Eris Lifesciences

Operator: Q2 and H1 FY27 earnings conference call of Eris Lifesciences Ltd. Today, we have with us on the call Mr. Amit Bakshi, Chairman and Managing Director; Mr. Chirag Mehta, Executive Director; and Mr. Sachin Shah, Chief Financial Officer. As a reminder, all participants' lines will be in listen-only mode. There will be an opportunity for you to ask questions. Please note that this call is being recorded. I would now like to hand the conference over to Mr. Chirag Mehta. Thank you, and over to you, sir.

Chirag Mehta – Executive Director: Good afternoon, everyone, and welcome to our Q2 FY27 results call. I trust you had the opportunity to review the investor presentation. Before we begin the question-and-answer session, I would like to take you through some key highlights.

At a consolidated level, we delivered year-on-year growth of 12.6% in Q2 FY27 and 12.8% in the first half of the year. Our DBF business, or domestic branded formulation business, grew by 14.1% in Q2 and 14.2% year-on-year in H1 FY27. Adjusted for the Zorvia business, branded formulation business growth stood at 16.5% and 14.9% for the quarterly period. Sunday continued to maintain its leadership position as the number one brand in prescriptions and units.

On profitability, consolidated EBITDA grew by 7.3% year-on-year in Q2 FY27 and 7.2% in H1, while profit after tax grew by 39.2% in Q2 and 27.3% year-to-date. Further details are available in the investor presentation. We can now open the floor for questions.

Operator: Thank you, sir. Ladies and gentlemen, we will now begin the question-and-answer session. Participants who wish to ask questions may do so by clicking the raise hand icon at the bottom of your screen and waiting for your turn to speak. When prompted, you can accept the prompt on your screen, unmute your audio, and ask your questions. We will wait for a moment while the question queue assembles.

The first participant is Niharika Agarwal. Please unmute your line and go ahead with the question, ma'am. Niharika, please unmute your line and ask your questions.

Niharika Agarwal: Can you hear me?

Operator: Yes, we can hear you, ma'am.

Niharika Agarwal: Okay. Gross margins have improved by approximately 134 bps sequentially, right? But EBITDA margins are still under pressure. I wanted to understand when the gross margin gains will translate into EBITDA expansion.

Amit Bakshi – Chairman and Managing Director: Yes. Look, we are ahead of our guidance. We guided that EBITDA margins in H2 would be around 35%, and they have moved to 36%, thanks to the earlier improvement in gross margins as well. As stated earlier, H2 will see further improvement in both gross margins and EBITDA going forward.

Niharika Agarwal: Okay, thank you. In terms of the Zorvia deal, after accounting for lost product sales and the 7% royalty, approximately how much net incremental EBITDA benefit should we see from out-licensing?

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Amit Bakshi – Chairman and Managing Director: At the EBITDA level, the business that we outsourced was not EBITDA-positive for us. It was barely positive. All of this 7% royalty should add up to that.

Niharika Agarwal: Okay, thank you. My last question was on the Bhopal facility. Could you help quantify the expected cost savings and the timeline for the 100 bps gross margin benefit?

Amit Bakshi – Chairman and Managing Director: The 100 bps gross margin benefit should accrue over the next two quarters. When we are able to shift the entire business, which should happen sometime in Q2 next year, then we would see more like a 1.5% to 2% reduction in gross margins.

Niharika Agarwal: Okay. What proportion of the relevant insulin and injectable volumes has already shifted?

Amit Bakshi – Chairman and Managing Director: Very, very small—negligible—but it will ramp up very quickly now.

Niharika Agarwal: Okay. What incremental depreciation and fixed costs should be factored in during the transition?

Management: The current depreciation—we expect around 200-300 crores more to be capitalized. That is around 15% of that. An additional 30 crores on an annual basis should be added to depreciation.

Niharika Agarwal: Okay. Thank you for the opportunity. That is all from me.

Operator: Thank you, ma'am. I would request all participants who have raised their hands to introduce themselves with their name, followed by the name of the company they represent. The next question comes from Mr. Rahul Agarwal. Please introduce yourself and the company you represent, sir, and then ask your questions.

Rahul Agarwal – Everflow Partners: Thank you. This is Rahul from Everflow Partners. Amit, my first question is on the Bhopal site. Earlier, when we increased the capex there and expanded the potential capacity, you indicated that there could be potential beyond just fulfilling our internal requirements, whether through partnerships or a scale-up there. Is there any progress on that, and what sort of scale do you expect from that site in the medium term?

