



SUMITOMO CHEMICAL INDIA LTD.

Corporate Identity Number (CIN) – L24110MH2000PLC124224

Corporate Office: 13/14, Aradhana IDC,
Near Virwani Industrial Estate, Goregaon (East),
Mumbai – 400 063, Maharashtra, INDIA.
Tel. : +91-22-4252 2200 / Fax : +91-22-4252 2380
URL <http://www.sumichem-india.co.in>

3rd November, 2025

To,
BSE Limited,
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

The National Stock Exchange of India,
Listing Department,
Exchange Plaza,
Bandra Kurla Complex,
Bandra East,
Mumbai – 400 051

Scrip Code: **542920**

Scrip Symbol: **SUMICHEM**

Subject: Written Transcript of Earnings Call held on 28th October, 2025.

Dear Sirs,

This has reference to our letter, intimating about the earnings call on 28th October, 2025 with Investors to discuss financial performance of the Company for the quarter and half-year ended 30th September, 2025, and web-link for the audio-recording of the call submitted to you on 28th October, 2025.

Please find enclosed herewith written transcript of the aforesaid earnings call. The said transcript will also be available on the Company's website:

<https://sumichem.co.in/investors-relations.php#Announcements>

Kindly take the same on record.

Thanking You,

Yours faithfully,

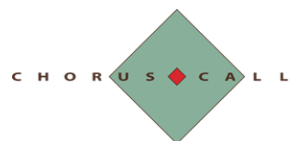
For Sumitomo Chemical India Limited

Deepika Trivedi
Company Secretary & Compliance Officer



“Sumitomo Chemical India Limited
Q2 & H1 FY '26 Earnings Conference Call”
October 28, 2025

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 28th October 2025 will prevail.



MANAGEMENT: **MR. CHETAN SHAH – MANAGING DIRECTOR –**
MR. SUSHIL MARFATIA – EXECUTIVE DIRECTOR
DR. SURESH RAMACHANDRAN – DEPUTY MANAGING
DIRECTOR
MR. KUNAL MITTAL – SENIOR VICE PRESIDENT,
PLANNING AND CO-ORDINATION OFFICE
MR. ANIL NAWAL – CHIEF FINANCIAL OFFICER
MS. DEEPIKA TRIVEDI – COMPANY SECRETARY AND
COMPLIANCE OFFICER

Moderator:

Ladies and gentlemen, good day, and welcome to Sumitomo Chemical India Limited Q2 and H1 FY '26 Earnings Conference Call. This conference may contain forward-looking statements about the company, which are based on the beliefs opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

From the management today, we have on the call, Mr. Chetan Shah, Managing Director; Mr. Sushil Marfatia, Executive Director; Dr. Suresh Ramachandran, Deputy Managing Director; Mr. Kunal Mittal, Senior VP, Planning and Co-ordination Office; Mr. Anil Nawal, Chief Financial Officer; Ms. Deepika Trivedi, Company Secretary and Compliance Officer; and colleagues from SGA, their Investor Relations Advisor.

Now I hand the conference over to Mr. Chetan Shah, Managing Director of Sumitomo Chemical India Limited. Thank you, and over to you, Mr. Shah.

Chetan Shah:

Thank you. Hi, everyone. Very good morning to all of you, and welcome to this conference. I'm sure you all had great Diwali, and I take this opportunity to wish each one of you a very prosperous and meaningful new year.

I must admit that today, I was hoping to join you all with a very, very robust Q2 working on the basis of what we did in Q1. However, I think the God and the nature had some different plans of their own. And due to the climatic conditions, our expected Q2 performance could not be achieved.

There were first 18 days of July, which went absolutely dry. And then from 19th July, the rain started, but it never stopped till September end. This made it very difficult for farmers to go into the field for spraying operations. That's how the consumption of agrochemicals in general got affected. And there was no respite from rain till the end of Kharif season. So it was a very, very disappointed quarter for us. We would have really shown a great performance, but for this weather condition.

However, having said that, our H1 still we could achieve a reasonable growth, which is 9% in sales and 11% in profits. Apart from that, the quality of business in this adverse condition as far as Sumitomo is concerned was excellent. We had -- I mean, we have no returns of goods. We have not reduced the prices. We have maintained our profitability. And in spite of all the adverse conditions, we have grown in H1 at 9%. So I think that the resilience of our team and the discipline that we have enforced in the market has proved to be really good and working. And I think we'll come out stronger from this experience.

Another bright side is that the water storage and the reservoirs are absolutely full. The soil is moist, which is good for the Rabi season, and we hope that the Rabi season will go well. However, some rains are still expected here and there as per IMD, but I don't think that the rain

will be a disruptive kind of rain as we saw in August and September. So the overall situation looks good, and we hope to have a great Rabi season.

Also on the global front, the agrochemical industry is witnessing early signs of stabilization after nearly 2 years of inventory destocking, pricing pressure and climate-related disruptions. Internationally, ordering patterns are gradually normalizing and prices appear to have bottomed out in key markets, offering a base for recovery. This is in a nutshell, my message or my address to you. I'll get back to you in the Q&A session.

I hand it over to Mr. Suresh Ramachandran, Joint MD of Sumitomo. Thank you very much.

Suresh Ramachandran: Good morning, everybody, and thanks for joining this call. Coming to the performance of Sumitomo Chemical India. The second quarter, as Shah-san mentioned, was undoubtedly a challenging one. At least we have not seen this kind of rains in many years. It was just pouring from middle of July till the end of September or even into October.

The year of Kharif started on a promising note, but because of the weather conditions, it resulted in farmers not able to go to the field, which led to missing of sprays or deferment of sprays. Despite all of these challenges, Sumitomo Chemical delivered a resilient performance, maintaining operational continuity and channel health while protecting margins in a seasonally weak environment.

In Q2 FY '26, our consolidated revenue stood at INR930 crores versus INR988 crores in the corresponding period last year. Although this represented a slight decline, it was entirely driven by volume contraction due to erratic and excess rainfall. Price realization remained broadly stable across our portfolio, supported by disciplined pricing practices and strong product positioning.

Gross margins were maintained at 43.1%, demonstrating cost efficiency and prudent input sourcing. The EBITDA margin stood at 22% for H1 FY '26, broadly in line with our expectations, despite the adverse seasonal impact in Q2. At the half year level, SCIL performance reflects healthy underlying strength. Our H1 revenue grew 9% year-on-year to INR1,987 crores with corresponding growth in profitability.

