



November 19, 2025

To,

BSE Limited Corporate Relationship Department PJ Towers, 25th Floor, Dalal Street, Mumbai- 400 001	National Stock Exchange of India Limited Exchange Plaza, Plot No.C/1, G-Block Bandra Kurla Complex, Bandra (East), Mumbai- 400 051.
<b>BSE Scrip Code No. 543687</b>	<b>NSE Symbol:-DHARMAJ</b>

Dear Sir/Madam,

**Subject: - Transcript of Earning Call of Q2 & H1 FY2026 Financial Results [Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

With reference to our previous intimation for the Q2 & H1 FY26 Earnings Conference call of the Company held on **November 17,2025** at 12.00 PM IST and further in accordance with the requirement of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule-III Part-A thereof, we hereby inform you that the **transcript** of the **Earning Conference call of Q2 & H1 FY26 Financial Results** is attached as **Annexure -A**;

**The same is also being made available on the Company's website at:**  
<https://www.dharmajcrop.com/investor/investors-analyst-meet-conference-call/>

We request you to kindly take note of the same and consider for official records.

Thanking you,  
For Dharmaj Crop Guard Limited,

\_\_\_\_\_  
**Malvika Bhadreshbhai Kapasi**  
Company Secretary & Compliance Officer  
ACS-52602



**“Dharmaj Crop Guard Limited  
Q2 & H1FY’26 Earnings Conference Call”  
November 17, 2025**



MANAGEMENT: **MR. RAMESHBHAI TALAVIA**  
CHAIRMAN AND MANAGING DIRECTOR  
DHARMAJ CROP GUARD LIMITED

**MR. JAMANKUMAR TALAVIA**  
WHOLE TIME DIRECTOR  
DHARMAJ CROP GUARD LIMITED

**MR. VISHAL DOMADIA**  
CHIEF EXECUTIVE OFFICER  
DHARMAJ CROP GUARD LIMITED

**MR. VIKAS AGARWAL**  
CHIEF FINANCIAL OFFICER  
DHARMAJ CROP GUARD LIMITED

# **Dharmaj Crop Guard Limited**

## **Q2 and H1 FY'26 Earnings Conference Call**

### **November 17, 2025**

---

**Moderator:** Ladies and gentlemen, good day, and welcome to the Dharmaj Crop Guard Limited Q2 and H1 FY '26 Earnings Conference Call hosted by TIL Advisors.

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 '\*' then '0' on your touchtone phone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Abhishek Mehra from TIL Advisors. Thank you, and over to you.

**Abhishek Mehra:** Welcome, everyone. Good afternoon, and thank you for taking the time to join us in this earnings conference call of Dharmaj Crop Guard Limited.

The investor updates have already been uploaded on the stock exchange and on the company's website. To take us through today's results, we have with us the management, Mr. Ramesh Talavia, Chairman and Managing Director; Mr. Jaman Talavia, Whole-time Director; Mr. Vishal Domadia, Chief Executive Officer; and Mr. Vikas Agarwal, Chief Financial Officer.

We will start with a brief opening remarks on the business performance from Ramesh sir, following by opening remarks and financial performance by Mr. Vikas Agarwal, and then open the floor for Q&A session.

I would like to remind you all that anything and everything said on this call that represents any outlook for the future, which can be construed as a forward-looking statement must be viewed in conjunction with the risks and uncertainties that we face. These risks and uncertainties have been mentioned in our annual report.

With that said, I would now like to hand over the call to Ramesh sir. Over to you, sir.

**Ramesh Talavia:**

Good afternoon, everyone, and thank you for joining us today for the Q2 and H1 Financial Year '26 Earnings Conference Call for Dharmaj Crop Guard Limited. We are pleased to report that for Q2 financial year '26, Dharmaj recorded revenue of INR 347 crores, reflecting a 12% year-on-year growth. For the first half of financial year '26, revenue reached INR 715 crores, registering 26% year-on-year growth. This year, our Q2 revenue was sequentially lower than Q1, which is the uncommon trend of our company. The primary reason for this divergence was an early onset of monsoon, which arrived nearly 20 days ahead of schedule. This leads to a preponement in Kharif season demand, resulting in some Q2 sales being booked in Q1.

Despite this early monsoon impact, which were evident in Q1, we still anticipate sequentially stronger Q2. Unfortunately, the erratic and uneven nature of monsoon towards the end of Q2, particularly in light of late August and September, resulted in crop losses and subdued demand for agrochemicals across the country. Some region experienced excessive rainfall while other faced deficiency, creating an uneven environment in terms of soil moisture and market condition. Additionally, lower cash activity due to the heavy rainfall leads to reduced insecticide spraying, especially in September, which further impact demand. This trend was observed across the industry.

Northern India, especially Punjab, northern Rajasthan and neighboring states also faced a localized flooding. While our primary concentrations is in Western and Central India, this event had some incremental impact.

In summary, while the second half of Q2 did not unfold as anticipated, especially after the promising start to the monsoon -- to the season, our results for kharif season as a whole demonstrates strong resilience. On a financial, H1 FY '26 to H1 FY '25, we delivered a robust 26% year-on-year growth, underscoring the strength of our execution and market positioning.