Amit Bakshi – Chairman and Managing Director: Yes, Rahul, there has been progress at that site, but there is nothing concrete to tell you as of now. The kind of facility we have built is quite in demand. We have conducted a couple of audits there, so I think the audit results will also come in over the next couple of months. We are still discussing this. There is nothing I can tell you at this point apart from our own insulin manufacturing plans.

Rahul Agarwal – Everflow Partners: Understood. When you say audits, do you mean audits for EU or other regulatory certifications? Can you—

Amit Bakshi – Chairman and Managing Director: Yes, regulatory audits.

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Rahul Agarwal – Everflow Partners: Understood. On the GLP-1 side, Amit, how is the ramp-up progressing? What sort of scale do you think the generic market can reach on a run-rate basis by the end of the year, where are we today, and how do you expect Eris's position to develop?

Amit Bakshi – Chairman and Managing Director: Rahul, we are quite excited about the GLP opportunity. We remain very positive about the outcome. As of now, we remain number one in units and number one in prescriptions. Because we also have a vial component, we are number two in value. The market is ramping up well, and I feel that the market might double next year from where we started. It looks like we are now talking about 40–45 crores a month. I think next year we should be doing around 80–90 crores a month.

Rahul Agarwal – Everflow Partners: Is that for the next full year?

Amit Bakshi – Chairman and Managing Director: Yes.

Rahul Agarwal – Everflow Partners: Understood. One last question, Amit, on the Swiss Parenterals business. How is the remediation of the regulatory issue progressing? By when do you expect that to progress? Is the original target of scaling up the CDMO business potentially to a 1,000 crore level over 3–4 years still intact, or is that something you would have to review after the regulatory process is completed and you review the contracts with the partners?

Amit Bakshi – Chairman and Managing Director: Rahul, we are in touch with everybody. As of now, we have already stated on the slide that nothing has moved out. As far as the remediation is concerned, we will undertake a shutdown in November to get everything done. We expect that by the end of the year, sometime toward the end of the year, we will be able to invite the auditors once again.

The remediation work is on track. We have spoken to all our CDMO partners. In any case, we had only one active sale during the current year. The rest of them were scheduled for next year. Their development work is continuing regularly, as we speak. This is the status as of now.

Rahul Agarwal – Everflow Partners: Understood. Thank you very much.

Amit Bakshi – Chairman and Managing Director: Thank you.

Operator: Thank you very much, sir. I would request all participants to introduce themselves first, along with the company they represent, and then proceed with their questions. The next participant is Mr. Harith Ahamed. Please go ahead, sir.

Harith Ahamed: Thank you for the opportunity. My first question is on the plant shutdown at the Swiss facility that you discussed. How should we think about the financial impact for the December quarter?

Amit Bakshi – Chairman and Managing Director: Harith, as of now, we see an opportunity to be within 5% plus or minus of last year's numbers. I am referring to the top line.

Harith Ahamed: Okay.

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Amit Bakshi – Chairman and Managing Director: Based on how we had planned it, at this point the outcome could be 5% higher or lower. Chirag, is that—

Chirag Mehta – Executive Director: Yes.

Amit Bakshi – Chairman and Managing Director: That is how we are looking at it. The good thing is that we were expecting somewhat less, but the business has been a little more robust than we would have imagined. We have achieved the numbers. This is our outlook.

Harith Ahamed: And at the margin level, would it be similar to Q2 levels?

Amit Bakshi – Chairman and Managing Director: Sorry, could you say that again?

Harith Ahamed: At EBITDA margins, would they be similar to Q2 levels, or would there be a decline?

Amit Bakshi – Chairman and Managing Director: Yes. Yes.

Harith Ahamed: Okay. Amit, your comments on the performance of our semaglutide brand were encouraging. Could you provide some color on what the numbers looked like in Q2? You had provided that for Q1. Also, could you provide some color on the split between the vial presentation and the pen device?

Amit Bakshi – Chairman and Managing Director: Harith, I do not have the breakup, but I think our representative number for the quarter would be around 16–18 crores. It would be close to that number for the quarter, with 16–18 crores coming from GLP. It is ramping up well, Harith.

We are also coming up with a very large study, one of its kind, where we are basically able to demonstrate that visceral fat creates all the problems regarding the risk of CAD and CKD. It is a very large and very appreciable study. We hope that it will be published in the next 2 months.

Harith Ahamed: Okay. I just wanted to confirm: did you mention a 45 crore run rate that we are tracking now, or did I get that wrong?

