

February 02, 2023



Current Price: ₹ 704.2

STOCK DATA

BSE Code	512070
NSE Symbol	UPL
Reuters	UPLL.BO
Bloomberg	UPLL IN

VALUE PARAMETERS

52 W H/L(Rs)	848.00/607.80
Mkt. Cap.(Rs Cr)	55559.98
Latest Equity(Subscribed)	150.12
Latest Reserve (cons.)	24808.00
Latest EPS (cons.) -Unit Curr.	58.43
Latest P/E Ratio -cons	12.67
Latest Bookvalue (cons.) -Unit Curr.	332.51
Latest P/BV - cons	2.23
Dividend Yield -%	1.38
Face Value	2

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/12/2022
Foreign	38.15
Institutions	21.72
Non Promoter Corp. Hold.	0.98
Promoters	30.74
Public & Others	8.41

Financials Results

Particulars	In Cr.		Var. (%)
	Qtr Ending Dec. 22	Qtr Ending Dec. 21	
Net Sales	13,679	11,297	21
OPM (%)	21.1	21.6	
OP	2,884	2,444	18
Other Inc.	115	70	64
PBIDT	2,999	2,514	19
Interest	894	529	69
PBDT	2,105	1,985	6
Depreciation	624	600	4
PBT	1,481	1,385	7
Share of Profit/(Loss) from Associates	34	14	143
PBT before EO	1,515	1,399	8
EO Income	-20	-53	62
PBT after EO	1,495	1,346	11
Taxation	135	167	-19
PAT	1,360	1,179	15
Minority Interest (MI)	273	243	12
Net profit	1,087	936	16
EPS (Rs)	14.7	12.81	

UPL Q3FY23 results: Confident of ending FY23 on a strong footing

UPL consolidated net increased 21.09% to Rs 13679 crore in Q3FY23 compared to Q3FY22. The growth in revenues was continued to be led by marginal increase in volumes (+1%) higher realizations (+13%) and favorable exchange rate (+7%).

Sales of Agro segment has gone up 22.57% to Rs 13,167.00 crore (accounting for 95.83% of total sales). Sales of Non Agro segment has gone down 9.05% to Rs 573.00 crore (accounting for 4.17% of total sales). Inter-segment sales came down from Rs 76.00 crore to Rs 62.00 crore. Profit before interest, tax and other unallocable items (PBIT) has jumped 26.66% to Rs 2,694.00 crore. PBIT of Agro segment rose 31.08% to Rs 2,632.00 crore (accounting for 97.70% of total PBIT). PBIT of Non Agro segment fell 47.90% to Rs 62.00 crore (accounting for 2.30% of total PBIT). PBIT margin of Agro segment rose from 18.69% to 19.99%. PBIT margin of Non Agro segment fell from 18.89% to 10.82%.

Overall PBIT margin rose from 18.70% to 19.61%. Operating profit margin has declined from 21.63% to 21.08%, leading to 18% rise in operating profit to Rs 2,884.00 crore. Raw material cost as a % of total sales (net of stock adjustments) increased from 45.62% to 47.18%. Employee cost decreased from 10.32% to 9.66%. Other expenses fell from 22.42% to 22.08%. Provisions writeoffs cost fell from 0.22% to 0.06%. Other provisions fell from 0.22% to 0.06%.

Other income rose 64.29% to Rs 115 crore. PBIDT rose 19.29% to Rs 2999 crore. Provision for

UPL : Consolidated Segment Results

	Qtr Ending Dec.22	Qtr Ending Dec.21	Var.(%)	In Cr. % of (Total)
Sales				
Agro	13167.00	10742.00	23	96
Non Agro	573.00	630.00	-9	4
Total Reported Sales	13740.00	11372.00	21	100
Less: Inter segment revenues	62.00	76.00	-18	
Net Sales	13678.00	11296.00	21	
PBIT				
Agro	2632.00	2008.00	31	98
Non Agro	62.00	119.00	-48	2
Total PBIT	2694.00	2127.00	27	100
Less : Interest	894.00	529.00	69	
Add: Other un-allocable	-305.00	-252.00	-21	
PBT	1495.00	1346.00	11	

interest rose 69% to Rs 894 crore. PBDT rose 6.05% to Rs 2105 crore. Provision for depreciation rose 4% to Rs 624 crore. Profit before tax grew 6.93% to Rs 1,481.00 crore. Share of profit/loss was 142.86% higher at Rs 34 crore. PBT before EO was up 8% to Rs 1515 crore. The company reported EO expense of Rs 20 crore compared to EO expense of Rs 53 crore. PBT after EO was up 11% to Rs 1495 crore. Provision for tax was expense of Rs 135 crore, compared to Rs 167 crore. Effective tax rate was 9.03% compared to 12.41%. Minority interest increased 12.35% to Rs 273.00 crore. Net profit attributable to owners of the company increased 16.13% to Rs 1,087.00 crore.

Management Comments:

Commenting on the performance, Mr. Mike Frank, CEO – UPL Global Crop Protection, said "We continued to see solid traction in Q3 FY23 following strong first half performance. The product prices remained firm leading to a healthy uptick in realizations. Grower margins remain strong due to elevated agriculture commodity prices, providing a good backdrop for the overall market. We also continued to invest in strengthening our customer relationships & farmer connect and towards building capabilities to drive differentiated and sustainable portfolio leading to higher SG&A in Q3. However, despite higher SG&A expenses, we have delivered a healthy 14% YoY growth in EBITDA.

Having said that, our priority remains on delivering profitable growth. In-line with this strategy, for the first nine months of FY23, we focused on achieving quality growth with better product mix and proactive pricing actions. This has enabled us to improve our margins and deliver robust 24% YoY growth in EBITDA.

Going forward, as we look ahead to the fourth quarter, the demand for agrochemicals continues to be strong, especially in the Americas. While there is some channel de-inventorying taking place, we expect strong volume growth in Q4. Given the positive backdrop, we are confident of ending FY23 on a strong footing and meeting our revenue and EBITDA growth guidance as well as the stated reduction in net debt to US\$ 2 Bn by March 2023."

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