lowered by 6 days YoY driven by better collections and tighter credit control.

UPL Corporation Ltd

- Revenue decline of 3% YoY to Rs59.57bn primarily from lower volume of 4%. Mid-single digit growth in North America and Europe, offset by decline in Latin America/ROW
- The company expects the positive momentum to continue in North America and Europe.

UPL SAS

- Revenue grew by 13% YoY to Rs11.36bn driven by volume growth of 9% and pricing of 4%.
- The growth was driven by higher volume in Herbicides (Sweep Power), new launches; supported by improved pricing and favourable weather.

Advanta Seeds

- Revenue grew by 20% YoY to Rs11.8bn driven by volume growth of 12% and pricing by 7% and fx by 1%. The growth was driven by Corn (India, Thailand), Grain sorghum and Sunflower (Argentina).
- Revenue led contribution growth; however, margin contracted by 237bps due to lower Canola volume in Australia, lower recoveries in Thailand and cost increases in India.
- Advanta (seeds platform) is making increased investments for new market entries and product launches.
- Advanta hired new permanent and seasonal employees in 1QFY26, with permanent hires being part of capacity building for future quarters, while seasonal workers were needed for harvesting and packaging and will be reduced in about a month.

Superform

- Revenue increased by 9% YoY to Rs25.58bn driven by Agchem sales growth of 6% and super specialty chemicals by 21%.
- Contribution margin accretion by 50 bps, driven by improved product mix; however, EBITDA margin contracted by 20bps due to higher other expenses.

Region wise performance in 1QFY26

- **Latin America:** Brazil volume declines mainly in insecticides (Sperto). In other LATAM region, volume declined in Mexico, and overall pricing challenge was partially offset by higher revenue in seeds.
- Overall pricing was down 1% in 1QFY26, with specific pressure in the insecticide portfolio in Brazil.
- In Brazil's insecticide segment, there is intense price competition with retailers and dealers negotiating aggressively.

- **North America:** 1QFY26 performance was driven by pricing improvement in selected Active Ingredients – Clethodim. Metribuzine and mancozeb
- **Europe:** Volume growth in herbicides supported by NPP, partially offset by decline in Turkey. Europe has a major season in 4QFY26.
- **India:** Seeds grew by 40% YoY and Crop protection by 13% YoY driven by volume and pricing.
- New product launches like Centurion EZ and Canora EZ helped improve the product mix.
- The company believes that it has a competitive position in India, as evidenced by a major competitor's exit from the market.
- **RoW:** There was lower revenue from Seeds and Crop protection, mainly in Africa, Australia and SE Asia.

Exhibit 5: Quarterly geographic revenue analysis

(Rsmn)	1QFY25	1QFY26	Ch YoY %	4QFY25	Ch QoQ %	1QFY26E	Var. (%)
India	18,720	22,620	20.8	14,000	61.6	20,592	9.8
LATAM	26,590	24,010	-9.7	50,800	-52.7	27,920	-14.0
NA	12,350	13,370	8.3	27,000	-50.5	13,338	0.2
Europe	14,250	15,350	7.7	31,100	-50.6	14,963	2.6
ROW	18,760	16,810	-10.4	32,830	-48.8	20,636	-18.5
Consolidated Revenue	90,670	92,160	1.6	1,55,730	-40.8	97,448	-5.4

