INDIA PESTICIDES LIMITED

An ISO 9001:2015, 14001:2015, 45001:2018 and 10002:2018 Company
CIN No. L24112 UP1984PLC006894
GSTIN- 09AAACI3591D1ZO

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Date: 18.11.2025

To The Manager, Listing Department **BSE Limited** P. J. Towers, Dalal Street, Mumbai-400001 **Scrip Code: 543311** **ISIN: INE0D6701023**	To The Manager, Listing & Compliance Department **National Stock Exchange of India Ltd.** Exchange Plaza, Plot no. C/1, G Block, Bandra- Kurla Complex, Mumbai-400051 **Symbol: IPL**

Dear Sir/ Ma'am,

Sub: Transcript of the Earnings Call for the quarter & half year ended 30th September, 2025.

Pursuant to Regulation 30(6) read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Analyst/Investors Call on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter & half year ended 30th September, 2025, held on Thursday, 13th November, 2025 at 12:30 P.M.

The transcript of the earnings call is also available on the Company's website at www.indiapesticideslimited.com.

You are requested to kindly take the above on record.

Thanking you,

Yours faithfully,
For India Pesticides Limited

Narendra Dev Nath Ojha
Digitally signed by Narendra Dev Nath Ojha
Date: ....

INDIA PESTICIDES LIMITED
Aishbagh
Lucknow-226004
Water Works Road

(Narendra Ojha)
Company Secretary and Compliance Officer

Encl.: As Above

"India Pesticides Limited

Q2 FY26 Earnings Conference Call"

November 13, 2025

MANAGEMENT: **MR. ANAND SWARUP AGARWAL – DIRECTOR**
MR. VISHWAS SWARUP AGARWAL – DIRECTOR
MR. D. K. JAIN – CHIEF EXECUTIVE OFFICER
MR. S. P. GUPTA – CHIEF FINANCIAL OFFICER

MODERATOR: **MR. VIRAL SHAH – DOLAT CAPITAL MARKETS PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to India Pesticides Q2 FY26 Earnings Conference Call hosted by Dolat Capital. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the call, please signal an operator by '*' then '0' on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Viral Shah from Dolat Capital. Thank you, and over to you, sir. Yes.

Viral Shah: Thank you, Samar. Good afternoon, everyone. On behalf of Dolat Capital, I would like to thank the management of India Pesticides Limited for giving us the opportunity to host their Q2 and H1 FY26 Earnings Conference Call. From the management team, we have with us Mr. Anand Swarup Agarwal, Director; Mr. Vishwas Swarup Agarwal, Director; Mr. D.K. Jain, Chief Executive Officer; and Mr. S.P. Gupta, Chief Financial Officer.

Without further ado, I would like to hand over the call to the management for their opening remarks, post which we will open the forum for the Q&A session. Thank you, and over to you, sir.

Anand Swarup Agarwal: Thank you, Mr. Viral. Good afternoon, ladies and gentlemen, and welcome to the Q2 FY26 Earnings Call of India Pesticides Limited. Before I begin, I want to take a moment to condemn the recent terror attacks. Our hearts go out to the families of the bereaved, and we stand in solidarity with everyone affected by the tragic incident.

Friends when we spoke in June this year, we had laid out a clear road map for the year. I'm happy to share that we are delivering exactly in line with what we have committed. And in many areas, we are moving ahead of our own expectations. The strength of our execution and the consistency in our performance truly reflect the discipline with which we are preparing our company for long-term global scale.

Let me start by touching upon how we are tracking versus our guidance. For the year, we have guided revenue of around INR 1,000 crores and INR 565 crores already achieved in the first half, we are comfortably on track, supported by the recovery we are seeing in key export markets as well as the domestic market.

On margin too, we continue to deliver well. Against our guidance of 18%- 20%, we have already achieved 18.6% in H1 FY26, backed by better utilization, operational discipline and improved cost efficiencies. On the capex side, out of the planned spend for IPL and Shalvis, we have already deployed INR 52 crores and rest of the projects are progressing smoothly as per schedule.

Utilization has been a key theme for us this year, and I'm pleased to share that technical utilization has moved up meaningfully to over 73% as global destocking eases and demand visibility improves. Our CR-DMO engagement is also progressing well with several global innovators in active discussions with us.

