

Result Update

Q4 FY26

Godrej Agrovvet Ltd.

Institutional
Research

Godrej Agrovet Ltd.



BP WEALTH

Chemical | Q4FY26 Result Update

08th May 2026

Near-term margin pressures persist, while business recovery aids growth visibility

Sector Outlook

Neutral

Result Highlights

Godrej Agrovet Limited reported revenue growth of 9.3% YoY / decline of 14.2% QoQ to Rs. 23,327 mn in Q4FY26, below market expectations of Rs. 24,400 mn. The company witnessed annual revenue growth across key business segments, including Animal Feed (+10.8%), Crop Protection (+15.6%), Poultry & Processed Food (+2.5%), Dairy (+3.9%), and Other Businesses (+22.7%), while the Vegetable Oil segment declined by 5.1% YoY. EBITDA declined 5.3% YoY / 42.5% QoQ to Rs. 1,389 mn, with EBITDA margin contracting 92bps YoY / 293bps QoQ to 6.0%, primarily impacted by elevated milk procurement costs in the Creamline Dairy business and weak operating leverage in the Crop Care segment amid channel inventory carry-forward and lower in-house product volumes. However, margin performance in Animal Nutrition improved, supported by favourable commodity positions, cost optimization initiatives, and contributions from the Pet Food manufacturing business. Astec LifeSciences continued its turnaround trajectory, achieving EBITDA breakeven in FY26, aided by stabilization in realizations and improving CDMO momentum. Net profit stood at Rs. 1,023 mn, up 54.7% YoY / down 6.8% QoQ, above market expectations of Rs. 980 mn, while PAT margin improved to 4.4% versus 4.0% in the previous quarter.

Valuation and Outlook

Godrej Agrovet delivered a mixed operational performance in Q4FY26, with revenue growth remaining below expectations amid weakness in the Vegetable Oil segment and inventory-related challenges in Crop Care. EBITDA margins contracted due to elevated milk procurement costs in the Dairy business and weak operating leverage in Crop Protection; however, profitability was partially supported by healthy margin expansion in Animal Nutrition and continued turnaround momentum in Astec LifeSciences. Net profit performance remained relatively buoyant, aided by improved operational efficiencies and better segmental mix. Going ahead, management remains optimistic about FY27 growth prospects and has guided for early double-digit revenue growth, along with mid- to high-teens PBT growth, supported by volume-led expansion across Animal Nutrition, resilient growth in Oil Palm, and an expected recovery in Crop Care from Q2FY27 onwards. The company also expects continued improvement at Astec LifeSciences, driven by stabilization in realizations and CDMO-led opportunities. Additionally, increasing focus on value-added and branded products, disciplined working capital management, and growth-oriented CapEx allocation are expected to support long-term earnings visibility. However, near-term performance may remain sensitive to palm oil price volatility, monsoon uncertainty, and elevated agri-input costs.

Key Highlights

Particulars (Rs. Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Net Sales	23,327	21,336	9.3%	27,183	-14.2%
Gross Profit	5,469	5,517	-0.9%	7,063	-22.6%
Gross Margin (%)	23.4%	25.9%	-241bps	26.0%	-254bps
EBITDA	1,389	1,467	-5.3%	2,416	-42.5%
OPM (%)	6.0%	6.9%	-92bps	8.9%	-293bps
Net Profit	1,023	661	54.7%	1,097	-6.8%
PAT Margin	4.4%	3.1%	129bps	4.0%	35bps

Source: Company, BP Equities Research

Stock

CMP (Rs.)	590
BSE code	540743
NSE Symbol	GOAGRO
Bloomberg	GOAGRO:IN
Reuters	GODE:BO

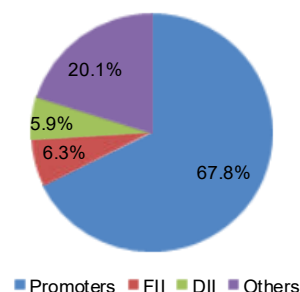
Key Data

Nifty	24,176
52 Week H/L (Rs.)	876/506
O/s Shares (Mn)	192
Market Cap (Rs. bn)	113
Face Value (Rs.)	10

