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insecticides
(INDIA) LIMITED

Ref: IIL/SE/2025/1908/01

Dated: August 19, 2025

The Manager

Listing Compliance Department BSE Limited (Through BSE Listing Centre)	Listing Compliance Department National Stock Exchange of India Limited (Through NEAPS)
Scrip Code: 532851	Symbol: INSECTICID

Dear Sir/Madam,

Sub: Transcript of the Earning Conference Call for the Quarter ended June 30, 2025.

Pursuant to Regulation 30 read with Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the transcript of the Earnings Conference Call – Q1 FY 2026 held in connection with the Unaudited Standalone and Consolidated Financial Results of the Company for the Quarter ended June 30, 2025, on August 13, 2025, is enclosed and is also available on the website of the Company and can be accessed on the following link: <https://www.insecticidesindia.com/investors-desk/>

This is for information & record.

Thanking You,

Yours Truly,

For Insecticides (India) Limited

(Sandeep Kumar)

Company Secretary & CCO

Encl: As above



**“Insecticides (India) Limited
Q1 FY '26 Earnings Conference Call”**

August 13, 2025



**MANAGEMENT: MR. RAJESH KUMAR AGGARWAL – MANAGING
DIRECTOR – INSECTICIDES (INDIA) LIMITED
MR. SANDEEP AGGARWAL – CHIEF FINANCIAL
OFFICER – INSECTICIDES (INDIA) LIMITED
MR. DUSHYANT SOOD – CHIEF MARKETING OFFICER
– INSECTICIDES (INDIA) LIMITED**

MODERATOR: MS. MASOOM RATERIA – MUFG INTIME

Moderator:

Ladies and gentlemen, good day, and welcome to Insecticides (India) Limited Q1 FY '26 Earnings Conference Call organized by MUFG Intime. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star and then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Masoom Rateria. Thank you, and over to you, ma'am.

Masoom Rateria:

Thank you, and welcome to Q1 FY '26 Earnings Con-Call of Insecticides (India) Limited. Today, on this call, we have with us Mr. Rajesh Kumar Aggarwal, the Managing Director; Mr. Sandeep Aggarwal, the Chief Financial Officer; and Mr. Dushyant Sood, the Chief Marketing Officer.

Before we proceed the call, I would like to give a small disclaimer that this conference may contain certain forward-looking statements, which are based on beliefs, opinions and expectations of the company as on date. These statements are not guarantee of future performance and involve risks and uncertainties, which are difficult to predict. A detailed disclaimer has been given in the company's investor presentation, which was uploaded on the stock exchange.

Now, I would like to hand over the conference to Mr. Rajesh for his opening remarks. Over to you, sir.

Rajesh Aggarwal:

Thank you, Masoom. Welcome to all the attendees to the Q1 Earnings Conference Call of Insecticides (India) Limited. I would like to narrate you the premium growth story and our profitable journey.

So, as you know this year, the monsoons, Southwest monsoon, in particular, there was early onset of these monsoons, and there was a strong start of the season. The reservoir level is very healthy because overall, the monsoons are normal, though there is an uneven distribution across the states. So there has been dry spells, there has been extra wet spells in various regions, which has impacted a little. But overall, it is very, very positive.

The global demand recovery scenario is also visible with the stable raw material prices, which has also helped the organization in growing further. The state-wise gaps in the swing has impacted certain crops, but particularly the herbicide season in the dry crops like cotton and soybean got some impact.

But if you look at the crops like rice and maize, so they are very healthy and they are going very strong. The rains have been patchy, which has affected also in some parts of the country, particularly pulses, cotton and oilseeds. But overall, the herbicide demand has been uneven, but particularly for rice and maize, it has been very, very good.

So coming down to the results of the Q1, the premium products in the Q1 has grown by almost 20%. So when I say premium products, they are Focused Maharatnas and the Maharatna. The EBITDA margin of the company in Q1 has grown up by almost 12% versus 11% in the last year.

The PAT is 18% Y-o-Y. So INR42 crores sales from last year's launches was there in Q1, whereas in the last full year, the total sale was just INR34 crores.

I wish to tell you that we have launched about 1 dozen products in the last year. We didn't wait for the season. We just launched the product as we get the registration. That was one reason that the sale was very low. But in Q1 itself, when it is just the beginning of the season, we could bag more sales than the last complete fiscal for these products.

