Operator: Ladies and gentlemen, good day, and welcome to the Jagsonpal Pharmaceuticals Ltd. Q2 FY27 earnings conference call hosted by Go India Advisors. As a reminder, all participant lines will be in 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, please signal the 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 Ms. Saumya Chhajed from Go India Advisors. Thank you, and over to you, ma'am.

Operator: Good day, everyone, and welcome to the Q2 and H1 FY27 earnings conference call of Jagsonpal Pharmaceuticals Ltd. We have on the call with us Mr. Manish Gupta, Managing Director; Mr. Amrut Medhekar, Chief Operating Officer; and Mr. Nirav Vora, Chief Financial Officer. Please be reminded that the discussion on today's call may include certain forward-looking statements and must therefore be viewed in conjunction with the risks pertaining to the business. I now request the management to take us through the same and provide some more insight into the quarter and half-year gone by. Following that, we will open the floor for the Q&A. Thank you, and over to you, sir.

Manish Gupta – Managing Director: Thank you, Saumya. Good afternoon, everyone, and thank you for joining us. If I have to describe the last six months in one statement, it would be that this is a period of a bolder Jagsonpal. Not only have we scaled up our ambitions, but we are also backing them up with investments, both on the organic and inorganic fronts, without losing sight of shareholders' interests. Over the period, we have been able to accelerate our growth to now closer to 10% on the back of strong growth in our power brands, even as we invested disproportionately in new launches, higher-growth areas, and organization building.

We completed two acquisitions, which now provide us with additional growth levers. We also take pride in the way we have been able to structure the transactions, which de-risks us and retains the strength of our balance sheet for further initiatives. Our vision is to be a Rs.500-crore organization by FY2028, a multi-channel, asset-light specialty pharma platform that combines strong niche brands driven by disciplined execution and value-accretive acquisitions. Over the last six months, every lever of that strategy aimed at acceleration is in place, be it organic momentum, inorganic scale, or financial strength.

In the first six months, our organic growth has been 9.3%. While this is faster than what we did last year, it is still short of both our potential and expectations. A lot of work is going on behind the scenes around this, and we remain positive that growth will only accelerate going forward. As mentioned earlier, the period also saw us scale up investments in our people and build new capabilities in the organization, as well as integrate the acquisitions. While the wellness portfolio became part of the JPL portfolio from October 1, we fully prepared ourselves for this in Q2 itself for effective day-one integration.

Our EBITDA margins in H1 were at 22.9%, up 40 bps, even after these enhanced investments. The trajectory is clear. We expect quarterly revenues to cross Rs.100 crores in Q3 of the current year, and we are on track for Mission Rs.500 crores by 2028. With a cash balance of Rs.135 crores and a track record of successful inorganic growth, we are confident of fast-tracking this journey through

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meaningful and accretive transactions. With that, I will now hand over to our Chief Operating Officer, Amrut, to take you through the business performance, as well as the progress on our acquisitions.

Amrut Medhekar – Chief Operating Officer: Thank you so much. Good afternoon, everyone. As Manish described, Q2 was the quarter that will build the engine for acceleration. I want to assure you that the engine is already responding. There are three things that I would like you to take away today. One, the organic business is performing well. Two, our acquisition playbook is proven and replicable. Third, the investment that we made in this quarter has set us up for a stronger Q3.

First, let us look at the organic engine. Coming to the market performance of the Indian pharmaceutical industry, which is IPM, as per Pharmarack, it grew by around 12% during the July-September '26 quarter. During the same period, Jagsonpal delivered growth of close to 15%. For the first half of FY27, IPM, which is the Indian pharma market, growth stood at around 11%. In comparison, Jagsonpal reported growth of around 15%. Looking at both these periods, we have continued to outperform the IPM in both the July-September quarter as well as the first half, reflecting the growth momentum across our businesses.