Now coming to the performance of the quarter and the half year. Revenue for H1 FY26 grew 26% year-on-year. EBITDA for the half year stood at INR 108 crores, up by 53% with margins at 18.6%. PAT grew 48% to INR 67 crores. We continue to remain a zero debt company funding all our growth through internal accruals. Beyond the financials, we have been strengthening our business fundamentals with a sharp focus on export.

Over the last few quarters, our team have been meeting customers more frequently across Australia, Europe, North America and South America, understanding their needs, expanding the market for our molecules and working with key partners to secure a large share in high potential products. This combined approach, deeper customer engagement and future-ready facilities positions us to respond faster to global demand, improve supply chain efficiency and strengthen our competitiveness in international markets.

As we scale, we are equally committed to the vision of Atmanirbhar Bharat. We continue to invest in Make in India capability, reduce external dependencies and deepen our integrated manufacturing footprint so that the company becomes even more resilient and globally competitive.

Our investment at Shalvis continue to progress strongly, and the team is actively identifying and developing the specialty molecules. By next year, we expect Shalvis to contribute meaningful with around INR 100 crores in revenue, strengthening our specialty chemical road map. On the domestic side, the extended monsoon has set up a very encouraging environment for the Rabi season.

Moisture level and sowing conditions across key belts are favorable. And based on general movement and activity on the ground, we expect the second half of this year to be strong as well. Our strategic projects are also moving ahead as planned. Our formulation capacity has now scaled up to 10,000 metric tons. Our backward integration project for 2, 6-DEA at Sandila is progressing well.

Looking ahead, we continue to remain deeply focused on our long-term vision for the company. As shared earlier, we are working towards scaling IPL to a revenue of INR 3,000 crores by 2030, supported by our integrated manufacturing model, backward integration, investment in specialty chemistry and a sharper global footprint.

Our commitment to Atmanirbhar Bharat and Make in India mission is central to this road map. We are consciously reducing external dependency, strengthening domestic capabilities and building a manufacturing ecosystem that is globally competitive with rooted in India self-reliance story. The long-term plan guidance every strategic decision we take, and we are confident of achieving it with discipline and consistency that IPL has always demonstrated.

Taken together, improved export traction, a favorable domestic cycle rising utilization and the progress across our strategic initiatives give us full confidence in meeting our full year revenue guidance of about INR 1,000 crores with margin as promised in the 18%-20% range. Our focus remains on innovation, operational discipline in building a globally competitive, easy and resilient organization.

Thank you for joining us today, and thank you for your continued support. I pass it over to our CEO, Mr. D.K. Jain.

D.K. Jain: Thank you, sir. Good afternoon, ladies and gentlemen. I take this pleasure in welcoming you all to the Q2 FY26 Earnings Conference of India Pesticides Limited.

Let me begin with a brief update on the industry scenario. The global agrochemical sector is showing early signs of recovery, driven by volume and an uptick in demand across key international markets. While the domestic environment was impacted by heavy monsoons and challenges in the pesticide application cycle, we observed resilience in our core export segments, which helped offset headwinds of the domestic market.

In Q2 FY26, we achieved ever highest total revenue of over INR 295 crores, which is a 26% year-on-year growth. This outcome reflects our disciplined execution and strategic focus on long-term value creation. EBITDA for the quarter was INR 54 crores, up 37.6% Y-o-Y with margins expanding to 18.3%.

Our net profit increased to INR 32 crores, a 22% increase from last year with a PAT margin of 10.7%. Export sales nearly doubled to INR 140 crores, supported by improved offtake in Europe and Australia, while the domestic revenue remained at INR 150 crores.

During the quarter, we marked a significant milestone in capacity expansion. Our formulation facility annual output increased from 6,500 metric tons to 10,000 metric tons. In addition, our Board approved a backward integration project at Sandila for producing 4,000 metric tons of 26 DEA, which will strengthen our supply chain and reduce our dependence on imports and will also help us in our margins.

Our capex plans are being executed as per projections. Our R&D-led innovation strategy remains aligned with the launch and scale-up of differentiated high-value molecules, further strengthening our competitive position. On the sustainability front, we made significant progress through our flagship CSR initiatives like Chuppi Tod; Halla Bol, Samagra Sudhar Project, and Nirmal Jal Pariyojana.

