



“Punjab Chemicals and Crop Protection Limited
Q3FY26 Post Result’s Conference Call”

January 29, 2026



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Moderator: Ladies and gentlemen, good day and welcome to 3Q and FY'26 Post Results Conference Call of Punjab Chemicals and Crop Protection Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Manish Mahawar. Thank you, and over to you, sir.

Manish Mahawar: Thank you, Mark. Warm welcome to all the participants on the call of Punjab Chemical and Crop Protection. From the management, we have Mr. Shalil Shroff, Managing Director; Mr. Vinod Gupta, CEO; Mr. Devender Gupta, CFO; Mr. Bishan Singh, Head Finance on the call. Without further ado, I would like to hand over the call to Mr. Vinod Gupta for opening remarks, post which we will open the floor to Q&A. Thank you, and over to you, Vinod ji.

Vinod Gupta: Thank you, Manish and good afternoon, everyone, and thank you for joining us today for this investor call for the third quarter and 9 months ended on 31st December. I'm joined on the call currently by our CFO, Mr. Devender Gupta and our Finance Head, Mr. Bishan Singh. Mr. Shroff may join in some time as he is travelling right now.

We sincerely appreciate your time and continued interest in our company. I trust you have had an opportunity to review our financial results and investor presentation, which are available on the stock exchange and on our website. Let me begin with the overall market scenario and challenges.

As most of you are aware, as you are tracking the industry, that global agrochemical industry continues to face persistent headwinds marked by supply-demand imbalances, channel inventory correction, pricing pressure from Chinese capacity, and volatile raw material costs. While export demand has improved significantly with the normalization of global inventories, realizations remain capped.

Margins across the industry are expected to remain stable to slightly soft with market favoring low-cost producers with export breadth that is registration and the product basket and also with strong working capital discipline. Domestic demand is heavily dependent -- was dependent on the monsoon and the late floods this year impacted the season adversely.

Demand has remained weak due to weather-related disruptions and, obviously, there is a lower crop and horticulture prices, which is also seeing demand pressures. As such, our presence in agrochemical and local market is limited. And for the product, what we make for local market, demand has been stable.

We at Punjab Chemicals are adapting to market situation with focus on new product addition, efficiencies, and cost, and we have demonstrated remarkable resilience. Our performance in first 3 quarters of the current year is a testament to our diversified business model across Agrochemicals, Performance Chemicals, and Industrial Chemicals.

As all of you would have seen our numbers, revenue from operations for the quarter stood at INR246.6 crores, reflecting a growth of 15.3% year-on-year. Our gross margin for the quarter stood at 41.9%, whereas EBITDA was INR29.6 crores, which is 12% EBITDA margin. Prices have remained soft, but our volumes and capacity utilization across various division has remained healthy.

Our strategy to build sustainable growth is yielding results, which is built on three pillars. First one is product innovation and diversification. We continue to invest heavily in R&D to introduce new products, mainly focusing on products which are on reasonable volume, reasonable size, but which are not sort of commodity, where we believe that value addition will be higher and we can meet the global regulatory standard.

New products launched in recent years are contributing significantly, and these are growing at the rate of 15% to 20% in coming years. In order to cope up with the demand for the products, we are investing to debottleneck our capacity and also new production blocks. This expansion also aligned, as all of us are aware, government is giving a push for Make in India with a lot of policy changes.

So we believe that our expansion is timely to capture these opportunities. And also third pillar for our strategy is operational excellence. We continue to focus on operational excellence, continue to focus on efficiency so that we remain competitive and maintain market share for our existing products.

At the same time, we continue to focus on our expanding -- expanding our customer base, chemistry capability, strengthening our customer relationship, which is helping us to expand our product portfolio. The progress on the MOUs, we have signed three MOUs last quarter. Product progress is satisfactory, and we are confident that the commercialization for these products will happen in FY '27.

Our in-house R&D work and some pilot trials is focused on products which are going off patent both in agrochemical and specialty chemical space. On the manufacturing front, our previously announced capex plan for this is progressing on schedule. The new manufacturing block is under development to support the growing demand. Also alongside expansion, we continue to focus on asset renewal programs.