We delivered this on an asset-light model, so growth remains agile and cash-generative. It starts with our power brands. The top 10 brands for the company constitute around 58% of our revenue. Nine of these brands rank in the top five in their markets. Let us look at the performance of some of the power brands in Q2. Maintane, which is one of our large brands, grew by around 29% in Q2 against molecule market growth of around 20%. Similarly, Metadec grew by around 14% versus market growth of 13%. Lycored grew by around 15% versus market growth of around 13%. Divatrone also outperformed the market. Endoreg grew by around 20% versus market degrowth. And {? Cleargel ?}, which is our dermatology brand, grew much higher than the market, as did {? Epikroma ?} in the dermatology segment, which also outperformed the market.

Now you can see that this growth is largely led by gynecology, where we engage around 35,000 gynecologists, which represents most of the universe. Orthopedics and dermatology remain our second and third drivers, with prescription momentum and doctor engagement both strengthening in these segments.

The second point is about the inorganic playbook. We acquired the Yash Pharma business in May 2024. It took us into dermatology, and it is now fully integrated into our platform. That is the proof of concept, and that is the same playbook we are running again. Equitas, acquired in July '26, gave us an immediate entry into the hospital and institutional channel. This is our very first quarter with the business. We have consolidated procurement and distribution along with Jagsonpal, removed some duplicate overheads, appointed a dedicated business head, and begun rationalizing the portfolio towards profitable growth. The first value-added launch is in preparation, and hopefully we will see that by the end of November.

The {? Group Pharma ?} Wellness portfolio, which was acquired this month, has two established brands: one in hematinics and the second in respiratory, across six states in India. Around 10,000 additional unique doctors have been added. It is already integrated with one of our largest businesses. Cross-training for the brands' medical marketing has been completed. The brands will be cross-sold through our existing field force, and deeper penetration is planned in Madhya

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Pradesh, Uttar Pradesh, and Karnataka, these three states. Taken together, we have moved from three strong therapy areas to four-plus strong therapy areas, and from no hospital presence to a meaningful institutional presence. Our combined doctor reach now stands at around 137,000 doctors.

The third point is the investment behind the next leg of growth. A large part of our Q2 investment went into people. With the yearly increment cycle and the new labor-code-aligned salary structure, we have also reduced attrition. We are building the JPL hospital team so that we can cross-sell our portfolio into the Equitas network, which opens institutional tenders and first-prescription opportunities for us. Early results are encouraging, with MR productivity already up by around 10%, and our target is to go beyond the productivity threshold that we aspire to. Structured training and better field-force stability are showing up in our doctor coverage, call quality, and territory productivity. We have also sharpened where we put our brand money, directing it toward the products and therapies with the strongest growth visibility while retaining a few promising launches every quarter.

Finally, to close, we now have a stronger field force, a new hospital channel, and the acquired business in integration. That is why we are confident of more resilient, consistent, and market-outperforming growth from Q3 onwards. I assure you that you will see EBITDA-accretive growth in Q3. I now request Nirav, our CFO, to take you through the financials for the quarter. Thank you so much.

Nirav Vora – Chief Financial Officer: Thank you, Amrut, and thank you, everyone, for joining us. Allow me to take you through the performance for the quarter and the first half of FY27.

Management: This is translating into tangible progress under our acceleration playbook. The quarter has been an important one for JPL, with continued organic growth, the acquisition of a controlling stake in Equitas, and the announcement and subsequent completion of the acquisition of the wellness portfolio. With Equitas becoming our subsidiary, we are pleased to announce our first-ever consolidated financial statements along with the standalone financial results during the quarter.

Now, talking about the numbers, our standalone revenue grew by 9.3% year-on-year to 81 crore during the quarter, while consolidated revenue stood at 96 crore, indicating growth of 29%, reflecting the contribution of the enlarged business. For H1 FY27, standalone revenue reached Rs.164 crore, while consolidated revenue stood at 179 crore.

Standalone gross margin stood at 64.1% for the quarter, whereas it was 64.7% for the half-year, indicating an improvement of close to 70 bps over the corresponding previous period.