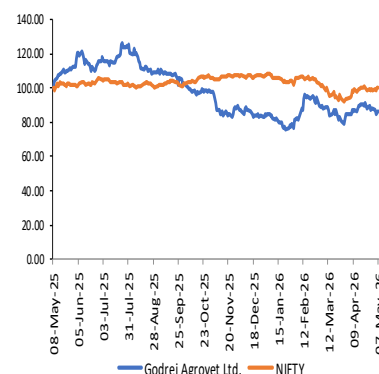
Average Volume

3 months	337,845
6 months	276,008
1 year	280,251

Share Holding Pattern (%)



Relative Price Chart



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Key Concall Highlights**Animal Feed Business Outlook:**

The Animal Feed business is expected to guide double-digit revenue growth in FY27, primarily driven by volume-led expansion and continued market share gains across key regions, particularly East and Central India. The business witnessed healthy margin expansion during the quarter, supported by favourable commodity positions, cost optimization initiatives, an improved product mix, and R&D-led raw material optimization. Growth was further aided by traction in premium products such as Dhanlaxmi and the upgraded Bypro Plus, targeting higher-yielding cattle segments. Additionally, elevated milk procurement prices are driving a gradual shift from unbranded to branded compound feed, benefiting the organized feed portfolio. Management also highlighted the Pet Food manufacturing business as a promising adjacency, which contributed ~Rs. 9.5 crores profit during Q4FY26 through manufacturing fee income.

Oil Palm Business Outlook:

The Oil Palm business expects another year of early double-digit volume growth in FY27, supported by increasing plantation maturity, improved oil extraction ratios, and steady domestic demand. Despite volatility in palm oil prices and geopolitical uncertainties, the business maintained resilient margins in Q4FY26, aided by improved realizations and operational efficiencies. The company is also accelerating its focus on differentiated and value-added products, including the rollout of a speciality fat refinery, which is expected to become fully operational in H2FY27. Management targets 50–55% contribution from value-added products by FY31, which is expected to reduce earnings volatility and improve the long-term margin profile.

Domestic Crop Protection:

The Domestic Crop Protection business remained impacted in Q4FY26 due to elevated channel inventory carry-forward, resulting in lower volumes of in-house products and weak operating leverage. However, the company expects a gradual recovery from Q2FY27 onwards as channel inventories normalize and demand conditions improve. Management also highlighted a stronger product pipeline with new launches such as Ashitaka (maize herbicide) and TAKAI (rice insecticide), which are expected to contribute meaningfully to segment revenues going ahead.

Astec LifeSciences:

Astec LifeSciences has continued its turnaround momentum during FY26, achieving EBITDA breakeven, supported by stabilization in product realizations, improved operational efficiencies, and recovery in export demand. Management remains optimistic about the FY27 outlook and expects ~15–20% revenue growth, driven by a strong CDMO pipeline and improving traction in enterprise molecules. The company also indicated that competitive intensity from China has largely stabilized, supporting a better pricing environment and margin recovery.

Dairy Business Outlook:

The Dairy business continued to face profitability pressure in Q4FY26 due to elevated milk procurement costs, which negatively impacted overall margins. However, the company expects milk prices to gradually normalize from Q2FY27 onwards, which should support margin recovery going ahead. Management also remains focused on increasing the contribution of value-added products within the Creamline Dairy portfolio to improve profitability and strengthen the consumer-facing business mix over the medium term.

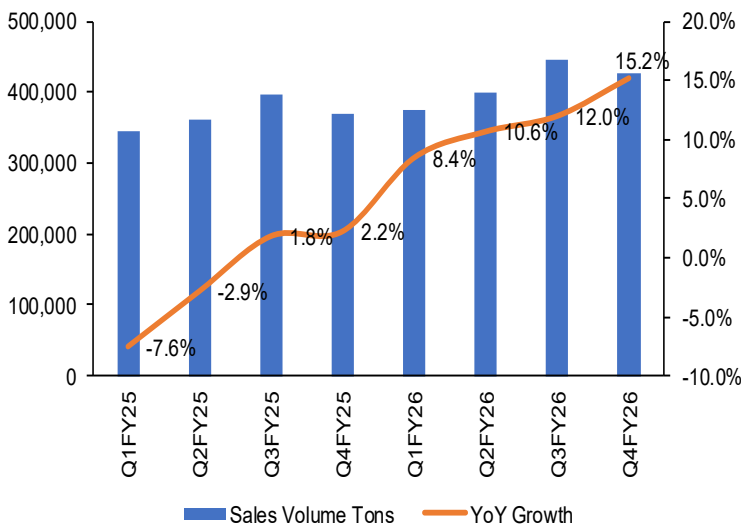
Capex Update:

The company has guided for FY27 CapEx of approximately Rs. 400 crores, with nearly 75–80% earmarked toward growth initiatives. Around 50% of the planned capital allocation will be directed toward the Oil Palm business to support plantation expansion, value-added product capabilities, and the speciality fat refinery project.