Last quarter, we took revamp of two production blocks to improve safety, efficiency, and reliability. We continue to evaluate new manufacturing location to support our medium- to long-term growth strategy and enhance our supply chain resilience. So I will conclude my comment by saying that we remain confident in our strategy and our ability to deliver long-term value to our shareholders.

Our robust Q3 performance, coupled with strategic capacity expansion, product innovation positions us for a strong recovery as the industry condition normalizes. With this, I will hand over the call to our CFO, Mr. Devender Gupta, to give financial highlights for the quarter and the year so far.

Devender Gupta:

Thank you, Vinod ji. Good evening, everyone. Thanks for joining us for our Q3 and 9-month FY '26 earnings call. I'll now provide a summary of the financial performance for the quarter and 9 months period ended December 31, 2025. On the quarterly side, our revenues from operations stood at INR246.6 crores, with a growth of around 15.3% on a year-on-year basis.

The domestic market contributed around INR138.2 crores while the international market contributed INR108.4 crores to the total revenues. Gross margin for the quarter under review stood at 41.9%, an incremental of 1.9% on a year-on-year basis. EBITDA for the quarter was INR29.6 crores with a strong growth of 53.5% on Y-o-Y basis.

The EBITDA margin also stood at 12.0%. Profit after tax for the quarter stood at INR13.8 crores, growing by 127.7% on a year-on-year basis and PAT margins stood at 5.6%. For the 9 months period, the performance is as follows: Revenue from operations stood at INR821.2 crores, growing by 17.6% on Y-o-Y basis.

The domestic market contributed INR450.6 crores, while the remaining INR370.6 crores was contributed by international markets. Gross margins for the 9-month period stood at 37.7%. EBITDA for the 9-month period was INR90.6 crores, growing by 23% with margin of 11.0%. PAT for 9 months period stood at INR53 crores with a growth of 66.2% and PAT margin of 6.5%.

Our capacity utilization across all manufacturing sites remained healthy during this period. The Agrochemical division operated at around 78% capacity utilization, the Performance Chemical division at 60%, and the Industrial Chemical division continued to operate at the near optimal level of around 85%. With this, I now end my financial highlights portion and open the forum for Q&A. Thanks to all.

Moderator:

Thank you very much. We will now begin the question and answer session. The first question is from the line of Rahul Jain from Credence Wealth. Please go ahead.

Rahul Jain:

First question is on the capex side. So current year till now, what capex we have done in 9 months and what sort of capex is expected to get completed in March '26? And what is the capex for March '27? And if you could segregate that between the growth capex and the maintenance capex?

Vinod Gupta:

So for this year so far, our capex is roughly about INR30 crores. And we will be investing another INR10 crores in the year. So total will be around INR40 crores. Out of this, roughly about INR22 crores is for asset renewal and compliance and other aspects. And about INR18 crores is for creating either a flexibility in production blocks or capacity expansion for the new product that we have added in last 2, 3 years. So that's for this year. I hope that answers your question.

Rahul Jain:

And FY '27?

Vinod Gupta:

FY '27, because our major capital expenditure for the new block will start coming in from March onwards. So we expect the new block to take about INR70 crores. And next year also,

we have not done the budgeting exercise, but the capex for asset renewal as well as for capacity expansion or for capability enhancement will be the similar ranges this year.

Rahul Jain: Okay. So with the year-end, so the -- at peak utilization, what kind of sales could be possible given the current prices, post the completion of capex?

Vinod Gupta: Given the current price levels, post the completion of capex, suppose if you are talking about FY '27, we should be able to easily do roughly about INR1,400 crores to INR1,500 crores based on the capacity that we are creating. And the product that we are planning to add are also slightly higher price. I'll not say very high price, but they are in the range of \$17 to \$20 kind of a price.

Rahul Jain: And sir, the new products contribution, you had mentioned in the previous call, we have reached around 16% of the revenue. And in terms of the new products commercialization further in the current year, you had mentioned that in FY '26, you will finally commercialize total 5 products out of which 2 have been already done till quarter 2. So currently, at what stage we are in terms of commercialization of the balance three products for the current year? And typically, what kind of contribution these 5 products can -- incremental contribution from these 5 products can be in the next FY '27 or FY '28?