And at least 2 of these products have entered into the Focused Maharatna range, and there are many products which have entered into Maharatnas. So our expectation, particularly from these products is very, very high.

So here, I would like to particularly name Altair, Centran SC, and Brahmos, which are expected to do good. When I talk about Altair, Altair is a patented herbicide, which we have gone -- got from Nissan. It is a new generation herbicide for rice.

So we have placed this product in more than 900 villages. A very strong farmer connect is being done by our sales team and the marketing team. So a lot of demonstrations are being laid, and they are following up each and every acre where this product is going. And we expect a lot of sentiment, a lot of support from the farmers in the long run. And of course, we are expecting good sales during the rabi season also from this product.

So there are the battery of launches, which are going to come into this year and also in the next fiscal. So we are working on a lot of new generation products, and we expect a lot of launches. So particularly some products which are doing well in Q1 were Torry Super, Green Expert, Terrox, Kunoichi.

And we have also announced launch of one more product, SPARCLE, which has come through Corteva, which is a MNC, and we have tied up with them to distribute this product in the country, which is for, again, rice, and it has started very well. Though it has just started in the month of August, which is a Q2 thing, but I thought it's essential mention I should.

So there has been a strategic transformation in the business of Insecticides (India). We were a generic company, which was supplying the farmer with their pastures brand at very aggressive prices. Slowly, we have started converting ourselves into a solution provider by providing them the new generation products, new off-patented molecules.

And it is not just the new molecule itself, but we made the mixtures, which provide the complete solution to the farmer, and these are very well accepted by the farmer and they're well appreciated by the network.

And all these products are becoming the brands and are the part of our Focused Maharatna and Maharatna range. And this strategy has helped a lot to the company in establishing our premium range or the Focused Maharatna and Maharatna range.

So these products have helped the farmer in increasing their profitability and the productivity. So I can say that the premiumization strategy has worked out very well because along with the

premiumization, we have also worked in the tail cutting. So many of these generics, which were not giving the desired results have been moved out from the range.

So there is a continuous focus on margin expansion, because when we are working with the premium products and we are going to the field and connecting with the farmer, also the network, and we are trying to establish this connectivity in a very, I would say, unique fashion.

When I say unique, like in social media, we are trying to do a lot of activity, in the print media, electronic media. We are doing one-to-one contact with the farmers. We are trying to do as many farmer meetings as possible. Like in Q1 itself, we did thousands of meetings with the farmers, and we have done so many demonstrations of our products and -- which has helped us in execution of these plans.

I would say that it's a continued focus that how we can improve our distribution reach in the market by tapping more network. When I say working with more network, we are establishing more and more retail outlets.

We are working with the distribution also. Wherever there is a need, we are trying to expand that also. And overall, we are strengthening our farmer connect in a fashion so that we are able to grow in a, I would say

So talking about the future outlook, I would like to continue with the double-digit growth in the premium products. We've already said that it will be a decent double-digit growth, and we still maintain that. This will help in the profitability improvement in this trajectory.

Expand more products pipeline. Strengthening the farmer engagement is also going to support us. We have completed our capex of Dahej Part 1. So the technical plant has already started the production. And now we are working on Sotanala, which is going to support us for further expansions.

So Sotanala plan is like we are trying to establish here the formulation unit as well as the technical unit. For formulation unit target is to start in the next kharif season. And by the end of the next fiscal, we should be starting our technical plant Phase 1.

So before I close this, I would like to tell you that we have been focusing very towards the -- we are driving the farmers with a lot of innovative and premium solutions. The Tractor Brand remains number 1 brand in the market -- in the race, and we are like resembling the trust and technology. Most of the FMs are commanding top 5 position in the market. And in the digital world, IIL is more prominent than ever before.

I can just say the 3 words, innovation, solution and farmers, or I can say innovation and solutions to farmer. So this has become the buzzword at IIL, and we are focusing around providing the new generation technology to the farmer at competitive prices, and we are getting very good response from the market for this.

With this, I would like to hand over the call to the CFO to explain the results.

Sandeep Aggarwal:

Yes. Good evening, everyone. So this is first quarter of FY '26. The revenue has grown from INR657 crores to INR691 crores, showing a growth of 5%. Gross profit has increased from INR181 crores to INR202 crores, so from 27.6% to 29.2%. And then EBITDA has gone up from INR72 crores to INR85 crores, showing a growth of around 122 bps. PAT has increased from INR49 crores to INR58 crores, showing a growth of almost 100 bps.