Our domestic Crop Protection business was affected by wet weather, yet our key brands like Sumimax, new product launches like Excalia Max, Lentigo and also some old herbicide formulations continue to gain traction and reinforce our market leadership. The newly launched rice herbicide Lentigo witnessed encouraging adoption, while Excalia Max, a fungicide for rice, sustained its strong growth momentum in speciality segments. Our Environmental Health division posted healthy growth off a low base, reflecting our growing presence in branded solutions and urban vector control.

In exports, demand was muted in certain geographies, specifically in Africa, countries like Kenya, Ethiopia and in Latin America, primarily due to Brazil due to shipment deferrals. Of course, our business in the U.S. and Europe remained stable. We are also expanding registrations and customer relationships in new markets in Asia and the Middle East to offset regional volatility.

Importantly, our working capital management remained robust. Net working capital days improved by 7 days year-on-year to 55 days primarily due to better receivable collections and stable inventory management.

Cash and cash equivalents as of 30th September 2025 stood at INR2,089 crores, providing strong liquidity and balance sheet flexibility. While Q2 was weather affected, our H1 FY '26 results reaffirm the underlying health of our business and our ability to navigate volatility with financial prudence and operational discipline.

Our subsidiary, Barrix Agro Sciences recorded a relatively steady performance during the first half of FY '26, maintaining its market presence despite challenging operating backdrop. While the overall top line remained broadly in line with the previous year, profitability was impacted by higher input costs and elevated operating expenses. During this period, biostimulant sales were also affected by regulatory constraints, which had a bearing on Barrix's performance.

As we look ahead, we enter the second half of FY '26 with measured optimism. The combination of healthy reservoir levels, adequate soil moisture and a normal withdrawal of the monsoon augurs well for the upcoming Rabi season. Field conditions have improved significantly since late September, which should support a rebound in farming activity and input demand.

With that, I hand it over to my colleague, Mr. Kunal Mittal, to talk about the business strategy. Over to you, Kunal.

Kunal Mittal:

Thank you, Shah-san and Dr. Suresh. Good morning, everyone. At Sumitomo Chemical India, we remain firmly focused on executing our strategy and delivering long-term sustainable growth. Our strategic priorities revolve around five key pillars, which are as follows:

Number one, strengthening domestic franchise and farmer engagements.

So our efforts continue to be directed at deepening farmer connect, strengthening the domestic franchise through structural engagement programs and digital interventions. The 'Every Day Farmers Day', which we have been doing very sincerely since 2024 and which has also been explained in the investor presentation - this initiative has become a key differentiator for our company in the field. This also enabled direct communication with farmers, demonstrations of our product efficacies and enhancement of our overall brand recall.

We aim to expand our EDFD coverage across additional districts, and we will focus more of these activities in our Rabi crop. And this will also help us consolidate our leadership in the domestic market through extensive farmer engagement and ground level demand generation.

We are also deploying various digital and physical initiatives, and we are also making sure that each of the physical farmer engagements are more impactful and also they are followed up with digital initiatives, so we can also take a feedback from the farmer community about our initiatives.

Number two, scaling up of our recently launched and differentiated products. Dr. Suresh

already explained about these two important products, which we have launched in the first half of the year, which is rice herbicide 'Lentigo' and patented fungicide 'Excalia Max', which is INDIFLIN is a technical product.

Our innovation-led growth strategy remains the core of our business model. Both of these products are sourced from our parent company, Sumitomo Chemical Japan's global innovation pipeline. And so far, they are very well received in the market. During current financial year, our focus is to scale up these products across newer territories, accelerate our demonstration of these products to the farmer and also prepare for additional launch.

One important product, which we are planning to launch in the second half of the year is a product from our group company, Valent BioSciences. The name of the product is Top Grain. These efforts will continue to reinforce our company's reputation as a trusted provider of high efficacy and sustainable crop protection solutions.

Number three, enhancing exports competitiveness and our global footprint. We are intensifying our focus on expanding global presence. Despite temporary softness in certain export destinations, our business model remained resilient and agile. We continue to broaden our footprint across Africa, Latin America, Southeast Asia by consolidating our relationship in the US and Europe.

With strong backing from our parent company, we are also increasing integration of our group's global supply chain and registration network, which will position India as a critical manufacturing and export base for our future growth, not just for India, but for the global organization.

Fourth, advancing manufacturing and backward integration initiatives. So manufacturing excellence is a very important core pillar of our long-term strategy. We have already started and commenced backward integration for selected molecules at our Tarapur facility. We have also made significant progress in project planning, regulatory approvals for our upcoming greenfield expansion at Dahej.

In the earlier investor presentation in the quarter ending June, we had announced two capex projects, one, doubling the capacity of one of our product for our parent company to be manufactured at Bhavnagar and also few additional products, including some of the blockbuster global product being launched recently to be made at our Tarapur site. So, both of these were already explained, and they are also explained in our investor presentation. So, these facilities like Dahej will produce multiple Sumitomo origin molecules and intermediates, which will help us diversify our parent company, SCC's global manufacturing footprint and also enhance SCIL's cost competitiveness in the long term.

Simultaneously, our operational teams are continuing to pursue productivity improvements, process efficiencies to ensure consistent quality, optimize cost and margin sustainability. And that is something which we have demonstrated even in a very challenging market like this, that our margins were largely maintained.

Number five, sustaining financial discipline and working capital efficacy. If we look at our

company's balance sheet, it remains one of the strongest in the Indian agrochemical industry. We continue to prioritize liquidity management, cash generation, prudent working capital deployment.

During first half of financial year '26, our collections improved substantially with total inflows to the extent of almost INR2,277 crores compared to INR1,999 crores in first half of last year. So we remain committed to sustain this kind of a momentum through stringent credit control, optimized inventory levels and timely supplier settlements. Our philosophy is to grow responsibly.

So, in short and to conclude, while the first half of the year was characterized by climatic challenges, the underlying fundamentals of both the Indian agriculture sector and our company's business remains strong.

With improving field conditions, healthy rural sentiment with normalization in channel inventory and very good levels of water reserves, we expect a recovery in demand during the Rabi season and beyond. Our unwavering focus on portfolio differentiation, operational excellence, farmer engagement and disciplined execution, position our company well to deliver sustainable value for all our stakeholders.

With that, I will now hand over the call to Mr. Anil Nawal, CFO of our company, to please take you through our Q2 and first half 2026 consolidated financial performance.

Anil Nawal:

Sir, consolidated Q2 FY '25-'26 financial performance. During the quarter, we recorded revenue from operation of INR930 crores compared to INR988 crores in Q2 FY '24-'25. The decline was primarily due to lower volume in domestic market as persistent and excessive rainfall through much of July and August curtailed field activities and delayed spray application in key Kharif crops.