Vinod Gupta: So I think as you know, the new product addition, generally, the volume increase is a slow process because, first, we have to give some commercial lots, which are typically small quantities of 5 tons to 10 tons. Then gradually, the volume ramps up and the full potential is realized only in 2 to 3 years' time.

As far as the commercialization of these products is concerned, in fact, we are already at the stage of commercializing more products than what we had initially projected. So last quarter, we commercialized one more product. For that samples have already reached the customer. And based on whatever we have done, next year we are expecting handsome volumes. And three to four more products we are planning to do commercial trials in Q4.

So broadly, this year, our new product addition will be in the range of 5 to 7 numbers. That's what we are projecting. Overall, if, I mean, it's -- I will not be able to say product-wise because some products are very small in volume, but high value. Some products are over a period of time can become high volume, but the value will be reasonable. Overall, all these 5, 6 products put together, we can expect a contribution in 2 to 3 years of about INR150 crores coming from these new products that we have tried in this year.

Rahul Jain: Sir, when you speak about MOU, you had spoken that MOU, 3 MOUs, each of the MOU can be around INR50 crores, INR60 crores. So the total incremental MOUs can contribute about INR150 crores, roughly that sales. So within these MOUs, are we talking about these new products also a part of the MOUs or these are two separate things?

Vinod Gupta: These are 2 separate things. MOU, as I mentioned, commercialization, we are expecting in FY '27, not this year. So far the progress has been that we have actually -- initial part of the technical due diligence is completed. Our product samples have been approved by the

customer. And now we are in the process of final agreement signing where we are now thrashing out final details of the overall arrangement, which is sort of a long-term form agreement with all the three parties, but this will happen in FY '27. So these are 2 separate things.

Rahul Jain: The benefit of MOUs will start occurring from second half of FY '27?

Vinod Gupta: I think yes. I mean, let's take it to full year because all the three probably will be happening at different stages depending because of the complexity. I mean, say, for example, when we have to do a final agreement with a Japanese customer, sometimes it may take up to 6 to 9 months just to get the agreement done. But broadly, the timeline is FY '27 in phased manner for all the 3 products under MOU.

Rahul Jain: And just one last question, sir. Your initial commentary, you spoke about prices being stable, but no increase further and demand continues to be good. So with this latest announcement regards by China in terms of cancelling the export tax rebates for certain pesticides from 1st April. So how do you view that this exercise, do you see the sentiment could be better, say, from April onwards in terms of the agrochemical pricing?

Vinod Gupta: Yes, I think this withdrawal of export benefit is on a very selective basis. It is not across the board. It has been product-specific or some particular chapter numbers, which does not cover any of our products at the moment. But our belief is that this is beginning of withdrawal of export and tax benefit by China. Over a period of time, they will probably move to more and more products, and they will withdraw this export benefit.

So at the moment, I mean, if you ask me from 1st April onwards, there will not be -- our products may not be impacted. But we have to keep a watch because how does China exports get impacted because of this duty withdrawal on limited product. If it is a severe impact of export from China, probably they'll come back in this area because I think their economy is being driven mainly by exports. So that's the way we see it. But in long run, we definitely foresee that the export benefit withdrawal will be a process with Chinese Government will follow.

Rahul Jain: So do you expect overall agrochemical pricing improvement in, say, next 1 or 2 quarters or it will take some more time?

Vinod Gupta: I think there may be some uptick because we have seen improvement in some products. But this improvement is 3% to 4%, not significant. So it will be product specific rather than a general industry phenomenon.

Rahul Jain: Thank you so much, sir. Wish you all the best.

Vinod Gupta: Thank you, Mr. Rahul.

Moderator: Thank you. The next question is from the line of Jatin from Swan Investments. Please go ahead.

