

AWL AGRI BUSINESS

RESULT FLASH



KEY DATA

Rating	BUY
Sector relative	Neutral
Price (INR)	275
12 month price target (INR)	397
52 Week High/Low	353/232
Market cap (INR bn/USD bn)	357/4.0
Free float (%)	9.2
Avg. daily value traded (INR mn)	585.7

SHAREHOLDING PATTERN

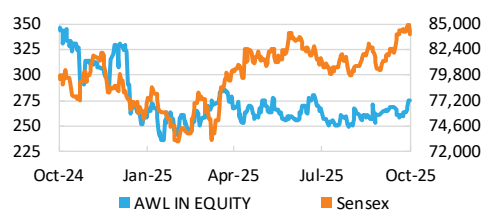
	Sep-25	Jun-25	Mar-25
Promoter	63.94%	74.36%	74.36%
FII	14.11%	4.61%	4.31%
DII	8.82%	8.62%	8.90%
Pledge	0%	0%	0%

FINANCIALS

(INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Revenue	5,12,616	6,36,722	6,94,240	7,41,851
EBITDA	11,353	24,817	23,951	26,558
Adjusted profit	2,015	12,258	12,446	15,470
Diluted EPS (INR)	1.6	9.5	9.6	11.9
EPS growth (%)	(65.4)	510.4	1.5	24.3
RoAE (%)	2.4	13.8	12.4	13.5
P/E (x)	172.2	28.2	27.8	22.4
EV/EBITDA (x)	31.6	14.4	14.5	12.7
Dividend yield (%)	0	0	0	0

PRICE PERFORMANCE



Beat in EBITDA

AWL Agri Business (AWL) revenue grew 21.7% YoY – in-line with our and consensus estimates. EBITDA grew 21.5% YoY beating our/street's expectations. Overall volume grew 2% YoY driven by edible oil and industry essentials segment. In value terms, Edible Oils /Industry Essentials grew 26% YoY /19% YoY while in volume terms Edible Oils /Industry Essentials grew 2% YoY /20% YoY. Foods & FMCG volume/value declined 10% YoY/ 2% YoY impacted by rice business and wheat weak flour demand. Ex-rice, volumes inched down 1% YoY. Gross margin declined 61bp YoY while EBITDA margin remained flat YoY.

We will revisit our estimates and TP post the earnings conference call. Retain 'BUY'.

Segmental and channel performance highlights

Edible Oils: The segment report volume/value growth of 2% YoY /26% YoY. Growth was mainly price-led due to significant inflation in edible oil prices. Branded products volumes grew in low single digit impacted by low single digit decline in Palm and Mustard oil sales. Grammage-led growth continued in sun and soya oil. The company launched 750ml pack of soya oil. Overall, performance was affected by weak demand and down-trading by consumers. In Patanjali Foods, edible oil sales grew 17.2% YoY.

Food and FMCG: The segment volume/value declined 10% YoY/ 2% YoY impacted by consolidation of regional rice business and wheat weak flour demand. Ex G2G business, volume inched down 1% and revenue grew 4% YoY (highest revenue in a quarter). Branded business revenue grew 7% YoY and volume grew 5% YoY led by double-digit volume growth in Basmati rice, sugar and poha. Prices in pulses, besan and soya nuggets softened. Branded basmati rice sales exceeded 20% both in Q2 and H1. Branded soya suggest volume declined marginally in Q2 while branded poha and sugar volumes grew in double digits.

Industry essentials: The segment volume/value grew 20% YoY/19% YoY driven by growth in Oleo chemicals and de-oiled cake business. Castor oil and derivative volumes grew in mid-single digit. Highest PBT of INR1.3bn in last 13 quarters.

Coverage expansion: Direct retail reach expanded by 19% YoY to 9,00,000 outlets and rural town coverage reached to 58000 towns.

Channels performance: Q-comm volumes grew 86% YoY in Q2. Revenue from Modern trade and E-comm crossed INR44bn on LTM basis.

More details are awaited on the call that will be hosted on 4th November at 11.30 am IST @ 022 6280 1144. [Diamond Pass Registration](#)

Quick Take:

INR mn	Q2FY15	Q2FY25	YoY	Q1FY26	QoQ	Q2FY25E	Deviation
Net Sales	1,76,046	1,44,605	21.7%	1,70,587	3.2%	1,79,310	-1.8%
EBITDA	6,882	5,662	21.5%	3,659	88.1%	5,200	32.3%
PAT	2,449	3,110	(21.3%)	2,379	2.9%	2,527	-3.1%

What to ask?

- What are your medium-term growth assumptions for each segment — edible oils, foods, and industry essentials for FY26?
- What topline growth trajectory do you expect for FY26 and FY27, and which categories will lead this expansion?
- What is your EBITDA margin outlook for FY26 and FY27, and what mix or cost efficiencies will drive improvement?

