



insecticides
(INDIA) LIMITED

Ref: IIL/SE/2026/0306/01

Dated: June 03, 2026

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 and Financial Year ended March 31, 2026.

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 – Q4 & FY 2026 held in connection with the Audited Standalone and Consolidated Financial Results of the Company for the Quarter and Financial Year ended March 31, 2026, on May 28, 2026, 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
Q4 & FY26 Earnings Conference Call”

May 28, 2026



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

MODERATOR: **MS. SEJAL BHATTAR – MUFG INTIME**

Moderator: Ladies and gentlemen, good day, and welcome to the Insecticides India Limited Q4 FY26 Earnings Conference Call hosted 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 this conference call, please signal an operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Sejal Bhattar from MUFG Intime. Thank you, and over to you, ma'am.

Sejal Bhattar: Thank you, and welcome to Q4 and 12 months FY26 Earnings Call of Insecticides India Limited. Today on this call, we have with us Mr. Rajesh Kumar Aggarwal, Managing Director; Mr. Sandeep Aggarwal, Chief Financial Officer; Mr. Devendra Kumar Ray, Chief Operating Officer; and Mr. Dushyant Sood, Chief Marketing Officer.

Before we proceed with 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 is uploaded on stock exchange.

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

Rajesh Aggarwal: Thank you, Sejal. Rajesh Aggarwal this side. Good evening, everyone, and thank you for joining us today. FY26 has been a year of resilience, disciplined execution, and strategic progress for IIL. Despite of challenging global environment, we continued to strengthen our market position, deepen farmer engagement, and building a strong foundation for long-term growth. I will briefly cover the business environment and operational performance, after which CFO, Mr. Sandeep-ji, will take you through the financials in detail.

So first of all, I would like to talk about the industry and the business environment. The current geopolitical situation continues to impact the global agrochemical industry and has created supply side constraints across several key raw materials and intermediates. As a result, raw material prices have increased sharply in certain cases to nearby 10% and even higher in case of crude-linked products.

This has gradually shifted the market towards a more supplier-driven environment. Though in May, market is a little sluggish due to rising heat across the country and people are waiting for the monsoons. The crop activity, though, is expected to improve in the month of June as the monsoons hit the Indian coastline.

Our response and operational readiness. Despite of these challenges, we have responded proactively to ensure a smooth operations and uninterrupted services to the farmers. We maintain comfortable inventory levels in the system for the upcoming season. Our pricing approach has

remained rational and elaborated to protect both market competitiveness and margins. Overall, farming sentiment and dealer activity are improving gradually.

Talking about the Q4 performance. Q4 performance remained steady and encouraging. We registered approximately 19% growth in Q4, supported by both B2C and B2B business. Premium products continue to outperform and deliver about 24% growth during the quarter. For the full year, the company delivered growth of above 7%, while remaining broadly profit neutral. The overall momentum in the business continues to strengthen while maintaining operational discipline.

So I would now like to talk about the premiumization and product strategy. Our long-term strategy of premiumization and differentiated technologies is going with strong traction. Over the last 3 years, we have launched more than 25 products. Several of these products are now witnessing encouraging acceptance from farmers across markets. This growing farmer confidence gives us strong visibility and confidence for the future.

Talking about R&D, the products developed through our own R&D such as Torry Super, Centran SC, Centran granule receives an excellent response from the farmer, also Amuse and many others. Innovation remains a core pillar of our strategy, and we'll continue investing in the differentiated technologies and solutions.

I would also like to share about our partnerships, particularly the global partnership with Nissan and Corteva. On the collaboration front, we continued strengthening our portfolio through partnerships with global investors, innovators. During the year, we launched advanced products like Altair from Nissan.

We have launched SPARCLE, Granuvia and through our collaboration with Corteva. And now we are about to launch two more products, SPINOACE and Green Mix. Our partnership with Corteva is progressing very well, and we share a common purpose, to provide integrated solution-based latest technology to the farmer.

With another major launch during the year, our total launches under our partnerships are going to be four. Going forward, we expect additional differentiated technologies and premium solutions from Corteva. We share a common purpose with Corteva, serving farmer through integrated and technology-driven solutions. Corteva itself is built on a strong innovation legacy combining the strengths of DuPont Crop Protection, Dow agencies, and Pioneer.

Then, I think it is also relevant to discuss about our fully owned subsidiary known as Kaeros. It's a strategic growth platform. I can say Kaeros is another important strategic initiative by IIL. Strategically, Kaeros will help us in expansion of distribution reach, build an independent sales channel, improve supply chain effectiveness to direct imports and enhance bulk supplies capabilities.

Kaeros is being positioned as future-ready agri-science platform. This portfolio will cover all insecticides, herbicides, fungicides, bio-stimulants, micronutrients and plant health products. The philosophy behind Kaeros combines traditional farming wisdom and scientific innovation.

Through the Dr. Dada identity, we are portraying the story of a young Indian scientist and farmer's son who bridges grassroot understanding and modern agricultural science. World-class product from the strength of IIL to expand Kaeros business.