Amit Bakshi – Chairman and Managing Director: No. I said that for the market. I said that the market without the oral product was tracking at 45–50 crores.

Harith Ahamed: Understood. Your comment was that we are approaching the end of our capex cycle. Will you be able to share the capex expectation for FY27, and how should we think about FY28?

Amit Bakshi – Chairman and Managing Director: Harith, for FY27, is another 50–80 crores left this year?

Management: Yes.

Amit Bakshi – Chairman and Managing Director: How much?

Management: Around 100 crores, sir.

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Amit Bakshi – Chairman and Managing Director: There is still 100 crores left? Okay. So around 100 crores is left in the second half, and then we should reduce it significantly.

Harith Ahamed: Understood. Thank you for taking my questions. I will get back in the queue.

Amit Bakshi – Chairman and Managing Director: Thank you.

Operator: Thank you, sir. The next question comes from Mr. Kunal Randeria. I would request Mr. Kunal to introduce himself and also introduce the company he represents. Please go ahead, sir.

Kunal Randeria: Good afternoon, and thank you for the opportunity. My first question is on the insulin business. Amit, you have mentioned in the past that there is good scope to ramp up the government side of the business. I was wondering whether that opportunity still stands and where you are in terms of monetizing it.

Amit Bakshi – Chairman and Managing Director: Kunal, we stand by what we said. The expansion of the insulin portfolio as well as the capacity in Bhopal will enhance the supply side of the business. Nothing has changed in our position. We remain positive about it.

Kunal Randeria: Do you mean to say that demand remains intact? Once supplies ramp up, that is when we should start seeing revenue traction. Would that be in late 2028 or early 2029?

Amit Bakshi – Chairman and Managing Director: No. Look, Kunal, regarding our production, if you see the slide, we have included a pack shot that was manufactured at our Bhopal facility. Bhopal has already started manufacturing. This means that the controls are in our hands as of now. So this should ramp up

Management: It should ramp up from the first quarter of next year. The ramp-up should start from the first quarter of next year.

Kunal Randeria: Understood. You also have a slide showing that you performed better in OAD this time. You have been struggling in OAD for some time. Is this also reflected in your primary sales, and should we expect OAD to grow at least in line with the market going forward?

Management: Kunal, while we were struggling, 50% of that struggle was because of the discontinuation of a large brand last year. By July-August, that effect tapered off. That brand had contributed around 4% to 5%. Otherwise, there was always a basic amount of growth.

When the impact tapered off and we had a couple of new launches, those launches started performing quite well. Contrary to what we had been telling you in the past—and remember, last time I told you that we would be at 70% of the market growth—we may be ahead of the market in the coming quarters. That issue is now behind us.

Our new products, which have come from our own R&D, took 6-8 months more than we had expected, but the ramp-up is quite good.

Kunal Randeria: Understood. That is useful. Just one more question, if I may, for Mr. Samir. Could you share your current net debt number and your expectations, given that cash generation has been quite strong? I want to understand your net debt number today and how you see it at the end

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of FY27 and FY28.

Management: Net debt as of today is around 2,150. It is 2,144, to be precise, as of September 30.

Management: Correct. We are aiming for a paydown of around 150-200 crores this year. We are targeting a paydown of 150-200 crores this year.

Kunal Randeria: The next year should be another 400-500 crores?

Management: It should be, because once the capex cycle cools down, I think that is a fair number to consider.

Kunal Randeria: Understood. Thank you, and all the best.

Operator: Thank you, sir. Participants who wish to ask questions may do so by clicking the raise hand icon at the bottom of your screen and waiting for your turn to speak. I would request all participants to introduce themselves and the company they represent before asking their questions. The next question comes from the line of Mr. Manish Reddy. Please go ahead and introduce yourself, sir.

Manish Reddy: Hello. Thank you for the opportunity. My first question is regarding the Bhopal facility. What is the expected full-year EBITDA benefit once the Bhopal manufacturing shift is completed, and when should the earnings benefit become visible?

My second question is related to the capex cycle. Most of the capex cycle is expected to wind down by the end of FY27. Eris, Oaknet, Swiss, and Levim are expected to contribute more from next year. What kind of earnings growth are we expecting for FY28? Will there be a meaningful acceleration compared with FY27? What are the key assumptions behind the acceleration? Thank you.

