

Best Agrolife Delivers Strong Q2 FY25 Performance with Enhanced Profitability and Strategic Growth Initiatives

Category: Business

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- Q2 FY25 Revenue from Operations at Rs. 746.6 Crore
- 193 bps improvement in EBITDA margins at 20%

Best Agrolife Limited (BSE: 539660, NSE: BESTAGRO), amongst India's leading agrochemicals manufacturers, announced its unaudited financial results for the quarter and half year ended September 30th, 2024, in the Board meeting held on 18th October, 2024.

Commenting on the result and overall update on the Q2 FY25, **Mr. Vimal Kumar, Managing Director, Best Agrolife Ltd.** said, *"We are pleased to announce that Best Agrolife Ltd. has delivered a strong performance in Q2 FY25, capitalizing on favorable market conditions and executing our strategic shift toward branded sales. Our commitment to enhancing brand visibility and expanding our market presence has yielded positive results, contributing significantly to both top-line and bottom-line growth."*

During H1 FY25, we secured three key patents for our innovative formulations, reinforcing our leadership in the crop protection segment. Our branded products continued to perform exceptionally well across regions, driving overall revenue growth. As a result of these efforts, we saw a substantial improvement in profitability, with our margins expanding from 26% to 34% year-on-year.

Due to our effective working capital management, we have seen a significant improvement in cash flow from operating activities, rising from ₹15 crores in H1FY24 to ₹125 crores in H1FY25, reflecting our ongoing focus on optimizing financial performance.

A notable achievement has been the effective management of sales returns-a challenge we faced in the previous fiscal year. By optimizing our supply chain to better align with channel demand, we successfully reduced sales returns, which are expected to remain significantly lower than last year.

Furthermore, we have now fully liquidated our high-cost inventory, positioning us for a more agile and responsive approach to future market dynamics.

Although seasonal conditions were generally more favorable compared to last year, some regions experienced excessive and continuous rainfall, which resulted in fewer crop sprays. However, the overall impact of above-average rainfall has been largely positive, particularly in key agricultural regions.

Indias water reservoirs are currently at 88% of total capacity-14% above normal levels-creating a strong foundation for the upcoming Rabi season. In regions such as Maharashtra, Karnataka, Andhra Pradesh, and Telangana, where live water storage levels exceed 90%, we anticipate robust agricultural activity, setting the stage for a highly productive second half of the fiscal year.

Looking ahead, we are excited about our strong product pipeline for Q3 and Q4 FY25. In the upcoming quarter, we plan to launch our patented herbicide '**Shot Down**' alongside a new insecticide. Additionally, two more cutting-edge insecticides are slated for release in Q4, further strengthening our product portfolio and market competitiveness.

"As we move forward, Best Agrolife remains committed to leveraging innovation, expanding brand presence, and

maintaining financial discipline to drive sustainable growth in the coming quarters."

Key Financial Highlights (Rs. Crore)

Particulars (Rs. Cr.)	Q2 FY25	Q2 FY24	Y-o-Y	H1 FY25	H1 FY24
Revenue	746.6	811.2	(8.0)%	1,265.9	1,423.4
EBIDTA*	147.1	144.1	2.1%	201.7	274.1
EBITDA Margin (%)	19.7%	17.8%	193 Bps	15.9%	19.3%
PAT	94.7	94.9	(0.2)%	115.9	185.4
PAT Margin	12.7%	11.7%	99 Bps	9.2%	13.0%

*EBITDA is calculated excluding other income

Financial Highlights

- Q2FY25 Revenue from Operations declined by 8% YoY to Rs. 746.6 crore in Q2 FY25 compared to Rs. 811.2 crore in Q2 FY24 due to lesser sprays on account of continuous rains and a strategic higher focus on branded sales. Branded sales contributed 65% to the overall revenue as compared to 63% in Q2FY24
- Q2 FY25 EBITDA was at Rs. 147.1 crore compared to Rs. 144.1 crore in Q2 FY24. EBITDA margin stood at 19.7% with an increase of 193 Bps on YoY basis, mainly on account of stability in raw material prices & higher sales of branded products.
- Q2 FY25 PAT stood at Rs. 94.7 crore compared to Rs. 94.9 crore in Q2 FY24
- As on September 30, 2024, the Net Debt to equity has improved to 0.59 as compared to 0.90 as on 31st March 2024.

Business Highlights

- The Company was granted a patent for its novel ternary pesticide formulation that integrates Isoprothiolane, Pymetrozine, and Trifloxystrobin; as well as one for its

fungicide formulation that combines Trifloxystrobin and Valifenalate.

- Best Agrolife received a patent for innovative insecticide formulation '**Nemagen**' that combines Chlorantraniliprole, Novaluron, and Emamectin Benzoate
- The Company received regulatory approval for Nemagen, an insecticide formulation called to target resistant pests causing major crop damage.

About Best Agrolife Limited

Best Agrolife Ltd (BAL) is a leading agrochemical company committed to delivering innovative solutions for sustainable agriculture. Presently, BAL boasts manufacturing capacities of 7,000 MTPA for technicals and 35,500 MTPA for formulations across three manufacturing plants situated in Gajraula, Greater Noida, and Jammu & Kashmir. With a network of over 10,000 distributors across India, BAL maintains an impressive portfolio of 494+ formulations and holds over 123 technical manufacturing licenses domestically in India. With a focus on quality, integrity, and customer satisfaction, BAL continues to set new benchmarks in the agrochemical industry.

For more details, please visit: www.bestagrolife.com.