

# INDIA PESTICIDES LIMITED

An ISO 9001:2015, 14001:2015, 45001:2018 and 10002:2018 Company

CIN No. L24112 UP1984PLC006894

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Date: 16.08.2025

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

**Sub: Transcript of the Earnings Call for the quarter ended 30<sup>th</sup> June, 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 ended 30<sup>th</sup> June, 2025, held on Monday, 11<sup>th</sup> August, 2025 at 03:00 P.M.

The transcript of the earnings call is also available on the Company's website at [www.indiapesticideslimited.com](http://www.indiapesticideslimited.com).

You are requested to kindly take the above on record.

Thanking you,

Yours faithfully,  
**For India Pesticides Limited**



**(Narendra Ojha)**  
**Company Secretary and Compliance Officer**

**Encl.: As Above**



## “India Pesticides Limited Q1 FY 26 Earnings Conference Call”

**August 11, 2025**



**MANAGEMENT:** **MR. VISHWAS SWARUP AGARWAL- NON-EXECUTIVE  
DIRECTOR**  
**MR. DHEERAJ KUMAR JAIN - CHIEF EXECUTIVE  
OFFICER**  
**MR. SATYA PRAKASH GUPTA - CHIEF FINANCIAL  
OFFICER**  
**MODERATOR:** **MR. VIRAL SHAH - DOLAT CAPITAL**

**Moderator:** Ladies and gentlemen, good day and welcome to India Pesticides Q1 FY 26 Earnings Conference Call hosted by Dolat Capital Markets Private Limited.

As a reminder, all participants 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 this conference call, please signal an operator by pressing ‘\*’ then ‘0’ on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Viral Shah from Dolat Capital. Thank you and please go ahead, sir.

**Viral Shah:** Yes, thank you Arshi. 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 Q1 FY 26 earnings conference call.

From the management team, we have with us Mr. Vishwas Swarup – Non-Executive 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.

**Vishwas Swarup Agarwal:** Thank you Mr. Shah. This is Vishwas Swarup Agarwal. Good afternoon, ladies and gentlemen. Season's greetings. I hope you and your family are staying safe and healthy. I take the pleasure of welcoming you all for the Q1 FY 26 earnings conference call of India Pesticides. I hope you all had the chance to look at the financial statements and earnings presentation uploaded on the exchanges and our website.

As we commenced FY 26, the agrochemical industry continued to operate within a complex and evolving global landscape. Despite headwinds in international markets, India Pesticides Limited demonstrated resilience and delivered a strong performance across operational, strategic and financial parameters. This performance underscores our focus on long-term value creation through manufacturing scale-up, targeted R&D initiatives and emphasis on a differentiated product portfolio. During the quarter, the company achieved its revenue of Rs. 282 crores, reflecting a growth of 25.8% year-on-year. This growth was primarily volume-led, supported by sustained demand in the domestic and strategic product mix catering to both domestic and international customers.

One of the key milestones was the successful commissioning of the expanded intermediate PEDDA facility. This enhancement strengthens our manufacturing capabilities and reinforces our ability to meet rising demand of Pretilachlor Technical. Looking ahead, the company is on track to expand capacity to 8,500 metric tons per annum by Q2 FY 26, which aligns with our long-term growth plan and supports the Government of India's Atmanirbhar Bharat initiative. Additionally, the formulation capacity has been successfully augmented by 3,500 MT per

annum. Our R&D efforts have gathered momentum, resulting in the development of several new molecules. India Pesticides Ltd. is increasingly recognized as a trusted partner by both domestic and global players, with all major Indian companies sourcing one or more key molecules from us.

Our expansion plan remains firmly on track. During FY25-26, we intend to undertake capital expenditure of Rs. 52 crores at our existing manufacturing facilities and Rs. 64 crores at our wholly owned subsidiary, Shalvis Specialties Ltd.

As we look ahead in FY25-26, the company remains committed to executing its strategic priority and accelerating its growth trajectory. With a balanced product portfolio, strong demand, domestic positioning, expanding manufacturing capacity and advancing R&D capabilities, we are well-placed to capitalize on emerging opportunities and navigate the evolving dynamics of the global agrochemical landscape. We are optimistic about the long-term prospects of our company and remain committed to delivering sustainable value to our stakeholders.

Now, I will hand over further presentation to Mr. D. K. Jain. Thank you.

**Dheeraj Kumar Jain:**

Thank you, Vishwasji. Good afternoon, ladies and gentlemen. I take this pleasure of welcoming you all for the Q1 FY 26 Earnings Conference of India Pesticides.