Gross margin in Q2 FY '25-'26 are 43.1% as compared to 42.6% in Q2 FY '24-'25. EBITDA came at INR218 crores in Q2 FY '25-'26 as compared to INR245 crores in the same period last year. EBITDA margin in the current quarter stood at 23.4% as compared to 24.8% in Q2 FY '24-'25. Profit after tax stood at INR178 crores in Q2 FY '25-'26 as compared to INR193 crores in same quarter last year. Profit after tax margin stood at 19.1% vis-a-vis 19.5% in Q2 FY '24-'25. Lower operating leverage in the quarter on account of weather-related volume impact led to a moderation in profitability. However, we maintained healthy margin through cost control and disciplined channel management. Sequentially, compared to Q1 FY '25-'26, both revenue and profitability were lower, reflecting the seasonal softness due to unusually prolonged rainfall pattern this year.

Coming to our consolidated performance for H1 FY '25-'26. Revenue from operation in H1 FY '25-'26 stood at INR1,987 crores, up by 9% as compared to INR1,827 crores in H1 FY '24-'25. In H1 FY '25-'26, domestic agrochemical revenue contributed about 85% of overall revenue with export contributing the rest. In H1 FY '25-'26, insecticide contributed about 39% of total revenue, while herbicide plant growth regulator and fungicide contributing about 26%, 9% and 9% of total revenue, respectively.

From a business mix standpoint, our domestic business continued to exhibit healthy momentum, growing 11% year-on-year in H1 FY '25-'26, contributing 85% to revenue. Export revenue degrew by 4% year-on-year, largely on account of decline in sales to South America by 33% as compared to same period last year.

Our H1 FY '25-'26 gross margin stood at 40.4%, broadly in line with the previous year at 40.9%. EBITDA stood at INR437 crores in H1 FY '25-'26, witnessing a jump of 8% as compared to INR406 crores in H1 FY '24-'25. Our EBITDA margin stood at 22.0% in H1 FY '25-'26 as compared to 22.2% in the same period last year. The profit after tax for the H1 FY '25-'26 amounted to INR356 crores, reflecting an increase of 11% compared to the previous year's figures of INR319 crores.

Now we'll take a pause from here from our side and request moderator to open the floor for question, one-by-one.

- Moderator:** The first question is from the line of Prashant Biyani from Elara Capital.
- Prashant Biyani:** Sir, have we launched Excalia Max and Lentigo pan-India? Or we have done it in a few states only till now?
- Suresh Ramachandran:** It's launched Pan-India. Both products have been launched pan-India.
- Prashant Biyani:** What would be the total revenue from these two till now?
- Suresh Ramachandran:** See still we are taking stock of the situation. It's too early to conclude the revenue. There's one more season ahead. Some of the inventory will get liquidated, if there is any in the market. So, it's too early to -- it's just about 3 months old product in the market. We launched in June-July time frame. So it's too early to comment on the total revenue of those.
- Chetan Shah:** We are on target, right?
- Suresh Ramachandran:** We are on target.
- Chetan Shah:** Whatever plans we have made, we are absolutely on target, rather we are ahead of target.
- Prashant Biyani:** And it finds application in Rabi as well, not only Kharif?
- Suresh Ramachandran:** Yes, yes, it fits in both the seasons. It's basically both the products are for rice. Of course, Excalia Max goes in other crops as well. So in both the seasons, this product -- both the products fit in.
- Prashant Biyani:** And what would be your outlook of exports for H2?
- Suresh Ramachandran:** Outlook for exports in H2. See the Africa season should start probably towards the end of December or early January. So we are on track. Overall, the market situation seems to be okay in Africa.
- Latin America, what we hear is there is pressure on the channel. But however, our customers

are positive. We have been having continuous engagement with our customers which is positive and it should be on track. The US, it depends on tariff situation. We have a demand there. There is a demand for our product, but it all depends on how the tariff situation is going to go, going forward. Asia and Europe would be normal. So overall, I would say it's positive.

Prashant Biyani: But we should build on total export revenue that we had last year versus this year, we should be decently higher.

Kunal Mittal: Prashant, we will not be able to comment on any forward-looking statement. And our efforts, as Dr. Suresh mentioned, will be to revive the demand as much as possible in the second half.

Prashant Biyani: Okay. And sir, on the semiconductor side, any update if you can give on beyond what we had mentioned in the last call. How will the business look like in the initial years? Will it be -- will we start from trading or you will go for investments also? Some further insights on that would be helpful.

Kunal Mittal: So I think the situation remains same. We continue to monitor the situation in India very actively. So we and also our global affiliates, we continue to visit India, various locations, various customers. We continue to assess the situation. And we believe the situation will take more time because it will be aligned with the semiconductor plants from the key players in India start operations.

So depending upon time lines of their starting the operations, our time lines will be linked to that. And also, a mix of that, we believe that at this point of time, we believe it will be a mix of some products coming from outside India and some products which will need to be localized in India.

So, we believe it will be a combination of these things. But it will still take time because what we understand is that it will all be, as I mentioned, linked to the customers' operations to start. And we are discussing and monitoring the situation on a timely basis. And at the right time, we will make a decision and move forward on that project.

Prashant Biyani: Okay. And lastly, sir, on Barrix, while we have mentioned that there were regulatory disruption, which impacted. But while -- when we acquired the initial plan was to have some capex also there. How are we placed on that front on capacity expansion plans for Barrix? And hence, how could be the future growth trajectory given whatever is the regulatory condition right now?

Suresh Ramachandran: See the regulatory condition is not only for Barrix, it's for the entire industry. You've been observing that biostimulants law came into place and many products got impacted, only 145 have been approved. And we could not sell not only Barrix, the entire industry could not sell from the middle of June till almost end of September or early October.

Still the process is on, you have to get the license endorsement at different manufacturing sites, then at the state level and all those things, okay. Those procedural formalities are going on, not only for Barrix, but for many of the companies in the industry.

And also on top of that, the weather was challenging in Kharif. So those are the reasons which impacted and we could not sell 3 or 4 products from Barrix's portfolio during that time.

Now things should start. We are looking at starting the sale as soon as possible. In terms of capex, I think we have sufficiently equipped for the capacity what we need for the current year sale. As the season moves into -- once we close the Rabi and next year demand we project, we will take a call on that. Of course, if it is required, we would be definitely investing capex.

Moderator: The next question is from the line of Sudarshan Padmanabhan from ASK.

Sudarshan Padmanabhan: Sir, my question is on the -- your earlier comment on the international business, where you said that after a long period of time, you're seeing some light at the end of the tunnel. In this space, I mean, we have been doing a lot of -- talking about exports, while it has not scaled up to the extent that we had initially thought.

But in terms of the profitability and the outlook of this segment of the business, I mean, how is it currently stacking as compared to what it was, say, 2, 3 years ago when we were actually talking about being a serious player in terms of the value chain of our group?

