

Result Update

Q4 FY26

UPL Ltd.

Institutional
Research

Steady performance led by broad-based volume growth and improved product mix

Result Highlights

The company posted a revenue increase of 17.7% YoY / up 49.4% QoQ to Rs. 183,350 mn, above market expectations of Rs. 150,060 mn. Revenue growth for the quarter was primarily driven by robust volume expansion, recovery in global crop protection demand, strong traction in herbicides and fungicides, improved channel inventory normalization, and healthy performance of differentiated, sustainable product portfolios. UPL Limited reported strong growth across international geographies during the quarter, led by North America (+23%), Latin America (+21%), Europe (+19%), and Rest of the World (+19%), reflecting robust volume traction, market share gains, and buoyant demand across key product categories. However, the India business declined 9% YoY, impacted by adverse monsoon conditions, pricing pressure, and portfolio rationalization in select products. EBITDA increased 11.5% YoY / up 53.6% QoQ to Rs. 35,580 mn, while EBITDA margin stood at 19.4% (up 52bps QoQ) in Q4FY26, driven by better product mix and lower input costs, which led to margin expansion. In Q4FY26, PAT stood at Rs. 12,940 mn (up 164.1% QoQ / up 19.9% YoY) in Q4FY26, above market expectations of Rs. 8,691 crores. PAT margin rose to 7.1% versus 4.0% in the previous quarter. Management remains optimistic on FY27 growth outlook, supported by market share gains, differentiated product launches, margin expansion initiatives, and continued focus on sustainable solutions and operational excellence.

Valuation and Outlook

UPL Limited delivered a strong operational performance in Q4FY26, supported by robust growth across international geographies, healthy margin expansion, and significant balance-sheet deleveraging, despite a challenging global agrochemical environment. Revenue growth was primarily driven by volume recovery, improved demand across key crop protection categories, strong traction in differentiated products, and market share gains across North America, Latin America, and Europe. EBITDA margins expanded meaningfully, aided by a better product mix, operational efficiencies, disciplined pricing, and supply-chain optimization, while strong free cash flow generation supported substantial debt reduction and improved leverage metrics. As we move forward, management remains constructive on the medium-term outlook, supported by normalization in global channel inventories, continued recovery in agrochemical demand, increasing contribution from differentiated and sustainable solutions, and strong momentum in the Advanta and specialty chemicals businesses. New product launches, innovation-led offerings, and operational efficiency initiatives are expected to support earnings growth and margin improvement going forward. Additionally, continued focus on working capital discipline, cash flow generation, and deleveraging is likely to strengthen return ratios and balance sheet flexibility. However, near-term performance may remain sensitive to agrochemical pricing trends, monsoon variability, currency movements, and geopolitical disruptions impacting global supply chains.

Key Highlights

Particulars (Rs. Mn.)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Net Sales	183,350	155,730	17.7%	122,690	49.4%
Gross Profit	82,120	70,220	16.9%	64,230	27.9%
Gross Margin (%)	44.8%	45.1%	-30bps	52.4%	-756bps
EBITDA	35,580	31,910	11.5%	23,170	53.6%
OPM (%)	19.4%	20.5%	-109bps	18.9%	52bps
Net Profit	12,940	10,790	19.9%	4,900	164.1%
Net Profit Margin (%)	7.1%	6.9%	13bps	4.0%	306bps

Source: Company, BP Equities Research

Sector Outlook

Neutral

Stock

CMP (Rs.)	627
BSE code	512070
NSE Symbol	UPL
Bloomberg	UPLL IN
Reuters	UPLL. BO

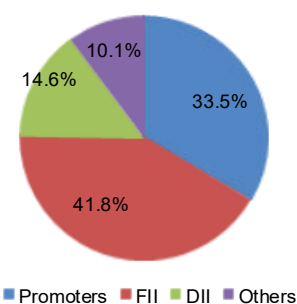
Key Data

Nifty	23,379
52 Week H/L (Rs.)	812/565
O/s Shares (Mn)	844
Market Cap (Rs. bn)	529
Face Value (Rs.)	2

