PI Industries Q3 2014 Earnings Call 14 Feb'14

Operator

Ladies and gentlemen, good day and welcome to the Q3 and Nine month FY 2014 Earnings Conference Call of PI Industries Limited. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Please note that this conference is being recorded. I'll now hand the conference over to Mr. Nishid Solanki of CDR India. Thank you and over to you, Mr. Solanki.

Nishid Solanki, Analyst

Thank you. Good morning. We apologies for the delay today due to some technical reasons. We welcome you to the Q3 and nine months FY14 earnings conference call of PI Industries. We are today joined by senior management team, which includes Mr. Mayank Singhal Group CEO and Managing Director; and Mr. Rajnish Sarna, Executive Director. We will begin with key comments from the management and follow that with a question-and-answer session. Before we begin, I want to state that certain statements that may be made or discussed in this conference call may be forward looking in nature and a note to that effect is provided in the results release sent to you earlier. The company does not undertake to update the same in the light of changed circumstances.

Mayank Singhal, Chief Executive Officer

Thank you, Nishid. Good morning to everybody. I'm pleased to share that PI has demonstrated another benchmark performance in Q3 for the year '14, where revenues have grown and stood at 29% and profits stood at 45%. What stands apart is the quality of our operations in our philosophy are respecting [ph] the ICR. In light of the good performance, the Board has declared an interim dividend of 50%.

Our proprietary domestic has been an introduction novel products that give visible benefits to the farmers, in form of improved productivity. We have had outstanding success from our existing portfolio of products. It'd just be product stewardship that has got us to this point where we develop niche for the product concepts to intensive farmer centric initiative and cooperation with both our channel partners and farmer themselves.

These initiatives could take the form of field activities, product demonstration, sharing lead edge cropping techniques to boost the activity and using information technology to enhance deals. Q3 was additional beneficial to us because of supportive agro-climactic conditions, that was characterized by the increased acreages for Rabi crop, higher MSPs and healthy reservoir levels in best parts of the country. Within our exports operation like a world class model, that PI is engaged in leading innovators at the solitary one of the two suppliers worldwide for all these products. With that technical acumen and the knowledge of complex chemistry that is required to scale up, this kind of business is very important.

And we have demonstrated and created a win-win model for all. Today, we have about 40 to 50 products that have been commercialized, meaning the molecule which had begun delivering keen benefits and supply agreements where the innovators commence at the early stage of the molecule life cycle so that we are in a position to receive full benefit of the commercial at fixed price.

Going forward there is a pipeline of molecules with high production growth phases there. Given the comfort that (inaudible) IPR provide, we are able to address new supply contracts, new molecules (Technical Difficulty). There is a visibility of growth that we are confident of the -- of what we need to do to beat this level of demands, whereas our existing facilities in primarily and nearly optimized utilization and in the process of developing a matrix of plants at Jambusar.

The first plant of this is in operation and the scales are quite -- up quite well. These facilities are going into the next phase of growth for us. PI business model is unique and is delivering a superior performance and cut back sustainable margin expansion. Of course, favorable agri-climetic conditions have helped this year and we hope, will continue to support going forward.

But with that, I would like to hand over the (Technical Difficulty). Thank you Rajnish, over to you.

Rajnish Sarna, Executive Director

Thank you. Thank you, Mr. Singal. Good morning and warm welcome to everyone present on the call. As highlighted earlier, PI have registered a healthy growth during the quarter aided by sharp growth in domestic business and strong ramp up in our -- continued ramp in our synthesis exports. More importantly, we have consistently maintained this pace of growth and would continue to do so in the forthcoming quarters.

Let me walk you through the financial highlights for the quarter and also nine months ended December 31, 2014. During this quarter, the net revenues grew by close to 29% to INR363.4 crores, or into sustain growth across our domestic and export operations. EBITDA improved by close 38% to INR62.7 crores, and while EBITDA margin stood at 17.3% up by 130 basis points year-on-year. Basically better product mix result in -- an enhanced margins during this quarter compared to earlier years. Profit after tax increased by close to 45% to INR34.7 crores.
Profit after tax enhanced to INR138.5 crores during the first nine months which is up by 89% year-on-year. Operationally, we have maintained a strong balance sheet, whereby our net debts have continuously reduced and now as on 31st December, they are close to INR95 crore, giving a total debt equity ratio of less than 0.15.

We have seen improvement in the working capital position as well during this period, where net working capital has reduced in terms of days from 83.5 days to close to 68 days in these nine months. With positive cash flows and robust balance sheet, we are on a strong footage to obtain the next level of growth.

The outlook also looks quite upbeat given the favorable agro climatic conditions supported by PI's strong product proposition in the domestic market. While the existing product range would drive sustain growth going forward, the new introductions would further support this growth momentum. With the strong scale up in molecules already commercialized in our synthesis exports together with sustained sales of new introduction. We foresee sustainable visibility, substantial visibility of our custom synthesis business. Jambusar facility where we have already initiated construction of Phase II, would further augment the growth.

The Board of Directors have declared an interim dividend of INR50 per equity share. The Board has also approved the draft of scheme of amalgamation between Parteek Finance & Investment Company Limited, which is a holding company PI and PI Industry Limited, subject to of course a little bit regulatory approvals. This margin will not have any consequences on promoter's shareholding of the equity capital of PI. It is primarily resulting in promoter holdings shifting from holding company to the promoters on an individual basis.

With that concludes my initial remarks. I would now request the moderator to open the forum for questions. Thank you.

Questions And Answers

Operator

Thank you very much. Ladies and gentlemen, we will now begin the question-and-answer session. . The first question is from the line of Himanshu Nayyar from Quant Broking. Please go ahead.

Himanshu Nayyar, Analyst

Yeah. Good morning, sir and congratulations on a good set of numbers. Sir, to start with some clarification on the numbers for the quarter. Sir, if I look at the other expenses, I mean, they are at a record high this time, despite Q-o-Q sales coming down and both are CSM as well as the Agri business. So is there any one off in this, or this is normal operational expense all of it?

Mayank Singhal, Chief Executive Officer

Well, this is a pretty normal. Basically, the other expenses are also dependent on the business mix. So, if you see the composition of the business, the CSM business revenues are pretty high, and this could be one reason of these expenses, but this is pretty normal scenario.