Then in B2C segment, premium versus generic. So out of B2C sales, 58% is premium products and 42% are other products. And sales by segment, out of total sales, 75% is B2C sales, 23% is B2B sales and 2% is export sales.

Thank you. Thank you very much.

Rajesh Aggarwal:

Now we can open the house for questions.

Moderator:

Thank you very much. We will now begin the question and answer session. The first question is from the line of Bhargav from Ambit Asset Management.

Bhargav:

Yes. Congratulation on a good performance. Sir, my first question is that now that we are focusing on premiumization of the portfolio, it would be good to understand what could be the EBITDA margin trajectory maybe in the next 2 to 3 years given that -- so, obviously, the margins for the premium products should be far superior.

So while we understand that the revenue growth is sort of in low single digit, but obviously, as more and more premium products get sold, your EBITDA margin should be on a consistent improvement. So maybe in the next 2 to 3 years, what can be the EBITDA margins which one can build in?

Rajesh Aggarwal:

Yes. You are correct that we are trying to grow with the premium products, and for the generics, we are doing tail cutting, which are helping us in building the EBITDA -- better EBITDA margins. So this Q1, what we have achieved looks sustainable in this year.

And for the years to come, definitely, we keep a target of 100 basis points, but it will be a little ugly if I say 100 basis points every year. But it looks possible actually to me if we talk about 2 to 3 years. So it looks achievable. Because if I have a look at my product range, it looks like that we should be able to get that type of response from the market.

Bhargav:

Secondly, sir, if you can highlight the performance of Kaeros, which we had merged into the company. So if you can spend some time on that. And if you can give some guidance in FY '26 on Kaeros, that would be helpful.

Rajesh Aggarwal:

Kaeros, we have recently started actually. Last year, there were some products which were sold by this company in Q1 number. So I'm not having the numbers handy, but we have made some products for some companies and also for IIL.

And very recently, in the last week, we have launched the brand also into the market for Kaeros. So this is just an introduction in the kharif season. In the rabi season also, we'll be spending time in building the network and this thing.

But I can say that in FY '27, we should be able to do about INR150 crores to INR200 crores from Kaeros. And this year, I don't want to give a number, but definitely, we'll be targeting about INR100 crores business from Kaeros in totality.

Bhargav: Understood. And lastly, sir, in terms of hiring of professionals, if you can share some insights. So we were sort of looking at increasing our professionalism by hiring a few senior members from the larger companies. So if you can spend some thoughts on that part, how are we progressing on that front?

Rajesh Aggarwal: The process is on. We are working. So we are working at various levels. So I expect that, yes, there will be some joining before Diwali and after Diwali also.

Bhargav: Okay Thankyou very much.

Moderator: The next question is from the line of Bharat from Fair Value Capital.

Bharat: Sir, I was just asking with respect to the demand scenario. So like you mentioned that there has been some sort of a mixed kind of outlook with respect to herbicide. So for us, how this quarter has been placed with respect to herbicides? And going forward, like how do you see this particular segment getting out placed with respect to quarter 2?

Rajesh Aggarwal: Yes. I said that June was a little muted month. Why? Because low rains, it impacted some herbicides of dry crops, in particular. I just mentioned 2 crops, cotton and soybean. So these 2 crops' herbicide got a beating. But if you look at the other herbicides, particularly in paddy, rice and maize, they are doing wonderfully well and exorbitant. All I can say that these herbicides are going to touch all-time highs there. So it's a mixed response.

So overall, the sales is very good. At this moment, with all the factories running at 100% capacity, we are not able to fulfill the market demand. Demand is like that. But July month is -- 90% cases us like this only, July and August month, where the demand is immense and meeting that demand at the right time at the right place is a challenge for all the agrochemical companies. So good demand at the moment overall.

So the herbicides overall are, again, going to be highest in this year. So overall sales. But yes, there will be some good return of these products, what are pertaining to these 2 crops in particular.

Bharat: Right. So not a meaningful sales can we expect for quarter 2?