Let me begin with a brief update on industry dynamics:

The global agrochemical market is showing early signs of recovery, driven by a revival in demand and gradual improvement in prices. Inventory levels across distribution channels have largely normalized and raw material prices remain stable. Overall, we see signals of positive global tailwinds and we expect this trend to continue through FY 26. Our revenue for this quarter, as already stated, is Rs. 282 crores, which is 25.8% more Y-o-Y and 34% more Q-o-Q. This performance reflects both healthy market conditions and the success of our execution strategy.

During the quarter, we undertook several key initiatives to strengthen our operational capabilities. Number one, commissioned the expanded PEDDA Intermediate Facility, increasing the capacity from 2,000 tons to 6,000 tons per annum with a further scale-up to 8,500 metric tons per annum on track for Q2 FY 26. This expansion enhances supply chain efficiency and provides a cost advantage. Successfully commissioned the expansion of our formulation plant, adding 3,500 metric tons per annum of capacity.

We continue to reinforce our position as one of the leading producers of India's top-selling rice herbicides and their key intermediates. We continue our focus on innovation and premiumization yielded positive results, driving an improvement in gross margins. We constantly prioritized value over volume, reflecting our long-term strategy of sustainable, profitable growth. This disciplined approach also led us to an improvement in ROCE to 18.34% from 14%, a direct outcome of better product mix and efficient capital allocation.

For the year 2026 and onwards, number of product launches are in pipeline. There are two products in IPL and three products in Shalvis are lined up for launches next year. These launches will further diversify our portfolio, enhance market reach and strengthen our position in high-value segments. I would like to highlight our expansion plans for FY `26. We have earmarked a capital expenditure of approximately Rs. 116 crores for this year, Rs. 52 crores for the existing site and Rs. 64 crores for some Hamirpur site. The majority of this investment will be directed towards capacity expansion and new product additions, which we expect will further accelerate our growth momentum.

Our R&D capabilities form the backbone of our manufacturing strength. With in-house laboratory infrastructure, including pilot plant and formulation facilities, equipped with advanced analytical instruments. We have the capability to develop, scale up and manufacture differentiated technologies with precision. This innovation-driven approach not only strengthens our product pipeline but also reinforces our self-reliant manufacturing model in line with the Make in India vision.

Looking ahead, we remain optimistic on the back of improving export demand while stable input costs provide a supportive micro-backdrop. Internally, our growth momentum will be supported by progress on a strong new product pipeline, expansion of our premier offerings and continuous improvement in operational efficiency. Our strategic framework remains consistent. Profitable growth, self-reliant manufacturing, continuous innovation and a focus on delivering long-term stakeholder value. With a fully integrated foundation and disciplined execution, we are confident of sustaining this growth trajectory through FY 26 and beyond.

Thank you for your support and partnership. I now invite our CFO – Mr. S. P. Gupta to walk through the financial details of this quarter. Thank you. S. P. Gupta

**Satya Prakash Gupta:**

Thank you, sir. Good afternoon, ladies and gentlemen, and thank you for joining the India Pesticide Conference call to discuss Q1 FY 26 results.

Taking you through the financial highlights for the quarter:

Total revenue for Q1 FY-26 was Rs. 282 crores as compared to Rs. 224 crores in Q1 FY-25, an increase of 25.8% Y-o-Y . We registered an EBITDA of Rs. 52 crores, an increase of 62.6% as compared with the same quarter last year. EBITDA margin stood at 18.4% in Q1 FY-26, expanding 4.17% Y-o-Y . This is in line with our projections for the year. Net profit for the quarter stood at Rs. 35 crores, an increase of 79.2% Y-o-Y , with PAT margin of 12.3%, expanded 3.6% Y-o-Y .

On geographical split in Q1 FY 26,

Our revenue from exports stood at Rs. 87 crores as compared to Rs. 77 crores in Q1 FY 25, and domestic revenue stood at Rs. 188 crores as compared to Rs. 143 crores in Q1 FY 25. We saw an increased revenue on all fronts. Revenue from technicals and formulations stood at Rs. 194

crores and Rs. 81 crores respectively for the quarter. There has been a robust increase in herbicide business during the quarter. Rs 116 crores of Capex has been planned for FY 26 for both India Pesticides Ltd. and 100% subsidiary Shalvis Specialities Limited.

India Pesticides Ltd. has its strong balance sheet with the ability to generate good free cash flow. Company is planning to fuel its Capex plan primarily with internal accruals. Capex will help company to continue its growth trajectory both in topline and bottom-line.

With this we would be happy to take your questions. Thank you.