Breaking down our top line further, our formulation business continues to be mainstay, delivering 17% year-on-year growth in brand formulation and 21% year-on-year growth in domestic institutional formulation for H1 FY '26.

The active ingredient segment has scaled up meaningfully as well as posting sales from 44% year-on-year growth in H1 FY '26.

Furthermore, our export institutional business, which had challenges last year, has returned to growth with 51% year-on-year expansion in H1 FY '26. On the profitability front, our Q2 margin moderated sequentially and year-on-year, mainly due to the lower contributions from our brand formulation business and higher share of active ingredients and export, increased operational expense in Q2 due to our annual appraisal and rise in headcount and certain noncash items like mark-to-market Forex losses also impacted margins.

Consequently, we saw for Q2 EBITDA margins compressed relatively to Q1. However, on an H1 FY '26 to FY '25 comparison, margin improved slightly, driven by higher scale and operating leverage. This improvement is inflected in our net profit, which stood at INR 49.9 crores for H1 FY '26, up from INR 36.1 crores H1 FY '25.

Looking ahead, active ingredients remain an important lever for margin expansion. We aim to keep our Sayakha facility EBITDA positive throughout financial year '26, supported by scaling up and increasing active consumption at our formulation plant. With an improving pricing environment for the industry, we expect active ingredient to further enhance profitability.

Another highlight is receipt of an interest subsidy of approximately INR 3.53 crores in November, pertaining to our period from January '24 to April '25. Looking forward to the upcoming Rabi season, with favorable moisture and reservoir level nationwide, we are optimistic about the good demand momentum, we are confident of our ability to surpass last year's Rabi performance and remain firmly on track to achieve our growth objective for financial year '26. Thank you, thank you very much.

**Moderator:** Thank you. We will take the first question from the line of Shlok Akolia, an individual investor.

**Shlok Akolia:** Sir, my first question was that we know that the whole industry has faced a difficult environment because of erratic monsoon and subdued channel movement, but expectations for Rabi are highly positive. How is Dharmaj thinking about H2 performance? And is there any update to your earlier guidance?

**Ramesh Talavia:** In H2, we are confident to our growth planning in this year, current year because of the last year comparatively, Rabi season gave some lower part and this year is we are highly optimistic to grow our business.

**Shlok Akolia:** So, 22% to 25% growth is what we expect for the whole year as provided before and about....

**Moderator:** I am sorry, we lost you again, Shlok. Shlok can you be in a good network area and then may be join back the queue, please? We will take our next question from the line of Vipul Goswami, an individual investor.

**Vipul Goswami:** Sir I wanted to ask what is the progress on the registration of our Brazil subsidiary and where do we see our export pie two-three years from now?

**Ramesh Talavia:** The planning we had for our Brazil subsidiary is currently on hold, meaning we have postponed it. First, our registration will come through. Then we will register the subsidiary there and start our business. That itself will still take about a year or so because it depends on the government. So, we are optimistic that our registration will come through next year. After that, when we start our business, then we will register our subsidiary there.

**Vipul Goswami:** And sir, if we look year-on-year, from Q2 FY25 to Q2 FY26, our EBITDA has moved from 11% to 9%, so some pricing pressure is visible, sir. What is our view on that and how do we see it going forward 6 months down the line?

**Vikas Agarwal:** The GP margin we are seeing on pricing, we should actually compare H1 to H1. If you see, when we compare H1 to H1, the margin has only increased from last time. And our profitability for H2 will remain on the same trajectory as per the guidelines we gave last time. So, our guideline is for 20 to 25% overall increase, and the EBITDA margin, which was 8% last year, will increase by 1 to 1.5%, staying around 9 to 9.5% overall.

**Vipul Goswami:** And my last question is, how is our ongoing Rabi season going? We were trying to penetrate Kerala, so which geographies are we targeting and what is the capacity utilization of our Saykha plant, sir?

**Ramesh Talavia:** Regarding the Rabi season, this year our Rabi season will be positive because the rainfall has been good, all dams etc., are full, so irrigation facilities are full.

So, almost all over India, our Rabi season business will only grow compared to last year. And for Syakha, our current capacity utilization is around 65%.

**Vipul Goswami:** Okay, so what will it be for FY27, sir?

**Ramesh Talavia:** For FY'27, our utilization will be 70% plus.

**Moderator:** Thank you. Next question is from the line of Yogansh Jeswani from MAPL. Please go ahead.

**Yogansh Jeswani:** Sir, can you share about the volume growth that we registered in both the formulation and the technical side? I'm sorry if you covered it in the opening remark, but the line was quite patchy.

**Vikas Agarwal:** So we have a volume growth of around 30% to 35% overall.

**Yogansh Jeswani:** Okay. Sir, can you break it down between technical and formulation, please?

**Vikas Agarwal:** For technical and formulation, for technical, it was around 30%. And for formulation, it was around 35%, approximately.