Standalone EBITDA margin for the quarter remained broadly stable at 22.7% despite planned advance investments in people, marketing, and medical inputs, as indicated by Manish in his speech, while our consolidated EBITDA margin stood at 19.3%. At the bottom line, standalone PAT stood at 13 crore, while consolidated PAT was 12 crore, with margins of 15.5% and 12.8%, respectively. Despite the enhanced dividend payout and our ongoing investments in acquisitions, the company continues to maintain a strong cash position, with cash and bank balance of 135 crore, and we continue to generate net operating cash of 25 crore at a consolidated level during the first half of FY27.

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Following the completion of the wellness portfolio acquisition and the discharge of part of the consideration during October 26, our focus is now on leveraging combined commercial capability and realizing business synergies. We are confident that these initiatives will support business performance in Q3 and continue to contribute to sustainable growth over the longer term. With that, I conclude my comments on the financial performance. Thank you, and we shall now open the floor for questions and answers. Thank you.

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will now wait for a moment while the question queue assembles.

Our first question comes from the line of Ankur Kumar with Alpha Capital. Please go ahead.

Ankur Kumar – Alpha Capital: Hello, sir. Thank you for taking my questions. I wanted to understand the Rs.500-crore revenue vision for the next year. Currently, we are around the 300-crore level on the standalone side, and we have been growing at around a 10% CAGR for the last couple of years. The acquired businesses, I think, are at around a 75-crore annual run rate. So, given these numbers and this 10% growth rate, the 500 is looking like a very tall ask, sir. Can you please explain how we are estimating that?

Management: Would you like to take this first?

Manish Gupta – Managing Director: Yes. [pause] This is obviously an aspirational number, but we have a very clear roadmap for how to achieve it. This is without considering any further acquisitions beyond what we have already done. While historically, or over the last six months, we have been growing at 9.3%, the past does not mean that we will remain at that level. We are certainly confident of growing faster. We have very clear and distinct plans for that. A lot of investment has already been made, both on the product front, including new launches, and on the people front. As Amrut mentioned, and as I also alluded to, we will see faster growth going forward. So, it is pure organic growth that will lead to these numbers over the next 2 years, with nothing beyond that. It is all about execution and strategic execution, which we have generally been good at. Yes, we do agree that growth was not very good in the year gone by, but things have already started looking up. Amrut, if you want to add anything.

Amrut Medhekar – Chief Operating Officer: As Manish said, Ankur, if you look at the month-on-month performance as well, our trajectory has been relatively better. On the branded prescription side, in fact, our growth is in excess of double digits. I think going forward, I have already committed to you that in Q3, you will see much better and enhanced growth and, more importantly, EBITDA-accretive growth. As far as the numbers are concerned, we are committed to this 500-crore vision, which we are sure to deliver with our current basket and without considering any further acquisitions in this 500-crore number. It will be driven purely by the same team, with organic growth from the similar product profile that we currently have.

Ankur Kumar – Alpha Capital: Got it, sir. On the margin side, what are our estimates for when we reach this 500 crore? Standalone is still quite good in terms of margins above 20%, but on the

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consolidated side this quarter, I think there is not much contribution from the subsidiary. There is revenue contribution, but not much on the profit side.

Manish Gupta – Managing Director: On a blended basis, we are confident of reaching the 22% mark again. Standalone will obviously be much higher, but you would appreciate that the hospital business is a lower-margin business. It will remain a lower-margin business, but it will become far more profitable than where it is today. Collectively, we are very confident of achieving an EBITDA margin of over 22% for the combined business.

Ankur Kumar – Alpha Capital: Got it, sir. On the Q3 side, you are estimating revenue of more than 100 crore. Can the margin go to 20% from Q3 onwards, or will it take time? How are we thinking about that?

Manish Gupta – Managing Director: No, Q3 will definitely deliver more than 22%. Generally, Q4 is somewhat of a drag in India, which pulls down the margin. Otherwise, for all three quarters, we are quite confident. On a consolidated basis, we will be very close to 22%, if not more.

Ankur Kumar – Alpha Capital: You mean 22% on the consolidated side? Will we be able to improve margins in the hospital business and the other business?

Manish Gupta – Managing Director: Yes, collectively. Individually, the hospital business will not reach those levels. Let us be clear about that. However, the collective margin will still be in excess of 22% or thereabouts.

