



UPL Limited

Annual Report, 2017-18

Doing things better!



Financial performance, 2017-18

Particulars	Figures
Revenue (₹ crore)	17,920
EBITDA (₹ crore)	3,920
Net profit (₹ crore)	2,022
EBITDA margin (%)	21.9
Net profit margin (%)	11.3
Cash profit (₹ crore)	2,980
ROCE (%)	23.4
Enterprise value (₹ crore)	40,937
Earnings per share (₹)	39.79
Promoter's holding (%)	27.72
Institutional holding (%)	50.64
Market capitalisation (₹ crore)	37,131

Forward-looking statement

This document contains statements about expected future events and financial and operating results of UPL, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the UPL Annual Report 2017-18.

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‘DOING THINGS BETTER’.

More than a phrase,
a philosophy instead.

Not just enunciated.
But lived as well.

Helping develop faster.
Expand efficiently.
Widen portfolio.
Optimise costs.
Secure resources.
Market deeper.
Trade responsibly.
Enhance value.
Enrich stakeholders.

Addressing everything.

UPL. Outperformer

When the global crop protection chemicals industry passed through one of its most challenging phases, it would have been reasonable to seek growth cues from the marketplace.

At UPL, we sought our cues from within.



We expanded existing downstream capacities; we built new plants in India and Brazil.



We commissioned capacities to manufacture key raw materials



We invested within to increase operating efficiency



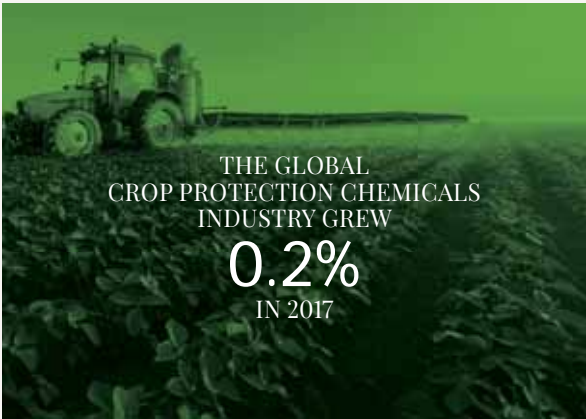
The result is in our outperformance.

Highlights, 2017–18

WE ENHANCED CONSUMER
CHOICE; LAUNCHED
101
PRODUCTS



WE STRENGTHENED THE
PIPELINE
FILED
247
PRODUCT REGISTRATIONS
AND
169
PATENTS



THE GLOBAL
CROP PROTECTION CHEMICALS
INDUSTRY GREW
0.2%
IN 2017

UPL GREW
7%
REINFORCING
ITS POSITION AS
ONE OF THE MOST
EXCITING GENERIC
CROP PROTECTION
CHEMICALS
COMPANIES.

6 things you need to know about UPL

1

Promoters



The Company is led by visionary invested promoters. The Company was founded by Mr. Rajju Shroff in the late Sixties, who is an industry statesman. The promoters invested ahead of the curve, built large and integrated capacities, generating economies of scale at one end and manufacturing economies at the other. The result is that UPL did not just emerge as India's largest crop protection chemicals company but one of the fastest growing in the global crop protection chemicals sector. The Company is actively managed by Jai Shroff, Global CEO, and a team of competent professionals.

2

Global presence



UPL (incorporated in 1969) commenced with the manufacture of phosphorous-based industrial chemicals. Between 1980 and 2000, it diversified into crop protection chemicals and specialty chemicals. Between 2000 and 2018, it transformed itself from a local to global player with more than 25 international acquisitions. The core of the Company's product selection has centred around products enjoying robust demand even after going off-patent. UPL markets products in 130+ countries.

3

Products



UPL has graduated from crop protection chemicals into a complete agro solutions provider (seeds, crop protection chemicals, biologicals, soil nutrients and post-harvest solutions). The Company's product basket comprises offerings for multiple crops, fruits and vegetables, insulating from an excessive dependence on any one segment. The Company is the second largest post-patent global player in the crop protection market. Its broad portfolio addresses >10 major crop sectors. Its product range addresses crops with relevance across seasons, de-risking it from seasonality.

UPL in numbers

2nd

GLOBAL RANKING AS
A POST-PATENT CROP
PROTECTION CHEMICALS
COMPANY

130+

NUMBER OF COUNTRIES
IN WHICH THE COMPANY
SELLS ITS PRODUCTS

35

NUMBER OF
MANUFACTURING
FACILITIES

7,435

NUMBER
OF GLOBAL
EMPLOYEES

Vision: To be a world-class organisation by enhancing value for customers and other stakeholders, by caring for employees to inspire their engagement as a motivated team in an open and learning environment, by setting new performance standards and by focusing on total quality control, innovation and responsive care towards the environment.

Mission: Manufacturing and supplying crop protection and specialty chemicals worldwide, by providing solutions to optimise farm productivity for the farmer through innovative and cost-effective products, to provide the customer with better value for money.

4

Growing market share



Over the years, UPL has grown its share in whichever market it has selected to be present in. This has been a result of a keen ground-level understanding of farm realities, recognising market gaps, launching relevant products around superior price-value and enhancing farm viability. The result is that the Company accounts for a 14.3% share of India's organised crop protection chemicals sector, the largest market for the Company.

5

Confidence-enhancing brands



UPL's growth has been driven by brands that have enhanced farmer trust. These brands have delivered the following attributes: enhanced effectiveness in line with desired objectives, reinforced farm viability, strengthened functional ease and evolved from a product into a friend. The effectiveness has been reflected in multi-year growth from these brands and a disproportionate share of markets.

6

Driven by values



UPL has been driven by over-arching values, enhancing organisational and stakeholder clarity.

25+

ACQUISITIONS IN MORE
THAN TWO DECADES

241

NUMBER OF PATENTS
AWARDED TO THE
COMPANY

6,181

NUMBER OF PRODUCT
REGISTRATIONS ACROSS
COUNTRIES

What we have achieved

1969

- Started manufacturing red phosphorus

1976

- Entered the crop protection chemicals sector
- Started exporting products

1980

- Started production of yellow phosphorus at Ankleshwar

1994

- Acquired the UK-based MTM Agrochemical to gain access to the European herbicides market
- Commenced operations at the Jhagadia plant, UPL's largest manufacturing site with a cumulative capacity of 240,000 metric tonnes per annum

2010

- Leveraged the global sales and marketing network for the rice segment with the acquisition of RiceCo
- Diversified into the Manzate fungicide business via dedicated manufacturing facilities

2012

- Acquired DVA Agro and SIB in Brazil to access the Brazilian market

2014

- Crossed ₹100 billion in revenues
- Introduced Unizeb Gold