

# Directors Report

To,  
The members of  
**UPL Limited**

Your Directors have pleasure in presenting their report and audited accounts for the year ended on 31st March, 2018.

## FINANCIAL RESULTS

(₹ In crores)

	Consolidated		Standalone	
	Current Year	Previous Year	Current Year	Previous Year
<b>Total Revenue</b>	<b>17920</b>	<b>17124</b>	<b>7809</b>	<b>7602</b>
Earnings before interest, tax, depreciation, amortisation, exceptionals, prior period adjustments and minority interest	3919	3429	1384	1268
Depreciation/amortisation	675	672	666	655
Finance Cost	783	735	135	149
Exceptional items	63	81	7	46
Loss from Associates	93	19	-	-
Profit before tax	2305	1922	576	418
Provision for taxation				
Current tax	311	293	180	89
Adjustments of tax relating to earlier years	(79)	5	(83)	-
Deferred tax	43	(109)	(69)	84
Profit after tax	2030	1733	548	245
Minority interest	8	6	-	-
Net profit for the year	2022	1727	548	245

## OPERATIONAL PERFORMANCE

The Company had another year recording satisfactory results. While most of the peers in the industry had a negative growth, the Company recorded a decent growth of about 7%.

Some of the highlights of the Company's global performance are as under:

- Revenue from operations increased by 5% to ₹ 17,506 crores.
- EBIDTA improved by 14% to ₹ 3,919 crores.
- Profit before taxes have gone up by 20% to ₹ 2,305 crores.
- Profit after taxes have gone up by 17% to ₹ 2,029 crores.

Region wise performance highlights are as under:

In India, the market for agrochemicals was fairly flat and grew by just 7%. During the year, the country recorded below normal rainfall

of about 95% of long period average. In the months of June and July, there were exceptionally good spells of rain in most parts of country. But subsequently, prolonged dry spells across the country were seen. This resulted in decline in sale of fungicides. The southern states suffered from deficit rains and received good rains only at the end of the season. Worst floods were witnessed in Gujarat, Rajasthan and Mumbai. There were heavy floods in Assam, Bihar, Uttar Pradesh and Odisha. The rabi season was not very encouraging for agrochemicals, due to low temperatures and higher humidity, making the crops resistant to pest attacks. At the beginning of the year, the introduction of GST and confusion in the market prevailing due to this had significantly adverse effect on Company's sales. The channel stopped fresh purchases and old inventory was returned. Subsequently, the market has adjusted to this new tax regime and it is expected that in coming years, higher sales can be expected.