Himanshu Nayyar, Analyst Mayank Singhal, Chief Executive Officer

Yeah. Yes, certainly, the tax rate will come down, once the Jambusar unit will have a meaningful or substantial revenue share and as you know currently, since we started and commissioned this site only in January 2013. The current revenue share of this site is not significant.

And also the profitability because the revenue size is not significantly profitability will also be not very high. So, therefore, it will not have -- a significant share of profit in the initial year. But, yeah, what we expect that starting from year '15, '16 it would have meaningful significant share in our revenues as well as profits, and from there on, it will also impact the overall blended tax rates for the company.

Himanshu Nayyar, Analyst

Can you share the contribution from Jambusar for nine months, revenue contribution?

Rajnish Sarna, Executive Director

That close to 90 crores.

Himanshu Nayyar, Analyst

90 crores.

Rajnish Sarna, Executive Director

Yeah.

Himanshu Nayyar, Analyst

Okay. Sir, your current order book side in the CSM, would you share?

Rajnish Sarna, Executive Director

Yeah, it is close to $365 million.

Himanshu Nayyar, Analyst

355 is it.

Rajnish Sarna, Executive Director

365.
365. And sir, one more thing on the CapEx plans going forward. Do we still maintain that 100 crores sort of ballpark number for CapEx?

Rajnish Sarna, Executive Director

Yeah. As we explained earlier also that it would be 125 crore to 150 crore annually. So we basically expect to invest close to 300 crore over next couple of years.

Himanshu Nayyar, Analyst

Okay.

Rajnish Sarna, Executive Director

To augment our capacity.

Himanshu Nayyar, Analyst

Sir, one related question there. So, now in CSM for the last two, three quarters now that we've seen, we're maintaining a run rate of say 232 crores to 250 odd crores of quarterly revenue. So, and you said that facilities are probably optimally utilized. So, I know, we are doing this CapEx but when can we see the, this flowing into our top line and see that trajectory going up significantly from current levels on the CSM side?

Rajnish Sarna, Executive Director

No, I have not understood your question, can you please repeat.

Himanshu Nayyar, Analyst

No, I'm saying that if I look at the last two or three quarters, we are running at a rate of say, close to 230 crores, 240 odd crores of quarterly revenue in the CSM space.

Rajnish Sarna, Executive Director

Yes.

Himanshu Nayyar, Analyst

Right. So, and most of our capacities -- current capacities are fully utilized. Right.

Rajnish Sarna, Executive Director

Yes.
So what I'm trying to say is when we can see a significant jump up in this quarterly revenue run rate, because obviously our CapEx would take time. So, can we look at any significant growth in this number in FY15 that's what my question is?

Rajnish Sarna, Executive Director

Yeah, so, -- as we have explained in part also, the revenue growth is certainly two, three factors, so one is of course, the additional CapEx when you build additional capacities and that drives your growth. So secondly, as you also mentioned that there is a lead time lag between the capacity building and which we have already started in Jambusar the second phase and which may take another year or so before those new capacities are in operation.

Himanshu Nayyar, Analyst

Right.

Rajnish Sarna, Executive Director

It will take time, there are other opportunities of growth, which is in terms of your product mix and the existing capacity, second is balancing investment in balancing equipment, so that you enhance the existing capacity.

Himanshu Nayyar, Analyst

Right.

Rajnish Sarna, Executive Director

And thirdly, the process improvement whereby you improve the time cycles and significantly improve the processes thereby, enhance the throughput from the existing capacity.

Himanshu Nayyar, Analyst

Right.

Rajnish Sarna, Executive Director

So we certainly expect to maintain 25%, 30% kind of growth rate till we get the additional capacities and from there on then there would be another land of growth certainly.

Himanshu Nayyar, Analyst

Got that sir. Sir, and on the agri side, also if you can share the performance of our launches done during this year and if you can give some more color on our pipeline for the next couple of quarters?
Yeah. Agri business has done reasonably well this year on the back of good monsoon and good agro-climatic conditions in most part of agriculture areas. Our cumulative growth is close to 20%, which is given the nature of this business and the industry trend looks interesting. Going forward also, we have a very good pipeline of products, as we have also explained earlier that we are expecting that by the quarter four, we should be getting two more new products introduced in the market.

So there should gradually growth maybe in next couple of years and then we have also some good products already in the product portfolio, which has substantial potential itself to grow. Apart from this, I mean, there are another eight, nine products and we are expecting every year one or two products coming out of this pipeline and driving and supporting this growth.

Himanshu Nayyar, Analyst

So you mean one or two specialty products under Section 9.4, right?

Rajnish Sarna, Executive Director

Yeah. These could be in 9.3.

Himanshu Nayyar, Analyst

Sorry 9.3. Okay. And sir, just finally, if you want to give any guidance, revenue growth guidance for FY'15?

Rajnish Sarna, Executive Director

Well, as I mentioned, we are expecting to maintain this 25% to 30% kind of growth rate will follow.

Himanshu Nayyar, Analyst

On a consol basis you're saying?

Rajnish Sarna, Executive Director

Yeah, consol basis.

Himanshu Nayyar, Analyst

All right, sir. That's all from my side. Thanks a lot and all the best for the future.

Operator

Thank you. The next question is from the line of Nitin Gosar from Religare Invesco. Please go ahead.
Sir on Jambusar facility, at 90 crore YTD basis revenue, what's the utilization will be looking at right now?

Rajnish Sarna, Executive Director

It should be around 85% or so.

Nitin Gosar, Analyst

Okay and with this 300 crore cumulative CapEx that you've just mentioned, we should be doing Jambusar CapEx of close to around 480 crore to 500 crore over a period of, say last one year to upcoming next three years. So in a phase of four years, we'll be doing a CapEx of roughly around 500 crore for Jambusar, is the right understanding over there?

Rajnish Sarna, Executive Director

Well first of all, this 300 crore is not only for Jambusar.

Nitin Gosar, Analyst

Okay.

Rajnish Sarna, Executive Director

Because there are as I explained, there are going to be balancing investments; in Panoli they are going to be investments, in our R&D there are going to be investments and some other areas as well. So this is not purely for Jambusar.

Nitin Gosar, Analyst

Okay. So if we can get a rough understanding, how this 300 crore would be broken up between the three categories; like Panoli, R&D and Jambusar?

Rajnish Sarna, Executive Director

Well those numbers are not in front of me, but yeah, substantial certainly would be Jambusar, you can say maybe 85% would be -- 80% to 85% would be in Jambusar.