Looking ahead, we remain optimistic, supported by the consistent momentum in exports, gradual recovery in the domestic market and the positive impact of our ongoing capacity expansions. Our diversified product portfolio, integrated manufacturing value chain and continued emphasis on operational improvement position us well to maintain this growth trajectory and create long-term stakeholder value.

Thank you very much. I now invite our CFO, Mr. S.P. Gupta, to take you through the financial details of this quarter. Thank you.

S.P. Gupta: Thank you, sir. Good afternoon, ladies and gentlemen. Thank you for joining India Pesticides Limited conference call to discuss Q2 and H1 FY26 results, taking you through the financial highlights for the quarter and half year. For the Q2 FY26, total revenue was INR 295 crores with a 26% growth over Q2 FY25. EBITDA was INR 54 crores, up 37% year-on-year with margins increasing to 18.3% from 16.6%. Net profit reached INR 32 crores, up 22% with PAT margin of 10.7%. The margin improvement was driven by better operating leverage and ongoing cost efficiencies.

For the half year ended H1 FY26, total revenue was INR 579 crores with an increase of 26% as compared to INR 459 crores in H1 FY25. EBITDA increased to INR 108 crores, an increase of 53%, supported by higher gross profit and improved operating efficiency. Net profit for H1 FY26 was INR 67 crores, an increase of 48%.

On geographical mix, export revenue increased to INR 140 crores, nearly doubling from INR 74 crores in Q2 FY25. International market is showing signs of recovery and inventory levels are normalizing across key geographies like Europe, U.S.A., Japan, etc. Domestic revenue was INR 150 crores, marginally lower as compared to Q2 FY25 due to limited pest infestation caused by heavy rains washing of the pest.

In terms of revenue mix, technical and API accounted for 66% and formulation 34% in Q2 FY26. Capital expenditure of INR 52 crores has been planned in IPL and INR 64 crores in our 100% subsidiary. Both are progressing as per schedule. Return on capital employed improved to 18.8% in Q2 FY26 from 17.6% in Q2 FY25, reflecting a focus on capital efficiency. We have healthy net cash and cash balance of around INR 80 crores.

Working capital days have reduced significantly from 255 days as at 31st March 2025 to 174 days in September 2025. With a strong order outlook, expanded capacities and stable raw material pricing, we are positioned to continue our growth in the coming quarters.

With this, we would be happy to take your questions.

Moderator: Thank you. We will now begin the question and answer session The first question is from the line of Maitri Shah from Sapphire Capital.

Maitri Shah: I have a few questions. So firstly, on the export side, we've seen our sales double from INR 74 crores to INR 140 crores. Going forward, what do you see the contribution from export sustaining? Do we see the 48% contribution remaining at this level for the next 1-year to 2 years? Or do we see it going down a bit from the next quarter once the domestic demand again kicks in?

S.P. Gupta: For this quarter, it was 48% but our medium-term target is around 55% to 60% domestic and around 40% export mix. And export demand in key geographies like Europe, Australia and Japan, we have good order book from these geographies.

Maitri Shah: Do we share our order book figures? Do we have the order book number, if we could share that also the split between domestic and export?

D.K Jain: Yes, that can be shared, no problem. We already have published that. So we will share with you, no problem. You can contact our Company Secretary, he will send you.

Maitri Shah: Okay. Also, you mentioned that we have a INR 3,000 crore target. When do we plan on achieving that FY29 or FY30?

D.K Jain: This is FY30-31, that's what we have planned. And we are progressing towards that, yes. That is a long-term vision. But short-wise, now this year, we have planned for INR 1,000 crores revenue for which we are on track.

Maitri Shah: Okay. And what sort of capex do we need to put in place for reaching such like a 3x growth in our revenue? Also, what sort of split do we expect once we reach there from formulations going forward? And also the margin profile would look like once we reach those revenue numbers?

D.K Jain: No, we are working constantly to maintain our margins in the range of 18%-20% that is what we are aiming at, and we are working on that. We are already achieving these. And of course, there will be increase in our formulation as well as technical manufacturing capabilities at our new site under Shalvis what we are taking and further expansions on that. So that is a long-term project what we have undertaken for FY30 and FY31 to reach about INR 3,000 crores revenue.

Maitri Shah: Okay. And the new backward integration project that we are putting in for INR 65 crores, what sort of margin accretion can we get from that project? 4,000 metric ton.