Rajesh Aggarwal: Quarter 2 generally is the big quarter for us, which is almost at par or a little higher than Q2. From last 2 years, it was a little muted than Q2. So it's difficult to tell exact number at the moment, but you can consider that it should be plus/minus Q1 itself. It will be a repeat of Q1 broadly.

Bharat: Sir, also with respect to inventory position out there in the market, because some of the peers are mentioning about this particular issue with respect to higher inventory position with respect

to the channels. So what -- like how we are placed in this? Like what kind of inventory are there in the system for us as well as for the industry?

Rajesh Aggarwal:

I don't think that there is any heavy inventory position in the market because at this moment, there is good demand across the country. So whatever is there it will keep on like go in to the market. So as a whole, I believe we'll be reducing our inventory month-on-month continuously in this quarter. And even for the trade, the inventory has to go down.

So generally, as per policy of Insecticides (India), whatever is left in the market like Q1 inventory of 2 herbicides, which will be leftover, will pick everything from the market in Q2 itself, will not leave anything.

So generally, as a strategy, we don't do that. And overall, if you look at the inventory of all other herbicides, insecticides, fungicides, I don't think anything is stuck in a big way in the market. There may be exceptions of certain companies, certain products, but in general, it's not there.

Bharat:

Sir, with respect to the, like, revenue mix, like we have seen that B2B sales have remained on the lower side for us with respect to this. So is it a strategic shift where we are focused more on the premiumized category rather than focusing on the B2B side or there has been some sort of an industry-wide scenario where the demand has been on a stable side from China?

Rajesh Aggarwal:

It is a game of psychology, because I don't know sometimes why my competition is thinking that the sales is slow and they go slow in their numbers. This year, again, yes, we have lost 10% -- a little lesser, 8%, 9% sales are lesser in B2B segment, and we have got about 8%, 9% -- no, a little more 12% growth in the B2C business.

So that's more a matter of psychology. I don't know why people are going slow. But yes, at the moment, B2B sales are muted. But I believe that in Q2, we should make a recovery and we should beat last year's B2B sales in 6 months and Q2 level also.

Bharat:

And sir, with respect to the product launches, like, you have done with respect to Altair and SPARCLE, any potential market size which you can highlight or share across, like what kind of a market size is these products considering?

Rajesh Aggarwal:

It is too early actually for Altair. But we -- this year, we are going to take it to a few thousand acres in the kharif season. And in the rabi season, it will be more. I can give it the line to the CMO who can explain how hard we are working on this and would like to explain about the market size.

Dushyant Sood:

Yes, gentleman, as far as Altair goes, the journey is a very solid start. And what we are aiming right now is 100% satisfaction of 100% users across the geographies where the product has gone. And I'm very pleased to share that the satisfaction level has hit the target and whatever we wanted to communicate, farmer is able to see that practically in every single field.

So this is very strong when we launch a new technology, new herbicide. Going forward in 2 to 3 years' time frame, our maturity volumes stand at hitting roughly 0.5 million acres. That is the target which we are chasing and we are investing for.

- Bharat:** And sir, in terms of like 0.5 million which we'll be targeting, so what kind of revenue can we expect, like, with respect to the overall, I'm just asking. If we look at the potential for this product, what kind of potential we can have?
- Dushyant Sood:** Yes. The maturity revenue, gentleman, at when we treat 0.5 million acres would be in the range of close to INR70 crores.
- Bharat:** INR70 crores. Okay. And just last question, sir, like we have seen a very healthy B2C mix, like with respect to 75% are we targeting and are we sticking to it, like the B2C mix on the overall revenue for FY '26?
- And with respect to EBITDA, there has been a good amount of improvement. So can we expect throughout the year, like 20% kind of a growth on EBITDA numbers will be there given out the healthy offtake of monsoon?
- Rajesh Aggarwal:** That is a very, I would say, healthy target what you are thinking. But again, I cannot say B2C and B2B in terms of percentage because my expectation is my B2B business should also grow. In terms of B2C, yes, we'll have a double-digit growth in our B2C business. And we are trying to get 20% growth from our premium products. That is the vision. That is the target for which we are working, and we will continue working for that.
- But at the same time, B2B business is also expected to grow because we have started certain new AIs, which we'll be selling to the market. And also, we have some good expectation from the export business, so these businesses will also grow.
- So I cannot say 75%-25%. That can be 70%-30% or plus/minus 1%, 2%. That is not the vision. The vision is to sell the premium products to the maximum quantities. Yes, we should be able to maintain what we have achieved in Q1. That is the vision. Going up more than that, it depends on how everything turns out actually.
- Bharat:** But looking at the current scenario, this kind of a growth with respect to -- on the consol basis seems quite achievable.
- Rajesh Aggarwal:** Total growth, I maintain my vision what we had targeted in the beginning about 10% plus/minus. So we'll maintain that.
- Bharat:** And that one the profitability trend as well, sir?
- Rajesh Aggarwal:** That was the top line, not the bottom line. In the bottom line, we are going to grow the premium products. Profitability, we have already discussed. When you are talking about EBITDA margins, which we are matching, so that you can easily calculate, sir. We are trying to maintain the EBITDA margin percentage what we have achieved now, which has already grown more than 120 basis points Y-o-Y.
- Bharat:** So we are sticking to achieving more than 100 basis point improvement like the kind of...
- Rajesh Aggarwal:** Yes. That type of improvement is we will see.