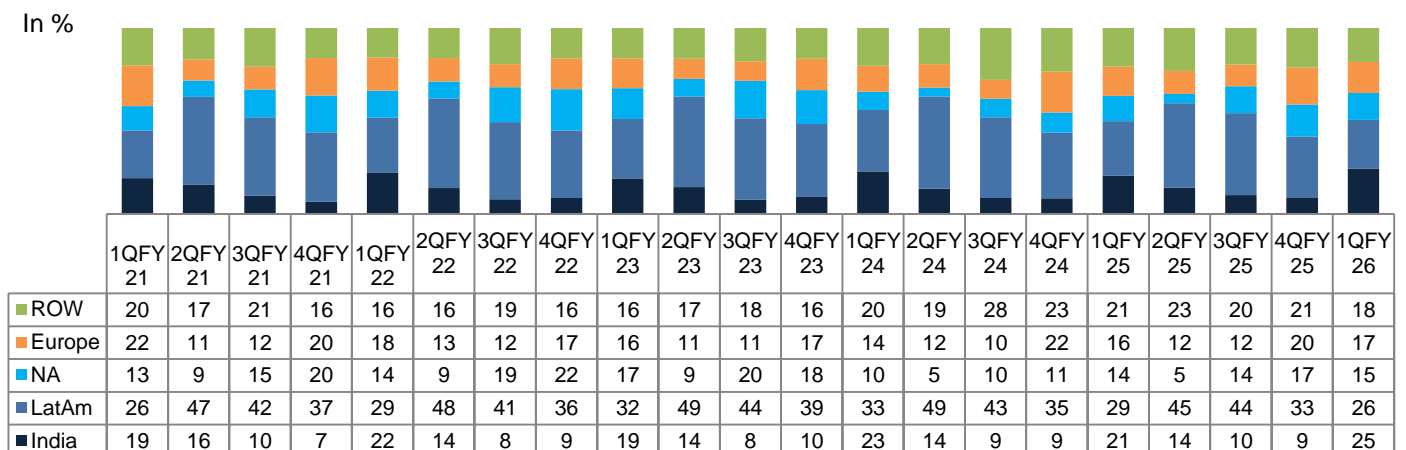
Source: Company, Nirmal Bang Institutional Equities Research

Net working capital days decreased by 35 YoY as of Jun-25 to 86 days, driven primarily by operational efficiency and inventory optimization, better collections and tighter credit control.

Region-wise details:

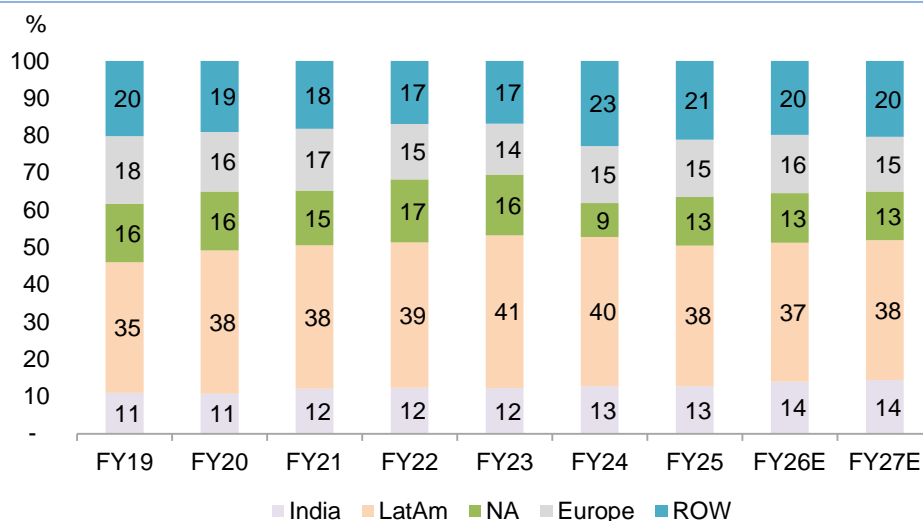
- LATAM revenue was down by 9.7% due to Insecticides volume impacted mainly by acetamiprid (Sperto) in Brazil. In other LATAM, volume decline in Mexico, and overall pricing challenge persists.
- **NA was up 8.3% YoY** driven by pricing improvement for select active ingredients.
- **Europe was up 7.7%**, driven by Volume growth in herbicides supported by NPP, partially offset by decline in Turkey. Europe has a major season in 4QFY26.
- **RoW market was down 10.4% YoY**, primarily because of lower revenue from Seeds and Crop protection, mainly in Africa, Australia and SE Asia.

Exhibit 6: Geography-wise quarterly revenue pie



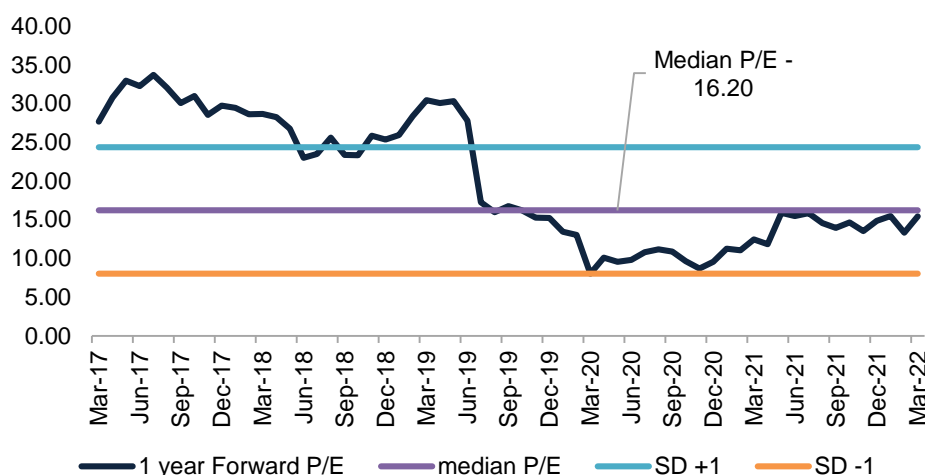
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 7: UPL's geography-wise split of annual revenue