D.K Jain: Yes. See, madam, that is more of a strategic nature in the sense we want to reduce our dependence on the import of this material because we are already making the forward integrated molecules from this. So it will reduce our dependence on import as well as it will help us in increasing our overall margins of the product because we will not be selling this product in the market, but we will be utilizing primarily for our in-house production of further intermediate and the final product from this.

Maitri Shah: Okay. And so this 4,000 metric ton is totally the utilization is only this much? Or do we need further backward integration or to increase more of this project our capacity

S.P. Gupta: It will be more or less it should be equal. Maybe it requires some shortage is there, then we can buy from the market. But otherwise, I think it will meet our requirements.

Moderator: The next question is from the line of Ankit Gupta from Bamboo Capital.

Ankit Gupta: Congratulations for a great set of numbers given the tough environment the industry is going through, especially on the domestic side. Sir, we have seen quite a few technical as well as formulation players reporting subdued numbers during this quarter, impacted primarily by domestic markets where the excess rainfall has impacted the overall sales.

So can you share your views on how we have outperformed the market, especially in domestic market where our sales haven't grown, but they haven't declined also compared to other players, like the growth other companies have seen? And secondly, on the export market, how is the export market doing? Because we have doubled our sales in exports. So if you can talk about the export market pricing and the overall demand?

D.K Jain: In export market, there is a demand increase. We are getting increased inquiries from our customers. And we have visited a lot of our customers in their factories and offices across the world, including Australia, Europe, U.S.A., etc. And that has given a more personal touch to the business, and that's how we have got increased orders from our various customers across the geographies. That is number one.

Of course, we have to be cost competitive when compared to other manufacturers. So we have been able to do that by slightly improving our efficiencies in our production as well as the raw material consumption, so we could meet their cost requirements. And we hope that next year also, it will continue in the similar way.

In the domestic market, though there was the impact of the heavy monsoon across India, we had sold some quantity in the last part, there was some impact. But we have increased our bulk formulation capacity. So, our bulk formulation has helped us in maintaining the overall revenue more or less at the same level as last quarter.

Ankit Gupta: FY27 with our subsidiary also commencing operation and sir, as Anand sir also said that we'll be looking to do revenues of around INR 100 crores from the Shalvis. So how do you think overall as a company on stand-alone as well as on stand-alone basis, how do you see the overall growth of the company on a consolidated basis?

D.K Jain: Yes. No See, our subsidiary is also coming up well. Initially, it took a little more time because we have to build the infrastructure part. And then slowly now we have started with the production of one of the molecules we have in a small way, we already started technical grade production. And we want to add more number of molecules this year as well as next year.

And we feel that INR 100 crores next year is a very reasonable estimate. And on a stand-alone basis, it will also grow more or less to a Sandila side because the plant size is more or less same, almost 25 acres of land. And we will be building there block-wise. Every year, we will be adding 2 blocks to 3 blocks. So on its full realization in 3 years, 4 years, 5 years, we should be able to achieve almost INR 1,000 crores from there.

Ankit Gupta: So, But FY27 stand-alone should we expect will reach INR 1,200 crores next year and INR 100 crores will come from Shalvis, INR 1,300 crores top line on a consolidated basis?

D.K Jain: We expect at least 20% growth over this year.

Ankit Gupta: On stand-alone also?

S.P. Gupta: On stand-alone also, yes

Moderator: The next question is from the line of Anil Jain from Grow Wealth.

Anil Jain: Congratulations for excellent set of numbers in such a challenging environment. Sir, our exports have risen quite dramatically from INR 74 crores to INR 140 crores. So the contribution from technicals and formulations in this INR 140 crores, what would be the contribution?

D.K Jain: And primarily, they are technical material and some part of it is by bulk formulation. We don't export ready-to-use formulation in our own brand, but we formulate for our customers. So some of our customers, instead of buying technical, they are buying formulated products in bulk. So it is a combination of this bulk formulation and technical.

Anil Jain: Okay, sir. And this capex, which we are doing INR 116 crores, out of which INR 52 crores has already come. So when it will start contributing?

D.K Jain: This will certainly contribute in next financial year, sir, no problem.

Anil Jain: Okay. And sir, this 21 new registration which you have done in FY25, what was the expense incurred for that?

