

Opportune

Exclusively curated opportunities to re-enter fundamentally strong companies at attractive valuations!

BUY – UPL

CMP: ₹742 (Upside Potential: 22.6%) as on 9th June 2022

Fair Value (FV): **₹910** | Time Period: **12 months**

Why Invest?

- Management expects to repay US\$40 cr in FY2023, bringing net debt-to-EBITDA to a very manageable ~1.5x.
- Post the acquisition of Arysta, UPL has transformed itself by adding capabilities it previously lacked, particularly R&D and partnerships.
- We expect the launch of differentiated products such as CTPR and biologics to help the company continue to outpace the industry.
- The company's ability to attract leading partners such as FMC and Chr Hansen is a testament to its standing in the global industry.
- Expect UPL to report EPS of Rs60.2 & Rs70.1 in FY23E & FY24E, respectively.
- We value UPL at 13x FY24E P/E and arrive at a fair value of Rs910.

Maintain BUY with **FV: ₹ 910**

Read Full Report

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