Management: You are right. All the investments made over the last couple of years should start generating returns next year. Bhopal is a clear-cut case where earnings will improve. Once we shift all our products there, and by the time we complete the shift, we will have a gross margin benefit, which will then translate into an EBITDA margin benefit.

As I told you earlier, we expect gross margins to come down by 150-200 basis points, which will then also be reflected in EBITDA. Simultaneously, there will be tax gains because, as of now, we pay around 37% tax on outsourcing, while Bhopal is eligible for 15 BAB, so our net tax rate will come down to 15%. That is the Bhopal opportunity.

Levim will largely contribute by bringing newer products. As I mentioned, we are the first company to have a recombinant semaglutide approved for clinical trials, and we have many more products coming out of Levim. Each of these products will be meaningful in terms of value once they are launched. Levim's contribution will not be seen in terms of volume or value immediately, but it will be seen more in terms of products, which will then translate into value.

The third major investment was in the large block that we built in Swiss, which will also be a good revenue generator for us next year. We expect the PV batches to happen in March-April. We had

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been somewhat short on supply capacity, so once that capacity comes up, it will be an advantage for the Swiss business.

You are right: there are two direct components, and then there is one indirect component that should add to growth and margins.

Manish Reddy: Thank you. Are we looking for any specific number for FY28?

Management: You can calculate the number now. If gross margin comes down by 150 basis points and that is reflected in EBITDA, then it is simply a matter of putting these two things together.

Manish Reddy: Okay, thank you.

Operator: Thank you, sir. The next participant is Mr. Nilay Parikh. I would request Mr. Nilay to introduce himself and also introduce the company he represents.

Nilay Parikh – Perpetuity Ventures: Perpetuity Ventures. I have multiple questions. My first question is on the FY27 guidance for Swiss Parenterals. Can you provide some details on that?

Management: We just mentioned that we will be plus or minus 5% of what we achieved last year.

Nilay Parikh – Perpetuity Ventures: Okay. Can you say something about the EBITDA margin?

Management: EBITDA will be in the range of 25%. The EBITDA margin will be 25%. The top line will be within a 5% range.

Nilay Parikh – Perpetuity Ventures: My second question is whether you could elaborate on the strategic rationale behind out-licensing the injectable and acute portfolios to Zorvia Healthcare.

Management: If you have been following us for some time, you would know that last year we mentioned that we had a 100 crore portfolio that did not suit our specialty. All of those products had been acquired. We found a very good vehicle through which we believe this business can grow, while it still remains with us.

The second reason was that this business was never EBITDA-positive for us, and it was also a drag on our gross margins. After removing Zorvia, I think we move up by a couple of basis points, with 87% in chronic therapy. We may come close to 90% in chronic and sub-chronic therapy, which, in our view, is very strategic. These were the two or three reasons why we decided to do this.

Nilay Parikh – Perpetuity Ventures: My last question is regarding the 30-35 crores of exceptional loss that we recorded this quarter. Could you provide more details on the products related to the receivable write-off?

Management: Of course. If you have been following us, you would know that there was a category in our portfolio called at-risk. At-risk refers to products where we challenged the patent for certain good reasons. There was a group of around four products, if I remember correctly. These four products generated very good sales for us. Almost 20% of those sales could ultimately not be sold. That is what has been taken back.

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Nilay Parikh – Perpetuity Ventures: Okay, sure. That is all from my side. All the best for the quarter ahead. Thank you.

Management: Thank you.

Operator: Thank you, sir. The next participant is Mr. Forum Parikh. I would request Mr. Forum to introduce himself and also introduce the company he represents.

Forum Parikh – BOB Capital: Thank you for the opportunity. My name is Forum Parikh, and I am from BOB Capital. My first question is on OAD growth, which is 12%. Could you provide the breakup of how much is coming from price growth and how much from volume?

Management: We do not have the breakup available with us, but you can consider that it is in line with the industry. There is nothing outside the normal range that I need to highlight. It is a normal reflection of the IPM.

Forum Parikh – BOB Capital: I see that domestic growth excluding Zorvia has been 16% to 16.5%. With OAD performing above the IPM level and expected to remain there, and with the demerger of dermatology and other brands, can we expect the domestic business to grow around the current levels of 16.5% to 17% as IPM is also growing?

Management: We have given guidance of 300 basis points ahead of the market, and I think we will maintain that.

Forum Parikh – BOB Capital: How do you see domestic IPM growth shaping up next year? This year has performed very well, partly because of new launches and semaglutide generics. With semaglutide generics forming part of the base next year, how do you see IPM growth sustaining?