**Moderator:** Thank you. We will begin the question-and-answer session. The first question is from the line of Mr. Ankit from Adezi Ventures Family Office. Please go ahead, sir.

**Ankit:** I firstly wanted to understand what is the outlook that you have for revenue growth and for EBITDA margins for FY25-26 and what gives you the confidence with regard to utilizing all these additional capacities that are coming on board?

**Dheeraj Kumar Jain:** The revenue target what we have fixed is Rs. 1,000 crores for FY25-26 with a margin between 18%-20%. And even this quarter also we have achieved an 18.4% margin which is in line with our expectations, and we are expanding the capacity of our intermediate plant, and we are going to put one more block. So, that also utilization would be more than 70% of our capacities.

**Ankit:** Just the continuation of the question, what gives you the confidence of the utilization of these additional capacities?

**Dheeraj Kumar Jain:** Confidence level is very good sir because we know whatever product we are making we normally have some arrangements in advance. So, as soon as we start manufacturing, we can immediately market it. So, there should not be any problem. The normal capacity utilization of around 70% we should be able to achieve.

**Ankit:** Understood and I also saw that you have 32% of your revenues from exports. So, what percentage of your revenues have the potential to be impacted by these US tariffs that have been announced on India?

**Dheeraj Kumar Jain:** US tariff that will not be substantial on our products because the tariffs whatever have been declared by the US administration, India and China both are in the similar range and these are the two major countries who are exporting these agrochemicals to US. So, we don't see any impact on our products from US tariffs.

**Satya Prakash Gupta:** Just to add we are exporting just 3%-4% of our turnover to US only, 3%-4%.

**Dheeraj Kumar Jain:** That too these are very niche products.

- Ankit:** Okay, thank you. And finally I believe you saw pricing growth of 8% last quarter, so I just wanted to understand was there any Forex contribution in this pricing growth as well and secondly if it was 8% last quarter how does the pricing look for this quarter Y-o-Y ?
- Dheeraj Kumar Jain:** The pricing looks more or less stable now because raw material prices are more or less stabilized. So, we think that it should continue in a similar way and foreign exchange some impact could be certainly there because of the conversion ratios between rupee and dollar.
- Ankit:** And finally, I mean if I was to look at your revenue growth, I mean your Indian revenue growth in Indian market has been very strong revenue. So, what is the primary reason, what has caused this kind of very good revenue growth in the domestic market?
- Satya Prakash Gupta:** We have increased our herbicide capacity, and this quarter is basically herbicide is being used. So, there was a good demand for herbicides this quarter from India.
- Ankit:** And is it the first quarter wherein you've seen the impact of this increased capacity?
- Satya Prakash Gupta:** Yes, this increased capacity. Part of the increased capacity was operationalized in the last week of April. So, we have utilized partial capacity of this increased capacity.
- Ankit:** Okay. Thank you so much for your clarifications. Thank a lot and good luck.
- Satya Prakash Gupta:** Thank you.
- Moderator:** Thank you. The next question is from the line of Mr. Dhwanil Desai from Turtle Capital. Please go ahead, sir.
- Dhwanil Desai:** Hi good afternoon, everyone and congratulations for very good set of numbers. So, my first question is with respect to this anti-dumping duty on Pretilachlor have we seen the full benefit in terms of pricing because of that and also this growth on the domestic side is it driven by the increased volume in Pretilachlor, if you can talk a bit about that?
- Dheeraj Kumar Jain:** Pretilachlor volumes have helped us in this quarter because this is the main season for Pretilachlor because it goes in rice, paddy sowing, so this was the main season and Pretilachlor sales were good with this anti-dumping duty, the prices have slightly normalized. Otherwise last year we were losing money on Pretilachlor but now we are getting a reasonable margin in this.
- Dhwanil Desai:** Okay, so that pricing effect has already come.
- Dheeraj Kumar Jain:** Yes.
- Dhwanil Desai:** Okay. And we are increasing this capacity for PEDDA from 2,000 to 6,000, so how do we see the incremental ramp up in Pretilachlor in terms of overall market share in Indian market because other than us I don't see any major Indian players in this molecule. So, what kind of volume we can do this year if you can talk a bit about that?