**Yogansh Jeswani:** 13% or 30%?

**Vikas Agarwal:** 28% to 30%, 30%.

**Yogansh Jeswani:** Okay, 28% to 30% in technicals and 35% in formulations?

**Vikas Agarwal:** Yes. So overall, it is 30% to 35%.

**Yogansh Jeswani:** Okay. And this you're saying for H1 or for quarter 2 specifically?

**Vikas Agarwal:** This is for H1.

**Yogansh Jeswani:** This is for H1. Okay. And sir, with this volume growth that is coming to the technical, so how much are we now being able to do captive and how much is it outside?

**Vikas Agarwal:** So our captive utilization product to product will be around 30% to 35% of the total production, and the rest will be outside, till.

**Yogansh Jeswani:** Okay. And sir, like you're sharing to the previous caller that in FY '27, you're expecting 70% utilization in the Saykha unit. So when that happens, the captive consumption will still stay 30%, 35%, and this would be the growth from the outside market that we will do or the captive will increase further?

**Vikas Agarwal:** Both will increase actually. So percentage wise, it will be remain more or less same actually. Our captive will also increase and our outset will also increase in same percentage. So there will be hardly any difference in percentage wise.

**Yogansh Jeswani:** Fair enough. Understood. And sir, in terms of product, if you can call out what are the key products that is leading the technical customers at the moment? And going forward, what is your expectation from these products in terms of price range, in terms of volume? I know it's tough to give a guidance. I'm not asking for the guidance, but just a broad understanding of what are the key products and how you're looking at them in terms of the market dynamics?

**Ramesh Talavia:** So, mainly in technical, our key products are Cypermethrin, Alphamethrin, and Permethrin. And the second line that we have developed for our captive consumption includes Hexaconazole, Metalaxyl, and Chlorantraniliprole. The maximum we will use in captive consumption.

**Yogansh Jeswani:** Sir, how has the price trend been in the last few times, if you could tell us about the price trend?

**Ramesh Talavia:** The price trend was good until now. Now, maybe in the last one or two months, a slight decrease is visible in some products. Otherwise, in all other months it was good.

**Yogansh Jeswani:** meaning a 5 to 10% decrease or more than that.

**Ramesh Talavia:** Just that much.

**Yogansh Jeswani:** Ramesh ji, in the second-to-last conference call, you had shared that we were facing some challenges in the new markets we had started for our formulation business. We were facing a bit of a challenge there. In some places, our teams were not fully formed, in some places market penetration was not good, and we were working on that. So, we have seen very good growth in our existing Formulation-side business. So, have these markets also revived? Has the

growth come from your existing markets, and is the issue in the markets getting resolved slowly, so growth will now come from them as well?

**Vishal Domadia:** So, in those four new states that we had opened, we have significantly stabilized, meaning the network and in terms of the team. So, the growth is coming from there as well as from the existing markets. If we look at the percentage from the four states currently, approximately 15% of our B2C business has come from these four states.

**Yogansh Jeswani:** Good sir, can you please list out these four states? I think it was Rajasthan, UP, and what were the others?

**Vishal Domadia:** No, no. It was AP (Andhra Pradesh), Telangana, Odisha, and Karnataka.

**Yogansh Jeswani:** Sir, I think we had quite an issue in Rajasthan, if I remember right.

**Vishal Domadia:** We had faced some challenges in Rajasthan. We had gone deep there but are now recovering.

**Yogansh Jeswani:** So Rajasthan is recovering now? Got it, sir. And sir, in our exports, we are seeing that last quarter was also quite good. This quarter as well, comparatively, exports have performed well relative to your other divisions. Even though the overall business size there is small, a good growth is still coming in. So, can you briefly tell us what we are doing that is leading to this good pickup, and what are our expectations for the coming years? How big can this export business become?

**Ramesh Talavia:** For example, last year we faced challenges, mainly the currency issue in Bangladesh. After that got sorted out, our business there has returned to growth. So that was a timing issue, which is why last year our business was a bit down. Now it's back on line. Secondly, additionally, we have also gained entry into two-three new countries this year that we weren't dealing with before. Because of this, we have grown.

And secondly, in the regulated countries where the registration process is ongoing, that hasn't even started yet. That might take another year or a year and a half. As registrations start coming in, we can do good volume-metric business there. There are lots of countries, like LATAM countries Brazil, etc.,

processes are ongoing in the US, in Europe. So, our business there will start in the next year or two. Until then, we are focusing on other countries where there is a business opportunity and we can operate.

**Yogansh Jeswani:** Good, got it sir. Sir, in terms going forward, what is your view on the way overall price trends are moving? For example, in technicals you said there is a slight suppression, and in formulations are you also seeing a similar challenge?

**Ramesh Talavia:** Sir, whatever price effect comes in technicals, it comes immediately in formulations as well. But in our B2C business, the effect is not so immediate, so that business runs parallelly. It depends product to product and season to season. For some products that are needed in the upcoming season, the effect will be there. Right now, there are many products that are almost always in demand, not specifically in the Rabi season and for Kharif, so they are not affected. So, sir for example, bundle of products which may work in different season and other in another season so it is Continuous process.

**Yogansh Jeswani:** So, I just have one last question from my side. Our expectation or run rate for our technical plant, the Saykha plant, was that this year we would break even at the EBITDA level. So, do you think, given that more than half the year has passed, you will be able to maintain that? Will it just break even at the EBITDA level in technicals?