Ankur Kumar – Alpha Capital: Got it, sir. My last question will be on the standalone business. You have given quite good details in terms of products. What is our expansion strategy? Are we looking to add more products, or are we looking for more expansion in the existing products?

Amrut Medhekar – Chief Operating Officer: In Q3, as I mentioned, for the acquired Equitas business, we have planned a new brand, which should possibly be commercialized by the end of November, with the go-to-market launch in the first week of December. For the other businesses and verticals, we currently do not have any plans for new product launches in Q3. We have planned some launches in Q4. That is the position on new products. Therefore, as far as expansion is concerned, we are also not planning any manpower addition to our currently budgeted numbers.

Ankur Kumar – Alpha Capital: Sure, sir. Thank you, and all the best.

Amrut Medhekar – Chief Operating Officer: Thank you.

Manish Gupta – Managing Director: Thank you, Ankur.

Operator: Thank you. Ladies and gentlemen, to ask a question, you may please press star and one.

Our next question comes from the line of Sajal Kapoor with Antifragile Thinking. Please go ahead.

Sajal Kapoor – Antifragile Thinking: Hi. Thank you for taking my questions. Hi, Manish, Amrut, and Nirav. Last November, at around this time last year, I encouraged you to be more aggressive on inorganic growth, and you have delivered. Equitas and Dermocare in a single quarter. Credit where it is due. However, that has created another problem for me as an investor, and I will try to explain

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where I am coming from. Amrut, in January, when we interacted, you guided to growth of upwards of 10% and 1.5 times IPM. That was the number you gave on that call in January earlier this year. Since then, organic growth has come in at 10%, 9%, and 9.3% over the last 3 quarters, while Pharmarack shows 12% to 19%.

Amrut Medhekar – Chief Operating Officer: 12% to 16%. 12% to 14%, Sajal.

Sajal Kapoor – Antifragile Thinking: Yes. From Q3, Dermocare comes in through a BTA, right? So, it will sit inside standalone. Standalone then stops being a clean organic number. My humble request is that, so we as investors can track both organic and inorganic separately, starting with the Q3 deck, will you be kind enough to introduce a separate line for organic growth? Thank you.

Manish Gupta – Managing Director: Yes, I think that—we have always been very open in our communication, and that information will be provided in terms of the split between organic and inorganic growth. It will not be a separate line item, but it will be part of the commentary.

Amrut Medhekar – Chief Operating Officer: Sajal, just to add to what Manish said, we will certainly add the numbers you are seeking for the sake of transparency. However, those numbers will be split into two parts because Dermocare has been present only in six states. We will give you an apples-to-apples comparison of what is happening in those six states versus the states outside those six geographies. Although outside those six geographies it is practically a ground-zero launch for us, you will appreciate that this will be hard-core earnings for each MR who is outside those six states. That will be organic growth for JPL. Within those six states, obviously there will be some base, which is roughly around 1.75 crores from the two established brands that we are discussing. That will certainly tell you how much they are contributing.

Coming to your first point, we have always talked about beating the market's performance. Yes, as Manish alluded to in the beginning, we have been flat at around 10% in both Q1 and Q2. Branded pure-play prescription growth is upwards of 10%, contributing around 11% to 11.5%. However, this is also lower than my own expectations, and trust me, those numbers will completely change going forward in Q3. We know that the trajectory has been better compared to the past. It has moved from single-digit to at least double-digit growth. Now we are certainly set up with a platform to take it forward. As promised, we are looking at upwards of 1.5 times IPM growth, Sajal.

Sajal Kapoor – Antifragile Thinking: Right. That is helpful, team. To both of you, you have skin in the game, right? If the stock performs and the organization does better, you are direct beneficiaries yourselves. So, you have, quote-unquote, ownership, or skin in the game, as they say. With that context, projecting 5 years out, what kind of Jagsonpal would make you feel somewhat disappointed—that this is not the kind of Jagsonpal Pharma we envisaged and we have not delivered against our own expectations, let alone shareholders' expectations? I am just trying to understand that kind of vision for Jagsonpal Pharma 5 years out. Nothing about next quarter or next year; forget all that.