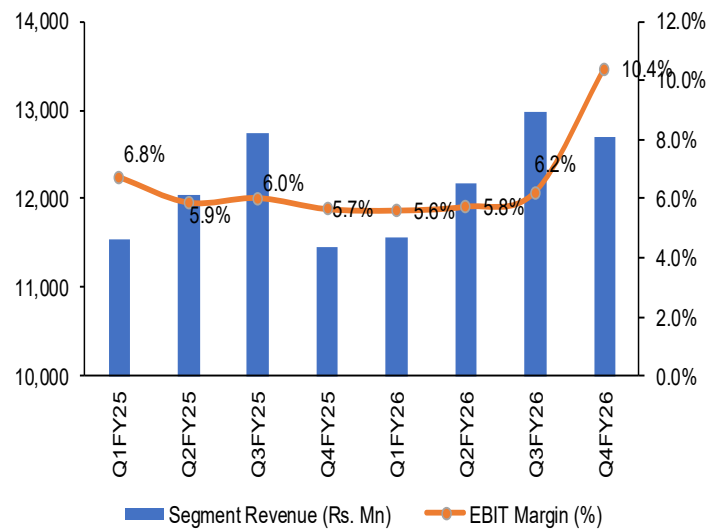
“The ACI Godrej continued to witness steady growth momentum during the quarter, supported by healthy demand across Bangladesh operations.”

Quarterly Snapshots

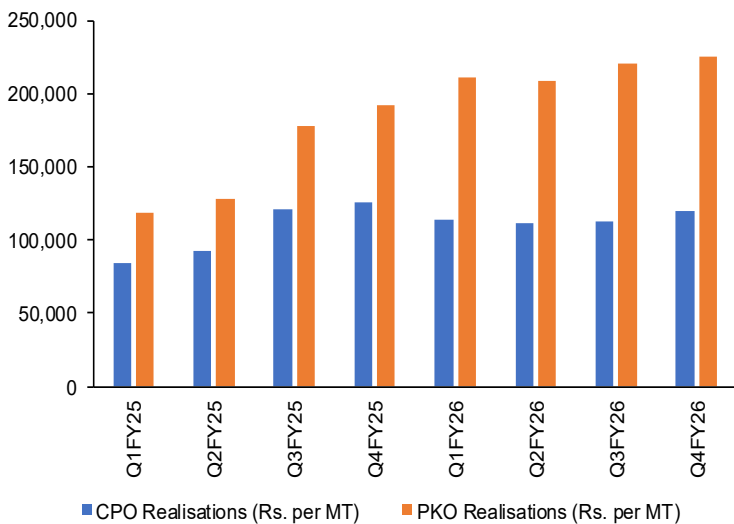
Animal Feed Business Sales Volume Tons (MT)



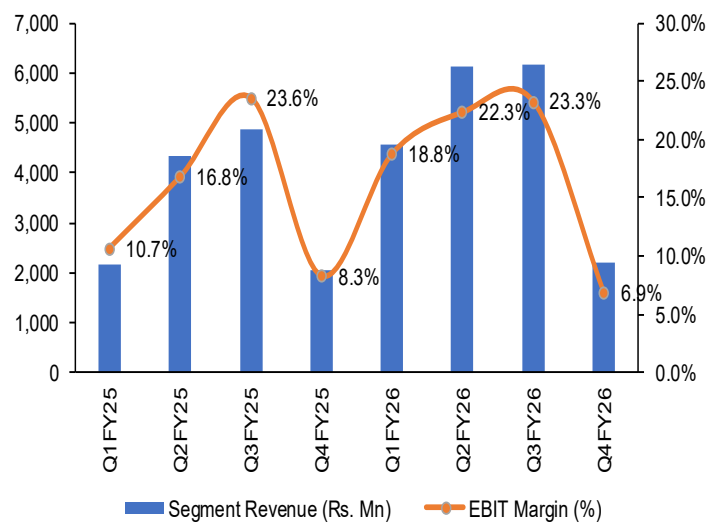
Animal Feed Business segmental performance