Suresh Ramachandran: I think profitability compared to last 2, 3 years, we are at the same level. I mean you can comment. We are almost at the same level. We have not eroded of our margin.

See, when you say export business, there are 2 verticals. One is technical, where generally the profitability is slightly lower. On the value addition with formulations, your profitability is slightly higher. We have a set of formulations as well as TG export. It depends on the mix of formulation and the TG that gets exported, your profitability gets determined. Having said that, we are seeking multiple registrations of the formulations in various countries across the globe. And those registrations take time. In some countries, it could be 2 years; in some countries, it could be 3 years or more also. So as and when those registrations are realized, this formulation sales will start happening and slowly, the margin will also start improving. But that will take time.

Chetan Shah: And also one thing to note over here is that in spite of the very steep competition from China, due to our R&D efforts and process improvements, we have saved a lot of cost in order to compete with the Chinese prices. And I'm glad to inform that in all the products that we export as generic products, we are in a position to compete China. And that is how we are getting orders from our customers. But there is a lot of work being done on process improvements.

Sudarshan Padmanabhan: Sure. But clearly, it looks like the race to the bottom of the price is for the time being largely done, because that is something that we've been seeing for last few years.

Kunal Mittal: Yes, that we believe that the prices are more at the bottom level right now.

Sudarshan Padmanabhan: Sure, sir. Sir, on the domestic side of the business, we have consistently been launching products and good products. I mean, as you mentioned, we have brought some products from our current pipeline and launched it. Sir, in the last -- if I look at the last 2, 3 years, I think we have seen 1 year of excess rain and probably the Rabi seems to be good.

But in terms of acceptance of these products, if you can talk a little bit more about, say, the last 3 years, how much of the products have contributed? And second is when we are consciously launching the product...

Moderator: I'm sorry to interrupt you in between, Mr. Sudarshan. Your voice is not clearly audible.

Sudarshan Padmanabhan: Can you hear me now? Hello?

Moderator: Yes, sir. Please proceed.

Sudarshan Padmanabhan: So -- see, what I was trying to understand is innovator turnover index or the new launches in the last 3 years, how has it been accepted and how much it is contributing? The second is between Kharif and Rabi. So today, when we look at the portfolio, it's about 65% coming from Kharif and rest from Rabi. With the traction in the international market, and you also talked about the new products also targeting Rabi, how do we see this shift, say, 2, 3 years down the line? Is that going to be changing?

Suresh Ramachandran: Sorry, Sudarshan, you got cut off in between. I couldn't hear the second part of your question. The first part of the question is about the new product traction. As you mentioned, as you rightly mentioned, we have been launching at least 4 to 5 products every year. I would say that we are largely satisfied. I think probably the new products would contribute about 8% to 10% on a yearly basis. If you look at it, as Shah-san also mentioned a few minutes back, we are surpassing our expectations for the current year launches of Excalia Max as well as Lentigo.

In the previous year, we had launched Meshi, which was really, really a super duper launch. Of course, it got impacted to some extent this year, we could not ramp it up because of the weather situation. We launched Portion last year that also got accepted very well. So overall, we are pretty happy with the way the new products are getting accepted.

Obviously, it's only a tiny spec that we are reaching out, how to ramp up those molecules that's where Kunal also mentioned about 'Every Day Farmers Day', the more and more customers we reach out to, the scaling up would be quicker. Sorry, I could not...

Kunal Mittal: The second part of the question, what you asked, like say, whether in the next few years, our Speciality business will become much higher proportion. I think what you need to understand is most of the products which we are launching, they are not only focused and concentrated on Speciality side. While yes, we have launched several new products in Speciality side. But even in the off-patent and the basic segment, which we call, we are constantly launching new and new products. So with this, there might be some more higher growth in the Speciality segment, but still there will be growth in the basic segment itself even going forward.

Suresh Ramachandran: Yes. Just to add a comment on this, we also launched CTPR last year, in-house manufacturing, and we have launched 2 formulations. That have got very well accepted. It's in basic division, off-patent division. It's really doing well this year also.

Sudarshan Padmanabhan: One final question, sir. I was actually trying to understand the difference. Today, we have 65% of business in the first half as Kharif. So with the new launches and the international business

picking up, do we see this kind of bridging a little bit, say, in the next 2, 3 years?

Suresh Ramachandran: Not really, Sudarshan. The simple reason is 70% or 65% of the market consumption happens in Kharif season, okay? Rabi season is a shorter season and the pesticide consumption is slightly lower compared to the Kharif season, maybe 30% to 40%, not more than that.

So we are in line with the industry and agrochemical consumption in the market. Unless we get a very specific product for Rabi season, it will remain by and large in the same trend what we are seeing today.

Moderator: The next question is from the line of Rehan Saiyyed from Trinetra Asset Managers.

Rehan Saiyyed: So, I have one question regarding the pricing versus volume ahead. I think you have answered, but there is some bit of voice lack from your side— So my question is with pattern-driven volume loss, but stable pricing in quarter 2. So when volumes normalize, so do you anticipate competitive pricing pressure in H2? Or does the current pricing discipline look sustainable for going forward?

Chetan Shah: The prices are definitely sustainable. As a matter of fact, if prices had to be lower, it was in this particular condition, a tough condition of Kharif. We have successfully maintained the price line even in these challenging months, I don't see any reason for us to lock the prices in the future. I think it would be -- we will definitely maintain the price line even if the volumes go up.

Rehan Saiyyed: Okay. And like one bookkeeping question from my side. Could you put any margin guidance for revenue growth or EBITDA margin going forward?

Kunal Mittal: Can you please repeat? I think we could not understand.

Chetan Shah: Our efforts are to maintain our EBITDA margin, our profit before tax, all the parameters, we will be maintaining or improving -- I don't think that these will go down.

Moderator: The next question is from the line of Rohit Nagraj from B&K Securities.

Rohit Nagraj: Sir first question is, we had the initial five products for the capex of INR120 crores with the potential revenue of about INR200 crores to INR250 crores. How much of that we have realized maybe in first half? Just to understand what could be the potential growth from these molecules? And a similar question, the new capex plan that we have announced of INR55 crores plus INR10 crores, what is the kind of asset turn or revenue potential from this capex?

Kunal Mittal: So about the first with the capex, which we have already completed in the last 2 years. So as we have explained in the earlier calls also, it was in two parts. One part was related to the Bhavnagar site. So that is something where full commercialization has been achieved. And in fact, the second phase, which we have announced, the INR55 crores new capex, a part of that is going to double up the capacities at the Bhavnagar site for that particular product. So that particular plant and the capex project is fully commercialized, and it is going to get double by end of 2026 calendar year.