D.K Jain: Probably please send you a number, we will get back to you because really I don't have the numbers on hand, but we will come back to you on that.

Anil Jain: But what should be approximation?

D.K Jain: Registration depends upon. for example, each Indian registration in India, for example, for CIB registration for technical grade material, normally, the expenses are about INR 7 lakhs to INR 8 lakhs. And for formulation, it is about INR 25,000 to INR 30,000. But for export registration in another country, there the expenses are high because we have to develop the complete five batch etc So that will be accounting almost around INR 25 lakhs each registration. That is a very rough indication I'm giving you. But exact number, if you want, I will send you by mail.

Anil Jain: No, It's okay, sir. Sir, and our capacity expansion from 6,500 metric tons to 10,000 metric ton undertaken at an expense of INR 2.8 crores. At 10,000 metric tons, what would be the revenue at full utilization?

S.P. Gupta: Revenue it will be around INR 400 crores, 10,000 tons formulation capacity.

Anil Jain: And what would be the total formulation contribution of the total company, sir?

S.P. Gupta: Currently, the contribution of formulation for this quarter, it is 34%. But on an annual basis, it is around 27% to 28% last year.

S.P. Gupta: No, It will be slightly more. It will be slightly more because we are doing this bulk formulation for some of our customers.

Anil Jain: Yes, I heard it, sir. And you told that you were able to sell some more bulk formulation. That's why the revenues have not been impacted.

S.P. Gupta: Yes.

Anil Jain: I think is this sustainable for the ensuing quarter also?

S.P. Gupta: Yes, Okay, sir.

Anil Jain: Best of luck for such good set of number and best of luck for the future.

Moderator: The next question is from the line of Ajay Desai from SJ Enterprise.

Ajay Desai: Congratulations on putting such a great set of numbers. Sir, I have only one question. This is regarding not about the business, but about valuation which market is still unable to recognize for the organization. And we came out with our FPO in 2021 with certain valuation, which resulted in a price discovery of INR 296.

And still market is unable to recognize the valuation of the organization and it is quoting 30%, 40%, 50% less. So why don't we come up with a buyback offer and give signal to the market that the valuation which organization feel is way higher. And at least some portion, we can do a buyback from the IPO, which was a combination and 95% of the IPO was towards follow-on public offer from the promoter side. So we need some clarity on this as well?

S.P Gupta: Actually, we are seeing a lot of opportunities. So we have lined up a good amount of capex out of our internal accrual. But it's still, we will discuss internally your suggestion that some portion may be reserved for buyback also.

Ajay Desai: Sure, sir. Because I requested this 2, 3 quarters back also because we need some signals we need to send to the market about our undervaluation because the whole market in the last 4 years between 2021 to 2025 has multiplied, but somewhere we are at a loss of 30%, 40%, which is giving pain to the investors.

D.K Jain: But sir, buyback will probably whatever surplus we have, if we utilize that in increasing our business by increasing our assets and the production capacities, that will create more value to the company.

Ajay Desai: Sure, sir. So ultimately, market has to recognize or we can create our visibility more in the market to make sure that there is a proper for the investors, retail investors.

D.K Jain: That is a good suggestion. We will really certainly look into that to create more visibility to meet more investors and have more conferences. So that is what we will try to do certainly, sir. That's true. And valuation will certainly come because once the people recognize the importance and the goodness of the company, valuation will automatically come.

Ajay Desai: Yes. Sure. Only thing is like because it was an FPO and the whole money, 90% money went to the promoters, somehow that has to get reflected. Otherwise, retail investors like us will be at loss.

D.K Jain: So yes. Absolutely.

Moderator: The next question is from the line of Manish Panjani from 360 ONE Capital.

Manish Panjani: I'm just asking that as you mentioned in your opening remarks that you want to achieve INR3,000 crores of revenue by FY 2031. So what is the road map for that?

D.K Jain: See, we have a clear road map in the sense we have lined up a lot of products in our portfolio. And we have our subsidiary, Shalvis coming up at a good pace. And apart from that, we are looking at some other opportunities to increase the total revenue to the estimated figure of about INR 3,000 crores.

Manish Panjani: Sir, what I'm asking is that in the second quarter, a lot of companies saw the formulation return as a percentage of sales. So, what sort of percentage return we saw in the Q2?