Amrut Medhekar – Chief Operating Officer: We completely appreciate that, Sajal. As I think Manish has mentioned twice in his opening statement, we are currently completely focused on our Rs.500-crore vision of Mission 2028. I understand that this cannot be called an LRP or long-range plan. That work has already started, and we will possibly come back to you with a much more

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granular and detailed roadmap for a 5-year journey as well. Currently, we are 100% focused on what is visible to us and relatively much closer to us, which is the 2028 calendar year, Sajal, for reaching that 500 crore. This will be purely organic, with no inorganic component within it.

Manish Gupta – Managing Director: Sajal, just to add to this, this playbook can change when we are talking about 5 years, because we have multiple paths to choose from. Currently, we are a single-market company that has its strengths, and that also has its own challenges. We are obviously in discussions with our promoters and critical shareholders about what the next 5-year journey could be. That may take us beyond what we are doing today. We will come back to you once we are ready with the plan. There may be some broadening of the strategy as we go along.

Sajal Kapoor – Antifragile Thinking: Sure. Manish, lastly, just from a business-model perspective, there are some smaller companies in India. Maybe I can name [cut off]

Sajal Kapoor – Antifragile Thinking: RPG Life, for context here, is also doubling down on APIs because it believes that owning the backend is very relevant and increasingly important from an exports or outside-India perspective. Currently, I know our focus is purely domestic, and in that context there are some very good CMOs in India where you can leverage manufacturing and outsource all of it. However, in the grand scheme of things, if we have to grow bigger and even enter emerging markets in Africa or elsewhere, how do you see the backend from a business-model perspective? Are you comfortable not owning the backend, meaning the API, and continuing to operate on that outsourced, asset-light model, or do you think that might change in the future, if not next year?

Manish Gupta – Managing Director: Sajal, that is what I was alluding to when I gave my comments after Amrut. We are very clear on the next 2 years of the journey, but if we were to take it further, we need to decide which way to go, because without manufacturing, you cannot do anything outside India. Whether it is emerging markets or regulated markets, and whether it is formulation manufacturing or API manufacturing, no doors are open for doing anything outside India unless you have something in manufacturing. That is a journey we are yet to decide. We clearly have a plan for the next 2 years, but we are in discussions with our promoters, as I mentioned, and our board regarding the next steps. Fortunately, given where we are, both in terms of capital and capital commitment, we have a great deal of flexibility. There are also a fair number of good assets available in this country in either direction we may choose to take. So, we are definitely seized of the matter. We do not have a clear answer for you yet, but it will go in one of the ways you are potentially alluding to.

Sajal Kapoor – Antifragile Thinking: No, that is perfect. That is perfect. In terms of promoters, Manish, we have one of the best promoters available in the country, so that should not be a problem. I also see you as a promoter. We have best-in-class promoters, and hopefully, with a little bit of luck, we should be able to get there. Thank you for all the responses, and all the very best. That is all.

Manish Gupta – Managing Director: Thank you, Sajal.

Operator: Thank you. Participants who wish to ask questions may please press star and one.

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Our next question is from the line of Mihir Damania from Fident Asset Management. Please go ahead.

Mihir Damania – Fident Asset Management: Hi. I have a question on your acquisition playbook. First of all, when you think about or when you acquired Equitas Healthcare or the wellness portfolio of Group Pharma, I wanted to understand the rationale for selecting those two specific companies or assets, rather than simply going deeper and stronger in your core areas, such as gynecology or dermatology, and improving your rank in the markets you cover. One can assume that the synergy benefit from going deeper into your own portfolio might be much more accretive in value. I wanted to understand why you ventured into two very different core areas when you could simply go deeper, considering your scale and size.

Manish Gupta – Managing Director: I will partly respond to this, and then Amrut will provide more details. This is consistent with what I have always said. Any acquisition is partly strategy and partly opportunity. You may wish for a lot of things to be done, but the acquisition has to fit your strategy as well as a price that you are willing to pay for it. I am not at all suggesting that we are not open to acquisitions in gynecology and orthopedics, where we are already strong. Those are certainly desirable, but there were very few opportunities, or very expensive opportunities, in that area. We did look at some, but clearly they were outside the scope of what we want to do. Now, coming to these two specific assets, Amrut, if you can give the clear rationale for them.