**Vikas Agarwal:** EBITDA right now, it is already at break-even. At the EBITDA level, it was already break-even. So for the full year, we presume that it will be positive only; it will definitely break even at the EBITDA level.

**Yogansh Jeswani:** And sir, at the PBT level.

**Vikas Agarwal:** At the PBT level, there might be. We don't have any cash losses, so we can say that at the PBT level, we will cover 50%.

**Moderator:** Thank you. Next question is from the line of Ankit Gupta from Bamboo Capital. Please go ahead.

**Ankit Gupta:** Sir, regarding our technical business, you mentioned that again in the last month there was some pricing pressure in a few products. So, has the competitive intensity increased? Is China's pressure continuing in the domestic

market, or what is the reason sir you feel this pricing pressure came? And going forward, what do you think, what will it be? What is our outlook for the coming few quarters and FY'27?

**Ramesh Talavia:** This pricing pressure was because of that part of August and September which was weak; consumption was down somewhere, so it came on that basis... And secondly, let me tell you about China: in our product portfolio, China actually has no role. In fact, in exports, we have even set up two-three customers in China now, so we have actually started exporting to China as well, we did it last year too and it's regular this year too. So, China's impact on us is none at present and going forward and going forward, for the Rabi season, we are quite confident and optimistic that our business will actually grow by 20 to 25% over last year's business. So, we are confident that we will achieve 20-25% growth in the second half as well.

**Ankit Gupta:** Okay, okay. But sir, here in our portfolio of Pyrethroid and Non-Pyrethroid, competition in India has also increased a lot, as much capacity has come in the last four years. So, largely because of that, there is pressure on pricing, or somewhat that is also happening.

**Ramesh Talavia:** Yes. But we have completely changed our strategy from this year. The products that we are lining up now, other than Pyrethroid, will mostly be used in our own captive consumption and major volume can also go into the B2B formulation that we are doing. So, based on that, we have made a strategy that the products for which we have volume in our B2C business and in our B2B formulation, only those we are backward integrating and enhancing the technical capacity for, and mostly it will be absorbed in our formulation business. This is the kind of strategy we are planning for the future. So that in the future we don't face margin-wise issues and we are not focusing so much on Pyrethroid now, that its effect impacts our business. But as it is continuing, but in the future, whatever we will grow, plan, and build strategy for, will be for the other products that we have volume in, that's what we will plan for going forward.

**Ankit Gupta:** Sir, for FY'26 and FY'27, what revenue and EBITDA do we see in our technical business?

**Vikas Agarwal:** For FY '26, our revenue for technical plant will be around INR 250 crores to INR 260 crores. And after that, it will be increased by again 20% to 25%, what guidance we are giving. So on that parameter.

**Ankit Gupta:** So around INR 300 crores, INR 310 crores.

**Vikas Agarwal:** Yes, yes.

**Ankit Gupta:** And what kind of EBITDA margins are you looking forward in FY '26 and '27 in this business?

**Vikas Agarwal:** GP margin, I can tell you in FY '26, GP margin is 22% right now, which was last year in FY '25, was 19%, so it was improved. So, it depends upon how the pricing will go in technicals, but we feel that it will improve.

**Moderator:** Thank you. We will take our next question from the line of Praneet, an individual investor.

**Praneet:** So I would like to understand in terms of the gross margin, like between the 4 business verticals, could the management explain what gross margin does each vertical has?

**Vikas Agarwal:** Yes. So our technical, as I already told in H1 for our technical gross margin was around 22%, for our formulation, our GP margin for our B2C is around 40% and for formulations, it is around 18%.

**Praneet:** Okay. What about in exports?

**Vikas Agarwal:** Export is around 18% to 20%.

**Praneet:** Understood. And one more thing regarding your capacity utilization. In a previous con call, the management has mentioned, because it's a lumpy business, like in the technical, it's difficult to scale up beyond 60% to 70% mark. So what has changed now that we're able to deliver 65%, and do we need to add capacity to continue to scale our technical business?

**Vikas Agarwal:** No, sir, it was in formulation. Formulation can't go beyond 60%. In technical, we'll definitely go up to 80%. So that guidance possibility, we have given. So

last time, last year, FY '25, we had capacity utilization of 58%. This time, it is 62%, 65% to 68% product to product.

**Praneet:** But with the rates we are going at, like 20% to 30% volume growth plus value growth, we will need additional capacity by next year, right? So what does the company think about that?

**Vikas Agarwal:** Yes, yes, definitely. The next year also, it will be increased. So it will be around 70% to 70% plus.

**Praneet:** No. I understand the capacity utilization will increase. But additional facility, we'll need because once we reach 80% and we want to maintain the revenue growth of 20% for the technical business, we will need more capacity, right? How is the management planning on catering to that demand after the 80%?

**Vikas Agarwal:** Got you. That part, we will see in future actually whether or how we will increase that because in 80% capacity also, when we do 80% capacity utilization, our outside scale will be around INR 400 crores to INR 450 crores. That will take at least FY '27 and '28. After that, we will think of it for addition of new capacity utilization, new capacity. However, we have some addition in our herbicide plants that Ramesh sir will explain to you a little bit.