Talking about the balance sheet. On the balance sheet side, working capital continues to remain at elevated levels. However, our manufacturing facilities at Sotanala and Dahej provide sufficient capacity headroom for future growth. These facilities also ensure scalability and operational flexibility. Therefore, our capex requirement going forward remains largely nominal or in the range of INR25- INR30 crores, which we call as a maintenance capex once we complete our projects in the year FY27.

I would like to talk about the strategic pillars of IIL at a broader level. Broader level, our strategy continues to operate around three important pillars: Bringing latest technology solutions through internal R&D as well as global partnership, providing integrated crop-based solutions that address the entire requirement of the farmer, ensuring faster introduction of off-patented technologies at affordable prices for Indian farmers.

Talking about the outlook of FY27. Looking ahead, we remain cautiously optimistic about the demand environment for FY27. Pillar activity is improving amid rising prices. The pricing actions may support decent growth during the upcoming season. Our end demand visibility will become clearer as the season progress. We'll remain mindful that prolonged geopolitical tensions may continue to impact business conditions and keep raw material price elevated for some time. We'll also take care of the evolving global supply chain conditions, the El Nino impact, crop mix change, particularly in the dry crops.

In the end, I would like to very proudly tell you that Insecticides India is entering into its 25th year, our Silver Jubilee, and we believe that IIL is entering a new era of transforming -- transformation and growth. Our strengthened product portfolio, expanding distribution ecosystem, global technology partnerships, manufacturing readiness, and growing farmer trust position us strongly for the future. Going forward, we believe we'll continue investing in innovation, premiumization, technology, organizational capabilities, and operational excellence.

We'll continuously work on improvement of ROCE and building the positive cash flow. We'll continue with our aggressive market development activities and farmer training. Just a reference, we touched more than 75 lakhs farmer in the previous year. We'll continue to offer premium solutions, comprehensive basket for our new gen solution.

So, distribution is the key strength of IIL, and we continue to strengthen it. As we build the next IIL, I will say, we'll maintain a good momentum. Our performance will improve day by day. Thank you once again for your continued trust, confidence, and support.

I hand over the line to Sandeep Aggarwal for a review of the finance.

Moderator:

Sir, we are not able to hear you clearly.

Sandeep Aggarwal:

Yes. Thank you, Rajesh-ji. I'm Sandeep Aggarwal, CFO of the company. Yes, good evening, everyone, and a warm welcome to all the participants. As the full year has already gone, so the

full year results I will discuss FY25 versus FY26. Revenue from operation has improved from INR2,000 crores to INR2,140 crores, a jump of around 7%. Gross profit increased from INR641 crores to INR675 crores, a jump of around 5%. EBITDA has increased from INR221 crores to INR227 crores, a jump of around 3%.

And the PAT, there is a slight decline from INR142 crores to INR139 crores. And the basic reason of decline is a provision of taxes. So deferred tax has increased by around INR9 crores in this year. That's why it is showing a decline. So sales by segment, if you see in FY26, the 73% contribution has come from B2C, 22% has come from B2B, and 5% from exports.

Let me share some other figures also. So during this year, from all the patented products, the total turnover revenue is INR322 crores. The revenue from total combination product is INR324 crores. The revenue from in-licensing product is INR226 crores. The revenue from 5 products launched during the year is INR40 crores. And the revenue from products launched last year has increased from INR23 crores to INR82 crores.

We will see the journey of last 3 years. The EBITDA of the company has increased from 6.8% to 10.6%. Gross profit margin improved from 23.1% to 31.5%. ROE improved from 6.9% to 11.4%. And ROCE improved from 10.4% to 16.1%.

And in addition to this, I want to share one more information with you. So, our MD son, Mr. Sanskar Aggarwal, the new generation, has today joined the Board of Insecticides India Limited. And on the addition of Mr. Sanskar Aggarwal, company has proposed ESOPs for the older employees as a gift to employees and to attract the latest good talent from the market. So this is the first strategic move from our new Director, the new generation, Mr. Sanskar Aggarwal. Thank you. Thank you very much. We can open the house for questions please.

Moderator: First question comes from the line of Rushabh Shah with Buglerock PMS.

Rushabh Shah: Sir, in one of the calls, you have said that at Insecticides, you manage your inventory and receivables a bit differently as compared to what is happening in the industry. So could you please explain a bit more in detail how and what differently are you doing, sir, managing the inventory and the receivables?

Rajesh Aggarwal: When we say we work differently, that we try to generate the demand from the market and then we push product into the market. So we plan what is to be done during the season. We make the bookings in the market, try to receive the orders from the distributors, but we make slow supplies.

We see that when we are making the supplies to the distributor, the market should -- the material should move to the retailer. And when the retailer comes in, then we -- my team starts working with the farmer and we try that to clear up the market by the end of the season. So that has been the strategy.

Though last year, it was a very bad hit because during the middle of the season, it was a very dry environment and all the dry crop herbicides, there were heavy goods return actually for that in the middle of the season. So this year we are going with a cautious approach. So we are trying

to divide the risk by dividing the products and we are doing limited placements. Yes, we are booking the materials from the market, from the distributors and retail. But the strategy is that we should be able to decrease these good returns substantially and that has been always a strength of IIL and we wish to continue with that.