Exhibit 1: Trends at a glance

Particulars	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Revenue (INR mn)	1,29,281	1,22,672	1,28,284	1,32,380	1,41,686	1,44,605	1,68,593	1,82,296	1,70,587	1,76,046
EBITDA (INR mn)	1,304	1,437	5,042	3,570	6,189	5,662	7,916	4,483	3,659	6,882
PAT (INR mn)	-597	-772	2,009	1,567	3,132	3,110	4,109	1,907	2,379	2,449
Revenue growth (%)	-12.2	-13.3	-16.6	-4.6	9.6	17.9	31.4	37.7	20.4	21.7
EBITDA growth (%)	-70.6	-43.4	13.1	-0.5	374.6	294.0	57.0	25.6	-40.9	21.5
Overall volume growth (%)	25.0	11.0	5.0	3.0	12.0	12.0	5.0	8.0	-5.0	2
Gross Margin (%)	9.1	10.0	12.9	13.5	12.8	12.3	13.3	9.6	9.4	11.6
EBITDA Margin (%)	1.0	1.2	3.9	2.7	4.4	3.9	4.7	2.5	2.1	3.9
									-5	5
Edible oil										
Revenue growth %	-14.5	-19.5	-22.8	-5.5	8.2	21	38	45	26	26
Volume (MMT)	0.89	0.85	0.94	0.98	1.00	1.00	0.98	1.04	0.96	1.00
Volume growth %	27	4	-2	11	12	17	4	7	-4	2
Food & FMCG										
Revenue growth %	27.6	26.4	24.9	15.7	39.7	34.0	22.0	9.0	-8.0	-2.0
Volume (MMT)	0.23	0.26	0.26	0.28	0.33	0.35	0.31	0.30	0.26	0.35
Volume growth %	21	19	17	9	42	33	23	10	-20.00	-10
Industry essentials										
Revenue growth %	-15.6	1.7	0.4	-11.5	0.0	-9.0	4.0	17.0	12.0	19.0
Volume (MMT)	0.36	0.34	0.34	0.28	0.34	0.29	0.32	0.30	0.36	0.29
Volume growth %	21	25	17	-22	-6	-15	-3	8	6	20

Source: Company, Nuvama Research

Exhibit 2: Consolidated segmental performance

Year to March - Net Revenues (INR mn)	Q2FY26	Q2FY25	% growth YoY	Q1FY26	% growth QoQ
Edible oil	1,38,277	1,09,660	26.1	1,34,147	3.1
Foods	16,811	17,182	-2.2	14,151	18.8
Industry essentials	20,958	17,657	18.7	22,299	-6.0
EBIT (INR mn)					
Edible oil	1,712	3,788	-54.8	1,909	-10.3
Foods	565	28	1,909.3	754	-25.2
Industry essentials	1,308	556	135.3	1,001.5	30.6
EBIT margin %	Q2FY26	Q2FY25	bps exp y-o-y	Q1FY26	% growth QoQ
Edible oil	1.2	3.5	-222	1.4	-18
Foods	3.4	0.2	319	5.3	-197
Industry essentials	6.2	3.1	309	4.5	175

Source: Company, Nuvama Research

Exhibit 3: Consolidated financial snapshot (INR mn)

Year to March	Q2FY26	Q2FY25	% change	Q1FY26	% change
Total Income	1,76,046	1,44,605	21.7	1,70,587	3.2
Cost of goods sold	1,55,551	1,26,889	22.6	1,54,551	0.6
Gross profit	20,495	17,716	15.7	16,035	27.8
Staff costs	1,477	1,136	30.1	1,498	(1.4)
Other expenditure	12,136	10,918	11.2	10,878	11.6
Total expenditure	13,613	12,054	12.9	12,376	10.0
EBITDA	6,882	5,662	21.5	3,659	88.1
Depreciation	1,070	924	15.8	1,028	4.2
EBIT	5,812	4,738	22.7	2,631	120.9
Other income	(790)	1,049	NM	2,061	NM
Interest and financial charges	1,893	1,767	7.1	1,586	19.3
PBT	3,129	4,019	(22.1)	3,106	0.7
Provision for taxation	854	1,200	(28.8)	788	8.3
Core Profit	2,276	2,819	(19.3)	2,318	(1.8)
Share in JV	173	291	(40.5)	62	179.9
Reported PAT	2,449	3,110	(21.3)	2,379	2.9
Adjusted PAT	2,449	3,110	(21.3)	2,379	2.9
Number of shares	1,295	1,300	(0.3)	1,295	0.0
EPS	1.9	2.4	(21.0)	1.8	2.9
as % of net sales					
COGS	88.4	87.7	61	90.6	(224)
Staff costs	0.8	0.8	5	0.9	(4)
Other expenditure	6.9	7.6	(66)	6.4	52
EBITDA	3.9	3.9	(1)	2.1	176
EBIT	3.3	3.3	2	1.5	176
PBT	1.8	2.8	(100)	1.8	(4)
Net profit	1.3	1.9	(66)	1.4	(7)
Tax rate	27.3	29.8	(257)	25.4	190

Source: Company, Nuvama Research

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Abneesh Roy

Head of Research Committee

Abneesh.Roy@nuvama.com