- Bharat:** That improvement is likely to continue going forward.
- Rajesh Aggarwal:** Yes.
- Bharat:** that's all from my side, thankyou
- Moderator:** The next question is from the line of Ashwini Agarwal from Demeter Advisors LLP.
- Ashwini Agarwal:** Good Evening and Congratulations for a very solid show on the margins. So one question is that any update on the R&D portfolio that is under development with OAT Agrio, when might we see a product launch in India or anywhere else in the world? Can you provide an update on that?
- Rajesh Aggarwal:** Yes. We have filed about a dozen patents from this JV. The first product, we are planning to make a filing in the year '25, and there can be a launch in the 1 year itself. That is the vision. So the first product will be coming.
- The second product, development is under progress. We have finalized the product. All things are finalized. So once the product is done, then we have to work on the costing. So generally, the first costings you get are about INR10 lakhs per litre and the target you get is to make it INR5,000.
- So that's a real war, which happens in India and Japan actually, and it takes about 1 to 2 years in development of bringing those prices to that level and then you can take the product to the market.
- So that process is on for the second product. And we have the visibility of the third and fourth products also. So there will be battery of products which will be coming in years from now. So the first product, yes, as expected in year '26.
- Ashwini Agarwal:** Sir, any thought on how large can it be? Would you be doing the manufacturing for the global markets for OAT or would you just focus on India and manufacturing for India? Any thoughts you can share?
- Rajesh Aggarwal:** The vision was very clear at the time of setting up the JV that the JV's role will be just developing the product and filing the patent. And the first right of refusal will be with IIL to make the product or not make the product.
- So there are more than 90% probability that IIL will make the product for the entire world. So there are 12 countries which are with IIL and rest of the world is with OAT. So Indian subcontinent and some countries of Middle East and Africa are with IIL exclusively, so where we can appoint our own partner or work through our distribution network.
- And rest of the world, we have to supply it through OAT. So that is a very well understanding. And with that understanding only we are doing the joint working. And even the data generation is happening jointly for all the products.
- Ashwini Agarwal:** Okay. And the first product that you will file in '25 and hopefully launch this year, what kind of a product is it? Is it a herbicide, fungicide? What is it? And how large can it be?

Rajesh Aggarwal: It's an insecticide actually. So as it gets launched, the information will be public. So the launch is not in year '25, it will be in the year '26. So we are expecting to complete our file and make it because a lot of documents have to come from Japan, because maximum trials or tests are conducted in Japan only.

Ashwini Agarwal: Sir, second question is now your Dahej plant has now fully become operational. I remember reading your press release recently that I think it has just been capitalized. Would that be in Q2? Because I don't see a substantial increase in depreciation in the quarter on a year-on-year basis?

Rajesh Aggarwal: The depreciation will be visible in the year-end actually. We have just capitalized it because we have just completed the addition of almost 100 reactors in our system. So technically, it is going to be a big boost for the company.

So a lot of new products we have already started from Dahej. So we are distributing the products across the plants in Dahej and in Rajasthan. In Rajasthan, against Sotanala, we are setting up a new facility. So we are dividing the products, what products have to go where, what are the new introductions. So everything is being planned for the R&D and the plant and the results will be visible very soon.