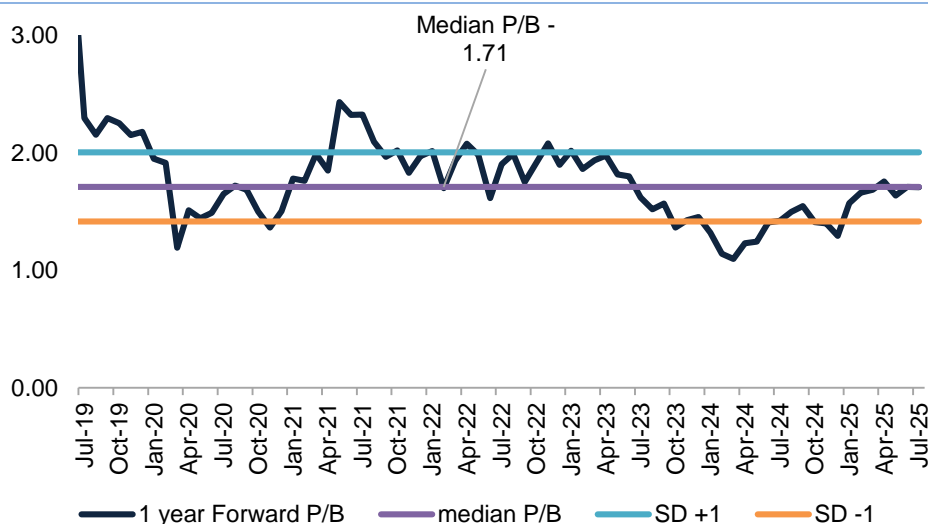
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 8: 5-year historical 1-yr forward P/E



Source: Company, Nirmal Bang Institutional Equities Research; Note: P/E chart adjusted prior to FY24 loss; Median P/E calculated is between Mar-17-and Mar-22 as there is loss in FY24

Exhibit 9: 5-year historical 1-yr forward P/B



Source: Company, Nirmal Bang Institutional Equities Research

UPL Consolidated Financials

Exhibit 10: Income statement

Y/E March (Rsmn)	FY23	FY24	FY25	FY26E	FY27E
Net Sales	5,35,760	4,30,980	4,66,370	4,92,646	5,61,064
Growth YoY %	15.87	-19.56	8.21	5.63	13.89
Gross profit	2,68,560	1,86,040	2,24,140	2,47,962	2,93,620
Gross margin %	50.13	43.17	48.06	50.33	52.33
Staff costs	50,560	46,820	53,090	58,955	63,671
% of sales	9.44	10.86	11.38	11.97	11.35
Other expenses	1,16,040	93,830	95,050	1,05,683	1,18,809
% of sales	21.66	21.77	20.38	21.45	21.18
EBITDA	1,01,960	45,390	76,000	83,325	1,11,140
Growth YoY %	7.4	(55.5)	67.4	9.6	33.4
EBITDA margin %	19.03	10.53	16.30	16.91	19.81
Depreciation	25,470	27,630	27,500	29,490	30,579
EBIT	76,490	17,760	48,500	53,835	80,561
Interest	29,630	38,520	36,270	36,645	34,063
Other income	4,770	4,830	4,860	5,290	5,440
PBT Adjusted	51,630	(15,930)	17,090	22,479	51,939
Effective tax	7,360	(2,090)	90	4,001	8,830
Exceptional Income	-1,700	-2,520	-4,080	-	-
Associates Inc/loss	1,570	-2,420	-4,720	720	431
Minority Interest	8,440	(6,780)	(770)	2,883	2,352
Consolidated PAT	37,400	(9,480)	13,050	16,316	41,188
Growth YoY %	-5.3	PTL	LTP	25.0	152.4