Nitin Gosar, Analyst

Okay. So Jambusar, what's the further phases we are left with like, we have done with Phase I. We are now commencing the Phase II CapEx. So is there any Phase III, which can be done thereafter?

Rajnish Sarna, Executive Director Nitin Gosar, Analyst

Okay.

Rajnish Sarna, Executive Director

Right now we are focusing on, starting, initiating and then accelerating Phase II.

Nitin Gosar, Analyst

Okay.

Rajnish Sarna, Executive Director

So that, we can execute I guess another league [ph] of our growth, because 30% odd we can grow, with whatever capacities we have, but we -- if we have to grow further. And we have very interesting business in pipeline in R&D. So this is the reason, we are right now focusing on Phase II.

Nitin Gosar, Analyst

My idea to understand this was to just to take a call whether we are not running through a space constraint?

Rajnish Sarna, Executive Director

No, no certainly not, because of the site -- the Jambusar site is a quite a big site and it can host close to five to six multi product plants and right now we have built only one plant.

Nitin Gosar, Analyst

Okay. So there is a 5X kind of capacity which can be put in.

Rajnish Sarna, Executive Director

Yes, yes.

Nitin Gosar, Analyst

Okay. And my last one question would be on the custom synthesis R&D pipeline. The last update which I recollect was 16 products under the pipeline. Is there any meaningful change in that number?

Rajnish Sarna, Executive Director Nitin Gosar, Analyst

Okay. Right sir. Thanks a lot and all the best.

Rajnish Sarna, Executive Director

Thank you.

Operator

Thank you. The next question is from the line of Amit Vora from PCS Securities, Please go ahead.

Amit Vora, Analyst

Good afternoon and thanks for taking my question. My question is a follow-up on the earlier analyst's comments, on the other expenses, because they have risen sharply. Is this going to be this way because this is the major reason as I see that has led to a slight decline in the margin.

Rajnish Sarna, Executive Director

Well, not really. There are -- there is a normal. Depending on the product mix, the composition of expenses in these. And I mean, if you see talking about margin, please compare the margins of third quarter over last four or five years. And you'll see there is a steady improvement in margins. And let me tell you, four year back, the EBITDA margins of third quarter used to be close to 13.5% and today, we are at 17.5%, 17.3%.

Amit Vora, Analyst

Yeah, I absolutely appreciate that, but the thing is that, is it that we have introduced some new products in your ag-chem segment, which has resulted in higher advertisement spend in fact what we can assume?

Rajnish Sarna, Executive Director

Can you please repeat?

Amit Vora, Analyst

I appreciate the fact that yes our margins have improved as you have said and we know that, but is it that in the agro chemical segment, new product launches have been led to a higher ad spent that has led to the increase?

Rajnish Sarna, Executive Director Amit Vora, Analyst

Yes, so the basic question is that, is this going to continue at this level or there will be, what is the guidance that you could give it for this other expenditures that's what the question is.

Rajnish Sarna, Executive Director

Well, frankly speaking, I think we would rather be focusing on the margin, whether it is in EBITDA terms or in terms of net margin, rather than the line item of the P&L, because line item of P&L as I explain will vary depending on the product mix.

Amit Vora, Analyst

Right. So, we think to 19% EBITDA that's what -- I can take it.

Rajnish Sarna, Executive Director

Yes, I think that is more important, isn't it?

Amit Vora, Analyst

Okay, okay. Thanks, that's it from my side. Rest have been answered, thank you.

Operator

Thank you. The next question is from the line of Viraj Mehta from Franklin Templeton. Please go-ahead.

Viraj Mehta, Analyst

Yeah. Congratulations for again great set of numbers. Sir, just I had a question on gross margins. If you look at this quarter's gross margins, they are, I mean, exceptionally good at around 44.5%. Going forward, I mean, do you see -and is this a function of the product mix or have we taken any kind of price increases this quarter?

Rajnish Sarna, Executive Director

Well, this is the function of both product mix and also the business mix.

Viraj Mehta, Analyst

Okay, okay.

Rajnish Sarna, Executive Director Viraj Mehta, Analyst

Sure.

Rajnish Sarna, Executive Director

So, the margins, I mean, industry wide, I would tell you, the margins, what you would see in first quarter or first half. You may not find that consistency in maybe quarters three or something like this.

Viraj Mehta, Analyst

Sure, absolutely. And sir, if I refer to one of the media interviews Mr. Singhal gave yesterday, he gave, if I remember correctly, he gave a guidance of close to 1,600 crores on the top line, and around 11.5% I think, 11% and 11.5% is bottom line margins is what he mentioned to. Would that be a fair number what we could work with for '14? And then obviously you've given guidance for '15.

Rajnish Sarna, Executive Director

Yeah. In fact, this is, if you recall, pretty much in line with our earlier guidance, where we have mentioned that we should be doing, receiving close to 40% growth over last year.

Viraj Mehta, Analyst

Sure, absolutely. And just --

Rajnish Sarna, Executive Director

Around 1,600 crores is what we are internally looking at it. If everything goes fine, I mean, we should be achieving this number.

Viraj Mehta, Analyst

Sure. Just one last thing. If I look at, sir, last year's annual report in terms of other expenses. I mean, two or three major items that jump out; one is, power and fuel; second is, environmental charges, which as a small mention it was also a lot to do with the new plant. So this year also that has increased on a Y-o-Y in line with our sales. Would there be any one-off items in there, let's say, some environmental pollution expenses or any of those items?

Rajnish Sarna, Executive Director

Not really, I mean, these expenses and as you are mentioning, are actually related to our CSM manufacturing-related activities. So as that share of business or revenues grow, I mean, these expenses will certainly grow. Of course, there are efforts internally to optimize, reduce, minimize and gradually reduce the cost components. But yeah, I mean, these

Viraj Mehta, Analyst

Thanks a lot, sir, and best of luck.

Rajnish Sarna, Executive Director

Thank you.

Operator

Thank you. The next question is from the line of Abhijit Akella from IIFL. Please go ahead.

Abhijit Akella, Analyst

Hello, good morning, sir. Thank you so much for taking the questions. First of all, would it be just possible to break out the revenue numbers for the two segments, sir, I mean, domestic and custom centers, sir?

Rajnish Sarna, Executive Director

Yes. So for the third quarter, if you're asking the revenue break-up is like, domestic is close to 129 Cr and CSM is -- the exports are close to 234 Cr.