And the second part of the capex, which we have completed in the past is related to our site in Tarapur. We had set up a multipurpose plant. At this point of time, the export revenues are not fully commercialized from that site because of some delays. But at the same time, meanwhile, we have started using that site Tarapur, for some of the domestic product. So CTPR, I think Dr. Suresh also mentioned, we launched this product in market last year, and we started manufacturing that product also at our Tarapur site itself.

And in the future, we have planned that some part of this INR55 crore capex, which we have announced, about INR10 crores of that is going to Tarapur site. And that is something which will add a few more futuristic products in that site. So, some of the products which we have just launched in India, and which are launched globally as one of the very high potential product. So some of this futuristic new product innovation pipeline will be manufactured at Tarapur.

So, in short, Bhavnagar, fully commercialized, we are doubling up the capacity now. Tarapur not fully commercialized from the export side, but we have meanwhile used it for the domestic requirement. And in the future, we will add more products, which will also have more and more requirement and potential commercially for Indian domestic market. So in the future, Tarapur site will be more a mix of exports versus domestic utilization.

Rohit Nagraj:

Sure. That's helpful. Second question is in terms of commentary, we have said that during the quarter, we had seen -- although we have done very well in terms of working capital and in terms of no sales returns, there has been excess inventory in the system and obviously, there have been working capital pressures.

So just wanted to get a perspective as to whether this will have any impact on the volume growth for the next season as well? And how has been the Chinese imports coming to India during this Kharif season compared to the last Kharif season?

Suresh Ramachandran:

See, overall, our Rabi season, we are very optimistic As Shah-san mentioned, we don't have much of or very, very little sales return or practically no sales return. It doesn't mean the channel is overloaded and excess inventory is there. Through various meetings, farmers' meetings, channel intense engagement, by and large, a lot of material got liquidated. Having said that, we don't know what is the inventory level of the competition in the market. We have some idea, but we don't have in-depth idea on what is the level.

The channel would want to liquidate that first. Some companies have taken back, some companies have not. Then the demand would start coming in. We are quite optimistic because of our differentiated solutions and brand value, it would be a normal Rabi season provided no significant rains happen in the coming months. And what was the second question?

Kunal Mittal:

Lot of working capital and all that - will have any impact in the second half...

Suresh Ramachandran:

I don't think so. I don't think so.

Rohit Nagraj:

Sure. Just one last, if I can squeeze in. We have been making good amount of cash and the cash currently on the books is in excess of INR2,000 crores. Any plan how to deploy it, whether it

will go in the same business or new business, just broader understanding of utilization of such high cash balance.

Kunal Mittal:

So as we have mentioned in the past, we have a very robust plans to deploy this cash in our business. And the Dahej site, which we are going to develop as a global manufacturing site for our parent company's global product portfolio, that is going to utilize a large part of this cash. And we are also evaluating various options to fast track and accelerate some of this deployment of the cash through various means.

So at this point of time, we cannot give a very concrete time line, but the work is under progress to deploy this cash and put it in the business because in the business, it can earn higher ROIs as compared to what it is generating today.

Moderator:

The next question comes from the line of Bhavya Gandhi from Dalal & Broacha Stock Broking.

Bhavya Gandhi:

Sir, my first question is regarding the Dahej capex. If you can provide some time line or the progress on the capex, INR250 crores to INR300 crores that you are going to plan, how are you going to plan? A Phase 1, what would be the amount that you'll be deploying and revenues that can be generated? If you can provide some time line, phase-wise, that will be helpful.

Kunal Mittal:

Yes. So we do not have very clear time lines in terms of when it will be started. As we have mentioned in the past, we are looking at various products. In terms of technical feasibility studies, a lot of work has been completed. It has been submitted.

We also completed a lot of ground level work in terms of the acquisition of land, acquisition of all the environmental approvals, all those kind of things. As we have mentioned in the past, we are looking to deploy at least say, INR250 crores, INR300 crores. And while we have submitted a lot of feasibility studies, so we expect that during this current financial year, some of these projects should go and get approved both by our parent company and us and our Board.

And once they get approved, we will take these projects to the implementation at the ground level, with implementation time lines of 18 months to 2 years. So maybe sometime in calendar year 2028, we see that some of these projects should start generating revenues. And then we will see that how this can be expanded and scaled up the overall site of the Dahej.

So overall, we are working on a multiproduct and multi utilization. So we are not looking just one product or one plant, maybe a multiproduct and multiple kind of a plant kind of a situation we are looking at developing in Dahej.

Bhavya Gandhi:

Got it. And just till then, how much outsourced manufacturing do we -- because I believe in the presentation also, you've mentioned that your capacity utilizations are at 80%, 90% now. So for the next 2 years, in the intermittent period, where will you bring that growth from?

Because are we relying on outsourced manufacturing, if you can share the percentage of outsourced manufacturing? Or are we just going to bring products from Japanese market and add some trade margins in India? Yes.

- Kunal Mittal:** So it will be a combination of this. See, for our speciality products, there is no outsourced manufacturing, either the products are manufactured at our global locations in USA. or Japan or it is manufactured by us. But in those products, we do not see any capacity constraints. In the off-patent segment, which contribute to 65% to 70% of our business, yes, at this point of time, our technical plants are in the range of 85% to 90% kind of a capacity utilization level. But we do not see this as a bottleneck for our growth. Whatever growth we will get in terms of volume demand in the market, we have the ability to source this product in a fairly short period of time from the market, either through China, through India and other suppliers. So we do not see that, that is going to be a bottleneck for our growth for future.
- Bhavya Gandhi:** Got it. And on the semiconductor side, where are the existing semiconductor companies procuring their raw material or the IT chemicals from? Because in Dholera, Tata's plant has already started functioning. Cairn has put up a semiconductor plant in India. So, if you can just throw some light on that as well, where are they procuring it from? Are they procuring it from the parent or they are procuring it through some other entities?
- Kunal Mittal:** Yes. As far as our understanding and our surveys and discussions goes, I think these kind of plants have not started the operations in India. Our products will be going to a very high-end fab, which is called the fabrication unit. And some of the units which have started in India in semiconductor, they are relatively smaller and OSAT kind of operations.
- But in terms of the fab, I think the Tata's fab is going to be one of the largest and the first fab but it has not started operations, and we are waiting and monitoring that when the Tata's operation will start at Dholera.
- Bhavya Gandhi:** Just if I can squeeze in one more? Yes.
- Kunal Mittal:** Yes.
- Bhavya Gandhi:** So you're saying something?
- Kunal Mittal:** I'm saying we are in touch with all the customers, including Tata, and we are monitoring the ground level situation. But you can also maybe reconfirm this understanding whether Tata have really started at Dholera or it will still take some more time.
- Bhavya Gandhi:** Got it. Got it. And on the Excalia Max, just wanted to understand, post the Tarapur commissioning and if we prove it on the pilot, is it like a full-scale operation at the Dahej, INR250 crores to INR300 crores capex where we'll be manufacturing Excalia Max? Is that the thought process?
- Kunal Mittal:** So currently, what we have mentioned is we have already launched this product, but this is being manufactured at our Japanese facility. We are importing this TG and then launching this product in Indian market.
- We have already announced in the last Board meeting, we are investing about INR8 crores to INR10 crores at our Tarapur site and the Tarapur site will be able to make this product for Indian requirement in the near future. We expect that by March 2027, that project should get

completed. And after that, we don't need to import the TG from Japan, and we can sell the Indian TG, in our brands in Indian market.