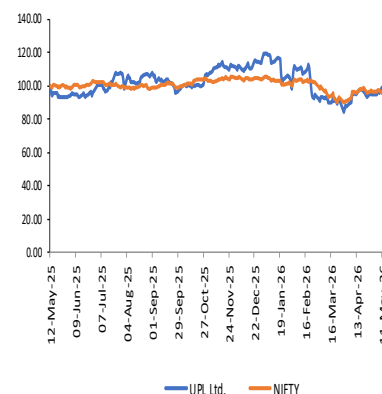
Average Volume

3 months	2,748,280
6 months	2,915,100
1 year	2,722,990

Share Holding Pattern (%)



Relative Price Chart



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Key Concall Highlights

Latin America Business Outlook:

The company's management highlighted a strong recovery outlook for the Latin America business, driven by normalization of channel inventories, improving farmer profitability, and healthy demand across key crop protection categories. The region delivered robust ~21% annual growth in FY26, driven by volume recovery, market share gains, and strong traction for differentiated and specialty products. Brazil continued to witness improving demand conditions following an extended period of de-stocking and pricing pressure. Looking ahead, management expects continued momentum in the region, supported by new product launches, biological and sustainable agriculture solutions, stronger channel engagement, and operational efficiency initiatives.

North America Business Outlook:

The company remains optimistic about the North American business outlook, supported by improving demand conditions, market share gains, and strong traction for differentiated crop protection products. The region reported robust ~23% annual growth in FY26, driven by healthy volume recovery, channel inventory normalization, and improved customer engagement across key crop segments. Management expects growth momentum to continue in FY27, aided by new product launches, stronger penetration in herbicides and fungicides, and increasing adoption of sustainable and specialty solutions.

Europe Business Outlook:

The European business has improved, supported by stronger demand trends, normalizing channel inventories, and continued traction for differentiated and sustainable crop protection solutions. The region delivered strong ~19% YoY growth during FY26, driven by volume recovery, better product mix, and market share gains across key markets. Management expects momentum to sustain in FY27, aided by new product launches, increasing adoption of biologicals and specialty offerings, and stronger customer engagement initiatives.

UPL Sustainable Agri Solutions:

UPL Sustainable Agri Solutions Limited is the domestic crop protection and agricultural solutions business of UPL Limited, focused on providing integrated farming solutions across seeds, crop protection, plant nutrition, biologicals, and digital agriculture. The business operates with a farmer-centric approach and has been strengthening its portfolio through differentiated products, sustainable agricultural practices, biological solutions, and technology-led farming initiatives. Management highlighted continued focus on improving business quality, expanding market penetration, strengthening channel engagement, and driving growth through new product launches and differentiated offerings across key crop categories.

Advanta Enterprises:

Advanta Enterprises Limited is UPL Limited's global seeds platform, focused on developing and commercializing high-performance hybrid seeds across multiple crops and geographies. The business operates across Asia, Africa, Europe, Australia, and the Americas with a diversified portfolio spanning field corn, grain sorghum, sunflower, canola, vegetables, and post-harvest solutions. Management noted that Advanta continues to deliver resilient, profitable growth, driven by strong R&D capabilities, climate-smart hybrid development, a diversified geographic presence, and innovation-led product launches.

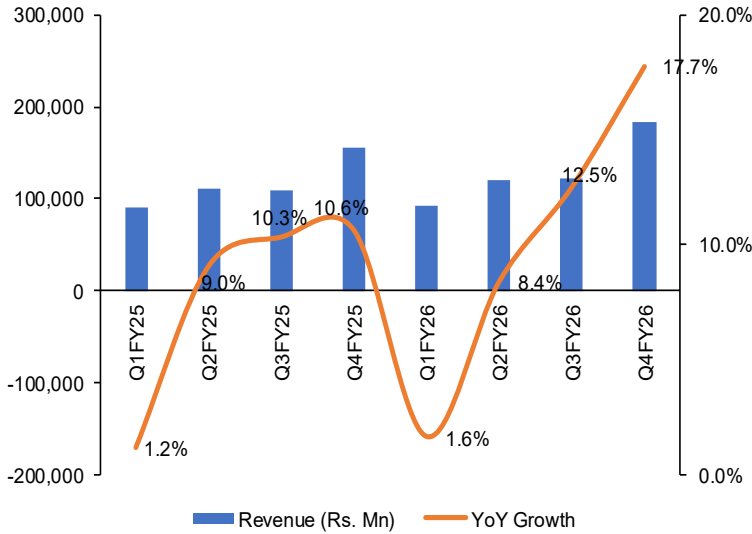
Guidance:

The company has guided for gradual improvement in growth and profitability, supported by recovery in global agrochemical demand, normalization of channel inventories, and continued traction in differentiated and specialty products. We expect EBITDA margins to continue improving, supported by a better product mix, operational efficiencies, and pricing discipline across key geographies.

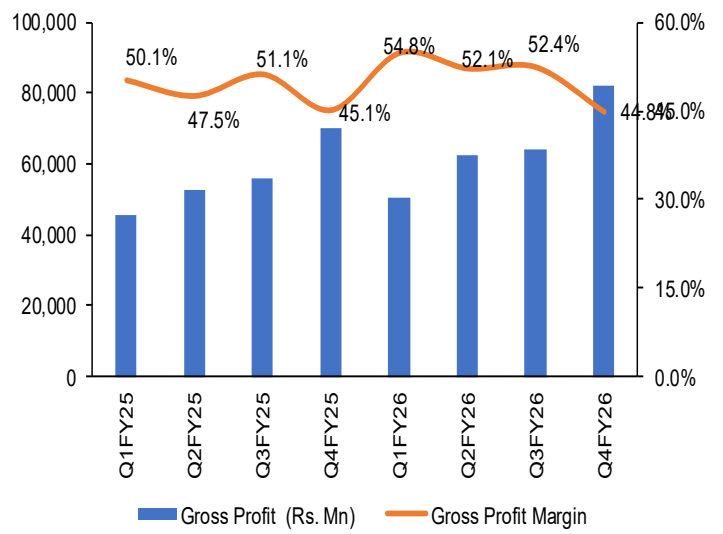
“Advanta is likely to remain a structural growth driver, while specialty chemicals are expected to scale up further with higher-margin contribution.”