Rushabh Shah:

Yes, sir. And sir, my second question is, one of our competitors has grown in a niche segment like with specialty of herbicides, targeting specialty ---and they have done well. So just wanted to know, are we also targeting any such specific crops or specific problems so that even our ratios and margins could be benefited?

Rajesh Aggarwal:

We have launched a lot of solutions in the previous 2 years, 3 years. And we have the specialty over the Herbicide segment for all the crops. If I talk about the dry crops, then I have a herbicide for cotton, a specialty product. I have herbicide -- 3 herbicides for maize, I have multiple herbicides for soybean and pulses.

I have a specialty herbicide for even sugarcane, a lot many products for paddy, including Altair, which was launched in the last year. So we have a lot of products for almost all the crops and we are doing well. The last year contribution, which has come from the Herbicide segment is 39% and there was heavy goods return, actually, particularly in this segment.

And there was a price decline also because there were many products which were launched in the last 2 years, 3 years and they were off-patented technologies, which made the competition. But moving forward, I believe the prices have stabilized and they are going at those levels. And we see the quantities going up. So this should be a decent year. We should -- our Herbicide segment particularly should register a good increase in this year, I believe.

Rushabh Shah:

Sir, my next question is like which are the main crops for insecticides we target and what are the top 5 products combining all the like insecticides, herbicides, etc.?

Rajesh Aggarwal:

We target almost all the crops. Rice is the biggest crop in the country. So yes, it is my key crop. Along with rice, we work on sugarcane and we work on maize and then we start working on cotton. Horticulture is very, very big crop because horticulture, in particular is a very big segment because it starts from apple, then chili, then pomegranate and many vegetables are very, very important crops these days.

So we are active in almost everything. When wheat comes in, in the rabi season, is an important crop. Soybeans, I think I named that. So soybean, pulses. So we have the solutions for everything. And we are identifying the gaps in our portfolio and trying to fulfil those gaps. So we provide all types of solutions, insecticide, fungicide, pesticide. We have seen that our fungicide sale has also touched double digit in the previous fiscal year.

Rushabh Shah:

And my next question is like we are definitely expanding on distribution and also educating the farmers on various products that we introduce. My question is on the brand building. How much effort are we taking to build a brand, registering the brand name in the mind of the farmers so that farmers not only come back for -- come back to us for same product.

But also expand his purchase for upward and lateral purchase of other requirements also. Because, sir, brand -- building brand is extremely important, which can be seen in the return ratios of our competitors also. So how are we working towards that so that even our -- like the ratios or the margins increase because as farmer comes to us like -- come to us for the brand building, so we get the benefit of it?

Rajesh Aggarwal:

Yes, very decent question, I would say. So we work a lot on brand building. For this, we have set up a huge team in the country, headed by the CMO. Under the CMO, I have about 90 people who are the FMMs, means field marketing managers. Under them, we have the field marketing executives.

And under these people, I have a team of more than 1,000 CA, CAs are crop advisers who are working across the country. All this I'm managing through sales force. So they have to make an entry for about their activities, about their plans in the coming weeks, coming months. The entire plans are defined, how many demonstrations they have to make.

How many farmer meetings they have to do, how many displays they have to do, how many dealer training they have to do, how many farmer trainings, everything is very well defined actually and they have to fulfil their targets. They are crop-wise and everything. And the biggest achievement of Insecticides India is ICS plot.

ICS is Insecticides India Crop Solutions plot. So last year, we made about more than INR30-odd crores. And this year, we are going to double this number. What we are doing here is a farmer may be of a size of 10, 20, 25 acres, we take 1 acre from him. And on 1 acre of land, we give our solution.

And the entire -- like the fertilization and other things he does by his own practice, but the crop protection thing is followed by Insecticides India and everything is measured and marked, how much expense he is incurring on his acres, how much expense we are incurring. And then we go up to the field and then we demonstrate to him that by investing in Insecticides India. What is the total expenditure for the acre and what is the total expenditure he is making on other acres. How much is the yield growth? How much is the advantage and we are conducting a lot of farmer and dealer meetings, field meetings on those crops. So this has been a highly successful program. And this year -- last year, it was on paddy, it was on chili.

This year, we are extending maize. This year, we are extending cotton and some other crops, actually and we'll be conducting more than 70 ICS plots in this year. So I believe that we are continuously working for the brand and not to talk about the BTL activities and the other activities which we run for the brand building exercise.

So we are always very, very active in the market and we are trying to create a brand. And when we talk about the new launches, particularly I'm bringing the new generation solutions through my R&D centre or even by the collaboration. I can only sell these products by brand building. If there is a pull from the market, if there is a demand, if the farmer is coming to buy that product, then only he will get the product.

Otherwise, there is a chance that even if a farmer comes to a shop, then he gets the alternate product. So we have to take care that, we have to train the farmer. We have to work at the counters. We have to keep the interest of all the people alike so that we can keep on selling these products.

So the efforts in the brand building are huge from Insecticide India. So I believe that the total manpower, which I have on ground is one of the highest in the country, more than 700 headquarters for sales and more than 1,000 for the brand building activities. The CA reaches to about 1,400 on the peak.