Management: We are also happy to see growth at its current level. While semaglutide has participated in growth, it is not yet large enough to move the entire lever. A lot of growth is coming from different specialties, with cardiology being one of them in addition to diabetes. This is a pleasant development for us as well.

As of now, we expect growth next year to also be in the range of 11% to 12%. However, this is a relatively new development, so we need time to fully assess it. Based on how the numbers have behaved so far, it appears that IPM growth could also be around 11% to 12% next year.

Forum Parikh – BOB Capital: That is helpful. My second question is on the tax rate. Could you provide some guidance on the tax rate for FY27 and next year as well?

Management: The effective tax rate for the current year should be in the range of 20–21%. I think a similar rate will continue next year as well.

Forum Parikh – BOB Capital: That is helpful. Thank you.

Management: Thank you.

Operator: Thank you, sir. Dear participants, if you wish to ask a question, you may do so by clicking the raise hand button at the bottom of your screen and waiting for your turn to speak. The next

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question comes from Mr. Kirtan Donga. I would request Mr. Kirtan Donga to introduce himself and the company he represents.

Kirtan Donga – Leo Capital: Thank you for the opportunity. I am Kirtan from Leo Capital. My question is on insulins. We have a number of product launches lined up in segments that we have not historically been able to serve. How large is the market opportunity for us in those segments?

Management: We referred to this last quarter, if I remember correctly. It is an analogue market of around 2,500 crores, which has been growing very healthily, almost in double digits. That is the entire space in which we want to participate in the coming years.

Diabetes now contributes 38% of our overall revenue, which is quite significant. Two brands with sales of more than 200 crores are also coming from the same franchise. We feel that diabetes is our moat. With the kind of new product filings we are making, we feel this will be a significant growth driver for the future.

Kirtan Donga – Leo Capital: Okay, thank you.

Operator: Thank you, sir. Dear participants, if you wish to ask a question, you may do so by clicking the raise hand icon at the bottom of your screen and waiting for your turn to speak.

The next participant is Mr. Mohamad Patel. I would request Mr. Mohamad Patel to introduce himself and the company he represents.

Mohamad Patel – Edelweiss Public Alternatives: Can you hear me?

Operator: Yes, sir.

Mohamad Patel – Edelweiss Public Alternatives: This is Mohamad Patel from Edelweiss Public Alternatives. I have a couple of questions. My first question is: what led to the sequential improvement in gross margin and EBITDA?

Amit: Gross margin was driven by product mix, and EBITDA was also a result of a better product mix. Bhopal has started contributing to one of the SKUs, so that could be one reason. However, it is largely product-mix driven, and EBITDA followed. EBITDA growth was slightly lower because we had somewhat higher other expenses this quarter. That is about it.

Mohamad Patel – Edelweiss Public Alternatives: My next question is regarding other expenses. Can you explain why they were 27% higher?

Amit: This is the season for us when many new launches are coming, and a lot of money is also being spent on the development of new products, as well as on filings and regulatory activities. It is a combination of both.

Mohamad Patel – Edelweiss Public Alternatives: In the slide, you mentioned gross margin levers of 100 basis points from Zorvia and 100 basis points from Bhopal. I wanted to understand the timeline for when this will happen.

Amit: Both of them are short-term opportunities in H2. Chirag, am I right?

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Chirag Mehta: Correct.

Mohamad Patel – Edelweiss Public Alternatives: On the Zorvia deal, when will it start reflecting in the numbers?

Amit: What do you mean by numbers?

Mohamad Patel – Edelweiss Public Alternatives: In the quarterly numbers?

Amit: It will be reflected next quarter.

Chirag Mehta: It should start reflecting normally from next quarter.

Mohamad Patel – Edelweiss Public Alternatives: Are we on track for the product launches that we had targeted for FY27?

Amit: We are largely on track. However, we were pushed back repeatedly on {? his Axeron ?}, which we believe is a very good product. We finally received permission last week, so we are launching it in the next three days.

Mohamad Patel – Edelweiss Public Alternatives: That should drive cardiac growth?

Amit: Yes. That should drive cardiac growth. You are absolutely right.

Mohamad Patel – Edelweiss Public Alternatives: What about FY28? How many product launches are we planning?

Amit: I can tell you what is coming through the regulatory pathway. We have not yet bundled the other products together. We expect one, two, three—three analogues—to be launched next year, all coming from our own stable.

Mohamad Patel – Edelweiss Public Alternatives: How should we look at Swiss for next year?