- Jatin:** Good evening, sir and thank you for the opportunity. So a couple of things I just wanted to clarify. You indicated that the three MOUs that we signed for the export-oriented products, one which is from Japan and other two will be from other regions. So all three together will be accounted for INR150 crores to INR180 crores of the incremental revenue over the next 2 years?
- Vinod Gupta:** Next 2 to 3 years because I think first year will be this commercial quantities, first trial lots. Once the product acceptance is there, gradually, the volumes will go up. So let's say 3 years actually.
- Jatin:** So 3 years on the cumulative, so all three together will be INR180 crores on a cumulative basis, right, all three products, three MOUs?
- Vinod Gupta:** Yes, right.
- Jatin:** And on the overall thing because, I guess, these MOUs, which we are signing, it's more of a CDMO. So definitely, we will have a better profitability as compared to our existing product. Is it fair to understand that?
- Vinod Gupta:** I think that's a fair assumption that these MOUs will be at a higher profitability than the current product basket. And that -- and these are also sort of exclusive arrangements that we are getting into.
- Jatin:** But sir, any rough guidance can you give? Suppose if you are a 12% margin, these MOUs could be 100 or 200 bps higher or probably more than that in terms of the profitability?
- Shalil Shroff:** Vinod, let me take that. Jatin, hello, this is Shalil here. Please understand that during these calls, sometimes we have to be very diplomatic in giving numbers. But as Vinod definitely said that these are niche products, and this will have a better incremental than what Punjab has been performing over the years.
- Jatin:** Okay, sir. Sir, on this commercial production, which is under trial four products, which is going to commission in Q4. So what will be total market size of these four new products, which will go under trial production in Q4? And when could start the commercial?
- Shalil Shroff:** So basically, Jatin, see, please understand that these are under secrecy agreements, but these markets will grow as we get registration. But as narrated by Vinod that we expect in the next 2 to 3 years to get a revenue of around INR180 crores. And on the upper side, it could be double of the same.
- Jatin:** So sir, I'm not talking about the three MOUs that you have signed, but I'm talking about the production trial that you will be taking up four new products in Q4. Is that a part of strategic partnership or that are the 4 different products?
- Vinod Gupta:** No, these are four different products that we are commercializing.
- Shalil Shroff:** I'm sorry, I joined late, so maybe Vinod will you.

- Vinod Gupta:** Shalil ji joined late. I mean, so these four products we are commercializing this year. And over a period of time, even these will add about INR150 crores kind of revenue in the next 2 to 3 years. Now Mr. Jatin, your question is, obviously, these will be at a higher margin. As Shalil said, it is difficult for us to announce. But overall market is much bigger than what we are targeting. So we are taking a conservative number there.
- Jatin:** So that means the four new products and three MOUs can probably give us an incremental revenue of INR300 crores at the existing capacity of Lalru and Derabassi, right?
- Vinod Gupta:** With the new capacity addition that we are doing. That's why we are getting the new capacity addition.
- Jatin:** Okay. So the new block that we are probably doing, it require another INR300 crores?
- Vinod Gupta:** Yes.
- Jatin:** So the indication that you gave to the earlier participants that existing capacity can give about INR1,400 crores to INR1,500 crores of revenue in FY '27. So is it safe to assume that this INR300 crores will be over and above that or it's that?
- Vinod Gupta:** No, I think, Mr. Jatin, my response was that including the new blocks that we are creating, overall revenue that can be generated about INR400 crores to INR500, which includes INR300 crores roughly from these new products and then growth in existing products, whatever we are doing, all put together.
- Jatin:** And now once we look at your export trend, definitely, sir, it's picking up. But when you compare with your FY '23 numbers, which was much on the higher side, where we probably did an export of near about INR530 crores. And in FY '25, it was somewhere around INR350 crores. So the decline in the overall export is largely attributed to a volume or it was more on the pricing?
- Vinod Gupta:** So I think what is happening is as the market situation is very dynamic, so even the supply chain shifts are happening. So some of the export product that we were earlier exporting to, say, Europe or Japan, they were getting formulated in those countries. Now some customers have started basically some formulation in India and exporting.
- So overall, our product -- export of our products remains the same or it is growing at 5% to 7% year-on-year. But because now we are selling some of that volume in local market because of this shift in supply chain, you will -- you are seeing that shift. So I'll summarize that our export market share for our all three products remains healthy, steady, and it is growing year-on-year. But this shift is mainly on account of supply chain changes that are taking place in view of the global dynamics.
- Jatin:** So given this trend of the export, I mean, if you can help us understand how was the month of January for us?