Rushabh Shah: Okay. Thank you, sir. I will get back in the queue.

Moderator: Your next question comes from Bhargav with Ambit.

Bhargav: Yeah. Good evening team and congratulations for launching the ESOP program. It's very heartening to basically hear that. Sir, in your opening remarks, you mentioned that there is raw material inflation and prices are likely to increase. So now that we have closer to INR800 crores of inventory sitting on the balance sheet, will we be a beneficiary now given that a lot of our competitors, especially the smaller ones, may not have this inventory and essentially, as prices rise, larger players tend to benefit. Is that understanding correct, sir?

Rajesh Aggarwal: Yes, that's correct actually provided we are able to encash that. So there is every effort that we should take the advantage of the current situation because we generally start our planning from Diwali and this Diwali to Holi exercise whatever we buy and whatever we procure So yes, this year, since the prices have gone up, so this will be particularly helpful. So we are keeping the finger crossed for the good monsoons. And as the sowing season starts in the month of June, the things are going to pick up and we should get the advantage. The understanding is 100% correct. Thank you for the opportunity.

Bhargav: Secondly, sir, on the CDMO front, now that we are launching ESOPs, obviously, we'll be able to hire good talent. So are you also working on a 3 to 4-year plan to ramp up our exports, especially the CDMO side of the business?

Rajesh Aggarwal: Yes, that's very, very important actually and we are trying to build up the brand in that fashion so that we are able to attract the CDMO relationships. So already there are certain things which are in the initial stages and there will be some small supplies which will be going for trial purposes. So when I say trials, trials can be one container also. So we have to build that relationship stronger and we have to see how much we are able to attract in the future. So -- but yes, that is in pipeline. We are working in that direction.

Bhargav: Great sir. Thank you very much and all the best for the future and congrats to Sanskar for joining the Board.

Moderator: Thank you. Your next question comes from Bharat Gupta with Fair Value Capital.

Bharat Gupta: Sir, a couple of questions. So just first, can you share the breakup of volume-led growth during the quarter and for the full year?

- Rajesh Aggarwal:** I give it to Sandeep-ji.
- Sandeep Aggarwal:** So during the quarter, the volume growth is 5% and the value growth is 14%. And then during the full year, the volume growth is 5% and the value growth is 2%.
- Bharat Gupta:** Sir, any price increase which we have taken recently during the quarter 1?
- Rajesh Aggarwal:** Yes, we have taken two price increases in the month of April, and they were quite successful. So May is a little sluggish, as I talked about in my commentary also. So let's see how June behaves because it depends on a lot of geopolitical factors and other things. And of course, since it's El Nino year, so people are a little worried with the high temperature because in many parts of the country, 48 degrees are normal, so which is new for many, many people. So keeping the fingers crossed, waiting for the rain.
- Bharat Gupta:** And so far, sir, whatever price increase which we have taken, that has been absorbed by the dealers and distributors?
- Rajesh Aggarwal:** April, the first price increase was very much appreciated. The second one, there was some issues. So some discount we had to offer in the month of May. So we are thinking about June, we'll be able to take the price increase in the beginning or in the middle of June. That decision is yet to be taken. It depends on the market demand.
- Bharat Gupta:** And sir, considering the recent spike in the raw materials family because of the crude derivative nature. So how should we think about the gross margins and the EBITDA margins going ahead? And given our capability in the backward integration side, so do we see a meaningful margin expansion potential for us during fiscal year '27?
- Rajesh Aggarwal:** It is difficult to comment at this moment that we'll be able to increase it by how much percentage. But yes, there will be a small increase. Let's see how much. So it can be small to large. It depends on the season. If there is demand, of course, it will be all based on demand and supply.
- Bharat Gupta:** And sir, given the heat waves and the labor shortages, which has been seen across the market, so any expectations or do you see any increase in the herbicide category of demand? And how is the channel inventory out there in the system currently?
- Rajesh Aggarwal:** Overall, the herbicides are seeing the traction and there is a lot of increase in the demand in the recent years. This year also that sentiment is going to continue because manpower is very, very expensive and the chemical control is much, much cheaper. So farmer is adopting the chemical herbicides and a lot of the specialty herbicides are already entering into the market and they are creating the less price.
- So this will continue. Yes, the farmer is waiting for the rains. So that is one reason that the placements are not happening with the speed, but it should happen. So May, we should be able to touch the last year numbers, but we will not be able to cross with humping I would say the humping thing. So it will all depend on the June.
- Bharat Gupta:** And sir, how do you see the traction which is doing across the B2B side of the business?