- Dheeraj Kumar Jain:** See, sir presently we have a capacity of about 6,000 tons of PEDDA which is further being augmented to 8500 tons. This will be ready by September-October and we should be able to meet substantial demand of Indian requirement because up till now it has been largely imported. So, we feel that the Indian customers will get our own product from us. So, we should be able to meet at least 70% or , more than 70% of the Indian requirement we should be able to fulfill.
- Dhwanil Desai:** Okay, so that essentially this new capacity will come on stream in Q2. So, by that time the season will largely be over right. So, the full benefit of this will get reflected in next year, is that the right way to look the 70% number that you are saying?
- Satya Prakash Gupta:** This intermediate sales, it starts from November-December itself because people they buy to this intermediate and then they convert it to Pretilachlor and then they pack it and sell it and reach the market. So, normally it starts in November-December also. So, we should be able to market part of the product from November itself.
- Dhwanil Desai:** Okay, sir. Are you talking about overall agriculture environment for technical is kind of getting better in terms of demand. So, if you can you know give us some sense about our base business like Captan, Folpet, prosulfocarb how is the demand outlook and pricing scenario in some of these products?
- Dheeraj Kumar Jain:** The demand for our other products for example our fungicides like Captan, Folpet that is also increasing because India is growing at almost 9% to 10% per year. So, in line with that our product demand is also growing and especially Folpet there is some export demand is also coming up because of the banning of some of the products. Folpet is finding as a replacement use and even in prosulfocarb this year we have seen reasonably good demand and we feel that it should it will continue. Pricing wise there is some pricing pressure on prosulfocarb but we have optimized our process further to reduce our overall cost of production.
- Dhwanil Desai:** Okay, got it. One last question and I will come back in the queue. So, sir last year we did very well on the formulation side almost Rs. 185-190 crore revenue went to Rs. 280 crore so on top of such a high base do we expect 15% kind of a growth and if what will drive the growth on the formulation side?
- Dheeraj Kumar Jain:** Formulation side, formulation also will grow accordingly, sir. As our basket of products are increasing so is our basket of formulation also increases, #1 number one. And number two we are increasing our reach to other parts of India where we are not present as on today. And#3 number three, we are getting some bulk formulation orders from our overseas customers. So, the formulation growth also will be in line with our technical growth.
- Dhwanil Desai:** Okay. That's very good to hear sir. I have more questions. I will come back in the queue.
- Dheeraj Kumar Jain:** As we are making more technical, so the demand for bulk formulations of those technical will also grow.
- Dhwanil Desai:** Okay. Got it.



- Satya Prakash Gupta:** Okay, thank you.
- Moderator:** Thank you. The next question is from the line of Mr. Ananth Shenoy from AS Capital. Please go ahead.
- Ananth Shenoy:** Thank you for the opportunity. My first question is on the formulation sales, which were flat in Q1 FY26 like Rs. 78 crore to Rs. 80 crore. Is this a despite good monsoon, so like what is the reason for that and on Rs. 285 crore base of last year do you expect growth in the remainder part of the year for the formulation?
- Satya Prakash Gupta:** Yes formulation growth in July there has been substantial growth actually because it's slightly delayed that is why it has come up but now it is going on very well.
- Dheeraj Kumar Jain:** The basic consumption starts from June end the product consumption starts from June end. So, there was a delay in monsoon for few days. So, it started around 10<sup>th</sup> and 15<sup>th</sup> of July.
- Ananth Shenoy:** Okay. So, from Q2 onwards we will see formulation growth also?
- Vishwas Swarup Agarwal:** Yes, you will see growth in Q2 FY26.
- Ananth Shenoy:** Okay, so second question is on the export order book like how is the export order book Y-o-Y do you see is there any growth in the export order book for us?
- Dheeraj Kumar Jain:** Export order book is also growing, sir. That is true, when compared to last year our export order book is relatively much better. We have orders for our major products like Prosulfocarb as well as for Folpet as well as for Captan we have got very good export orders.
- Ananth Shenoy:** Okay, so can you quantify like how much percent export order book is higher?
- Satya Prakash Gupta:** Percentages we have to calculate because like we don't have the number readily. We will tell you. Please again, I will communicate with you.
- Ananth Shenoy:** Okay. And lastly on the Pretilachlor side, in the Q1 FY26 what was the sales of Pretilachlor?
- Satya Prakash Gupta:** It was around Rs. 55 crore.
- Ananth Shenoy:** Okay, and other key products like Captan and Folpet, how is the pricing? Is it stable or like it has gone up?
- Satya Prakash Gupta:** Pricing now stable more or less.
- Dheeraj Kumar Jain:** Pricing is stable but in euro dominated prices, there is some gain on account of foreign exchange depreciation.