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 12: Balance sheet

Y/E March (Rsmn)	FY23	FY24	FY25	FY26E	FY27E
Share capital	1,500	1,501	1,595	1,689	1,689
Perpetual subordinated capital security	29,860	29,860	29,860	-	-
Reserves	2,67,080	2,46,570	2,90,540	3,16,867	3,47,845
Net worth	2,98,440	2,77,931	3,21,995	3,18,556	3,49,534
Non-controlling interest	55,850	49,130	56,270	59,153	61,505
Long term debt	2,08,190	2,49,680	1,92,560	1,98,013	1,69,390
Short term debt	31,200	47,860	58,430	1,01,810	1,36,810
Total debt	2,39,390	2,97,540	2,50,990	2,99,823	3,06,200
Net debt	1,77,960	2,34,570	1,52,420	1,52,716	1,33,016
Other non-current liabilities	32,920	30,110	23,510	20,667	13,552
Total Equity & Liabilities	6,26,600	6,54,711	6,52,765	6,98,199	7,30,791
Gross block	1,53,782	1,69,029	1,73,874	1,79,019	1,84,464
Accumulated depreciation	72,142	84,599	92,804	1,11,028	1,25,345
Net Block	81,640	84,430	81,070	67,991	59,119
Goodwill on consolidation	1,98,980	2,01,840	2,06,750	2,06,750	2,06,750
CWIP	28,180	29,650	25,460	34,035	43,110
ROU Asset	9,060	12,650	13,240	13,240	13,240
Intangibles and others	97,450	91,640	89,780	67,739	55,107
Other non-current assets	32,910	40,860	37,730	37,930	38,130
Non-Current Investments	15,690	18,930	20,080	20,080	20,080
Current Investments	460	2,610	3,200	3,200	3,200
Trade receivables	1,82,860	1,63,640	1,55,120	1,75,533	1,99,901
Inventories	1,39,850	1,27,760	1,03,160	1,34,971	1,53,716
Cash & Cash Equivalents	59,670	59,430	94,780	1,43,318	1,69,394
Other Bank Balances	1,300	930	590	590	590
Other current assets	37,320	40,800	48,620	48,620	48,620
Total current assets	4,21,460	3,95,170	4,05,470	5,06,232	5,75,421
Trade payables	1,76,140	1,56,840	1,46,480	1,75,463	1,99,831
Other current liabilities	83,030	63,910	80,780	80,780	80,780
Total current liabilities	2,59,170	2,20,750	2,27,260	2,56,243	2,80,611
Assets held for sale	400	291	445	445	445
Total Assets	6,26,600	6,54,711	6,52,765	6,98,199	7,30,791

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 11: Cash flow

Y/E March (Rsmn)	FY23	FY24	FY25	FY26E	FY27E
PBT	51,500	-20,870	8,290	53,835	80,561
Depreciation	52,320	59,460	66,080	29,490	30,579
Interest	26,330	34,070	32,810	-	-
Other adjustments	970	-3,000	-1,510	-	-
Change in Working capital	13,690	8,940	-36,200	23,241	18,745
Tax paid	12,620	11,430	9,830	6,944	16,044
Operating cash flow	77,510	18,220	1,00,740	53,139	76,352
Capex	23,600	19,950	16,950	2,945	18,150
Free cash flow	53,910	-1,730	83,790	50,194	58,202
Other investing activities	-8,700	4,830	1,450	200	200
Investing cash flow	-14,900	-24,780	-18,400	-3,145	-18,350
Issuance of share capital	-13,550	-	44,960	16,883	-
Movement of Debt	-45,950	48,050	-53,540	18,973	6,376
Dividend paid (incl DDT)	-7,500	-7,490	-770	-6,777	-10,210
Other financing activities	6,090	-34,240	-37,640	-30,535	-28,092
Financing cash flow	-60,910	6,320	-46,990	-1,456	-31,926
Net change in cash flow	1,700	-240	35,350	48,538	26,076
Opening C&CE	57,970	59,670	59,430	94,780	1,43,318
Closing C&CE	59,670	59,430	94,780	1,43,318	1,69,394