- Rajesh Aggarwal:** B2B is also good actually. We are able to maintain last year's numbers. So April was an increase. May, again, I expect to grow in B2B. So B2B will be positive actually in this entire year also and in this quarter also.
- Bharat Gupta:** And just last question, sir. Sandeep, can you just provide a breakup of the B2C revenues which you have done for this year to the last year?
- Sandeep Aggarwal:** Last year was 73% B2C, 22% B2B, and IBD was 5% international business.
- Bharat Gupta:** Right. Sir, I was asking with respect to the share of patented products combinations as well as the new product share. So can you just provide me some details?
- Sandeep Aggarwal:** Bharat, we had already told you, the patented product share during the year is INR322 crores.
- Bharat Gupta:** Can you please guide for the last year, sir?
- Sandeep Aggarwal:** Last year, the patented product sale was around INR330 crores and sale from combination, product INR311 crores.
- Bharat Gupta:** And for the other product categories, sir?
- Sandeep Aggarwal:** For in-licensing product, last year sales were INR229 crores, this year INR226 crores.
- Bharat Gupta:** Right. That's it from my side, sir. And wishing all the good luck to the company for its silver jubilee as well as for Sanskar for joining the pool. Thank you, sir.
- Rajesh Aggarwal:** Thank you very much thank you.
- Moderator:** Thank you. Your next follow-up question comes from Rushabh Shah with BugleRock PMS. Please go ahead.
- Rushabh Shah:** Yeah. Hi. Thanks for the opportunity again. Sir, just wanted to know how do you manage your channel like when we have unsellable inventory, which is, so do you directly take write-off? Or do you keep rotating your unsellable inventory along with the fresh products which we introduced into the channel? So just wanted to know your relationship with the channel.
- Rajesh Aggarwal:** Like we don't take any write-offs in the market. So whatever is left at the end of the season, we pick that up from the channel. We don't leave the inventory with the channel at all because if I leave the inventory, and instead of 5 week on 10, and he is not going to pay to me. So to keep the thing safer and in our control, what we do is at the end of the season, we lift everything whatever he has.
- So if it is the field pattern, then that's mine. So I don't leave the inventory. It's the mistake of my team that they are not able to dispose it off to the farmer or they are not able to take it to the retailer. So we take it that way. So we don't leave anything with them. And then the next season, we do a fresh placement to them.

So first, we try to move it from north to south, depending on the seasonal requirement. If that gets consumed within the year, it's fine. If it, looks longer, then we take it back to factory, reformulate the material and bring it back to the market.

Rushabh Shah:

Sir, what is your vision related to, sir, exports since like, actually, we could not scale it up the way we were thinking. So what do you think how much percentage would we command as a percent there?

Rajesh Aggarwal:

Exports has been slow for us, but I see it growing with our growing numbers. We are able to maintain the export figure roughly around 5%. I see it growing up to 10% in next 2 to 3 years. And I see the contribution from export to go up, particularly linking to CDMO. Till last year, we were making a lot of brand, I would say, white labelling business. But last year, we started with more technicals and that business is going to contribute a lot. The CDMO type of business where we make the product for the company is also going to contribute. So I see the international business for IIL growing slowly and steadily.

Rushabh Shah:

Okay. And sir, my last question is in R&D, what is our like head ratio, means how many products are successful as compared to the trials done at the back end because R&D is the backbone of our company and huge amount of investment goes into it?

Rajesh Aggarwal:

It's a very tricky question actually because we do different type of R&Ds. So we are into basic discovery, we are into formulation development, we are into reverse engineering, and we are also into biologicals.

So the ratios in everything are different, entirely different. So when it comes to basic discovery, we are doing about, we are studying more than 10,000 products every year since last over 10 years. Our R&D was started in 2014, and we started with 5,000-6,000 products every year. And now that number has gone somewhere near to 9,000-10,000 products every year.

So out of that, we have filed about a dozen patents from the JV. And now in this year, we should make the first filing in India for our first product for which we are waiting for the IUPAC mail, which is expected shortly because it took more than the routine time actually. So, but yes, that will be coming.

When it comes to formulation development, then yes, all products are not equally successful. You launch, you don't get the response because sometimes the window of the usage, which you have suggested does not match the window of the usage of the farmer. In that case, we try to add more products with that or put 1 more or 2 solutions more along with our solutions so that we get a better response from the market to match the farmer's window.

And these days, we are very, very peculiar. We have appointed a team of about 1 dozen doctors whose major objective is to finalize the product to see the results across the country. So they are established from Punjab to down south to Tamil Nadu. So they have their headquarters, they have to try the dose. They have to compare it with the competition. They have to see like what type of result is going to come in the different crop in different climatic zones and they decide.

So this is a specialized team, which has no other task except conducting these trials of 500, 600 products during the year. And after conducting so many trials, they give me about 10, 15 hardly in the entire year. So that is the type of activity. And when it comes to reverse engineering, then we know the product is already a success. We have to work for the pricing, we have to work for the quality. We have to make decent formulation and we have to develop the mixture. So there the success ratio is relatively high.

Rushabh Shah: Okay. Thank you so much sir. Thank you.

Moderator: Thank you. The next question comes from Madhur Rathi with Counter Cyclical Investments. Please go ahead.

Madhur Rathi: Thank you for the opportunity. Sir, I wanted to understand regarding our technical plant. So are these plants currently operating on a breakeven level or are these profitable? And sir, the Sotanala plant, sir, where are we in commissioning that technical plus formulation at that location?

Rajesh Aggarwal: Okay. I'll go step-by-step. So the breakeven is already done on all technical plants. In Dahej, we have recently added one more building, in which we called L&T. So in the L&T, the manufacturing has just started, which is going to take its swing, and it will also breakeven, means it will, this plant will also be profitable post by Diwali actually.