D.K Jain: Percentage of formulations in our total sales.

Manish Panjani: Yes, yes, exactly.

S.P Gupta: Yes. It is about 34% of our products are being sold as formulated products and rest is including bulk formulation and about 66% is technical grade material.

Manish Panjani: No, no, sir, I'm asking about the returns.

D.K Jain: Return is more or less same. I think formulation is slightly less than technical.

S.P. Gupta: 100 bps, 150 bps points less than technical.

Moderator: The next question is from the line of Ankit Minocha from Adezi Ventures Family Office.

Ankit Minocha: If I look at your EBITDA margins for H1 FY26, they have been hovering around 18%, 18.5%. Now considering that H2 FY26, you have a lower base of sales and considering the market scenario, do you think for H2 FY26, this margin would be maintained in this 18% odd level? Or could this be going lower?

D.K Jain: It will be maintained, sir. It will be maintained irrespective of the sales revenue, but it will be maintained between 18% to 20%. That's what we are trying our best.

Ankit Minocha: Okay. Considering the new plant is also coming up and you have expenses related to that, which will kind of slowly fill up the capacity and everything. So don't you think that this would slightly have a negative impact on the margins?

S.P. Gupta: Actually, our incremental sales will be only 15% to 20% we are projecting. So for sale 80% margin, they are stable. Even for our future incremental sales, we are doing backward integration also. So we are quite hopeful that we will be in that range only.

Ankit Minocha: Okay. Understood. And, what would be your understanding of the sustainable margin for FY27?

Anand Swarup Agarwal: 18% to 20%.

S.P. Gupta: It will be in that range only.

Moderator: The next question is from the line of Saket Kapoor from Kapoor & Co.

Saket Kapoor: Just a small clarification, you mentioned the sales return as 1%, 1.5% of the sales. That is what the sales return is generally?

S.P. Gupta: Sales return?

Saket Kapoor: Yes, yes. Sir, was mentioning some percentage about sales return.

S.P. Gupta: I was mentioning margin profile of formulation is slightly less. Say, for technical, it is 19%, then formulation will be around, say, 16% margin, EBITDA margin.

Saket Kapoor: Sir, in our Crop Protection segment, we have sales return also that needs to be factored. So as a percentage of sales, how much have been the sales return for the quarter and the first half and the comparative number?

S.P Gupta: Sales return, they have been accounted for. They are normal only. Our sales return is normally 5% to 6%. So it has been accounted for in half year, and it will be accounted for in future also. Nothing abnormal happened this year.

Saket Kapoor: Okay. Sir, when we look at our quarter-on-quarter, the revenue has grown from INR 275 crores to INR 290 crores on a consolidated basis, and you have attributed export to be the major contribution. But there is a margin contraction as the profitability remains flat quarter-on-quarter. So what explains this contraction in margin, sir?

S.P Gupta: In first quarter, we have other income of more than INR 2 crores in insurance claim. If we exclude that figure, so we have inched up slightly only margin, this is as per our projected margin of 18% we are achieving.

Saket Kapoor: Sir, in the cash flow, when we look at the consolidated part segment cash generated from financing activities, in this we are showing proceeds from initial public offering, in consolidation for the first half that is to the tune of INR 16 crores.

S.P Gupta: We have taken a small term loan for our subsidiary. So, I think that figure of small borrowings. We have taken long-term borrowings. You are right, it is wrongly mentioned. This initial Public offering this amount has been invested by India Pesticides Limited in our subsidiary, as a convertible preference share.

So, it is not initial public offering, but it is convertible preference share taken by India Pesticides Limited in its subsidiary.

Saket Kapoor: And what was exactly the nature of the transaction? Can you dwell further?

S.P Gupta: India Pesticide will be regularly investing in its subsidiary for its expansion project. So this figure will regularly keep on coming investment from India Pesticides Limited.

Saket Kapoor: Right, sir. And sir, lastly, sir, we have seen that as per the nature of the industry, H2 generally seems to be softer than what H1 is. So does that play out for our company also? Or we have a differentiating model for the same?

S.P Gupta: In first half, generally, our turnover is 55% and second half around 44% to 45%. This will happen this time also. In first half, this domestic market contributes significantly. In second half, domestic market, only Rabi season is there. So contribution is less, but our export market contributes significantly to our second half turnover.