Ashwini Agarwal: And sir, going back to one of the earlier comments you had made where you expect your B2B sales to pick up in Q2 and hopefully the rest of the year. Would that also mean that the margins improvement that we have seen in Q1 will become a little diluted because B2B sales are probably at a lower margin?

Rajesh Aggarwal: That's true that they are at a little lower margin, but it depends what you are selling. If you are able to sell the new generation technology, then you are able to maintain the margins, because when you are selling B2C, especially the new generation products, then you have to do a lot of hard work in the market.

Like if I talk about this year, in Q1, the CAs or what we call them the crop advisors, generally, the number goes to 900. This year, it has crossed 1,300 actually. So I mean to say a lot of efforts have to be made in the farmer's field.

You have to train the farmer, you have to work with the retailers, you have to work with the distributors. So a lot of activities are there to sell these products. So the expenses, the selling expenses are very high in case of B2C, in B2B, you have to share that portion with the partners.

So for the new generation product, generally, the profitabilities are good. So don't -- I'm not afraid that my EBITDA is going to fall in this year. I believe that I should be able to sustain what I have achieved in Q1.

Ashiwini; Thankyou

Moderator: The next question is from the line of Ankita Agarwal from NGP Advisors. As there is no response, we'll move on to the next participant.

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

Saket Kapoor:

Sir, firstly, as you alluded to the point that you are experiencing improved business sentiment for the ensuing quarter also. So taking this into account, sir, what percentage of our sales are attributable from South India? I think so there is a season for the chilli and the spices that is there for the second quarter for South India. And how is that shaping up?

Rajesh Aggarwal:

Okay. South India is a very large market, which has all the crops. And we are active across crops, actually. Chili is important because chili is a very small area. And with that small area has huge sales because the number of rounds of sprays which happens in chili don't happen in any other crop. So that is one reason.

But from rice to cotton to a lot of pulses and maize and everything is there in South actually. And for us, South contributes roughly about 40% of our brand business. When I say South, I mean Andhra, Telangana, Karnataka, Tamil Nadu and also Kerala. So they are big geographies for us, important markets, and we are active everywhere.

This year, the chili market is seem to be a little declining. Chili, cotton has some impact. And maize is one crop, which is growing across the country. The paddy sowing is also a little extra than the previous year. But still let's hope that chili will be good actually and we'll be serving that market in a good way.

Saket Kapoor:

And sir, traditionally, how big is quarter 2 in terms of the total pie of the business that we do?

Rajesh Aggarwal:

Generally, if we distribute the 4 quarters, this is 30%-30%, 20%-20%. So which is a general definition for -- with respect to Insecticide (India). Because many of my competition, they do a lot of dumping in the last quarter and their quarter is higher. But as a strategy, we never dump in the finishing quarter. So we generally are 30%-30%, 20%-20%. And then as per the seasonal situations, 1%, 2% plus/minus happens.

Saket Kapoor:

Sir, sales return is also a very big component that one need to factor in, in terms of the revenue. So for this quarter, sir, if you could just give the sales return number or what kind of provisions are we -- have we envisaged? And sir, going ahead for the entire year top line as a percentage of sales, what should be that number?

Rajesh Aggarwal:

Generally, we expect a sales return of 3% as a normal routine, what happens to us actually. So this year, in Q1, there was a disaster and particularly soybean and we have a very strong herbicide for soybean. And there was a launch of a new herbicide where we made technical also for the soybean. So the expectation is a little higher.

So the good return, which we may expect in Q2 may be to an extent of about INR60 crores, INR70 crores. So the provision is already made for that, and we are trying to replace that with various other products because there is good demand for, as I told, the rice herbicides and then all insecticides and fungicides, so that we'll cover that actually.

Saket Kapoor:

So INR60 crores would be sales return we are expecting for Q2?

Rajesh Aggarwal:

Yes. This will be pertaining to the Q1 products, which will be coming in Q2. That is the expectation.