So if I talk about Sotanala, in Sotanala the target to start the formulation is around Diwali time. So I'm not sure that will I be able to bill it or not because that will be a strategic decision taken by the CFO at that time, looking at the investment.

And the target to start the technical plant is somewhere around March. So it can be March, April of 2027 to start the first building, we are making 2 buildings. In one building, the plant design is already set, and we are going to stock all the instruments and trying it and we wish to start at full-fledged. So that we should start in the next kharif, early kharif, I would say. And the second building we'll make the structure and then we'll take a call according to the market yield.

Madhur Rathi: Sir, so currently, what percentage of our raw material requirements are met through the Dahej technical plant?

Rajesh Aggarwal: Dahej technical plant requirements, I'm not having the percentages handy. But just to, I think we'll share that number.

Madhur Rathi: No problem. Sir, no problem sir. Sir, we have launched 25 new products over the past 3 years. Sir, so how should I look at our share of the patented or the premium product in our B2C revenue? Can it reach 70% over the next 2 to 3 years? Is that a fair estimation?

Rajesh Aggarwal: We divide our products into Maharatna and Focused Maharatna segment, which is a premium segment. At this moment, they are contributing roughly about 60% to 63%. So it's my vision to take it to 60%- 70% in next 4 years. So the growth is a little slow. But yes, we are focused to increase that sales. So what you are saying, 70% percent is achievable, but it will take 3 to 4 years.

Madhur Rathi: Okay. So sir, so how should I look at our revenue growth and margin for the upcoming year with whatever, sir, because technical prices have increased, can we expect to maintain the margin that we did in FY26? Or can we expect to improve it further? And what kind of volume and revenue growth can we expect conservatively for this year?

Rajesh Aggarwal: It's a difficult thing to say, but I can say that both top line and bottom line will be positive. The results will be visible from the first quarter itself. So far, the number is a little flat. We have to, all will depend on June, how the monsoons turns out, but I'm still very, very optimistic that there will be a decent growth in this year. And since it's a silver jubilee year, and I'm also launching Kaeros. So we expect that we should have a decent growth.

Madhur Rathi: And sir, on the margin front?

Rajesh Aggarwal: Of course, on the margin front also. We have already crossed double digits. I wish to improvise. So let's see because the seasonal conditions plays a very crucial role in achieving the margin targets actually. So as I get more visibility, I'll be able to give more numbers.

Madhur Rathi: Got it. Sir, just a final question from my side. Sir, what is the target working capital cycle that we would like to reach maybe in 1 or 2 years? Sir, can we reach 120-day working capital cycle from our current 140, 150 days?

Rajesh Aggarwal: It's not a difficult target. We are already working on reducing the inventory levels. We wish to grow without reducing---- without increasing the inventory. And we are also working on the average freight days, DSOs, what we provide to the market. So since there is work which is going on, on both the directions, and we are working for brand building.

So in totality, they will all lead to reduction in the working capital cycle. So yes, it is achievable, and we should be able to achieve, your target won't be difficult even in this year. So it depends on the conditions. So as the season comes, I'll be in a better position. If I were to liquidate everything now, then itself that number will be achievable in this year itself.

Madhur Rathi: Got it. So that was from me and thank you so much and all the best.

Rajesh Aggarwal: Thank you.

Moderator: Thank you. The next question comes from Praneeth with SJ Investments. Please go ahead.

Praneeth: Hi sir. Thank you for the opportunity. So one question I had regarding our focus on generics. You mentioned that in our last calls that we've done well in the patented products. But in generics, you wanted, there was a space which you wanted to expand in. So could you give some guidance on what's happening there?

Rajesh Aggarwal: When I say we play with generics, then it's more in the field of technical rather than the formulations. So we do a lot of generic formulations also because my goal range itself contributes about 35% of my total sales, and they are all generics.

So there are certain products where we are very weak in terms of popularity, in terms of this market demand for many products. And when it comes to making of AI, like we started making

carbendazim this year, we started making pretilachlor again this year. We started making something like Amatin relatively newer generation product, but it is still a generic, we started making this propanil. So a lot of generics were introduced in the recent past actually. The AI as well as the formulation. And it's a continuous effort which we keep on making to make our generics also profitable sometimes.

Praneeth: Got it sir. And next is regarding Kaeros. Could you explain the strategy behind it? I understand that we wanted to expand this as a standalone brand. But in the past, you mentioned that you might want to put the B2B business in this. Could you just give some guidance, if there has been a shift in strategy with this brand? And going forward, what is the strategy? Yeah.

Rajesh Aggarwal: Behind Kaeros, there is a 3-point program. So one is the brand building because we have a lot of, so many products which are patented and which are new technology, and we are making more than 2 dozen technicals these days.

So there is a huge opportunity to take this to the market and establish a parallel distribution network. That is target number one. Target number two is to make the imports from China, which we are not doing for Insecticides India at all. So we can make these imports of the technicals from China and directly compete in the market. And third target is, of course, to start my B2B activities, particularly P2P, pack-to-pack, products from Kaeros.