**Ramesh Talavia:** In the future, meaning after a year or two, we are tentatively thinking about planning a technical plant for herbicides as well.

**Praneet:** Okay? So, right now, our technical plants are only in insecticides. Now we are also expanding to other technicals, in herbicides also.

**Ramesh Talavia:** Presently, presently we only have insecticides and fungicides in our Saykha plant. And for herbicides, there are several products that are used in our captive consumption and we have the volume for them. We are currently looking at any opportunity for that. If it materializes, then in the next year or two we can plan for it. There is no final decision yet, but our thinking and planning is currently underway.

**Praneet:** Good. But if there is an opportunity in herbicides, what could be the CAPEX for it? We are setting up technicals currently.

**Ramesh Talavia:** In this, the CAPEX for technicals tentative, the investment could be around Rs. 75 to Rs. 100 crores.

**Praneet:** Good. But will the gross margin for herbicides and fungicides be around that same level, around 22%?

**Ramesh Talavia:** Yes, yes. Correct, correct.

**Praneet:** Good, okay. And one more final question from my side. You are looking at licenses for exports, right? Is it very difficult to get licenses now? Can others not do it? Can we do it? And what is the market for this? I mean, can other Indian players also get some licenses and do something? Or do we have a special positioning to enter this market?"

**Ramesh Talavia:** No, it's not like that. For exports, getting registration. Suppose our registration process is ongoing in Brazil, in Poland, in the US. So, for the particular technical products we manufacture, they also visit the plant. The entire registration part, its process is long. It can take a minimum of 2 years up to 4 years and it depends on the government there and what the requirements of our customer there are. Based on that, the registration particularly for technical-based companies, if they find the product, plant visit, etc., convenient, only then does it move forward. So, for example, in Brazil, for the 4 technical products we are working on, suppose it's Cypermethrin, Alphacypermethrin, etc., our registration is now in the final stages of the process. So, it can come anytime, meaning within a year. The business volume there will be higher, as per their planning.

**Praneet:** So right now, we are just getting licenses, thinking only for technical exports.

**Ramesh Talavia:** I am talking about the license for technical exports. I mean, the registration process of the government of the country we want to export to. It's not in our hands; we just have to follow it. We reply to the queries that come.

**Praneet:** Okay, but the export business will be in technicals. It won't be in formulations, right?

**Ramesh Talavia:** In technicals, I am talking about the highly regulated countries. For the rest, our formulation business remains the same. Like it's happening in African

countries, in the Middle East. And it depends country to country. For example, in Bangladesh, there will only be formulation business. There is no technical business there. Similarly, in Vietnam, there will be technical business. There is no formulation business there because they already have formulation facilities. So, they take technicals from here and do formulation there. And in Bangladesh, there are no facilities. So, they only purchase formulations. They import and only do packaging there under their brand. And for African countries, like we are doing business in East African countries, there is nothing there. So, we send finished products from here. The customers there only do trading. So, it depends country to country, product to product, what their business model is. So, based on that, we customize here and send there.

**Praneet:** Okay, understood.

**Ramesh Talavia:** Suppose Vietnam is a country, then sometimes a product is exported as a technical, sometimes as a formulation. For products they cannot formulate, and if our formulation license, our registration process for a formulation is complete somewhere, then we also send other formulations from here. It's the same in Indonesia.

**Praneet:** Okay, so it can be slightly different for each country. We will export the product accordingly.

**Ramesh Talavia:** Correct. Based on their requirement, whether they need this product in formulation or that product as a technical we have to plan accordingly. For example, we recently got registration for one product in Russia. There, this product is a formulated product, so our entry and business there will start this year in Russia.

**Praneet:** Got it.

**Ramesh Talavia:** That was going on for about a year, and now we have received the registration, so our business there will start step by step. So, this depends on the country and the product.

**Praneet:** Understood. And one more thing, on the domestic front for geographic expansion, our thought was that we would add one or two geographies every

year and expand accordingly. But what is the situation now? What is the new geography we are entering now and what is the response? I mean, is it growing? Can you give some update on this expansion? So, on the domestic front for geographic expansion... can we give an update on which geography we are going to now, what new geography we will enter, and what is the response?

**Ramesh Talavia:** I mean, we have almost established our presence all over India now in B2C. The South India that was left, we have started that as well from this year Andhra, Telangana, etc. So now, our strategy there is such that in the first year we build the team, develop networking. From the second year, we start growing it. So, in 4 to 5 years, that state gets fully established, like we are currently doing in Gujarat, MP, and Rajasthan.

**Praneet:** Good, got it. And in the final question, about the balance sheet, do we have any plan for debt reduction now? And what is the management looking at in this regard? So regarding the debt reduction, I see that we still have like a portion of debt on the books, what is the plan on reducing it? Or what is the strategy behind maintaining it for the company? Like how does the management see the debt?

**Vikas Agarwal:** About debt, you are asking? on debt reduction, actually right now, we have got a subsidy on that. So, debt reduction, it will go as per schedule only.