- Saket Kapoor:** Expectation. And sir, how much have been the return part for Q1, sir, sales return that we have reversed the sales number?
- Rajesh Aggarwal:** You don't reverse generally just till you get the material. So only once the material is received, then only you will do the sales return actually. So the entire sales return will happen in the month of August, I mean, mostly.
- Saket Kapoor:** It will happen in the month of August. Okay. So there's no factor for Q1 for the June quarter as of now?
- Rajesh Aggarwal:** Yes.
- Saket Kapoor:** Sir, when you mentioned about other players also seeing South India is a big market, sir, when we look at the likes of India Pesticides, Best Agro, Shivalik Rasayan, are they on the similar field and we are competing with them in the similar product profile or we have a differentiated market and the product profile that...
- Rajesh Aggarwal:** I don't want to compare myself. Like, it's a wrong question to answer here. But I would say that we are one of the strongest company in South India. Nobody is in comparison, whatever names you have taken. All 3 put together cannot compete with us.
- Saket Kapoor:** Okay, Thankyou sir. I was just trying to compare the margin profile for the other listed players. That was the reason I was just trying whether likewise...
- Rajesh Aggarwal:** We can talk separately actually. This is -- I don't like to comment on somebody.
- Saket:** Thankyou sir.
- Moderator:** The next question is from the line of Darshil Jain from RJ Investor.
- Darshil Jain:** So I have couple of questions. So firstly, could you provide more details on the upcoming products and what crops or segments are they targeting on and how they expected to contribute to the revenue and margins?
- Rajesh Aggarwal:** I'll give to the CMO to explain the products.
- Dushyant Sood:** We are working to ensure that IIL, as you heard Rajeshji say, establish IIL solution provider primarily in the crops: rice, corn, soybean, wheat, sugarcane, horticulture and pulses. So these are the areas where we are focusing. These are the areas where investments are made and these are the areas where our pipeline is very, very strong and healthy. So whatever we launch in the coming quarters and years, it will be primarily around these crop segments only.
- Darshil Jain:** So furthermore, are there any new strategic tie-ups or maybe collaborations planned for the year?
- Dushyant Sood:** Yes. I'll just hand this back to Rajeshji.
- Rajesh Aggarwal:** We have just launched a product with Corteva. So there are many agreements signed, which I cannot declare till we launch the products actually. As a strategy, we only come out. But I can

just say that, yes, we have signed various contracts with various companies, at least 2 companies or more.

Darshil Jain: And secondly, could you provide insights into how raw material prices have behaved during the Q1 '26 and for the...

Rajesh Aggarwal: Broadly, they have been very, very stable. There was a decline in the prices after COVID. After that, they are stable. Some small rise sometimes in some products and -- but more or less, I would say that they are near the bottom.

Darshil Jain: So there were no fluctuations or any cost pressure you're mentioning, right?

Rajesh Aggarwal: Like the fluctuations are always there, but there have been minimal fluctuation, that much I can say. They are not to the extent that make you restless.

Darshil Jain: And additionally, what is your outlook on raw material pricing for coming quarters and especially considering the global supply chain dynamics?

Rajesh Aggarwal: Very difficult to say, but we know that we are prepared for the kharif season. So I have already made my mind still for this quarter. So we are very well placed till October. Also for rabi season, 1 or 2 key raw materials I have already bought. So I'm not much worried about the trend, but it is very difficult to predict the trend.

Because if there will be shortages, then there will be so-called rise in the prices. If there will be like a floods type situation in many areas, then there can be decline. So all these things are very difficult to predict. But at the moment, there is full demand from across the country. Every state is asking for more and more raw materials.

Darshil Jain: And just last one question. Like could you share what percentage -- maybe a rough percentage of your raw materials are currently imported and whether there are any plans to reduce this dependency through backward integration or local sourcing initiative?

Rajesh Aggarwal: We are continuously working on controlling our imports. Our total imports are in the range of generally INR600 crores plus/minus -- INR500 crores to INR600 crores. And this we have been maintaining for last 3, 4 years.

So it's a continuous effort that we are launching more and more products. We try to make them indigenous as far as possible. So we are trying to do more and more backward integration so that we are able to do the import substitution.

So that is always an effort. But we are not able to go below INR500 crores. Sometimes we touch INR450 crores in certain years, but I've seen that INR500 crores, INR600 crores level is a normal level, which is our import.

Darshil: That's all from my side, thank you.

Moderator: Ladies and gentlemen, we'll take this as the last question for today. I would now like to hand the conference over to the management for closing comments.

Rajesh Aggarwal:

Thank you for all the attendees for attending this meeting and showing such keen interest and asking very relevant questions. Thank you very much.

Moderator:

Thank you. On behalf of Insecticides (India) Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.