So that I could not start in a big way. Why? Because we didn't have the permissions of the entire country. So now since the brand is launched and apart from South India, we have established our network in the entire country. So, we already have got the permissions in the entire country. So, it will be more convenient to start the P2P business from Kaeros in future. And that is our vision also.

Praneeth: Sir, in terms of identity, how would the Tractor brand versus Kaeros be different in the market? You mentioned you want to do parallel distribution, right? What are the exact differentiation between both the...

Rajesh Aggarwal: Yes. We will do parallel distribution. For Tractor brand, is already a symbol of growth. Tractor is a very popular symbol among the farmer. Here for Kaeros, we have established Dr. Dada, a new case of a farmer son, who is an educated man, and who is trying to educate the farmer. So, we have Dr. Dada, Dr. Didi, who are moving in the fields and in all our campaigns, social campaigns, very, very successful.

If you would have a look at the packaging, international packaging is done. If you look at the quality of the products, same IIL quality they are getting. And of course, there is some discount because it's an initial company -- initial launch. But at the same time, when we are offering the discount, we are also keeping the expenses on the lower side. There is no marketing team for Kaeros. Its only sales team. Sales team also hard core sales team limited number of people.

So, we are trying to do it with limited people, do the sales in the market with state sales through the network, going to the retailers, establishing them. So, the overall idea is to get a market share by establishing the relationship with the people who are always wanting to connect with

Insecticides India. But since I already have the network and the relationship in the market, I could not connect to them.

But of course, when they look at Kaeros, so indirectly, we are getting the advantage of relationship with Insecticides India and all the advantages, which I'll give it to its network that Kaeros will also give it to its network. So, we are getting good support from all around the country.

Praneeth: So Kaeros is supposed to be a cheaper alternative to our partnership products or is it a more expensive product?

Rajesh Aggarwal: That's something -- no, that is something I will not agree because in the initial stages, I have to give some 2%, 3% discount to get the market position. And after that, will it be a premium brand? Will things come more -- at a more premium or they will be at par with IIL? It depends on the strategy.

Till we are there, yes, there is some discount, but it won't be a cheaper position. There is no strategy to fight with the lower grade company, and to compete in the market. It's not a strategy.

Praneeth: Understood sir. Just one more clarification. You mentioned that the farmers, who wanted a relationship with IIL and was not able to get it, are going to be able to monetize through this Kaeros. Can you explain why we were not able to get relationship?

Rajesh Aggarwal: It's not with the farmer, it's with the network, distributors. The distributors were keen, the farmers, so any number of farmers I can cater in -- farmers is not a problem. The problem is the distributor. If I have already a distributor in Amandi. I cannot appoint a second distributor.

So, there were people who wanted to join hands with IIL because of our strength in the product range, in the quality, in the commitment, in the supply position. So, they want to get advantage. So, all those people have already attended two, three launch meetings, very, very successful. And people have welcomed the Kaeros very warmly.

Praneeth: But sir, don't you think, this will cause some channel in harmony because till now -- because the reason, you're not able to get another distributor in a similar area is, because you had a partnership, but won't this already existing partner not happy with you, that you're also partnering with someone else, the competitor?

Rajesh Aggarwal: As a strategy, there is no common distributor within both the companies. So, people had the reservation initially because many of the distributors wanted to block Kaeros also along with IIL. But since that became a policy, so we said no to everybody. So, I don't think that there is any competition of the type or there is any irritation in the market on the side because both the brands are different and they are going in a different fashion. So, it's going smooth.

Praneeth: Sir, could you just give some idea on, from today, how will Tractor and IIL move forward? And how will it be established versus Kaeros? Like I'm just trying to understand how different are both of this going to be. I understand in terms of efficiency or working capital, priority will all be with like similar to today. But I'm trying to understand the identity of both.