**Praneet:** Okay. So we don't expect to prepay any of it or something like that because it's...

**Vikas Agarwal:** No, because we are getting interest subsidy on that. If you see our commentary, we have already got INR 3.5 crores interest subsidy in November.

**Moderator:** Thank you. Next question is from the line of Bhavik Narang from Bastion Research. Please go ahead.

**Bhavik Narang:** I am new to the company, so please forgive me if you are repeating anything. So I just wanted to understand like what kind of revenue mix do you have in mind regarding the different verticals Dharmaj, like any internal target or anything?

**Vikas Agarwal:** Yes. So our internal revenue target for the current year for B2C, it will be around INR 220 crores to INR 230 crores. It will be increased by, as we already told, 20% to 25% increase of our last year sale. Our B2B bulk and formulation will be around INR 630 crores to INR 650 crores. Our export will be around INR 70 crores to INR 80 crores and our technical business will be INR 250 crores to INR 270 crores. So overall, it would be INR 1,150 crores to INR 1,200 crores.

**Bhavik Narang:** Okay. And as I could see, like there are lot of registration pending in our pipeline that is expected. So any expected timeline on those?

**Vikas Agarwal:** See, there are no, as far as already Ramesh, sir, has already told you, there are many registration is going on in formulation side and technical side, and each one have a product to product, country to country, there is a time line actually. So each one have their own time line and it will develop on the process actually. So every month, every time we are getting 1 or 2 registration license completed in our formulation. So it will take its own time, actually.

**Moderator:** Thank you. Next question is from the line of Smith Shah from JHP Securities. Please go ahead.

**Smit Shah:** Sir, if I look, I have put the numbers of your branded formulation for the last 10 to 12 quarters then these are at 50-60 crore marks for the last 12 quarters in these branded formulations, and it's just not increasing. I mean, we are penetrating into different geographies, like, penetrating into different cities. But scaling up is not happening here. So what is the problem here? What issues have you faced in the last two years?

**Vishal Domadia:** No, you said from where. you said it's the branded business statement. Will you tell the data again.

**Smit Shah:** Yes, I mean, from the investor presentations you give, I put the numbers in Excel, so that number of 50-60 crore per quarter is just not increasing much. I mean, it has become somewhat stagnant. Not much growth is visible there over the last 11 to 12 quarters.

**Vishal Domadia:** If you see year-on-year, year-on-year growth... our growth was around 20% last year, last year also growth was around 20%, and this year also we are growing at 18% in H1 currently. There's only one quarter on a year-on-year basis, which is Q2, where we were almost stagnant, almost parallel. In every other quarter, there is growth year-on-year.

**Smit Shah:** Okay and this gross margin that we talked about, which is 21-22% in technicals... if I look at other domestic players, theirs almost goes to 30-33%. So why is ours so low? I mean, we are selling only in the domestic market that's the reason?

**Ramesh Talavia:** The reason for this is currently, our technical sales are mostly in the domestic market, in India only, not in exports. The companies you see that have major exports, they are in regulated countries where they have their own registrations. They get higher margins there. That is why our GP is down. As our registrations start coming in, ours will also get maintained parallelly.

**Smit Shah:** Okay, okay. And we had said regarding the technical plant that if it reaches peak utilization, meaning 75-80% capacity utilization, then in the technical which is active ingredient plant, we can achieve 15 to 18% EBITDA margin. So, based on the current pricing, do you still think that is achievable at full capacity utilization? Is it achievable?

**Ramesh Talavia:** And as I also mentioned that when our registrations come through for exports, and capacity utilization becomes full, 75 to 80%, then automatically our EBITDA margin will be managed.

**Smit Shah:** And sir, regarding pricing, for the next 6 months in both formulation and technical, if you can give some commentary on how it looks to you for the next 6 months also, what is the pricing like?

**Ramesh Talavia:** Pricing-wise we are fully optimistic and confident in this Rabi season that the business will definitely grow compared to last year, around 20 to 25%. In terms of price, in some products, there might be a slight downtrend, a slump. But in almost all other products, there won't be that much effect on the major branded business we do and the B2B formulation business.

**Moderator:** Thank you. We will take our next question from the line of Shreyas Shethe, an individual investor. Please go ahead.

**Shreyas Shethe:** Sir, first of all, many congratulations to the management for the record high half-yearly numbers in H1 FY'26.

**Ramesh Talavia:** Thank you, sir.

**Shreyas Shethe:** Sir, my first, first question is on the technical plant. Sir, you mentioned that the capacity utilization will be around 30 to 35% for the formulation raw material. So, sir, what will be the split between export and domestic? Can you tell us?

**Ramesh Talavia:** Export... export depends on product registration. Currently, our exports are mainly of formulation products. Our technical exports are less. And secondly, the intermediate we make, CMAC, we started its export last year. So we will get the maximum benefit of this year.

**Shreyas Shethe:** So, sir, this year, meaning it will mostly be in domestic?

**Ramesh Talavia:** Yes.

**Shreyas Shethe:** Sir, my second question is, sir, the company's tagline is 'Limitless Growth'. So sir, going forward, sir, there are some external risks in the industry like credit cycle, monsoon dependency, and sometimes farmers face pricing pressure. So how will the company address these external factors so that growth remains sustainable?