- Shalil Shroff:** I think, Jatin, you're going a little bit too much in detail. But as Vinod said, that we definitely - the business trend is healthy, and we expect that the year-end also should be very good.
- Jatin:** Okay. And once we probably reach around INR1,400 crores, INR1,500 crores of revenue in next 2 to 3 years, is it safe to assume that we'll go back to 15-odd percent EBITDA margin?
- Shalil Shroff:** Yes. As we have already narrated to you that the newer products is getting better margins. So definitely, the trend of Punjab in terms of gross margin and at the bottom level will definitely improve.
- Jatin:** One last question from my side. Sir, I mean, from last two to three quarters, I mean, more than that, we are probably looking at the setting up of a new facility. And I mean, have we finalized because we are looking somewhere in Maharashtra or Gujarat, is something on card or probably as of now our focus will be more on expanding our new block in Derabassi and Lalru and probably after that, we may look at the new site? How shall one look at it for the future growth drivers?
- Shalil Shroff:** So Jatin, we have already commented in a couple of our calls, between one and two concalls that we have looked at certain sites. Unfortunately, because of due diligence, it did not fall in place. But at the moment, also we are looking very seriously at 3 sites, which is happening. And as and when it comes in, presumably, I believe that we need a site which is absolutely on our radar. And as and when it happens, we'll definitely inform all of you and including the stock exchange.
- Moderator:** The next question is from the line of Preeti Agarwal from SK Associates. Please go ahead.
- Preeti Agarwal:** I wanted to know that in Q2, you mentioned exports and domestic demand are structurally 50-50, but timing and accounting affect quarterly mix. So post Q3, has there been any structural shift in customer ordering behavior or geography-wise demand?
- Vinod Gupta:** So I think as I mentioned in the response to Mr. Jatin earlier, this balance continues to be in that direction. However, there is a structural shift happening on the supply chain side. Some customers are now taking material India, they are formulating it or the next process is being done in India and being exported. So net-net, our product in export market and our market share for those products continue to remain steady or in some cases it is growing. So I think -- so our exports have been healthy. That's all I can summarize.
- Preeti Agarwal:** Understood. And with Rabi season now underway and some normalization is expected, how should we think about domestic recovery in Q4 or even early FY '27, especially for legacy agro molecules?
- Vinod Gupta:** See, our presence in for local product is very limited. We do only two or three products, and they are not for this season. So anyway, most of our production for -- in Q4 is for export market and for very niche customers. We -- most of our products for domestic market are meant for the monsoon season, and we have already started campaign for those products based on our customer requirement.

- Moderator:** Thank you. The next question is from the line of Pratik Shah from Investing Alpha. Please go ahead. Mr. Pratik, requesting you to kindly unmute your mic. Mr. Pratik you're not audible. So can we move to the next participant? Since there is no response, we will be moving ahead. The next question is from the line of Viral Jain. Please go ahead.
- Viral Jain:** Thank you for the opportunity. So I've got a couple of questions. So my first was, during the last quarter, the management have highlighted that there was a margin pressure from the fuel cost shock and the power inefficiency due to the natural calamity of flood. So can you break down how much of the Q3 margin recovery is due to the normalization of this one-off versus the structural improvement from the product mix and efficiency gain?
- Vinod Gupta:** So I think this year, after -- even after the flood season, because the crop was not good, the fuel prices continue to be high. So we have not seen a significant relief in Q3 and the shelling because we use rice husk as the fuel. Shelling for rice is still not streamlined and the quality is not good. So prices of fuel continues to remain high. So whatever improvement you are seeing is mainly attributed to the change in product mix and efficiencies.
- Viral Jain:** Got it, sir. And can we expect any margin recovery out of this?
- Vinod Gupta:** I mean, I think Q4 is not looking -- I mean, I see that Q4 fuel prices probably will remain at the same level based on whatever estimates we are getting from the market. So -- but overall, product mix will continue to help us in terms of improving our margins in Q4.
- Viral Jain:** Got it, sir. And my next question was with regards to the EBITDA. So given your earlier guidance of EBITDA of 11.5% to 12.5% for FY '26, so should we view the Q3 margin as a normalized run rate? Or do we expect some moderation in Q4 due to the block shutdown and trial runs?
- Vinod Gupta:** I think we will maintain this run rate, and that's the range we are very confident to deliver on a consistent basis.
- Viral Jain:** Got it, sir. And my next question was with regards to the debottlenecking. So one block shutdown has been taken in Q4 FY '26 for debottlenecking at Derabassi. So what is the expected net capacity gain post this exercise? And will there be any short-term revenue impact in Q4 FY '26 -- Q4 due to this shutdown?
- Vinod Gupta:** So first is, there will not be any impact on the revenue in Q4. We are expecting this capacity to come back online by mid of February. And this will give a very good incremental revenue for FY '27. We have not completed the market projection and budgeting exercise. So we probably will keep it for the next investor call. But overall, we are very bullish about the demand for the product where we are doing debottlenecking.
- Viral Jain:** Got it, sir. That was really insightful. My next question was with Lalru capacity. So this capacity utilization has been steadily improved from 60% to 70%. So is this incremental utilization primarily driven by the new product or can we expect recovery in the existing