Saket Kapoor: And we see traction there to continue in the export pipeline.

D.K Jain: Right.

Saket Kapoor: Sir, last point, sir, was about the R&D part. As earlier also mentioned that it is the R&D thrust that determines development of molecule when they go off patent and then introducing the same to the different markets. So where are we, sir, in terms of any molecule getting off patent and redeveloping the same and then introducing the same in different geographies? Any color on the same, sir?

D.K Jain: Yes. We are already working on many molecules, which are going off patent. Three of them now we are already optimized the conditions on the lab scale as well as the pilot scale. And in the next year, we will be introducing at least 2 molecules from them in our subsidiary, Shalvis Specialities.

Saket Kapoor: What is the potential of this, the business revenue potential?

D.K Jain: It is difficult to give the potential because there will be new molecules but I can say that whatever investment we will be doing for these two molecules will be getting a revenue of at least 2x the capex.

Moderator: Thank you. The next question is from the line of Anil Jain from Grow Wealth. Please go ahead.

Anil Jain: Yes. Sir, congratulations for such a good export turnover. And sir, basically, the ambitious and very good target of INR 3,000 crores by FY30 or FY31, all this would be coming from internal accruals, all the expansion?

S.P Gupta: We may take nominal loan for our subsidiary company, but it will not be more than, say, our debt equity ratio it will be less than 0.1 on a consolidated basis also. Maybe INR 100 crores to INR 200 crores loan we may take for our subsidiary in next 4 years to 5 years.

Anil Jain: That means more or less it will be coming from internal accruals?

D.K Jain: Yes, mostly coming from internal accrual.

Anil Jain: That should be a very ambitious target, sir, if we can achieve it that would be like nothing?

D.K Jain: Sir, we will try our best. That's what we have aimed at. We have done a lot of field work. We have done a lot of meetings and we are quite confident that by that time, we would be very near to that target. So that is our goal and our team is working day and night for achieving that target.

Anil Jain: And sir, our exports looks like they have gained tremendous momentum. Can I think we may really surpass our export turnover, I think so?

D.K Jain: Because out of our turnover, we want to have at least 40% to 45% as exports. So we have selected molecules. Some of the molecules are export-oriented and some molecules are domestic oriented. So it will be a mix of domestic as well as exports.

Anil Jain: But so, double the turnover in one quarter, it looks as if we have gained tremendous momentum. and it has just started now and the second half is quite better for the exports. And even the government is promoting more exports. So can we beat the targets in this year also?

Anand Swarup Agarwal: Yes, Certainly, this year, whatever target we have established, we have aimed at INR 1,000 crores revenue. So we should be able to achieve that or even slightly surpass it.

Moderator: The next follow-up question is from the line of Vidhi Shah from CRK.

Vidhi Shah: Yes. Okay. So with the antidumping duty on place, I want to know if there is any increment in the margins that we are realizing?

D.K Jain: No. With this addition of antidumping duty on one of the intermediate and the technical products, now we are able to get a reasonable return on that. Earlier, we were losing money on that. But now we feel that we should be able to make some margin in that.

Vidhi Shah: Is it possible to quantify how much incremental margins has it led to any incremental sales?

S.P Gupta: EBITDA margin is our normal 18%-20% EBITDA margin, what we are making in other products, we will be making in this product also.

Vidhi Shah: Okay. And sir, the PEDA plant expansion to 8,000 metric tons, can you confirm the revenue contribution that the whole 8,500 metric ton will have?

D.K Jain: Yes. Madam, the capacity would be 8,500 and if utilize even 75% capacity, and because it is a seasonal product, so we feel that it will contribute significantly to our revenue and we should be able to get this complete capacity utilization by next year.

Vidhi Shah: Okay. So at 75% utilization, can we assume INR 250 crores to INR 300 crores revenue?

D.K Jain: Roughly, I can say.

Vidhi Shah: In the Shalvis, Hamirpur project, you said INR 64 crores is FY26 capex. I want to know how many blocks are you setting up right now? And how many blocks are in line? And what will be the revenue contribution from each block?

D.K Jain: Presently, one block of technical grade insecticide and fungicide is under construction, which we will be commissioning shortly. And semi commercial pilot plant we have constructed, which is now starting, and we have already started making small quantities of one of the product. And we have the other block, the designing is complete and that work is under construction. So we feel that from these two blocks, we should be able to get revenue of about INR 100 crores next year.