For the future expansion for the global requirement, yes, this is one of the product or maybe some part of intermediates of this product, which are in the potential list to be manufactured in Dahej. But as we mentioned, this has not been finalized. And once this is finalized and approved, we will keep everyone informed.

- Moderator:** The next question is from the line of Naushad Chaudhary from Aditya Birla AMC.
- Naushad Chaudhary:** A couple of clarifications. First on the export side, you have mentioned there was some shipment deferment. If can you share the quantum of this shipment deferment and what was the reason for this?
- Suresh Ramachandran:** See, primarily, it's from Brazil. One of the key molecules they had inventory. So now that is getting liquidated. So that's why instead of H1 that we move into H2, primarily from Brazil.
- Kunal Mittal:** Also some bit from Africa. In Africa also -- some countries, we saw that some of the customers who typically buy in, let's say, Q2, some of that demand moved to Q3 and Q4 also, but it is very difficult to quantify because we do not have the firm orders right now.
- We are negotiating and discussing with the customers. So we cannot like commit that whatever we have lost in first half, how much of that will translate, but efforts are on, and we are hopeful that some part of this can be revived in second half.
- Naushad Chaudhary:** On the biologics side, can you share the revenue share from the biologics product in this quarter versus last year same quarter?
- Kunal Mittal:** Yes. Just a second. So biologicals, if you see our PGR segment, which is mentioned on Slide #14, from 11%, it has come down to 9%. And as you are aware that we mentioned, I think Dr. Suresh mentioned earlier, this is mainly because of regulatory constraint.
- Many of our products were stopped selling because of the regulatory thing. This is in the media. I think everyone is aware the entire industry faced the situation. And similarly, we faced the situation in Barrix portfolio also. So this downward trend from 11% to 9% is mainly because of this regulatory constraint and almost like entire Q2, we could not sell this product.
- And just recently, we have got some of the approvals, and we expect that in H2, we can revise some of these products.
- Naushad Chaudhary:** Last, on the capex run rate, though you have shared in bits and pieces about different projects in detail. But if I have to -- in a simplified way, if I have to look at the company's total capex outlay in the next 3 years, any number if you can quantify how much we have in mind to deploy?
- Chetan Shah:** We are evaluating 7 products to be manufactured in Dahej. We have submitted feasibility reports, which is under study in Japan. And if -- I mean we are confident and hopeful that all the 7 products will be approved. However, if less number of products get approved, the capex

may be different. But if all these products get approved in the next 5 years, we see deployment of INR500 crores to INR600 crores at least to be invested. But it depends on all the seven products getting approved.

Moderator: The next question is from the line of Siddharth Gadekar from Equirus.

Siddharth Gadekar: So my first question, I missed the answer. So, we have roughly around INR2,100 crores cash right now. So what are our plans with the cash? Are we looking to give any special dividend going ahead? Or how should we think about the cash balance?

Kunal Mittal: I think as we already explained it, right now, there are no plans to return this capital to our shareholders. We are working on several opportunities to deploy this cash in the business. And part of that can go in the capex for Dahej, and we are also evaluating various other opportunities to deploy this cash.

So at this point of time, there are no plans to return this capital to shareholders by special dividend and all which you mentioned. So at this point in time, there is no such kind of plan under consideration.

Siddharth Gadekar: Secondly, when we say other opportunities, are we looking at areas even beyond agrochemicals for now?

Kunal Mittal: Yes, that is also under discussions and evaluations. While no decisions have been made, but under evaluation.

Siddharth Gadekar: Sir, secondly, on that 5 molecules, given that those have not ramped up materially, by when do we expect all the 5 molecules to ramp up or now we would be doing something entirely else in those sites?

Kunal Mittal: So as I mentioned, when we did that Tarapur second multiproduct plant, the idea was to make -- to have this site as a fully export-oriented site by these 4 or 5 products as a multiproduct plant. But currently, part of that is already used for our local domestic requirements. And even in the future, the plan is to subsidize or create alternate site instead of doing import from Japan.

So in the future also, we do not believe that this site will remain 100% export-oriented site and Tarapur site will cater to our domestic requirements equally. So maybe we believe that even after 2 years when new products start getting produced at Tarapur, the site will be kind of an equal mix of exports and domestic requirement.

Siddharth Gadekar: Okay. Just last question, sir, even the Dahej side, we would be planning to use for both domestic and export or that will be entirely export opportunity?

Kunal Mittal: Largely initially more exports focused. But if the demand of those products goes very big in India and if Tarapur is not able to cater all the products, then maybe a part of that Dahej production can also be deployed for domestic. Because from our company's point of view, if we are manufacturing our TG and just supplying a TG to our parent company versus if we formulate and sell in our own brands to the market in India, the margins are much higher in the

domestic business. So our focus will be to grow our brands and our volumes and markets in Indian market. And if there are additional capacities, for sure, we will use it for exports.

Moderator: The next question is from the line of Rohan Jain from Blue River Capital.

Rohan Jain: So I mean, looking at your last 3 or 4 years of sales and margin data. And I think to give credit, you have done a really good job on the margin front. On the sales growth front, especially now if I break that down into domestic and exports, on the domestic for the last 3 years from FY '22 to '25, sales have grown at a CAGR of about low single digits for the last 3 years.

And this year also looking at how H1 has gone -- I mean, for the 4th year period, it will still be in the low single digit to mid-single-digit kind of range on a CAGR basis. Now when I compare this to the peers, who operate in domestic segment solely, the company that is going for listing soon and other companies that have already been listed, our growth seems a bit subpar.

So I mean just wanted to get your sense on what is holding us back here really? And what has changed in terms of the strategy to improve growth in the domestic segment going ahead?

Kunal Mittal: So I think what I think you are asking is that while in the margin front, we are doing well, in terms of top line growth, if we look at last 4, 5 years, past history, maybe some of the peer players may be ahead of us. So we understand, I think -- but we believe that our growth is in line with the market. Our growth is more focused on high-margin products, better combination of products in terms of speciality and generic and also with very, very discipline.