- Rajesh Aggarwal:** What are the advantages with IIL? IIL is a popular name. IIL has got collaborations, the international collaboration, the products are first coming to IIL. IIL has got its own R&D center. So, the products are first coming to IIL. And Kaeros is a following company. When I say following, tomorrow, if I'm inventing too many things. When I say inventing, inventing is the wrong word here, I should say innovating. So, I may bring 10 mixtures.
- So, we may decide that 4 mixtures we are going to give exclusively to Kaeros and 6 mixtures IIL may market. So Kaeros, will get those advantages, but they are going to first come to IIL. If I talk about Corteva, if I talk about Nissan, if I talk about OIL or OAT. So, all these products, which come from a collaboration, they come to IIL, they don't go to Kaeros.
- So, for Kaeros, I have to establish first Kaeros, take the permission from them that, okay, will they give another brand for me to market in Kaeros? So those advantages are not available to Kaeros only. IIL has got all the advantages. So those advantages are not available to Kaeros fully. IIL has got all the advantages. So whatever new collaborations we are going to do, mostly they are available to IIL, not to Kaeros.
- Praneeth:** Sir, I understand that -- so basically, all the international partnerships, the premium products will come to IIL first. But after, let's say, the partnership has matured, the particular formulation that you already have partnered with, you probably create with Kaeros also. Is that right?
- Rajesh Aggarwal:** Yes and no. Because, again, if there is an exclusive commitment with one company, they will not give it to another company. They might not want to do it. There may be certain other cases where they choose to do it. So, it depends on the scenario. But generally, it won't happen.
- Praneeth:** Sir, so right now, as Kaeros will be a standalone brand, whereas Tractor brand would be more associated with international partnerships, Kaeros will be more, let's say, our own formulation innovation. Is that right at least?
- Rajesh Aggarwal:** Yes. That portion is correct.
- Praneeth:** Understood sir. And in terms of brand building, like how long -- where do you see this? How long do you think it will take to establish? And when will it meaningfully start contributing to our revenues in the next -- will it be 2 years, 3 years, or it will be longer?
- Rajesh Aggarwal:** I purchased this company less than INR6 crores. This year, the PAT margin is INR4.5 crores.
- Praneeth:** Sir, you mentioned the revenue of INR6 crores and the PAT is INR4.5 crores?
- Rajesh Aggarwal:** Revenue is not INR6 crores. I purchased this company two years back, this Kaeros was purchased for INR6 crores, less than INR6 crores. And this year, in the second year itself, the profit -- the PAT margin is INR4...
- Sandeep Aggarwal:** Above INR5 crores.
- Rajesh Aggarwal:** Above INR5 crores, the PAT margin.
- Praneeth:** So, in terms of revenues, how are they today? And how do you think they'll scale up?

- Rajesh Aggarwal:** About 110 -- 111 in this year, where we have not started the brand. And this year is the brand operating year. So, we should be at least doubling these total sales of Kaeros in this fiscal.
- Praneeth:** Understood sir. So, could it be a fair assumption that, we'll continue to double our sales for the next 3-4 years for this brand, and IIL will continue to grow at a moderate pace?
- Rajesh Aggarwal:** Yes. Kaeros will be one of the contributors, which should contribute 5% to 7% - 8% to IIL's volume. And of course, IIL should also grow by a similar number. So IIL has a double-digit growth.
- Praneeth:** So last question is regarding our partnership with Nissan, OAT. Could you give some -- are we any close to commercializing more products? Or what is the stage right now?
- Rajesh Aggarwal:** We keep on doing it regularly. We sign products, we sign technology, and the product takes 3 to 4 years to come with Nissan. So already in the last fiscal, we have launched Altair. In the next fiscal, we have a product visible, which should be launched somewhere in the middle of -- in the early kharif of next year.
- So, there are many technologies which are already signed. And there is one more technology which is being signed with Nissan and one more company. So, we have different types of agreements for different products. So, Nissan will continue giving us products. Already we have 7 and many more are going to join that brand.
- Praneeth:** I was also referring to the joint venture we have with OAT, said OAT and IIL, so in terms of commercializing, I was asking the new products, like the products we are innovating right now in the joint venture.
- Rajesh Aggarwal:** That is done with OAT, we are doing the new product discovery. So, our discovery product is also expected to hit in 2027, the first one. So, we have not made an application so far. For every product, you get a chemical name, and then you get the IUPAC name, which is the name of the product. So, we have proposed one name, that did not clear. So, we are proposing second name.
- So, we are expecting to get it soon. As the name comes in, it is going through Japan. So as the name gets clicked, so immediately, we file for the application, our entire data pack is ready to be filed. So, we'll do that. So as the product comes, let's look for the success.
- Praneeth:** Got it, sir. So that's it from my side. Thank you so much for your answers.
- Rajesh Aggarwal:** Thank you.
- Moderator:** Your next question comes from S.A. Narayan with Capricorn Research. Please go ahead.
- S.A. Narayan:** Rajesh, compliments for coming across with good performance. One small bookkeeping query. Your finance cost for the year is more than doubled, INR16.87 crores current year, FY26, and the previous year, INR6.86 crores. I'm talking of consolidated figures. Why would this be? And how would we unwind these costs?

Rajesh Aggarwal: Yes. We are working on that. The inventory levels will be last fiscal a little more, one part. Second part is, yes, we utilized our bank limits. Number third part is we invested on the new products. So, the total investment which went for the new products were about INR94 crores, which went from the internal accruals.

So, I'll not say that we have taken the money from the regular course of business, but still, yes, the investment was more and the inventory was more. So, in both these directions, we need to work. And we also need to work on faster cash collection. So, we have started working more on the DSO. So, this year, there will be the full effort that we are able to bring it down substantially.

S.A. Narayan: When we do our model, what would we consider, likely interest cost for FY27? Just give me a ballpark figure?

Rajesh Aggarwal: Like if you are talking about particularly modelling, to my Board, I will be presenting the number what I've done last year. I'm not sure it's conservative at that time because if I cross that, then it becomes a problem for me. But internally, there is a target that we'll reduce it by at least 25%, 30%.

S.A. Narayan: Thank you.

Moderator: Ladies and gentlemen, this was the last question for the day. I now hand the conference over to the management for closing comments.

Rajesh Aggarwal: I thank everyone for the active participation, and asking the very relevant questions from us. Thanks for always advising us and giving the -- showing us the right direction. Thank you very much.

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