modules? And where do you see this steady state utilization over the next couple of years, let's say, 2 years?

Vinod Gupta: So we continue to work on improving the capacity utilization. We continue to rationalize the product mix and also capitalize on some spot demand that is coming from market to improve our capacity utilization. So strategically, we are looking at improving Lalru capacity utilization from current levels to healthy levels of about 80%, which should happen in next 4 to 6 quarters.

Viral Jain: Okay. And any future outlook?

Vinod Gupta: I mean that's -- overall, I think we continue to grow at 15% to 20% year-on-year, and we continue to maintain that forecast. And I think earlier participants asked some very specific questions about product addition and their growth prospects. I think that should give you a very good view around the journey that we are taking.

Viral Jain: Got it. That was all from my side. Thank you.

Moderator: Thank you. The next question is from the line of Esha Murthy from Mars Investing Capital. Please go ahead.

Esha Murthy: So my question is, like in Q2, you indicated new products contributed around 16% of H1 revenue. So where does this contribution stand after Q3? And what is the targeted share over the next, say, 12 to 18 months that will take into?

Vinod Gupta: So I think what we have been presenting that, overall, our share of new products will gradually go up. Last year was about 12%. This year we expect it to be around 15% to 16%. And gradually we will be moving towards 18% to 20% of our business is from the new products that we have introduced in the last 24 months. So that's the kind of metrics that we are targeting. And we are working on R&D, product development initiatives, and our customer reach initiatives to make sure that we meet these targets.

Esha Murthy: Okay. Also sir, just a follow-up question on this. Like can you clarify whether these products are incremental to the 5 products which we have discussed in Q2 or they are a part of the same pipeline? And what will be the margin profile, like should we expect to one scale?

Vinod Gupta: I think there are two points. First of all, we are giving at an overall level that we'll continue to increase contribution from the new product gradually to, say, 18% to 20% over the next 2 years. So it can be -- it will be a mix of these products because market situations change. But overall, the product that we are adding will contribute to that kind of a share on the revenue. And as we have indicated in earlier response to earlier queries that the margin profile also we are trying to improve from 12% to 15% over a period of time. And that's where the higher contribution from new products will help us.

Moderator: The next question is from the line of Pratik Shah from Investing Alpha.