So we are focusing more on the fundamentals of the business and profitability and a good mix of the product instead of just running behind top line growth. So that has been our strategy, and we are fairly satisfied with what we have done in terms of fundamentals of the business.

So Chetan sir and Dr. Suresh, you want to add anything on this?

Suresh Ramachandran: I think you summarized it well.

Chetan Shah: So, the thing is that we are very disciplined in the market. I mean our entire order processing from the market etcetera is absolutely online and we do not supply any material to the market without a firm order. And we absolutely do not try to dump the material in the market to have a performance of one month or one quarter or something like that.

We never do that. And that is the reason why our recoveries and our -- no returns of sales proves that our policies in the market are very, very robust. So, I think, as Kunal said, that our primary aim is to maintain the margins or improve the margins and top line comes after that. So that is the reason why you feel that margins are okay, and top line could be better. But as the new products come in, we ramp up the new chemistries which we have launched and all that we will also see the traction in top line.

Rohan Jain: Understood, sir. This is helpful. Secondly, on exports, I think for a long time, there's been talk of the plant at Dahej being coming up and for some reason or the other earlier due to the weak external -- weak overall market situation in exports. And then after that also, there's been a

pretty slow process, I think, in some way, looking from outside, then in terms of the traction and progress there. So I mean, what can be done to really speed up that?

Because now you're saying CY '28 is when manufacturing will -- I mean, sales should actually start seeing from then -- when you've seen announcements made, I mean, as far back as a couple of years back.

And then along with that, in terms of exports at the parent level, apart from semiconductors, we also have display chemicals, pharma, some other few segments there. So are we looking to also bring those segments' share from the parent level into India?

And then within India operations, will those be operated through the listed entity itself? Some clarity on that? Because this INR2,000 crore cash that we have, that should get utilized in a much better manner, as you also rightly said earlier. So some clarity on that, please?

Chetan Shah:

Okay. So there are 2 things, 2 parts of the question. You have to understand one thing that dealing with Japan as a country, it is very, very sustainable, but the speed can be lesser than what we expect it to be. So a little bit of delays or a little bit of this thing which we feel frustration about is due to the working style of Japan, basically, I would say that.

But having said that, once they decide, as you may have seen in our last 25 years of history that once they decide, there is no going back. That's why I use the word sustainable because the decisions once given, there is no looking back. So now we have a very clear guideline from Japan that Sumitomo Chemical India will be the manufacturing hub for Sumitomo Chemical Japan.

And that is why we are seeing the number of products and the speed at which we are getting one by one approvals has really improved. I will also give you another example that now India has been put or Sumitomo Chemical India has been put by Japan as a #1 category for testing new molecules.

So earlier what used to happen that the new molecule will start in North America, Brazil and Japan. Now India is the fourth country placed in the same category. So any new molecule that is even at a trial stage, that comes to India along with North America, Brazil and Japan. We have already received 2 such molecules for testing. So the speed has improved.

Our capabilities of marketing, our capabilities of R&D, our capabilities of process engineering, our capability of market reach, everything has been at a very high level now with SCC Japan. So we are hopeful that now the speed of products coming in will improve drastically. And as I mentioned that we have seven products, almost all feasibility reports have been given. We have given two clearances. We have already received two clearances and the balance five products clearances is expected to be received by end of this financial year. So once that comes, all our plans to implement this project will begin.

Kunal Mittal:

And also, as Shah-san mentioned, a lot of speed has improved. But at the same time, all other sectors which you mentioned, like you mentioned about display and pharma and several others, yes, our parent company has wide range of sectors and different different businesses.

And as a company in India, as an important successful company in India, we are in touch with all these different businesses, like we are evaluating what can be done in India. But the final decision will be made by each of these businesses independently. We continue to be trying from our side that this is part of our own company. This is Sumitomo Chemical India Limited, but there is no like a legal obligation or something like this. But yes, the progress and the discussions are in the positive territory at this point of time.

Chetan Shah: And our efforts will be -- of course, we like -- I mean we are putting in a lot of time, energy into this semiconductor sector or pharma and our endeavor will be that Sumitomo Chemical has to be part of it. That will be our responsibility to convince Japan that Sumitomo Chemical remains as a part of this business and this business comes into our listed company.

Rohan Jain: Understood, sir. This is really helpful. Given the cash balance of INR2,000 crores, I think and the earlier outlay that you mentioned about INR500 crores to INR600 crores and given how our cash generation has been historically, there will be a lot of cash accruals on the balance sheet. It will really be helpful if some of these can be expedited and more growth can be brought into the Indian entity. That's all from my end.

Moderator: The next question is from the line of Ankur Periwal from Axis.

Ankur Periwal: Two questions. First, on the speciality side, while we have been launching new products over the last 3, 4, 5 years, the growth in the speciality agrochem space is much lower than the generic bit. Just curious to understand whether it is just a matter of time and these products will sort of get monetized and hence, a higher growth going ahead? Or there is any structural change in the market and speciality will probably continue to grow at a slower pace?

Suresh Ramachandran: I'm not sure, how you're saying speciality growth is not there.

Kunal Mittal: Because Ankur, if you see the segment, like if you see last 5 years, we were more in the range of 22% to 24% our speciality segment, which has grown to more in the range of 28%, 30% even in this half, you can see. So yes, quarter-to-quarter and say, first half versus first half, there may be variations. But structurally, we believe our speciality segment continues to grow at a higher pace and not like significantly higher because our basic and the off-patent and generic segment is also growing constantly in the existing molecules and as well as launch of new molecules. But yes, the space -- the growth of speciality segment over last 3- to 5-year period is at a healthy and satisfactory level. In this particular first half, yes, maybe it has drop 1%.

Suresh Ramachandran: No

Kunal Mittal: Almost same.

Management: Almost same. Yes.

Ankur Periwal: Sure. So sorry. So just on the speciality, especially the domestic part, I'm excluding exports here, you believe the pace is okay and probably it's satisfactory as to our understanding, our expectations internally.

Suresh Ramachandran: Yeah.

Ankur Periwal: Okay. Great. And just a second bit clarification. We did highlight INR500 crores to INR600 crores of potential capex for those 6, 7 molecules over the next 5 years at Dahej that is. This will be largely fully utilizing the Dahej capacity, and this is the peak that we can look at from a capital deployment there or there is something more?

Kunal Mittal: This is just the starting of Dahej. Dahej will have potential to cater to this kind of a growth for even next 10 years or even 12 years.