Abhijit Akella, Analyst

Okay

Rajnish Sarna, Executive Director

And cumulative if you are looking it, that for nine months, the domestic is 543, and the exports -- synthesis exports are close to 689.

Abhijit Akella, Analyst

Right. So, last year I believe we had around 110 crores or so of domestic and that has grown to 129 this year?

Rajnish Sarna, Executive Director

Pardon?

Abhijit Akella, Analyst

Last year in the third quarter, I believe we had around 110 crores of domestic revenue and that has grown to 129 this year?
Yes.

Abhijit Akella, Analyst

Okay. Got it, sir.

Rajnish Sarna, Executive Director

108 crores was -- 107.558 precisely was the revenue of domestic last year.

Abhijit Akella, Analyst

Okay.

Rajnish Sarna, Executive Director

Which has grown to now 128.93.

Abhijit Akella, Analyst

Perfect. And on the segment wise margins, would you be able to provide any color, sir?

Rajnish Sarna, Executive Director

Well, they have no quarterly environment and I was answering the earlier participant that these margins vary from quarter to quarter more so in the domestic business and relatively less in our CSM business. So in this quarter, as I explained earlier, the margins have significantly improved over last three, four years from 13.5% to now 17.3% and for this quarter if you're asking, I think the domestic have remained slightly lower at close to I think 15.5% to 16% and that synthesis were close to 19% -- 18.5% to 19.

Abhijit Akella, Analyst

Sure. And if I just compare versus the September quarter, where we had higher margins in both the segments, would it -- I mean the -- principally the reason for the Q-o-Q drop, would it be fair to assume that it is largely product mix or was there also an element of the FX benefit that we may have got last quarter going away or if you could add some color to that?

Rajnish Sarna, Executive Director

Yeah, so if we are looking at purely EBITDA, yes, product mix and these are the reasons, business mix, product mix, these are the reasons, nothing more than that. And as I explained, quarter three is generally, a phase where the domestic business margins will be lower compared to the first six month or first quarters and so on.
Sure sir, but CS, custom synthesis margins also would have dipped a little bit Q-o-Q, right versus September quarter, what would the --

Rajnish Sarna, Executive Director

Yeah, yeah. So it won't remain in steady state at whatever margin throughout the year, certainly not, because there also the margins vary product-to-product. But yes, relatively less compared to the domestic business, where seasonality and segmentation plays major roles.

Abhijit Akella, Analyst

Okay, fine, sir. Jambusar you mentioned 90 crores for the first nine months. I think that implies around 22 crores for this quarter. Last quarter, we had I think 38 crores at Jambusar. So again, is it just a change in the timing of delivery or what's the reason for that?

Rajnish Sarna, Executive Director

No, I've not understood your numbers and also, I'm not having these numbers in my front of last quarter and so -- but they are, as I explained for the nine months, we are at close to 90 odd crores 90 crores, 91 crores, and this is all the capacity is building up and if -- getting utilized and for the year, I think we should be getting close to 120 crores.

Abhijit Akella, Analyst

Okay, great and on the -- looking ahead, sir to the fourth quarter now, historically it's been a big quarter for custom synthesis. However, you have mentioned in previous conference calls that the seasonality aspect maybe a little bit smoother going forward. So what should we expect in terms of custom synthesis' revenue in 4Q?

Rajnish Sarna, Executive Director

Well, I think we should be maintaining the current levels of our scales around that, yeah.

Abhijit Akella, Analyst

Okay, great. And one last question, I'll just jump and come back in the queue, sir. On the new products, could you just update us how many have been launched so far in both the domestic and the CS segment so far and what's the pipeline?

Rajnish Sarna, Executive Director

Yeah. The domestic, we have launched one product last quarter. CSM we have commercialized the one new product this quarter and in the third quarter and one more new product we are expecting to commercialize in the fourth quarter.

Going forward, as I was answering to the earlier participant, we are expecting three to four products -- three products at least new commercializing in our synthesis and exports next year. And for domestic, we are expecting that by quarter four or early quarter one next year, we should be getting these two products out of our registration pipeline and getting launched in domestic market.
Perfect. And the one that we launched in the domestic market this year was what, sir, if you just give some details about that?

Rajnish Sarna, Executive Director

Yeah. This was a wheat herbicide, just introduced. So at the tail end of quarter two.

Abhijit Akella, Analyst

Okay. And what would the name and molecule there have been, sir?

Rajnish Sarna, Executive Director

This is Mansa.

Abhijit Akella, Analyst

Yeah, okay, great. Thank you so much.

Operator

Thank you. The next question is from the line of Sejarah Boria [ph] from East India Securities. Please go ahead.

Unidentified Participant

No, I don't have any questions.

Operator

Thank you. The next question is from the line of Afshan Syed from Dolat Capital. Please go ahead.

Unidentified Participant

Yeah, hi. This is Amit here. Thank you very much.

Operator

Sorry to interrupt. Sir, may I request you to please use the handset.

Unidentified Participant

Is this better, Ms.?
Yes, thank you very much.

Unidentified Participant

Okay. A quick question on your dividend payout, the interim that you announced. Is that something that we should now build into our estimate? I mean, is there any intent to raise the dividend payout considering now you have much better cash flows and probably the visibility is probably strongest that we've seen in the last couple of years?

Rajnish Sarna, Executive Director

Well, yes. On one side, as you mentioned, the cash flows are improving, the visibility is good. On one side, as we would appreciate, there is a -- new opportunity also, and which is also requiring us to reinvest in the business. And when the businesses is during these kinds of reasons, I think this also makes sense to we reinvest in. So, I mean, there are different views on this, but yeah, I mean, what the -- currently we sense on the board is that, yes, we should maintain the kind of dividend payout we've been doing and renew the situation, keeping in mind the investment scenarios and all.

Unidentified Participant

Okay, so I will probably -- interpret this in a manner that there is no intend to race it as of now?

Rajnish Sarna, Executive Director

Right, as of now, yes, but we -- Board will certainly review this going forward.

Unidentified Participant

Okay second, Rajnish if you could spell out what has helped us to rationalize the working capital to the level that we are at today. And is there any further headroom available for us to improve this further, what could those levels be going forward?

Rajnish Sarna, Executive Director

Yeah certainly, I think the key reason for improving the working capital has been optimizing our inventory levels. So there have been continuous efforts on -- to improve supply chain performance with our suppliers and even within the -within our internal teams to optimize these inventory levels in both the business -- both these business segments.