- Ananth Shenoy:** Okay. And the last question, in the last call you had mentioned about 2 products in Europe and 1 or 2 products in US that we got approvals last year, so have the products have started for this, have the sales started for these products and if so, like can you name the products and what sales you will see this year?
- Dheeraj Kumar Jain:** Sir we already have orders for one of the products from US. Other products we have discussed, they would be requiring the product near the year end. The last week only I was in US where we had a conference there and we had the meeting with our customer. He has indicated that at the end of this year they would be requiring the major quantities of this product and similarly in Europe we are already in touch and they will also be requiring by year end.
- Ananth Shenoy:** Okay, sir. Thanks a lot.
- Satya Prakash Gupta:** Thank you.
- Moderator:** Thank you. The next question is from the line of Mr. Kaushal Sharma from Equinox Capital Ventures Private Limited. Please go ahead.
- Kaushal Sharma:** Congratulations, sir. My question is on the capacity side, what is current capacity utilization as on date?
- Satya Prakash Gupta:** Current capacity utilization is around 80% on blended basis. Technical will be around 73% and formulation is fully utilized.
- Kaushal Sharma:** So, you are expecting more than 70% utilization level in this time usually, right?
- Satya Prakash Gupta:** Yes.
- Moderator:** . We will take up the next participant. The next question in line is from Darshil Jhaveri from Crown Capital.
- Darshil Jhaveri:** Hello, good afternoon sir. Thank you so much for taking my question. So, firstly great results on Q1 FY26. So, just wanted to know, in Q1 FY26 we have performed with the new capacities being online only part of the quarter. So, is it a fair way to look at that Q2 FY26 the new capacity will also be in there. The Q1 FY26 capacity that came online will also be there for the full quarter. So, Q2 FY26 should be better than Q1 FY26. And how do we see the seasonality of our business like in terms of H1 and H2 like is it the ratio is 50:50 or 60:40. Could you know help me with that, sir?
- Satya Prakash Gupta:** Turnover ratio in generally in first half we are achieving 55% to 56% and in second half 43% to 44%. First half major turnover comes from indigenous sale. In second half export turnover is higher. As far as the capacity in 1<sup>st</sup> quarter is concerned, it will be fully operational in 2<sup>nd</sup> quarter but the product demand comes from 3<sup>rd</sup> Quarter and 4<sup>th</sup> Quarter. As already explained the new capacity of this PEDDA, major consumption is in 3<sup>rd</sup> and 4<sup>th</sup> Quarter.

- Darshil Jhaveri:** Okay, so it will be more in Q3 and Q4. Okay, fair enough, sir. And sir just wanted to know with regards to our other income, I know there was some insurance claim but even without that it looks slightly elevated. So, what was the part of other income, sir?
- Satya Prakash Gupta:** Other item includes higher FOREX gain due to increased euro denominated export this quarter. Euro has depreciated significantly this quarter and our exports to Europe was very good during this quarter.
- Darshil Jhaveri:** Okay. Fair enough, sir. And sir, just wanted to know, with regards to our FY26 our guidance is clear, but for the next year FY27 what is the target that we are looking at because as India is also growing so what is the aim for us to grow at what level and what margins?
- Dheeraj Kumar Jain:** Even for the next year we are envisaging a growth of about 15% to 20% in our revenue and EBITDA margins again we would like to keep between 18% to 20%.
- Darshil Jhaveri:** Okay, fair enough, sir. And sir just wanted to know like, on ground, how is the macro environment like do we see any kind of risk in demand or China the dumping and everything, so how do we just overall see the market any kind of risk that can be a speed bump for our growth?
- Dheeraj Kumar Jain:** Sir, China is already there.
- Vishwas Swarup Agarwal:** China is always a challenge, sir.
- Dheeraj Kumar Jain:** We have optimized our products and we are competitive to China now and we are able to compete with them. There is no problem at all. And in some products, for example in Pretilachlor because of this anti-dumping duty, now we are at a better playing field and the other products we are quite competitive to them. So, there is no threat for us from China in our major molecules.
- Darshil Jhaveri:** Okay. Fair enough, sir. Thank you so much. And so one more question if I may sir. So, just wanted to know about our interest cost. So, is the Q1 FY26 level the stable that we could see or any higher because it is a bit like I think it's twice what it was their last Q1 FY25. So, just wanted to know how do we see interest costs going forward, sir?
- Satya Prakash Gupta:** The interest cost will be reduced in Q1 FY26 this year. We have borrowing since Q4 FY25 have accumulated a large inventory of our herbicide. Now they have been liquidated and we are receiving payments. So, now our working capital limit, they are at a very low level. So, interest cost will be reduced in subsequent quarters.
- Darshil Jhaveri:** Okay, fair enough, sir. That's it from my side. Thank you so much, sir.
- Moderator:** Thank you. The next question is from the line of Mr. Ankit Gupta from Bamboo Capital. Please go ahead.