**Ramesh Talavia:** Our marketing policy is that we are doing aggressive marketing. Product, meaning demand generation activity. Based on that, at the farmer level, we can upgrade our customers at the dealer level, add new, new customers. By adding new products, we are growing the business that we have planned, 20 to 25%. So we have no doubt in that. We are fully confident.

**Moderator:** Thank you. We will take the next question from the line of Desai Ventures. Kindly introduce yourself and go ahead with your question, please.

**Sidh:** This is Siddh from Desai Venture. Okay, please go ahead. So my first question is in terms of the nature of the product, that Dharmraj Crop Guard sells, which

segment is right now picking up? Is it herbicides or insecticides or anything else? And what do you expect these segments to I mean, how will they fare going forward? What is the nature we have insecticides, herbicides, right?

**Ramesh Talavia:** Yes, insecticides, fungicides, and herbicides are the three categories of pesticides, right?

**Sidh:** So which segment is picking up the most right now? And what in terms of the product mix in this?

**Ramesh Talavia:** For example, insecticides, currently we are on a large scale because our backward integration is also majority in insecticide products. And in branded also, insecticides are major. And in formulations also, insecticides are major. And if you look at the market scenario, insecticides have an average share of around 50%, and fungicides are around 25%, herbicides are around 25%, more or less. So, when we have been doing observation analysis for the last two years, the growth rate of herbicides is higher because there is a labor shortage and labor cost is also increasing. So people are now improving at the farmer level in using more herbicides. So in the coming future, the growth rate of herbicides will be higher comparatively to insecticides and fungicides. So that is an opportunity, and currently we are also doing analysis and we have also said earlier that we are thinking about, planning for a technical plant for herbicides also. So, based on that, we have started the work now.

**Siddh:** Okay. Understood. Thank you. And my second question is, comparing H1 FY'25 to H1 FY'26 numbers, your increase in trade receivables has outpaced the increase in revenue: 26% growth in revenue and 30% growth in trade receivables. If you expect this trend to continue? And if you can share some light on this, please.

**Vikas Agarwal:** This trend was actually it is agrochemical industry normally if you see, so in H1, inventory and receivables are always high actually. So, it is the trend thing. However, by 50 to 20 days because there is a delay in monsoon, so some receivables has increased, but it will be taken care in H2. So, there will be if you see year-on-year basis, it will definitely come down.

**Moderator:** Thank you. We will take the next question from the line of Shlok Akolia from Xylem PMS. Please go ahead.

**Shlok Akolia:** So, my first question was weird, has management previously indicated that we achieved a 32% to 33% volume growth, which is far higher than the sales? Could you quantify the level of price erosion you faced during this period year-over-year? Additionally, how soon do you expect the pricing environment to reverse? And once price stabilizes, what are expectations on consolidated gross margins?

**Vikas Agarwal:** This volume increase, which we have given 30% to 35%, it is product to product. So overall, it depends upon the pricing of the product. Some product price is high, but volume might be you see there is not much increase in the volume. And some product pricing are low, but product volume-wise, it is high. So overall, our guidance, what we have achieved is 30% to 35% overall company-wise H1, our volume growth was there.

Regarding the pricing, Ramesh sir has already given this, there are some products where we have seen some decline in the prices because of this erratic rainfall in August and September month. But overall, prices are stable and might be in H2 in some products, we will see some decline, but it's not that much actually.

**Shlok Akolia:** Okay, sir. And sir, second question was like what is your go-to-market strategy in LATAM part? And are we partnering with any MNCs in these geographies? And if yes, at what stage like is our conversation going on with these MNCs?

**Vikas Agarwal:** We are open to all the opportunities. So, we might be in discussion with some MNC, but it will take some time in the future actually. So, we are open with all the opportunities available at present.

**Moderator:** Thank you. We will take our next question from the line of Shweta Shah from Vivo Commercial Limited. Please go ahead.

**Shweta Shah:** Okay. Okay. So, my congratulations on great performance. I have a couple of questions. First question is about the KMP remuneration. Unless I'm mistaken,

I was not be able to see the exact amount of remuneration that is being paid to the key KMPs. So, can you please share some information on that?

My second question is what is the plan to increase the product mix such that we have higher volumes and higher margins? So these are the first key questions that I had in mind. And third is Animal Health segment and Public Health segment was supposed to be the potential areas of growth. So what is the progress on the front?

**Vikas Agarwal:** So, remuneration wise, if you see there, we have an increment in July month. So, in KMP also there is an increase of around 8% to 10% in remuneration overall. And regarding your Public Health and that question, there already, we are trying to increase our volume, sales in that field also, in that vertical also.

**Shweta Shah:** Yes. But what is the exact amount? I don't think I can see the amount in the report, unless I missed it. So, can you tell me the ballpark, what is the amount?

**Vikas Agarwal:** Amount right now, for KMP is not in handy. So, we will give the figures afterwards.

**Shweta Shah:** Okay. Wonderful. And just one thing wondering, on the export market, can we do anything better now because we are awaiting registration but where we've already obtained registration, where we already have a base, is there any chance to increase and scale up a little bit over there?