Going forward, yes, I see certain scope to further improve this particularly towards the receivable sides and we are looking at some of these options -- financial options to further improvement, receivable days and all.

Unidentified Participant

Sure, thanks and the last question, I listened you mentioned the order book position on the CSM is now $365 million. This is -- so basically, last quarter you mentioned this was 334. So after executing orders, whatever we did during the quarter, this has become 365. That's the correct interpretation.
Yes, you're absolutely right.

Unidentified Participant

Okay. Thank you very much and all the best.

Rajnish Sarna, Executive Director

Thanks.

Operator

Thank you. The next question is from the line of Ankit Kumar from Equirus Securities. Please go ahead.

Ankit Kumar, Analyst

Thanks for taking my questions. Sir for first nine month in domestic business, we have seen almost 22% kind of a growth. Sir if you can bifurcate between volume and price growth and also if you can comment on the industry growth rate during the same period?

Rajnish Sarna, Executive Director

Well, the major growth is driven from volume. I would say so around 6%, 7% is the -- because of price and rest is all because of volume, I would say. I believe I mean, again, there is no structured data on this, but I believe the industry growth during this period is close to -- Indian Industry I'm referring to, is close to 14% to 15%.

Ankit Kumar, Analyst

Okay sir, what would be our proportional of in-licensed revenue contribution for Q3 as well as for first nine months?

Rajnish Sarna, Executive Director

I would have for first nine months and it is close to 65% in-licensing and rest is our other non-in-licensing business.

Ankit Kumar, Analyst

Okay. Sir, this 33 million of ForEx loss in the P&L, sir, what does it pertains to?

Rajnish Sarna, Executive Director

Well, this is just the restatement losses. So, for example, when you are invoicing the rupee was maybe at 66, 68 and then later on it came down. So then the restatement of receivables would result in this.
So these are notional in nature, right?

Rajnish Sarna, Executive Director

No, no. The one is which has been realized are notional.

Ankit Kumar, Analyst

Sure. Sir, last question is cash position, if you can share data on the cash position as on December 30?

Rajnish Sarna, Executive Director

Well, on books we have close to 30 crore and then there are available limits. So we have more than 125 crore of limits and cash available.

Ankit Kumar, Analyst

Sure. Thanks a lot.

Operator

Thank you. The next question is from the line of Prateek Poddar from ICICI Prudential. Please go ahead.

Prateek Poddar, Analyst

Yeah, hi. Congratulations on a great set of numbers. Sir, over the next two, three years -- two to three years, where do you see this positive free cash flow generation being deployed? Could you just guide us on that, please?

Rajnish Sarna, Executive Director

Can you please repeat, I couldn't hear you clear.

Prateek Poddar, Analyst

Am I audible sir now?

Rajnish Sarna, Executive Director

Still, but I'll try. Please repeat your question.

Prateek Poddar, Analyst Rajnish Sarna, Executive Director

Yeah. So as I was answering to some of the earlier participants, we have very interesting projects and opportunities in the pipeline, both in R&D, as well as in our marketing and distribution business. We also know that currently our existing capacities are near to optimum utilization. So in order to materialize and grab these opportunities in pipeline, we'll have to be investing in our capacity building and enhancing these capacities. So this is where probably we'll use these free cash flows for the next couple of years.

Prateek Poddar, Analyst

So I mean, yeah, one would obviously be increasing your CapEx amount and second would be, I mean, because sir, if I just even knock off the CapEx amount, then also you would be left with a lot of free cash. So where do you plan to deploy that?

Rajnish Sarna, Executive Director

Well, the first choice certainly would be to further reduce these debts.

Prateek Poddar, Analyst

Okay.

Rajnish Sarna, Executive Director

And then we are -- certainly keep evaluating these opportunities and some interesting opportunities, if some are there, we will certainly look at them.

Prateek Poddar, Analyst

Okay fair enough. Sir, you mentioned that --

Rajnish Sarna, Executive Director

Opportunities, let me clarify, the opportunities in terms of inorganic growth.

Prateek Poddar, Analyst

Yeah, okay. Sir, I mean, you mentioned three new products to be launched in the CSM business. Would all these be intermediaries or final products?

Rajnish Sarna, Executive Director Prateek Poddar, Analyst

And the recently launched, I mean, commercialized one, was that an AI or a new intermediate?

Rajnish Sarna, Executive Director

It was an intermediate.

Prateek Poddar, Analyst

Fair enough. Sir, could you just give me the CapEx amount till date we've incurred?

Rajnish Sarna, Executive Director

Well, so far, we have done 65 crore.

Prateek Poddar, Analyst

And anything which has gone for Phase II of Jambusar?

Rajnish Sarna, Executive Director

Pardon?

Prateek Poddar, Analyst

Anything which has gone on to, say Phase II of Jambusar plant or this 65 crores would be pure balancing of equipment and some R&D expenditure and maintenance?

Rajnish Sarna, Executive Director

Yeah, yeah. Nothing significant has drawn through Phase II, that we're now starting up.

Prateek Poddar, Analyst

And sir, by when can we expect, say full operational -- operationalization of say, second phase, would it be?

Rajnish Sarna, Executive Director

Well, most probably quarter one next year.

Prateek Poddar, Analyst Rajnish Sarna, Executive Director

Well, that I mean, those shareholders can anytime draw back their cash before the merger.

Prateek Poddar, Analyst

So when the merger takes place, there would be -- would it be a fair understanding, I mean, if the merger takes place, there would be no increase in say your fixed assets, current assets or liabilities or anything like that.

Rajnish Sarna, Executive Director

No, no nothing.

Prateek Poddar, Analyst

Sir, any specific reason why this merger --

Rajnish Sarna, Executive Director

This is let's say, by housekeeping activity, because it will have no impact except for consolidating the holdings of the promoter and then, gradually taking it in the lease-hold [ph] hand, because earlier they were holding in there a few investment companies, the promoters, then they consolidated it into one and now it is getting moved to the individual hand and that's it. No, no impact as far as on the PI's financials in terms of fixed assets or current assets or something.

Prateek Poddar, Analyst

So no impact on balance sheet? No impact on P&L, pure bookkeeping.

Rajnish Sarna, Executive Director

Yes. Yes.

Prateek Poddar, Analyst

Okay. Sir, last two questions. You mentioned the order book is $365 million and generally your model is wherein 60% of your capacity is committed towards long-term and 40% is say, for new opportunities. You still hold to that, right? It's not that you are committing more of your capacities to long-term?