**Ankit Gupta:** Thanks for the opportunity and congratulations for our great set of numbers. Sir, as you had highlighted that we have done Pretilachlor sales of around 50 crore in the quarter, but you also said that we can sell PED A from November-December onwards for this financial year. So, for Pretilachlor plus PED A sales for this year, how much are you expecting and what is the target for FY27?

**Dheeraj Kumar Jain:** Our annual capacity of PED A would be about 8,000 to 8,500 tons from October onwards. And we expect at least for this year for the remaining period now from December to March, we expect to sell at least 50% at least of our capacity and next would be in from April to June.

**Ankit Gupta:** Sure. So, what will be the realizations and like how much revenue can we generate from the PED A sales?

**Dheeraj Kumar Jain:** Sir, PED A I think we should be able to generate about 150 crores from PED A and Pretilachlor this quarter, this year.

**Ankit Gupta:** This season, this financial year?

**Satya Prakash Gupta:** Yes.

**Ankit Gupta:** And next year we will get the advantage for the full financial year. How should we look at the sales for PED A plus Pretilachlor?

**Dheeraj Kumar Jain:** See for example if I take the capacity of 8,500 and if I am able to utilize at least 70%-75% of the capacity. So, it will be about 5,000 to 6,000 tons of PED A which will convert into about Rs. 250 crores to Rs. 300 crores.

**Ankit Gupta:** But sir, PED A will sell outside also, right, to the other manufacturers who converted into Pretilachlor. And we also use for our own in-house consumption?

**Dheeraj Kumar Jain:** Yes, sir, that's true for in-house as well as for selling to other customers.

**Ankit Gupta:** So, 150 crores that you are saying for PED A plus Pretilachlor is for including the in-house consumption that is not the external sales?

**Dheeraj Kumar Jain:** If I don't sell PED A I will sell Pretilachlor. So, PED A or Pretilachlor, I am taking combined.

**Ankit Gupta:** Sure. Okay and on the overall global scenario you highlighted that the pricing pressure still continues on the export market. So, can you talk about some of the new products that we had launched in last two years how they are doing and how do you see ramp up in their sales, FY25 new products that we have launched. This financial year in the Q1, if you launch any new products, how are they doing? How much sales are they contributing and how do you see growth for those products going forward?

- Satya Prakash Gupta:** Last year we introduced two products they are doing quite well. One product we are able to sell almost about 500 to 600 tons per year. And the other product what we have now, we are planning the product is there but we are going for backward integration of that intermediate. So, with that we will be able to get in the export market about a thousand tons of the product from next year onwards.
- Ankit Gupta:** How much do they contribute in revenue the first product and the second product?
- Satya Prakash Gupta:** If I am able to sell a thousand tons, we should be able to get almost about Rs. 50 crores on that.
- Ankit Gupta:** Okay. And the first product that you told contributed 500 tons?
- Satya Prakash Gupta:** More or less similar.
- Ankit Gupta:** Okay, so that should be around Rs. 25 crores?
- Satya Prakash Gupta:** Yes.
- Moderator:** Thank you so much. The next question is from the line of Mr. Saket Kapoor from Kapoor & Company. Please go ahead.
- Saket Kapoor:** Thank you for this opportunity. Firstly sir, about our backward integration. If you could just give some understanding that in your presentation you allude to the fact of incremental margins from backward integration for one of the fungicide. So, how much are we currently integrated and what steps are we taking for incremental backward integration going ahead?
- Dheeraj Kumar Jain:** Sir, we have backward integrated few of our products when the raw material these intermediate was largely imported. See, some of the products we make from very basic stage starting from very elemental chlorine or carbon disulfide and some products we need to import some intermediates and these intermediates are primarily imported into India. So, we embarked on converting these intermediate in our own plant. One example is the Pretilachlor, this PED A which was more than 90% was being imported into India and now we are able to meet the demand of the Indian consumers for more than 70%-80%. So, we have done that substantial work on making this intermediate. Similarly, we have also added the backward integration step for one of the fungicides which goes and which is also around Rs. 50 crores of turnover and with that our margin would be much better if we are able to make our own intermediate, which has already started.
- Saket Kapoor:** Okay. That is Rs. 50 crore annual sales?
- Satya Prakash Gupta:** Yes, in one fungicide. So, in that if we have backward integration then our realization would be improved substantially.
- Saket Kapoor:** Sir, we have also mentioned in our customer profile that we are improvising on our ability to manufacture complex off patent technicals. So, what are the same in the product development

stage and what are the potentials, if you could just allude to the same and when we look at the customer profiles we have mentioned about Rallis and UPL. So, how does the like of Best Agro and Shivalik Rasayan, do they also fall as a competitor for us or are we doing business with them also?