- Pratik Shah:** Sir, my question is on the R&D expenditure. It is set to be doubled over the next 2 years. So can you link this higher spend to specific outcomes like number of commercial molecules, backward integration projects, or margin uplift, so investors can track the ROI?
- Vinod Gupta:** So I think broadly, if you see, we have been indicating the share of new products in our revenues, which mainly comes from the R&D effort that is being put. And we have been indicating that this share will continue to increase. Also we have been also talking about improving our operational efficiencies, yields, which also requires lot of R&D effort.
- And all the investments in the assets and manpower is directed towards improving our product portfolio. So we'll continue to hold market share in our existing portfolio where we have globally dominant position. And at the same time, make sure that we make healthy inroads for the new products that we are introducing. Now I think that's the way we will continue to project our numbers.
- Pratik Shah:** Okay. All right. My next question is like backward integration has been seated as a key margin lever earlier. So are any of the current or upcoming products meaningfully backward integrated already? And what gross margin delta do you typically target from such integration?
- Vinod Gupta:** So I think gross -- as far as backward integration is concerned, we generally split it into two parts. One is, obviously, we do a lot -- a few things in-house. So a couple of products, we have already started that exercise. For some other products, we identify a local supplier who is able to compete against the import prices, and that exercise also has been successful for us.
- All these things basically are giving us -- currently, because the market conditions are tough, is helping us to sustain our margins. And as the market conditions improve, it will help us to improve our margins. It's difficult to give that additional contribution because currently the prices are low. This will help us in a big way when there are price shocks. So we are actually preparing ourselves for any future shocks, which has been typical market phenomena coming from China every 2 to 3 years.
- Pratik Shah:** Okay, sir. Got it. Thank you.
- Moderator:** Thank you. As there are no further questions, I hand the conference over to Mr. Manish.
- Manish Mahawar:** Vinod ji, I have a few questions. So in terms of these molecules which we are commercializing in four molecules in 4Q and MOU what we've signed for next year three more MOUs. So can you maybe give some indication in terms of which segment which cater to agro-pharma, spec chem 7 or 8 or 10 molecules?
- Vinod Gupta:** So total out of these seven products that we are talking about, three are from agrochemical sectors, three are intermediates and one is a performance Chemicals. That's a broad segment.
- Manish Mahawar:** Okay. Intermediate, it is also related to your agchem.?

- Vinod Gupta:** Intermediates I think out of these three intermediates, again, two are for pharma and one is for agro.
- Manish Mahawar:** Okay, understood. And in terms of, purely, all the seven are for export market or domestic?
- Vinod Gupta:** It's a 50%-50% market share.
- Manish Mahawar:** Okay. And can it possible to share revenue breakup of 9 months in terms of agro-pharma and your spec chem business?
- Vinod Gupta:** This is an integrated business, and I think we -- basically, that's why because there are a lot of integration that takes place between one business to another business. So I think at an overall level is what we project the numbers. And I think that's the way we will continue to show the numbers.
- Moderator:** The next follow-up question is from the line of from Jatin from Swan Investments.
- Jatin:** Sir, just wanted to understand your mix between the domestic and export, which is currently around 70-30. So if you probably -- when you are doing at INR1,500 crores of the top line, how do we see that mix changes from the current level over the next 2 to 3 years?
- Vinod Gupta:** See, Mr. Jatin, as I told you, what's happening is there is a lot of supply chain shifts are happening. Now say, for example, some of our customers today who basically take technical directly from us in a particular geography are already in discussion with us, can the product be formulated here. That is maybe because of the better distribution network, better cost, whatever be the reason. But -- so that in terms of the number that we project because whatever we export directly gets counted as exports.
- So broadly, our share will remain 50-50 even for the new products. But when you look at the number, it will depend on the supply chain, how the customer wants it before the product is placed in the market. But if I look at all the share of the product, it will remain at 50-50 roughly.
- Jatin:** Sure, sir. And second question is more on the technology front, which you highlighted in your presentation about the three technologies. So can you throw some light on the -- all the three different technologies that we will be using it?
- Vinod Gupta:** Just a minute. Which point are you referring to? Just a minute. So technology, basically, I think we have talked about three new products. And technology, what we have introduced is obviously a market -- I mean, it's not technology, but chemistry. So we have talked about hydrogenation as the capability that we are adding, Mercaptan chemistry that we are adding. And we are also adding pressure reaction. So these are the three new things that we are adding to our capabilities.
- Jatin:** Okay. But I mean all these technology we are adding, so when could we -- one can see a product coming from this chemistry?

Vinod Gupta: That's what -- so I think some of the products that we are doing right now are involving these technologies.

Jatin: Okay some of the products are already involved. Okay sir. That's all from my side. Thank you.

Moderator: Thank you. That was the last question. I now like to hand over the conference over to the management for the closing comments.

Vinod Gupta: So thanks a lot for the interest and I'm sure that we have been able to answer most of your queries in the call. And we continue to remain confident about the growth and the profit margin improvement over the next few quarters. And this year, already we have shown that kind of a growth. And our product pipeline looks healthy to deliver the kind of performance that we have been committing. Thanks a lot and wish you a good day.

Moderator: Thank you. On behalf of Antique Stock Broking Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.