Rajnish Sarna, Executive Director

Yeah, more or less around those percentages only.

Prateek Poddar, Analyst

So you would have flexibility in terms of your operations, right?

Rajnish Sarna, Executive Director

Absolutely.

Prateek Poddar, Analyst

And sir, on the tax rate, you mentioned that in FY16 or I mean, '15, '16 is where we could see some kind of drop in the tax rate, right?

Rajnish Sarna, Executive Director

Yeah, yeah.

Prateek Poddar, Analyst

Okay, thanks a lot and all the best, sir. Thanks.

Rajnish Sarna, Executive Director

Thank you.

Operator

Thank you. The next question is from the line of Runjhun Jain from Nirmal Bang. Please go ahead.

Runjhun Jain, Analyst

Sir, congratulations for a good set of numbers. Most of my questions have been answered. Just wanted to know your outlook on the Nominee Gold. How it is growing post the -- competition intensified?

Rajnish Sarna, Executive Director

Can you please repeat again?

Runjhun Jain, Analyst

Sir, my question is how the Nominee Gold is faring after the increased competition?

Rajnish Sarna, Executive Director Runjhun Jain, Analyst

So there is no problem at the market level?

Rajnish Sarna, Executive Director

No, not really. I mean the product is doing well.

Runjhun Jain, Analyst

Okay and just last thing that sir that Q4 -- is it right to assume that Q4 margins would be same or better than Q3?

Rajnish Sarna, Executive Director

I hope so.

Runjhun Jain, Analyst

Thank you.

Operator

Thank you. The next question is from the line of Manoj Bahety from Edelweiss. Please go ahead.

Manoj Bahety, Analyst

Good afternoon Rajnish. Good afternoon Mr. Mayank.

Mayank Singhal, Chief Executive Officer

Good afternoon.

Rajnish Sarna, Executive Director

Very good afternoon.

Manoj Bahety, Analyst

Rajnish, my question is on custom synthesis. If you can talk about revenue concentration client wise as well as product wise for custom synthesis business like top three, four, five clients, how much percentage of our revenues are coming from them as well as top four, five products?

Yeah, so I think that we have explained in part also, we have close to I think 14 to 15 products at commercial scale today and these would be coming from maybe nine or ten customers.

Manoj Bahety, Analyst

Okay.

Rajnish Sarna, Executive Director

And all these, I mean products have been added in the portfolio at a different point in time. So every year a couple of products or two, three products are getting added to the portfolio. So in any case, given the nature of this business, there is a small number of products and small number of clients. Talking about concentration, I would say the top five could be close to 55% to 60% of total revenue.

Manoj Bahety, Analyst

Okay. Both in terms of --

Rajnish Sarna, Executive Director

This is how it would be in terms of even customers also.

Manoj Bahety, Analyst

Okay. So top five products as well as top five customers contributes around 55% to 60% of the revenues.

Rajnish Sarna, Executive Director

Yeah, more or less. Yeah.

Manoj Bahety, Analyst

Do you see this as a risk, means, going forward as we grow, whether this contribution from top five customers will go down or you are expecting a good amount of growth, because all of the products are in the early stage of their patent. So, means, the growth whether it will be coming from existing products or, I mean, the products will contribute to the growth more?

Rajnish Sarna, Executive Director

Okay. So, there are multiple questions in this question, so let me answer one by one. Yes, as the small number of customers is not a risk to manure, it a opportunity for us, which clearly tells us and drives us that there is a lot more to do, and there is a lot more market there to grab. So we are certainly working towards that, this is one.

Going forward, the growth will be driven certainly by the existing products, because as you rightly pointed out that most of these products are at the early stage of their life cycle. So in line with their global growth, the revenue share of And of course, since we are -- we have a very healthy R&D pipeline, as I was explaining that anytime we are working on growth to 20, 22 product. The new products will keep as and when commercialized going forward and they will also drive the overall growth. So, yes, on both ways this will happen.

Manoj Bahety, Analyst

Okay. So overall mix will remain at this level only, 55% to 60%, like top five, six customers that mix is going to continue, right?

Rajnish Sarna, Executive Director

Yeah. Broadly, yes. But, yeah. I mean, this is very dynamic situation, if product does well and it dramatically changes all these percentages every year and every quarter.

Manoj Bahety, Analyst

Okay. My second question is that this order book of $365 million, how many years you expect to execute this order book like?

Rajnish Sarna, Executive Director

Well, this is -- there are different products in different periods. So one product, you have order book for five-year, one product you have, for two year one product you have, for three year something like this. So on an average, I would say close to three years -- three, three and three and a half years.

Manoj Bahety, Analyst

Right, Rajnish. Thank you, thank you for taking my questions.

Rajnish Sarna, Executive Director

Thank you.

Operator

Thank you. The next question is from the line of Nitin Agarwal from IDFC Securities. Please go ahead.

Nitin Agarwal, Analyst

Hi, thanks for taking my question. Mayank on the CRAMs business, I just want to -- we're going to be almost about $200 in size sometime around next year or so, which I guess in some sense, we would be addressing an opportunity of a final market of -- close to a billion dollars, plus or minus. I mean, how big do you think this business can really get for us over a period of time, given the finite size of the agrochemical business per se?
Well, first of all, I don't think we are limiting ourselves to only agrochemical business and synthesis and exports.

Nitin Agarwal, Analyst

Okay.

Rajnish Sarna, Executive Director

So as we have explained earlier also that, yes we -- you may say that we are currently necessarily doing agrochemical products in this business. But yeah, I mean, if I look at our pipeline and R&D and all, I mean it is going much beyond the SM product into electronic chemicals, imaging chemicals, pharma only intermediates and so on and so forth. And you can certainly imagine the kind of market opportunity which is there, and I was reading last week, somewhere that even in pharma, the opportunity size is no less than 25 billion in next three, four years. And I'm talking only (inaudible).

So the point is that there is a huge opportunity, SM, pharma, electronic chemicals, imaging chemicals, other specialty chemicals and niche segments and so there is significantly bigger opportunity there and this is where we are trying to broad base our initial work or I referred to as process results worked in R&D. So that all these verticals then shape up well in next three to five years.

Nitin Agarwal, Analyst

Rajnish in the pipeline that we're currently caring, is there been -- I mean, what proportion of the pipeline would be now in the non-agri chemical products, it's already beginning to show up there?