**Dheeraj Kumar Jain:** No, we are not competing with Best Agro or Shivalik Rasayan because their product range is different than our product range. But for their formulation business they buy some quantities of our products to have a better formulation basket. That way almost all the companies in India they buy our products but in the main technical segment we are not competing with Best Agro or Shivalik Rasayan.

**Saket Kapoor:** Sir, next to the incremental margins, I think in your presentation you mentioned about ability to manufacture complex off-patent technical. So, what are the product pipelines in which we are working and what should we look for here?

**Dheeraj Kumar Jain:** We have already identified 3 to 4 molecules and the work is going on at different stages. Two molecules we have already completed the R&D work and we have done the pilot plant and they are ready to go for commercial. So, the commercial plant is in construction stage in our subsidiary Shalvis Specialties at Hamirpur.

**Saket Kapoor:** Okay, so two small points and I will join the queue sir. You are also in your presentation mentioned about some certification, technical equivalent certification from the EU. So, if you could just elaborate, I think you were mentioning about EU sales also catching up for Q3 and Q4, and for Hamirpur capacity sir also Hamirpur will be a greenfield project that we are envisaging and is it in the state of law? Please sir.

**Dheeraj Kumar Jain:** That is a greenfield project. The work is going on there. The infrastructure work is under progress. One of the main commercial production block is also under construction which is expected to be completed in another 2-3 months of time and the EU registration what you have asked about whatever if you want to sell any product in European Union, we have to first register our product in European Union. So, we submit all the data required for the registration to them and they will issue a letter of equivalence that means that our product is equivalent to the registered product in Europe. So, we can sell them in Europe, otherwise we cannot sell.

**Saket Kapoor:** Okay, so what is the potential sir in value terms if you could just give an understanding the type of certification for the type of products which we will be able to monetize or sell going ahead, what is the market size?

**Dheeraj Kumar Jain:** That depends upon product. Each product we have to register like this. Each individual product needs to be registered with EU and then we have to identify the customers who are using this product. So, we go to them, they will add us as a source and then they will start buying different products from whatever product we have registered. So, we have been doing this business for the last so many years and EU is one of our major export destination.

- Saket Kapoor:** And with your permission, last one sir. In your presentation again I am referring to under the Capex plan, you have highlighted the point about Hamirpur and the future trajectory of a growth prospect is poised significantly with the augmentation of Hamirpur project. So, how much are we spending and sir if you could elaborate what will this facility add to and so this is in the state of Himachal Pradesh where we are advertising this?
- Dheeraj Kumar Jain:** Hamirpur is in Uttar Pradesh, about 170 kilometers from Lucknow and 80 kilometers from Kanpur and that is a wholly-owned subsidiary of IPL by name Shalvis Specialties because our present plant there is no space left now. They are almost full, so the new products we are getting in our subsidiary called Shalvis Specialties at Hamirpur. And above all, there is a new expressway which is coming up between Lucknow and Kanpur that will reduce the distance between Hamirpur and Lucknow significantly. Now we need not to travel 2.5 hours, I think 1.5 hours we will be able to reach. Myself or our team and everyone can reach there quickly.
- Saket Kapoor:** Okay and if you could now elaborate, sir, when with the statement which you have provided what kind of revenue potential and when you say that the future trajectory of growth will be augmented from this project, so if you could just give us some color what the type of Capex we are envisaging at first phase and the revenue potential from that?
- Dheeraj Kumar Jain:** We are doing almost, this year we have planned a CAPEX of Rs. 64 crores at our Hamirpur site and next year it will be much more than that and our revenue potential there we are envisaging next year in FY26-27 we should be able to get about Rs. 100 crores revenue from this site and when this site is fully operational, when this company, because it is a land of 25 acres, when we fill that with the production blocks, we should be able to get a revenue of almost Rs. 1,000 crores from there.
- Saket Kapoor:** 1,000 crores?
- Dheeraj Kumar Jain:** Yes, ultimately that's what we envisaged Rs. 1,000 crores to Rs. 1100 crores from Hamirpur site.
- Saket Kapoor:** And what is the timeline sir? By when can we achieve?
- Dheeraj Kumar Jain:** 3-4 years, sir, minimum. If we are lucky, we can do fast but it depends on the market condition.
- Saket Kapoor:** Okay, sir. Thank you thank you for the same. I will join the queue sir. In fact for Hamirpur plant only, sir, to achieve this Rs. 1,000 crores, what would be the incremental capital that needs to reflect, Rs. 64 crores is what we are doing for the first I think to achieve Rs. 100 crore and above turnover.
- Satya Prakash Gupta:** We have already spent almost Rs. 50 crores there and 54 now is going on and we need to invest almost about Rs. 400 crores roughly.
- Satya Prakash Gupta:** Asset turnover are 2-2.5, so 400 crores to 500 crores of investment will be required.