Amit: We are looking at it positively, but we do not expect any major turnaround until Q1 next year. After Q1, depending on how the GMP activities progress and how the new block becomes operational, things should start improving significantly.

Mohamad Patel – Edelweiss Public Alternatives: Thank you very much. All the best.

Amit: Thank you.

Operator: Thank you, sir. Participants who wish to ask questions may do so by clicking the raise hand icon at the bottom of your screen and waiting for your turn to speak.

The next question comes from Mr. Yasar Lakdawala. I would request Mr. Yasar Lakdawala to introduce himself and the company he represents.

Yasar Lakdawala – M3 Investments: This is Yasar Lakdawala from M3 Investments. Amit, what is your mid-term guidance on field-force additions? We have oncology, nephrology, neuroscience, and other small portfolios. What is the thought process for scaling those up, and what sort of

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field-force additions would you be looking at over the next 2-3 years? Any thoughts on that would be helpful.

Amit: We have never been a huge fan of adding a large number of people. The specialties you mentioned are less people-driven and more product-driven. The question is whether we can enrich oncology while developing the Bhopal facility from a biotech point of view. We also have a MAb unit there, and we will begin some technology transfer in December.

Once that technology transfer takes place and we go through the regulatory framework, by the second half of next year we will have a couple of MAbs coming out of our own stable. However, these will only be formulations. We are trying to strengthen the portfolio in these segments rather than increase the number of people at this stage.

Yasar Lakdawala – M3 Investments: From a 3-4-year perspective, looking toward around 2030, are you happy with the current portfolio mix, or do you still see room to add any therapy area that you believe is a high-growth area or where you could obtain good products through in-licensing? Are you happy with the current mix at this stage?

Amit: We have worked hard to reach this mix. If you look at our mix today, it is 37% diabetes and 15% cardio, with a similar proportion in dermatology and a similar proportion in VMN. This makes four or five therapies quite concentrated, and these are therapies with significant tailwinds. They are also the therapies in which we have invested to obtain differentiated and new products.

From a therapy point of view, this is in fact what we wanted the portfolio to look like. We are quite comfortable with these therapies. Regarding in-licensing, we will continue to operate in these therapies. If we find something exciting, we may pursue it, but as of now, the answer is no to entering any new therapy area.

Yasar Lakdawala – M3 Investments: Going forward, from a capital allocation standpoint, can we expect the majority of cash flow to be used to reduce debt, while retaining room for a strategic opportunity if one arises? Broadly, would you say that we will be reducing debt over the next 2-3 years, or at least over the next 3-4 years?

Amit: We have always operated this way. We had two choices: either reduce debt or build capabilities. We believe building capabilities is more far-reaching than paying down debt. Eventually, all our acquisitions turned out very well.

Even today, at a company level, if we are delivering 36% EBITDA, you can understand that almost all the businesses we acquired, some of which were operating at 8% or 10% EBITDA, have come up to this company-level performance. Other than this, paying down debt is the only priority.

Yasar Lakdawala – M3 Investments: That is good. Thank you very much, and I wish you and your entire team all the best. Happy Diwali.

Amit: Thank you so much. Same to you.

Operator: Thank you, sir. Participants who wish to ask questions may do so by clicking the raise hand icon at the bottom of your screen and waiting for your turn to speak.

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There are no more questions, sir. We now hand over the call to Mr. Chirag Mehta for the closing comments.

Amit: Go ahead.

Chirag Mehta: Thank you all for your participation today. Before we conclude, let me briefly recap the key highlights.

As we mentioned, our insulin and biologics business has reached an important milestone with approval to commence clinical trials for recombinant semaglutide. Our analogue portfolio is also progressing well into the regulatory phase. The international business remains steady, and our EU GMP CAPA plan is on track. Our long-term outlook for the business remains unchanged and stable.

For H1 FY27, consolidated revenue, as mentioned earlier, grew by 12.8%. Consolidated debtor days improved by 10 days, from 80 days to 70 days, and our capital expenditure stood at 220 crores. EPS for the period was 23.58 rupees.

Thank you once again for your time and continued interest in Eris Lifesciences Ltd. We are planning to hold an Investor Day on November 19, and we look forward to seeing you all there. Thank you very much.

Operator: Thank you very much, sir. Thank you to the members of management. Ladies and gentlemen, on behalf of Eris Lifesciences Ltd., that concludes this conference. Thank you for joining us, and you may exit the meeting.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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