Rajnish Sarna, Executive Director

I would say close to 30%

Nitin Agarwal, Analyst

Is non-agrochemical?

Rajnish Sarna, Executive Director

Yes.

Nitin Agarwal, Analyst

And how has this number sort of changed over the last two, three years?

Rajnish Sarna, Executive Director

Well, three, four years back, I think hardly there was a project in non-agri. So maybe 5%, 7%, I mean, I do not have exact number. But yeah, the sense is that it was not significant.

Nitin Agarwal, Analyst

And as you see the next three, four years, usually this proportion progressively increasing or the non-agri part of the business?

Rajnish Sarna, Executive Director

Yes, certainly. And this they where the business development efforts are also being made.

Nitin Agarwal, Analyst

But sir, in terms of, capability --

Rajnish Sarna, Executive Director

As you know, we have a subsidiary in Japan.

Nitin Agarwal, Analyst

Right.

Rajnish Sarna, Executive Director

And there are specific teams working specifically in non-agri segments.

Nitin Agarwal, Analyst

Right. But sir, in terms of capabilities on the manufacturing and the R&D side, do you need to augment these capabilities and how were we approaching these, for example, something in pharma, the regulatory standards are very different compared to probably, I mean, I'm not very sure, but the ways -- the regulatory standards are very different compared to, say for example, manufacturing agrichemicals, for example. So how are you progressing towards that, are we scaling up on that capability front?

Rajnish Sarna, Executive Director

Well, when we talk about pharma, I mean, we are certainly talking about, early intermediate of pharma, not the APIs or the other advanced intermediates or something, certainly not. And when we are talking of early intermediates, the chemistry platforms are the same.

Nitin Agarwal, Analyst

Okay.

Rajnish Sarna, Executive Director Nitin Agarwal, Analyst

Okay, nice. And lastly on the margins. Since we are going to be undertaking another round of CapEx on Jambusar over the next couple of years, I mean, does it again going to have some bit of impact on operating, I mean, some additional cost and all which comes in and impact our margin expansions trajectory going forward in the next two to three years?

Rajnish Sarna, Executive Director

I don't think so. And neither it has reflected in last four, five years, as I was answering one of the other participants. If you see last four, five years, I mean, margins which was -- which used to be, I mean, I'm talking of '10, '11 or even before, we used to be in the range of 14%, 14.5% to 15%, today we are at 19%. So constantly.

Nitin Agarwal, Analyst

Right.

Rajnish Sarna, Executive Director

I mean, the margins have been improving and I believe that as we can maintain and grow at 30% plus kind of level, the leveraging benefits will come, operating leverage benefits will come and we should be able to gradually improve these margins going forward.

Nitin Agarwal, Analyst

I mean, what's your sense on what could be the optimal sustainable margins that we can hit in as a consolidated business in the next two, three years?

Rajnish Sarna, Executive Director

Well, that would certainly depend on what kind of verticals we can grow faster going forward. But yeah, sitting in the existing vertical and the kind of products and services we are doing, I think close to 20%, 22% should be a reasonable guess.

Nitin Agarwal, Analyst

And lastly Rajnish, on that you talked about getting into additional verticals for CRAMs, but when you're looking at these additional verticals, so the -- are you looking to mine your existing clients to probably into some of these other businesses or are you looking at, what's the primary or -- it's completely different new set of plans altogether that we're targeting out here?

Rajnish Sarna, Executive Director Nitin Agarwal, Analyst

Right.

Rajnish Sarna, Executive Director

So they are certainly the first choice and they have seen the performance, they -- I mean we have interacted before with them and they have great amount of relationships with us and all that. But yeah, I mean certainly the other clients, new clients and there is plenty of scope there.

Nitin Agarwal, Analyst

Okay. Thanks very much and best of luck.

Rajnish Sarna, Executive Director

Thank you.

Operator

Thank you. The next question is from the line of Abhijit Akella from IIFL. Please go ahead.

Abhijit Akella, Analyst

Thanks so much for taking my follow-up. I just had one question. If you'd happen to have data handy, could we get the free cash flow generation for the first nine months, if possible?

Rajnish Sarna, Executive Director

No, can you please repeat?

Abhijit Akella, Analyst

I was just looking for, how much cash flow you would have generated in the first nine months, given that we've reduced the working capital substantially. I was just looking to get a sense of how much cash flow we would have generated in the first nine months?

Rajnish Sarna, Executive Director

Well, this is in front of me. We've generated 21 crores.

Abhijit Akella, Analyst Rajnish Sarna, Executive Director

Everything.

Abhijit Akella, Analyst

I see. Okay, fantastic. Thank you so much, sir.

Rajnish Sarna, Executive Director

Thank you.

Operator

Thank you. The next question is from the line of Veena Patel from iWealth Management. Please go ahead.

Veena Patel, Analyst

Good afternoon, everyone. Congratulations to the entire team at PI for maintaining the excellent show. Sir I have a few queries, first of all pertained to our domestic business. I just wanted a revenue break up between the herbicide, insecticides and fungicides?

Rajnish Sarna, Executive Director

Well --

Veena Patel, Analyst

Q3 or nine months, whatever the data is available.

Rajnish Sarna, Executive Director

Yeah. Well, for nine months, because Q3 I don't have it in front of me, but for nine months, herbicides are close to 35%.

Veena Patel, Analyst

Okay.

Rajnish Sarna, Executive Director

And insecticides are close to 50%.
Okay.

Rajnish Sarna, Executive Director

And rest are the other segments.

Veena Patel, Analyst

Sir, can I get it geographic zone wise, North, South, East and West break-up?

Rajnish Sarna, Executive Director

I do not have in front of me, but yeah, you can get it separately.

Veena Patel, Analyst

Okay. So what is the contribution of the top five products in the total domestic revenue?

Rajnish Sarna, Executive Director

Top five is close to, I think, 55%. But yeah, I mean, this is not in front of me. We can check and inform you separately.

Veena Patel, Analyst

Okay. And sir, you just mention about the new product launch of the wheat herbicide. Is it a PAN India launch or which all states it has been launched?

Rajnish Sarna, Executive Director

That is mainly in North.

Veena Patel, Analyst

Okay. So what would be our total product portfolio after the recent launches?

Rajnish Sarna, Executive Director

In the domestic market?

Veena Patel, Analyst

Yes, sir.
Yeah. We have now closed to 28 or 29 products.

Veena Patel, Analyst

Okay. Sir, how has been the response to our product launched in the last year, Osheen and Fluton?