- Saket Kapoor:** Right sir. I will join the queue sir and thank you once again and all the best for the team, sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Mr. Ananth Shenoy from AS Capital. Please go ahead.
- Ananth Shenoy:** Hello sir, I needed a clarification on the previous one. So, you told in the H2 of this year we will make PEDDA sales of Rs. 100 crores, is that correct?
- Satya Prakash Gupta:** Yes, PEDDA and Pretilachlor growth, both combined.
- Ananth Shenoy:** Okay, so already we have done in Q1 FY26 we have done 55, so in H2 FY26 we will expect another 100, PEDDA plus Pretilachlor?
- Satya Prakash Gupta:** Yes.
- Ananth Shenoy:** Okay, sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Mr. Ankit Gupta from Bamboo Capital. Please go ahead.
- Ankit Gupta:** Yes, thanks for the opportunity again. So, on the export demand side you had added that the pricing pressure still continues during this quarter as well. So, if you can talk about how much has been the decline in the prices of some of our key products like Captan, Folpet and Prosulfocar over the past year. Let's say if we compare the prices of May-June 2024 with May-June of 2025. So, how much has been the decline in the prices?
- Satya Prakash Gupta:** Only price decline has been in Prosulfocar in all other products they are quite stable and might be some benefit due to depreciation of Euro also.
- Ankit Gupta:** Prosulfocar only has seen decline in prices. So, for the rest of the products for the last 3-4 quarters the prices have been stable.
- Dheeraj Kumar Jain:** Yes. But even in Prosulfocar we have automated the process to really nullify some of the price decrease.
- Management:** To offset the lower price we are getting.
- Ankit Gupta:** And for the pricing realization growth of 8% that we have seen in the quarter, is it primarily on account of Pretilachlor sales for the quarter?
- Satya Prakash Gupta:** No, it is partly by Pretilachlor sales and balance by this some FOREX gain also as well as in some price rise. Actually, our basket is quite big, say around 20 products, technical products. So, in some products we have been able to increase our prices by 4 % to 5%.



- Ankit Gupta:** Okay. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Mr. Saket Kapoor from Kapoor & Company. Please go ahead.
- Saket Kapoor:** Yes, it is a question on the backward integration part. So, as a total percentage of the sales profile of the product, what is the current percentage that is there, where we are backward integrated as a percentage of revenue and going ahead what is our line of action or the thought process in that direction for the same, sir?
- Dheeraj Kumar Jain:** Sir, our philosophy is normally to make the product from very basic stage. That is what we have been doing. And in some new products, what we do we initially start not with very basic but we start to introduce the product first and if we see the product response is good then we go for backward integration of further steps. So, that otherwise if you initially itself if you do then you lose lot of time and lot of capital to produce initially from very basic stage.
- Saket Kapoor:** Correct. So, as of now out of the product profile of our especially the fungicide part, what portion of our branded sales are we totally backward integrated and where are we working currently for how many products for this backward integration after the validation of the products as you just alluded to?
- Dheeraj Kumar Jain:** Presently, what I can say, all our major products they are all backward integrated and the new product what we are introducing that once we see the response of the product, we go for backward integration. So, this new product pipeline slowly one-by-one we are going for backward integration. All our existing products including our Pretilachlor now of course I have told you then all our other fungicide, Captan, Folpet everything they are all backward integrated.
- Saket Kapoor:** Thank you sir and thank you for a very detailed presentation also. And all the best once again.
- Moderator:** Thank you. Ladies and gentlemen that was the last question for this session. I would now like to hand the conference over to the management for closing comments.
- Dheeraj Kumar Jain:** Thank you very much for your participation. For any further queries or clarification, please do get in touch with our investor relation team and we would be happy to reply to your queries. Thank you again and wish you all a very happy Independence Day and Krishna Janmashtami. Thank you.
- Satya Prakash Gupta:** Thank you so much.
- Moderator:** Thank you, sir. On behalf of Dolat Capital Markets Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.