Vidhi Shah: Okay. Understood, sir. And sir, just one last question. This PEDA expansion to 8,000 metric ton -8,500 metric ton was supposed to come in Q2 you said by September, October in last call. So when can we expect that to come in?

D.K Jain: It is in very advanced stage of construction. There has been delay because there's a heavy monsoon in the last 2 months in Lucknow, there is a slight delay in that, but it will be another 15 days, 20 days, it should be on stream.

Vidhi Shah: Okay, sir. Just one last question. So this INR 1,000 crores revenue target for FY26, can you give me a split how much of this are you expecting from the existing facility versus the new facility that has come up?

D.K Jain: This is primarily from our existing facilities at Sandila and Lucknow. And our new facility at Shalvis that will start contributing next year onwards.

Moderator: The next question is from the line of Pankaj Agarwal, an individual investor.

Pankaj Agarwal: Okay. My question is with respect to receivables, inventory days and the debtor days. What is the current status and where we are going to land in FY26? There seems to be some decoupling of profit versus cash receivables. So what are the steps being taken to improve the cash conversion cycle and reduce the receivable days?

S.P Gupta: Our net working capital days has already declined significantly from March 2025. And we will further be reducing our inventory days by at least 20 days by March 2026. We will also work on our receivable days. They will be reduced by 10 days to 15 days by March 2026. So there is a scope for 25 days to 30 days reduction further.

Moderator: The next question is from the line of Naitik Mohata from Sequent Investments.

Naitik Mohata: My first question is regarding the bulk formulation sales that we have done in the quarter. And as a result, our export revenue has gone up. So what is the nature of these sales? Are these sales repetitive in nature? Or are there some onetime opportunity that we might have gotten?

D.K Jain: No, we feel that we will be getting regular orders on the bulk formulations because some of our customers, they have shown interest that if a mine technical, they would prefer to buy a bulk formulation so that it reduces the cost of formulation abroad. So we are creating facility for increased bulk formulations.

Naitik Mohata: Okay, sir. Sir, my second question would be on the side of Pretilachlor. So I think we did INR 55 crores sale for Pretilachlor in Q1. What would that number be for Q2?

D.K Jain: No, because this is a very seasonal product. And normally, Pretilachlor gets sold only in up to June. So Q2, there is hardly any sale. But now from Q3 and Q4 onwards, there will be sale of the intermediate as well as the bulk of the technical material because normally, it is being used in June, July and August. So the technical sales are mostly up to June. July is hardly anything. There is insignificant numbers in July.

Naitik Mohata: Okay. So sir, for FY27, what could be the number look like for like the intermediate and the Pretilachlor product as well together?

D.K Jain: FY27 figure, I think we should be minimum INR250 crores

Moderator: The next question is from the line of Anil Jain from Grow Wealth.

Anil Jain: Sir, all the backward integration, which we have done in the last so many years and particularly this year, have we gained market share from China or people sourcing from China?

D.K Jain: Yes. Certainly, we have gained a lot of market share where the people were importing from China. So they are no more importing now. You take the case of this PEDA itself, it was being imported more than 90% was being imported. But now we are able to cater this requirement in India. So there is a lot of import substitution on this.

Anil Jain: And sir, in shalvis we are planning for differentiated products. So definitely, the competition would be very less in those products. And can the margin be a little bit higher in those products?

D.K Jain: Maybe in some products, it may be higher. In some products, it may be lower, but average probably what we are estimating between 18%-20%, we should be able to make. In some products, it can be higher. But again, it depends upon the type of product. We are aiming a slightly higher margin, but still let us see.

Anil Jain: But sir, you are planning for a differentiated product. So I think there is a ready market for this product?

D.K Jain: Market is there, we are talking to our customers and when they agree only, then we go for the product. So after making the products, we can certainly start selling immediately.

Moderator: That was the last question for today's conference. I now hand the conference over to management for closing comments. Over to you, sir.

D.K Jain: Thank you very much for sparing your valuable time. And if you have any more questions, you can certainly get in touch with our Investor Relations team, and they will forward to us, and we will be happy to send you all the information. Thank you very much once again. Have a nice day.

Moderator: On behalf of Dolat Capital, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.