Rajnish Sarna, Executive Director

Response is excellent in both these products. There were initial hiccups in the first season for Osheen, because of very high infestation of BPS. But we got a very good response and very good conversion in the current year.

Veena Patel, Analyst

Okay. Sir, in case of the domestic business, what kind of growth is sustainable along with the sustainable margin?

Rajnish Sarna, Executive Director

Well, we expect to maintain a 25% to 30% kind of growth level going forward.

Veena Patel, Analyst

Okay. And sir --

Rajnish Sarna, Executive Director

Because we have the visibility of growth of the products, which we have already launched. And then as I was explaining, there is a good pipeline for introduction of products.

Veena Patel, Analyst

Okay. Sir, on the margins front, what will be the sustainable number for domestic business?

Rajnish Sarna, Executive Director

Well, given the quality of revenues what we have. I think, 17% to 18%, also a lot will also depend on how the monsoon plays season after season. But yean, given that everything remains normal, these are the kind of levels we should achieve.

Veena Patel, Analyst

Okay. Sir, now speaking about your custom synthesis business, the Jambusar phase 1, has it reached the break-even?

Rajnish Sarna, Executive Director Veena Patel, Analyst

Sir, what kind of asset turnover can you expect from the Phase 1?

Rajnish Sarna, Executive Director

Well, I said, turnover from Phase 1 -- if you only consider Phase 1 related investments, should be close to around 2.

Veena Patel, Analyst

Okay. Sir, what kind of CapEx we have been doing on Phase 1 and what is been planned out for Phase 1?

Rajnish Sarna, Executive Director

Well, I couldn't hear your question. And I think, as the moderator was telling, there are so many people in line. So may be. I mean, if we limit your questions please.

Veena Patel, Analyst

Okay, one sir, final question on the tax rate, will it be a full tax rate for this particular financial year FY14?

Rajnish Sarna, Executive Director

Yes, certainly.

Veena Patel, Analyst

And sir lastly, the utilization levels of 85% what you mentioned to the earlier participant, that is for Phase I?

Rajnish Sarna, Executive Director

Can you please repeat again?

Veena Patel, Analyst

Sir, the utilization levels of 85% is for the Phase I of the Jambusar?

Rajnish Sarna, Executive Director

Absolutely.

Veena Patel, Analyst Rajnish Sarna, Executive Director

Thank you.

Operator

The next question is from the line of Rohit Nagaraj from Sunidhi Securities. Please go ahead.

Rohit Nagaraj, Analyst

Yeah. Thanks for taking my question, sir. So, what is the total CapEx expected for FY14. We've already done 65, I think earlier guidance was about 100 crores?

Rajnish Sarna, Executive Director

Yeah, so, I hope we should be pressing close to 100 crore.

Rohit Nagaraj, Analyst

Okay and can you give us a guidance for FY15 in terms of revenues and margins?

Rajnish Sarna, Executive Director

Yeah. So, I think I answered to one of the participants that we are expecting the revenue growth to be, I mean close to 30%.

Rohit Nagaraj, Analyst

Okay and margins improvement over this --

Rajnish Sarna, Executive Director

Yeah, we should be able to maintain these margins, EBITDA margins.

Rohit Nagaraj, Analyst

Okay and sir, after Phase II of Jambusar, what would be the revenue potential from this facility?

Rajnish Sarna, Executive Director

Yeah. So, as I was telling that one can always expect 2 to 2.25 kind of asset turn, so if we invest, say 300 crore, we can expect 600 crore to 700 crore kind of revenue there.
Okay. Fair enough, sir. Sir and as per the calculation, you said, net debt is about 95 crores and cash of about 30 crores, so that debt level at the end of nine months was about 125?

Rajnish Sarna, Executive Director

Come again?

Rohit Nagaraj, Analyst

Debt for -- at the end of nine months, is it somewhere near 125 crores, you had given a net debt of 95 and the cash is about 30 crores.

Rajnish Sarna, Executive Director

No, so net debt is 95, as you are saying. So, what --

Rohit Nagaraj, Analyst

No, about total debt. Sorry, sorry total debt. Total Debt, sorry. Total debt.

Rajnish Sarna, Executive Director

No, no, so, total debt is 95, which is short-term and long-term both.

Rohit Nagaraj, Analyst

Okay and cash is 30, so net debt would be close to about 65, right?

Rajnish Sarna, Executive Director

Yeah, I don't know what is the definition of net debt, but yeah, debts in the books is 95 and cash in the bank is 30.

Rohit Nagaraj, Analyst

Okay and for our expansion next year and the year after of about 125 crores, 150 crores, are we expecting through any debt or it will be totally from internal accruals?

Rajnish Sarna, Executive Director

Well, we may consider some external debt because, in any case, debt levels have come down quite sharply. So, we'll certainly review the overall situation and then decide, but we may consider some external debt.

Rohit Nagaraj, Analyst Rajnish Sarna, Executive Director

Thank you.

Operator

Thank you. The next question is from the line of Amol Kotak from ASK Investment Managers. Please go ahead.

Amol Kotak, Analyst

My questions have been answered. Thank you.

Operator

The next question is from the line of V K Karthikeyan from Suyash Advisors. Please go ahead.

V K Karthikeyan, Analyst

Sir, good afternoon.

Rajnish Sarna, Executive Director

Very good afternoon.

V K Karthikeyan, Analyst

Sir, couple of questions related to Jambusar. You mentioned that Jambusar has broken even, did you mean at a PBT level?

Rajnish Sarna, Executive Director

Can you please repeat it again?

V K Karthikeyan, Analyst

I said, Jambusar, you said, have broken even, did you mean at PBT level?

Rajnish Sarna, Executive Director

Well, break-even is always done at a defined level, so I don't know what is PBT level break-down.
No, I meant, all the capital costs were also recovered is what I meant, sir, on this revenue base.

Rajnish Sarna, Executive Director

Yes, yes.

V K Karthikeyan, Analyst

Okay. The other question would be over the molecules commercialized in the last two years in the custom synthesis business, would there be any that is in the top five currently?

Rajnish Sarna, Executive Director

Can you please repeat again?

V K Karthikeyan, Analyst

The molecules you have commercialized in the custom synthesis business in the last two years, is there any of them in the top five?

Rajnish Sarna, Executive Director

Yes.

V K Karthikeyan, Analyst

Okay. (Ends Abruptly)