Ankur Periwal: Great. And the INR250 crores, INR300 crores capex that we were sort of waiting for the full approval to come in, it will be a subset of this INR500 crores, INR600 crores?

Kunal Mittal: Yes.

Moderator: The next question is from the line of Bharat Sheth from Quest Investment Advisors Private Limited.

Bharat Sheth: On agrochemical, you said that since we don't want to dump the material and we want to sell at certain margin vis-a-vis so our growth is in line with the industry. But with a lot of new products that you say that you will be launching. So how do we see -- one is the acceptability of the speciality among our fraternity. I mean, farming fraternity, how the things are trending up? And when we really see our agrochemical business growth higher than the industry growth?

Chetan Shah: See, I'll tell you that the growth of speciality molecules like last year, we launched Meshi, and in the very first year, we achieved 5 lakh liters. Our target of that particular product was to ramp up to 10 lakh liters this year. But because of the climatic conditions, we could not do that. Even then, I am sure that we'll cross 5 lakh liters by the end of this financial year. So it is not that we are not growing.

I think we have to understand that Q2 was a major, major setback due to no control of ours over the situation. So that has to be ignored. Even the launches which we made in these difficult conditions of Excalia Max, we have surpassed our initial estimates. So the traction is very good. The product like Lentigo, we have surpassed our estimates.

So all these products have very big potential to have a traction in future. And that is what we are striving for. Even for like our brand Mera 71, we have sold 3,000 tonnes in the first 6 months of this year, which is the highest ever for the entire year. The earlier best we had done was 2,800 tonnes for the full year. And we have already crossed 3,000 tonnes in the first half in such difficult conditions. So tractions are there. But we also understand that the traction cannot be for all the products at the same time. There will be some products which will be affected because of certain conditions. But because of certain favorable conditions, some products can have a terrific traction. So it is a very dynamic sort of a situation in the market. What is the rain condition, what is the soil condition, what are the pest conditions. It depends on all this. And we have to be agile to cater to this demand when it is required, what is required. So you cannot see traction in all the products at the same time.

Kunal Mittal: Yes. And I think what you mentioned is that we made a comment that our growth will be in line with the industry. So that was, I think, maybe not a right thing what we said. What we are saying is in line with the market growth, for sure, we will grow. That is something which is a base confidence.

And then we deploy several strategies, as Shah-san explained in detail product-wise level, several new products and then doing extensive demand generation and farmer engagement for these products, so farmer understand the benefit of this. And through this, create additional demand over and above the market demand for our products.

So this is the same strategy which we have been deploying, which has given us almost 14x growth in last 15 years. And we believe that in this kind of a situation, if we continue to launch new products, good innovative products, do extensive farmer promotion, we surely target to grow more than the industry.

Bharat Sheth: Okay. Great, sir. And sir, second question of mine -- that you said that now we -- our parent has put our -- I mean, Sumitomo India, India on the par with the other developed market on the introduction of new product and all.

So there are also other category where we are not present, which is there in the parent portfolio. When we like to see all those products, I mean, really when there is a significant market opportunity are there in India will start playing out?

Kunal Mittal: So as we have already mentioned, we are in touch with many of these businesses. But see, many of these businesses are more...

Suresh Ramachandran: You can complete with other segments, you complete it, I will answer.

Kunal Mittal: So this what we are talking about is in other segments, some of this business may not be suitable at this point of time. Like I think someone talked about display. So display, there are no display fabs in India at this point of time. So, we are monitoring many of these sectors and segments and industries, how they are evolving in India. And at the right time, for sure, we would like to take opportunities and materialize that. But at this point of time, many of these segments may not have that readily available opportunities in India.

And as the Indian market grow, we are seeing good growth in Indian market, both in terms of volume and structure and the fundamentals of the market. And as India progress to the newer technologies and displays and more high end of the pharma, for sure, we will be ready to take benefit of those opportunities in Indian market. For other segments, and Dr. Suresh will now answer about the current segment, how we are expanding globally.

Suresh Ramachandran: Yes. In terms of agrochemicals, yes, Shah-san mentioned about India being on the map along with countries like developed countries like Japan or US or Brazil. Now India is also on par with those kind of countries. So what it really meant was, till now or till last month, whatever the new molecule that would come out of the discovery stage were initially tested in those 3, 4 countries. After a couple of years or even maybe after 5 years, only India was even considered as a market for those kinds of molecules. Now SCC has clearly identified India as a potential

market. Whenever the discovery molecule comes out of the pipeline, India will be one of the countries along with the countries like US or Europe or Brazil for initial phase testing itself.

With that, we also have proved that two or three molecules, which are not even named coded compounds are going to be tested in India in the coming months or next Kharif season, which means that India would be one among the first countries for launch of those new products.

Having said that, these new products to really go through the registration pipeline and come to the market depends - it may take 5 years, 6 years or more than that, depending on the molecule. So at least now, SCC Japan is considering or has started considering India as one of the premier markets, and we would like to have an early entry as soon as the molecule comes out of the discovery pipeline.

Chetan Shah: This will be basically from Japan and branded in India.

Suresh Ramachandran: Correct.

Moderator: Ladies and gentlemen, due to time constraint, that will be the last question for today. I would now like to hand the conference over to Mr. Sushil Marfatia for closing comments.

Sushil Marfatia: Namaste, everyone. Thank you all for asking some very interesting questions and our colleagues for replying the same. We hope we would have addressed all your queries.

As we draw this call to a close, I would like to take a moment to reflect on what truly underpins Sumitomo Chemicals India's performance. Even in the quarter set by unusually erratic weather and external headwinds, our results reaffirm the strength of our fundamentals - a well-diversified portfolio, disciplined financial management, deep farmer relationships and an unwavering focus on quality and execution.

Our emphasis in the second half of the year will be on the capitalizing on the improved field conditions, driving volume growth in key molecules and sustaining our margin profile through prudent cost management and operating efficiency. We will continue to invest in innovation, farmer outreach and capacity enhancement to reinforce our leadership in the domestic market while building a stronger export franchise aligned with our parent company's global network.

We believe that our strategic directions is well aligned with the evolving needs of the Indian agriculture - a sector that continues to transform through technology, sustainability and innovation. And looking ahead, the company remains fully committed to its long-term strategic priorities - strengthening the domestic franchise, deepening the innovation pipeline, expanding manufacturing and integration and maintaining balance sheet strength. We believe these initiatives will enable consistent, sustainable growth and long-term value creation for all our stakeholders.

Thank you for taking your time to join our conference call today. We truly appreciate your participation. We take this opportunity to wish you a season's greetings. Thank you.

Moderator: Thank you. On behalf of Sumitomo Chemical India Limited, that concludes this conference.

Thank you for joining us today, and you may now disconnect your lines.