Uniparts India Ltd — Nov 2026 Quarterly Analysis

1. VERDICT & BUSINESS QUALITY SNAPSHOT

Result: Strong Beat (Revenue) / Inline (Margins) **One-line:** The thesis is strongly reinforced as Uniparts demonstrates "anti-cyclical" growth, outperforming a -17% Large Ag industry decline through new business wins while the Small Ag cycle finally pivots to growth.

Dimension	This Quarter	Signal / Evidence	Sentiment
Beat/Miss vs Guidance / Prior Quarter	Strong Beat	Revenue grew 36.7% YoY to □378.5 Cr, well ahead of the ~25% implicit guidance; Revenue up 9% QoQ.	□
Earnings Quality	High (Core driven)	Growth driven by a 25% YoY surge in Small Ag and a 50% jump in Aftermarket; Gross Margins remain elite at 65.7%.	□
Guidance Confidence	Strong	Management confirmed the turn in the Small Ag cycle and maintained a 20% EBITDA margin floor despite industry volatility.	□
Management Credibility	Strong	Successfully grew Large Ag segment by 10% despite a 17% industry contraction; proves "market share gain" claims.	□
Business Quality Signal	Improving	Revenue mix continues to shift toward PMP (55%) and CFM (45.8%), reducing the traditional "Small Ag Linkage" concentration.	□
Key Q&A Exchange	N/A	PPT_ONLY: Not applicable.	□
The Street's Primary Anxiety	Large Ag Trough	Mgmt showed 10% growth in this segment via new business wins, decoupling performance from the -17% industry hit.	□
Capital Cycle Stage	Harvesting / Growth	Maintaining 30.2% TTM ROCE while funding the Mexico warehouse and Ludhiana fabrication facility from internal accruals.	□
Margin / Return Ratio Trajectory	Stable (High Level)	EBITDA margins (23.1%) compressed QoQ from a Q1 peak (25.3%) but remain significantly above the historical 18-20% range.	□
Pricing Power	Stable	Gross Margin at 65.7% (vs 66.6% QoQ) indicates stable pass-through despite a changing product mix.	□
FCF Conversion & Quality	Distorted	Net Cash fell to □172.4 Cr (from □190 Cr in Q1); implies significant working capital absorption or capex in Q2.	□
Competitive Moat Signals	Widening	Dual-shore model utilization is increasing; Aftermarket reach expanded to 16.5% of revenue, a structural high.	□
Balance Sheet Strength	Strong	Net Cash position of □172.4 Cr; Net Debt Free with negligible finance costs (□4.8 Cr in H1).	□
Working Capital Efficiency	Deteriorating	TTM Working Capital days rose to 139 (vs 136 in FY26), likely due to Mexico inventory pre-stocking.	□
Mgmt Guidance Track Record	Reliable	Consistently delivering on the 20%+ margin promise while exceeding growth expectations.	□
Key Vulnerability / Red Flag	Customer Concentration	Top 5 customers now account for 78% of H1 sales (up from 76% in FY26); reliance on a few global OEMs is intensifying.	□
Management Tone	Confident	Bullish on the "Small Ag" turn and the ability to grow Large Ag through the cycle.	□

Sentiment: □Positive

Key Takeaways (Positives & Negatives): * **Positives:** The **Small Agriculture cycle has officially turned**, with Uniparts delivering 25% YoY growth in this segment compared to a flat/low-single-digit industry outlook. The **Aftermarket segment has normalized** robustly, reaching 16.5% of revenue (□63.3 Cr), proving that the Q1 pause was indeed transitory. Most impressively, the company grew its **Large Ag revenue by 10%** in a market where industry volumes crashed 17%, validating their "new business award" pipeline. * **Negatives: Margin compression is visible on a QoQ basis**, with EBITDA margins dropping from 25.3% to 23.1% and Gross Margins sliding 90bps. **Customer concentration is creeping up**, with the Top 5 OEMs now representing 78% of revenue. **Net Cash saw a minor dip** of □17.6 Cr during the quarter, suggesting elevated outflows for the Mexico warehouse setup or inventory. * **Forward Watchpoint:** Monitor the **EBITDA margin stabilization point**; while 23.1% is healthy, the 220bps QoQ drop suggests that the "super-normal" margins of Q1 may have been aided by a specific product mix that is now normalizing.

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2. BUSINESS PERFORMANCE

2A. KEY METRICS

DATA SOURCE: Concall not available — Mgmt Commentary column will be sparse or absent.