**Ramesh Talavia:** You are also seeing our number, no? In H1, we have grown quite a lot compared to last year, around 50%. Our business that was in H1 last year, we have grown 50% year-on-year. But that... we have... in H2 also, our growth rate in exports will be even higher because for two-three of our products, the registration that was due in one-two countries has come. So, our business will grow there. And in the future also, our basic active ingredients in technicals, as registrations start coming in exports in highly regulated countries like Brazil, the US, Europe, then our business will grow there simultaneously.

**Shweta Shah:** Okay. And sir, in your competitive well, it's a very big market and there are many competitors, that is there, but in your key products, what will be our market share? I mean, the overall market share... because it will be different

product-wise. So, without wasting everyone's time, a little bit... what will be our market share in whatever we are committing, the key products?

**Ramesh Talavia:** You are talking about the technicals we make, right?

**Shweta Shah:** Technical and formulation also not B2C.

**Ramesh Talavia:** Look at the formulated market. Suppose you look at India's market size, it is around 50,000 crores, right. So, in that, currently, our share is almost nothing. But as we are doing a growth rate of 20 to 25% every year in all our segments, like in B2C, in B2B formulation, in technicals, then parallelly, our growth rate, accordingly our market share will keep increasing.

**Shweta Shah:** So that is very generic because...

**Ramesh Talavia:** In 2030, we are running with a vision that we see a 2000 crore business, and in that itself we are confident. And in those segments that we have, B2B, B2C, B2B formulation, B2B technical, export so we will grow parallelly in all segments segment-wise. So if you see, in 50,000 crore, our business will be 2000 crore, only then some share will be visible.

**Shweta Shah:** Right, right. And sir, there are so many players, so what is our differentiating factor? Other than pricing, price, cost cutting, what is our factor? In price, product differentiation, or anything else, that the customer will choose us?

**Ramesh Talavia:** Madam, our marketing strategy, the demand generation activity we do at the field level, that is our major winning point. That is how we have been able to grow the business so much in B2C today, and parallelly we are also working in B2B formulation. Because every segment has a different strategy, right? In B2C, our marketing strategy, the product demand generation activity, in that our tools are, like we do farmer meetings, field days, demonstrations, and in social media, our marketing strategy is everywhere. And we also run a loyalty program at the farmer level on a QR code. A number of tools are there because of which we are growing. And secondly, in B2B formulation, we have taken a task that currently, across India, each and every customer should be in our touch. So for that, we have built a team. Currently, at present, we have a team of seven people, which mostly no company in India is doing. We look at it in

a different way. If anyone needs any product in formulation, then we have mastery in that. We can catch that and we can do business with everyone. So, in the last three years, the B2B business we have grown you are seeing the numbers too in that, in India, mostly with large corporates, we have done business with all of them. And the B category of small institutional customers, we have lined up all of them. And small, small customers, every, every month we keep finding new customers and we keep adding new products in this. So this is our thinking in a different way, and in that same way we are growing forward.

**Shweta Shah:** And sir, that 'Kheti Point' thing, some app or something, are you talking about that or are you talking about something else? You had something called Kheti Point, right, an online platform? Are you talking about that or something else?

**Ramesh Talavia:** We are not talking about that. We closed that. We sold it off earlier. Currently, Kheti Point has no role in this. But the B2C and B2B strategy I talked about, we are working on that now.

**Shweta Shah:** Okay. And sir, the strategy you are doing is commendable, it is showing in the results, good. But what you are doing, the competitors will also do something or the other at the ground level, right? So, what will be our in this, what can we do so that it is not easily replicated, or to maintain our USP?

**Ramesh Talavia:** Madam, the numbers till now, you are seeing them, right? Today, suppose we started in 2015-16, today last we did 950 crore business. So going forward, we are moving with the same growth rate. You are seeing the numbers of the last 2-3 years too. So every company's business model and strategy can be different, right? Everyone cannot do the same thing. The demand generation activity and marketing activity we are doing today, mostly many companies may not be doing. And the product line-up we have in B2B today... today we are doing 200 products in formulations. In technicals, the additional products we have got, all in the last two years. So, such a bundle of products that we cater to, the services we provide, no company in India is doing that.

**Moderator:** Thank you. We will take a last question from the line of Rudraksh Raheja from I thought PMS. Please go ahead.

**Rudraksh Raheja:** Sir, just one question. If it's possible, volume growth in domestic formulations business.

**Vikas Agarwal:** Sir, that already we have given that volume growth, it was around 30% to 35% in the whole year for H1 FY '26, it was, yes. So out of that in our formulation, the growth was around volume growth value around 30% to 35% for this and in technical, it was 28% to 30%.

**Moderator:** Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to management for closing comments. Over to you, sir.

**Vikas Agarwal:** We are very much sure that whatever the guidelines we have given, that is 20% to 25% of the growth that we will definitely achieve. And our EBITDA margin growth also will increase by 1% to 1.5% during the year. Thank you.

**Moderator:** Thank you, sir. On behalf of TIL Advisors Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.