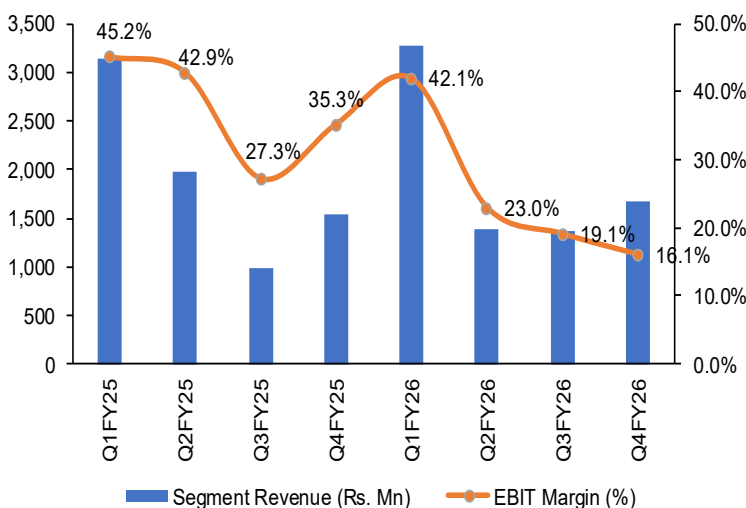
Vegetable Oil Business Realizations



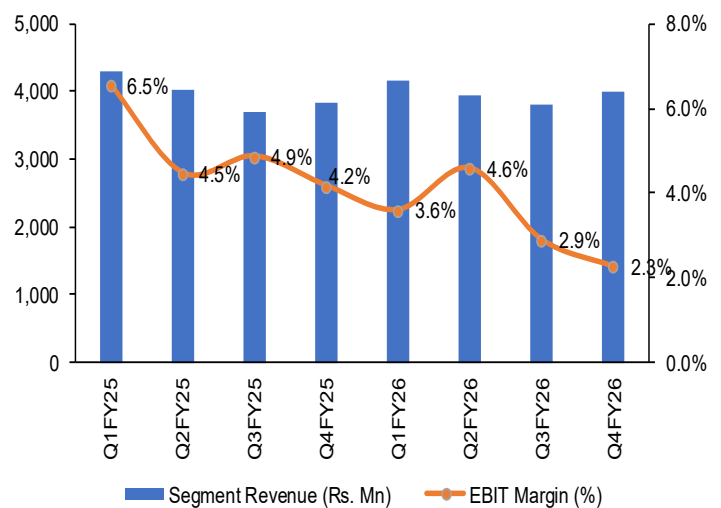
Vegetable Oil Business segmental performance



Crop Protection Business segmental performance



Dairy Business segmental performance



Source: Company, Bpwealth Research

Key Financials

YE March (Rs. mn)	FY23	FY24	FY25	FY25	FY27E	FY28E
Net Sales	93,740	95,610	93,828	102,330	112,410	121,297
Growth %	12.9%	2.0%	-1.9%	9.1%	9.9%	7.9%
EBIDTA	5,230	7,010	8,162	8,640	10,040	11,382
Growth%	-21.8%	34.0%	16.4%	5.9%	16.2%	13.4%
Net Profit	2,950	3,590	4,297	4,450	5,496	6,526
Growth %	-29.6%	21.7%	19.7%	3.6%	23.5%	18.7%
Diluted EPS	15.7	18.7	22.4	24.6	28.6	33.9

Profitability & Valuation

EBIDTA (%)	5.6%	7.3%	8.7%	8.4%	8.9%	9.4%
NPM (%)	3.1%	3.8%	4.6%	4.3%	4.9%	5.4%
ROE (%)	12.6%	14.3%	18.0%	21.9%	21.3%	20.2%
ROCE (%)	9.0%	12.4%	15.6%	17.6%	19.8%	22.2%
P/E (x)	35.2	29.6	24.8	22.5	19.4	16.3
EV/EBITDA (x)	24.3	18.1	15.5	14.6	12.3	10.9
Net Debt/EBITDA (x)	2.5	1.7	1.5	1.4	1.3	1.1

Source: Company, Bloomberg Estimates

Disclaimer Appendix**Analyst (s) holding in the Stock : Nil****Analyst (s) Certification:**

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