Quarterly Snapshots

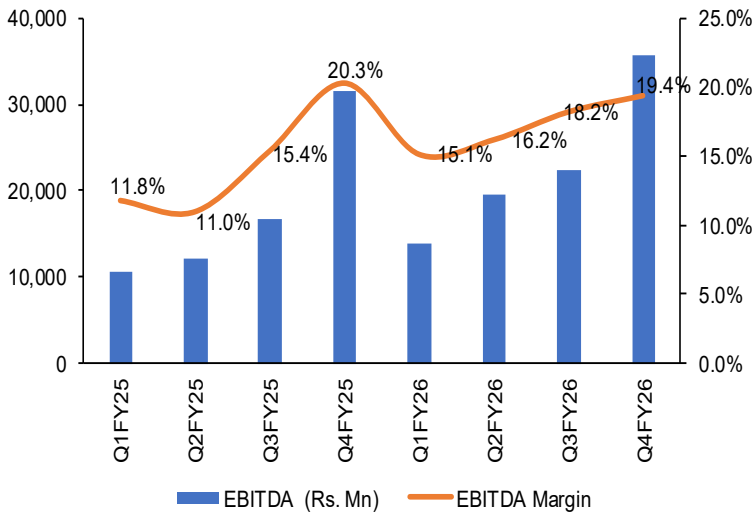
Revenues Grow at a Healthy Pace



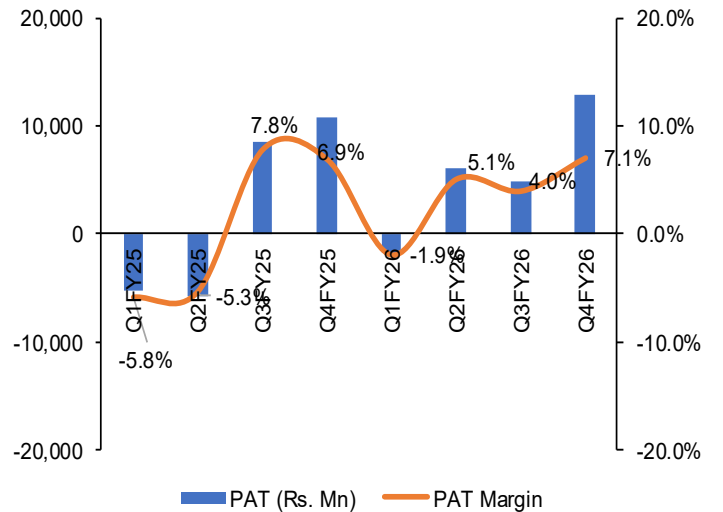
Gross Margin Remains Stable



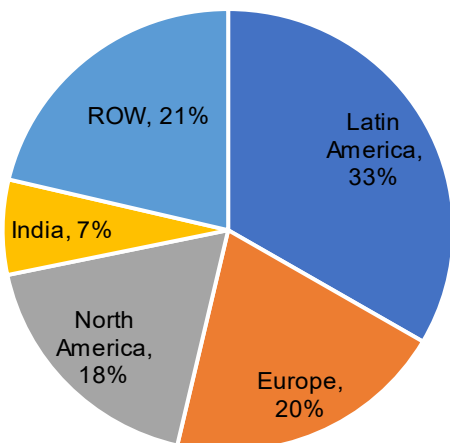
Operating Margin Witnessed Recovery



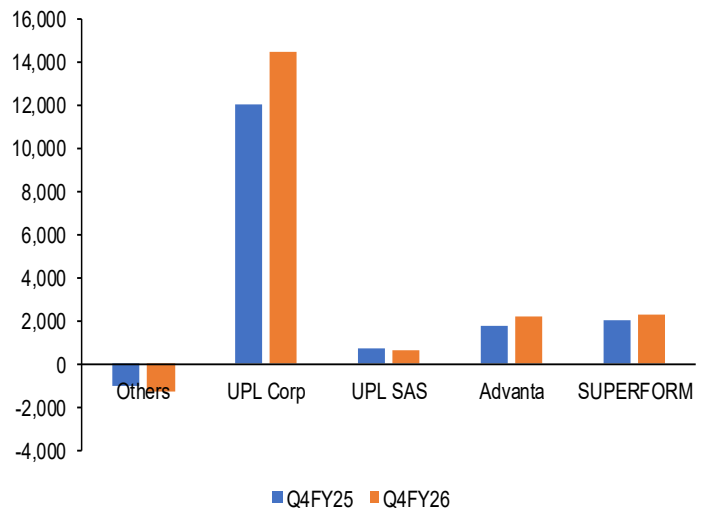
PAT Margin Improved



Quarterly Regional revenue mix (%)



Platform-wise Contribution (Rs. Mn)



Source: Company, Bpwealth Research

Key Financials

YE March (Rs. Mn.)	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Sales	535,760	430,980	466,370	518,390	544,070	596,680
Growth %	15.9%	-19.6%	8.2%	11.2%	5.0%	9.7%
EBITDA	101,960	42,970	71,280	90,780	107,210	118,990
Growth%	7.0%	-57.9%	65.9%	27.4%	18.1%	11.0%
Net Profit	44,140	-18,780	8,200	22,200	33,390	41,920
Growth %	-0.5%	-142.5%	-143.7%	170.7%	50.4%	25.5%
Diluted EPS	52.3	-22.3	9.7	22.8	39.6	49.7

Key Ratios

EBIDTA (%)	19.0%	10.0%	15.3%	17.5%	19.7%	19.9%
NPM (%)	8.2%	-4.4%	1.8%	4.3%	6.1%	7.0%
ROE (%)	16.4%	-7.6%	2.8%	6.4%	8.8%	9.9%
ROCE (%)	15.1%	2.8%	8.1%	10.0%	11.7%	13.0%
P/E (x)	12.0	-28.1	64.6	27.5	15.8	12.6
EV/EBITDA (x)	6.9	17.9	9.6	7.8	7.1	6.2
Net Debt/ EBITDA (x)	1.7	5.5	3.3	2.6	2.2	1.8

Source: Company, Bloomberg Estimates

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

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