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 13: Key ratios

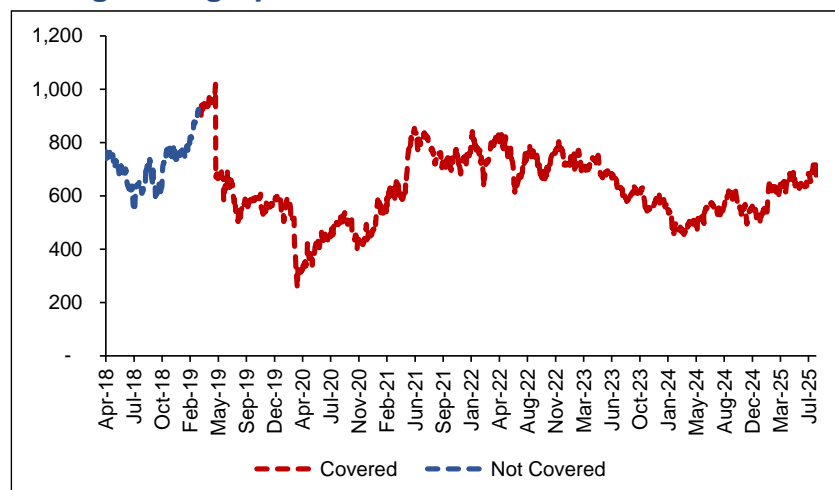
Y/E March	FY23	FY24	FY25	FY26E	FY27E
Per share (Rs)					
Adj EPS	49.83	-12.63	16.80	19.32	48.78
Book value	397.60	370.27	414.64	377.26	413.94
DPS	10.00	1.00	6.00	8.00	12.00
Valuation (x)					
P/Sales	0.93	1.16	1.07	1.01	0.89
EV/EBITDA	7.8	17.4	10.4	9.5	7.1
P/E	13.3	-52.7	39.6	34.4	13.6
P/BV	1.7	1.8	1.6	1.8	1.6
Return ratios (%)					
RoCE	11.5	2.6	8.0	7.4	11.2
RoCE (pre-tax)	13.4	3.0	8.1	9.0	13.5
RoE	13.7	-3.3	4.4	5.1	12.3
RoIC	14.8	3.2	9.8	9.2	14.1
Profitability ratios (%)					
Gross margin	50.13	43.17	48.06	50.33	52.33
EBITDA margin	19.0	10.5	16.3	16.9	19.8
PAT margin	6.7	-2.8	1.9	3.3	7.3
Liquidity ratios (%)					
Current ratio	1.6	1.8	1.8	2.0	2.1
Quick ratio	1.1	1.2	1.3	1.4	1.5
Solvency ratio (%)					
Net Debt to Equity ratio	0.5	0.7	0.4	0.4	0.3
Turnover ratios					
Fixed asset turnover ratio (x)	0.2	0.2	0.2	0.1	0.1
Debtor days	124	139	121	130	130
Inventory days	95	108	81	100	100
Creditor days	120	133	115	130	130
Net Working capital days	99	114	87	100	100

Source: Company, Nirmal Bang Institutional Equities Research

UPL Rating track

Date	Rating	Market price (Rs)	Target price (Rs)
9 September 2019	Buy	588	688
8 November 2019	Buy	559	665
10 February 2020	Buy	543	704
7 April 2020	Buy	298	484
4 May 2020	Buy	420	484
26 May 2020	Buy	371	643
3 Aug 2020	Buy	478	595
25 Aug 2020	Buy	492	595
23 Sept 2020	Buy	529	626
31 October 2020	Buy	453	626
7th January 2021	Buy	472	574
31 January 2021	Hold	560	564
14 May 2021	Buy	691	808
31 July 2021	Hold	808	813
24 September 2021	Buy	720	872
29 October 2021	Buy	741	883
1 February ,2022	Buy	777	1,006
10 May 2022	Buy	778	1,034
2 August 2022	Buy	767	1,072
15 September 2022	Buy	742	1,144
23 October 2022	Buy	702	1,144
2 November 2022	Buy	718	1,154
1 February 2023	Buy	757	1,154
21 March 2023	Buy	710	1,158
9 May 2023	Buy	718	1,037
1 August 2023	Buy	625	730
31 October 2023	Buy	539	620
3 February 2024	Hold	534	568
14 May 2024	Hold	534	581
03 August 2024	Hold	538	521
12 November 2024	Hold	515	553
01 February 2025	Hold	604	649
09 April 2025	Buy	614	706
13 May 2025	Hold	676	724
02 August 2025	Hold	665	659

Rating track graph



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Stock Ratings Absolute Returns

BUY > 15%

HOLD -5% to 14%

SELL < -5%

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