Metric	Current Qtr	YoY Change	QoQ Change	Trend	Mgmt Commentary
Volume (units)	Not in document	N/A	N/A	N/A	Driven by new business awards in Large Ag.
ASP (□/unit)	Not in document	N/A	N/A	N/A	Mix shifting toward higher-complexity PMP parts.
Domestic Revenue	□48.1 Cr	↑ 36.6%	↑ 8.1%	□	India growth estimated at 4-6% for Small Ag.
Export Revenue	□330.4 Cr	↑ 36.7%	↑ 9.1%	□	Driven by US/Europe Small Ag recovery.
Key OEM Conc. (Top 5)	78% (H1)	↑ 200 bps	↑ 700 bps	↓	Concentration increasing vs FY26 (76%) and Q1.
Revenue (Ops)	□378.5 Cr	↑ 36.7%	↑ 9.0%	□	Growth from Small Ag recovery & Aftermarket.
Gross Margin (%)	65.7%	↓ 370 bps	↓ 90 bps	↓	Likely impact of RM or product mix shift.
EBITDA (Incl. OI)	□88.6 Cr	↑ 38.6%	↓ 1.3%	□	Volume growth offset by margin compression.
EBITDA Margin %	23.1%	↑ 50 bps	↓ 220 bps	□	Margin compression from Q1's 25.3% peak.
PAT	□54.4 Cr	↑ 38.2%	↓ 3.9%	□	Impacted by lower margins and higher finance costs.
ROCE (%)	30.2%	↑ 530 bps	↑ 320 bps	□	Reflects strong TTM earnings performance.
Cash Flow (OCF)	Not in document	N/A	N/A	N/A	H1 data only; CFO/PAT not calculable for Q2.
Net Cash	□172.4 Cr	↑ 51.1%	↓ 9.3%	□	Down from □190 Cr in Q1; inventory/capex likely.
Interest Coverage	52.1x	↓ 6.1%	↓ 5.8%	□	Remains exceptionally high; debt is negligible.
Working Capital	139 Days	↑ 2.2%	→ 0.0%	□	Stable vs Q1; up slightly from FY26 (136 days).

2B. SEGMENT BREAKDOWN

Segment	Revenue (□ Cr)	YoY Growth	Margin	Trend	vs Company Avg	Key Development
Agriculture	□205.1	↑ 20.2%	Stable	□	Below	Small Ag grew 25% YoY; Large Ag grew 10%.
CFM (Const.)	□173.4	↑ 62.1%	Higher	□	Above	Continues to be the fastest-growing vertical.
3PL (Linkage)	□163.1	↑ 20.5%	~20%	□	In-line	Share in mix fell to 43.1% as PMP outpaces.
PMP (Precision)	□208.2	↑ 54.8%	High	□	Above	Now 55% of revenue; driven by CFM demand.
Aftermarket	□63.3	↑ 50.0%	Highest	□	Superior	Improved to 16.5% of total revenue.

3. MANAGEMENT OUTLOOK & EXECUTION TRACKER

Dimension	Category	Management Target / Claim	Required Run-Rate / Mathematical Feasibility	Historical Delivery	Risk Flag
Guidance	Revenue	FY27 growth to be "a few % points better" than FY26 (21%).	H1 growth is 31.5%; target is highly conservative/easily met.	Exceeded	Low
Guidance	Margins	Long-term EBITDA margin guidance remains at 20%.	Currently at 24.1% (H1); 20% floor provides a massive safety net.	Delivered	Low
Guidance	Small Ag	Expected growth: US/Canada (0-5%), India (4-6%).	Actual Q2 growth was 25%; indicates significant outperformance.	Exceeded	Low
Strategy	Large Ag	Focus on new business wins to offset -17% industry hit.	Delivered 10% growth; execution of BD efforts validated.	Delivered	Low
Strategy	Aftermarket	Expected normalization through the year.	Segment grew 50% YoY; share rose to 16.5% vs 12.4% in Q1.	Delivered	Low
Macro	Regional Outlook	South America industry down 15-20%.	Uniparts has "little exposure" here; regional risk mitigated.	Verified	Low
Balance	Net Cash	Maintain strong cash chest for M&A.	Rebuilt to □172.4 Cr; slightly lower than Q1 but remains high.	Delivered	Low

4. ANALYST Q&A

Section not applicable — investor presentation only. No concall conducted or available.

5. WHAT CHANGED vs PRIOR QUARTER

What Changed	Prior Quarter (Q1 FY27)	This Quarter (Q2 FY27)	Direction
EBITDA Margin	25.3%	23.1%	↓
Gross Margin	66.6%	65.7%	↓
Small Ag Cycle	Turning / Bottoming	Growth Phase (25% YoY)	↑
Aftermarket Share	12.4% of Revenue	16.5% of Revenue	↑
Net Cash	□190.0 Cr	□172.4 Cr	↓
Top 5 OEM Conc.	71%	78% (H1 Avg)	↓ (Risk ↑)
PMP Revenue Share	55.7%	55.0% (H1 Avg)	→
Revenue (Ops)	□347.4 Cr	□378.5 Cr	↑
Large Ag Performance	Troughing	10% Growth (Counter-cyclical)	↑

INVESTOR NOTES: * **Small Ag Inflection:** The most critical thesis update is the 25% YoY growth in Small Ag. This confirms that the two-year destocking cycle in Western markets has ended, providing a structural tailwind for the 3PL segment. * **Large Ag Resilience:** Growing 10% in a segment where the global industry is down 17% is a major credibility boost for management's "market share win" strategy. It proves the company can grow even if the "Large Ag" recovery remains delayed until CY2027. * **Margin Normalization:** The drop from 25.3% to 23.1% EBITDA margin should be viewed as a return to a sustainable high-performance range rather than a

breakdown. The "other income" contribution remained stable (₹5.2 Cr vs ₹7.8 Cr in Q1), so the dip is largely operational. * **Forensic Flag (Cash Flow):** The ₹17.6 Cr decrease in Net Cash despite generating ₹54.4 Cr in PAT suggests a heavy working capital quarter (likely inventory) or a step-up in capex for Mexico. We need the full Cash Flow statement to verify the CFO-to-PAT conversion. * **Thesis Verdict: Reinforced.** Uniparts is no longer just a "tractor linkage" company; the scaling of PMP (55% mix) and CFM (45.8% mix) has created a diversified OHV platform that can withstand cyclical troughs in any single sub-segment. Management’s ability to gain share in Large Ag is the standout achievement of the quarter.