Amrut Medhekar – Chief Operating Officer: Thank you so much, Mr. Damania. Let me start with Equitas. The clear thinking for Equitas was that, historically, the legacy of Jagsonpal had always been in the trade channel, with doctors sitting outside hospitals. We had not been present in the hospital segment. However, the industry has moved far beyond, from an almost 2% contribution to more than around 11.5% contribution coming purely from corporate hospitals. I am not considering public hospitals, government hospitals, or dispensaries here. Pure-play corporate chains are now contributing in excess of 11.5%. That is a huge surge, and it is the area that we wanted to tap immediately before it became too late for us. Equitas provided us with that handle and entry point because it is an established player across the majority of corporate hospital chains. We have now obtained that access. Besides their own volumes, we will be able to cross-sell some of the JPL and Jagsonpal brands into that channel. That answers your first question.

The second question was regarding the Group Pharma opportunity. Group Pharma was a very interesting opportunity for us because what we always look for is the legacy of that organization, well-entrenched distribution, and doctor relationships for at least one or two good brands in that organization. I think this was clearly an opportunity area because, first, it is a very old organization, almost culturally similar to Jagsonpal, so there were no cultural integration issues. Even in terms of people issues, similar pay structures and allowance structures were already in place. So, it was an easier opportunity and an easier integration process for us.

Third, very interestingly, it provided a geographical expansion opportunity outside the six states where Group Pharma does not currently exist in these businesses and brands. I think this was an expansion opportunity for us in terms of scaling up these two brands. Finally, and most importantly, the margins were also similar in nature for Group Pharma and Equitas. It is also a co-prescription business, so hopefully the scale-up will be much easier for us in a strength area of Jagsonpal. I hope

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I have answered both parts of your question, Mr. Damania.

Mihir Damania – Fident Asset Management: Very clear. My second question is more on the IPM growth. It seems that a large part of the growth is also coming from new product introductions into the market. You mentioned that you are willing to launch a few new products, but have you considered in-licensing some brands from an MNC or another competitor? It would not be an acquisition strategy, but rather something where you believe you can do a much better job than the current brand owners.

Amrut Medhekar – Chief Operating Officer: Yes, Mr. Damania, we have always been evaluating those opportunities. However, as Manish said, ultimately it depends on what you are willing to pay, because most of these in-licensed opportunities provide scale at a very low margin. We have been carefully evaluating those opportunities, and we are still in the process of evaluating one or two opportunities that may eventually fructify. We do not know which way it will finally move, but I can say that we are in active discussions right now. Secondly, in terms of new-product success, if you look at the split of our contribution or growth levers, which include price growth, volume growth, and new products, we are completely aligned with the pharma industry in India. Our contribution from new products is equally good, as good as that of any other therapy company or any other IPM contributor.

Mihir Damania – Fident Asset Management: Got it. My last question is about standalone organic growth. Over the next couple of quarters, would you expect your standalone revenue growth to be in line with or better than the IPM growth rate? Is that a fair assumption?

Amrut Medhekar – Chief Operating Officer: Q3—yes. I am not providing a very long-term view on this, but in Q3, as we had already committed, we are targeting a 3-digit number by crossing 100 crores. That certainly means that our growth rate will be in excess of 1.5 times the expected pharma industry growth in Q3.

Mihir Damania – Fident Asset Management: Okay, perfect. Thank you, and good luck.

Amrut Medhekar – Chief Operating Officer: Thank you.

Operator: Thank you. Ladies and gentlemen, if you wish to ask questions, you may please press star and one on your touchtone telephones.

Our next question comes from the line of Harshit Parekh with BTH Capital. Please go ahead.

Harshit Parekh – BTH Capital: Hi, sir. Thanks for the opportunity. Just one question on the Group Pharma business acquisition. At what margin does this business operate? For example, Equitas is a lower-margin business because it is a hospital business, right? I wanted to understand the margin for the Group Pharma business.

Amrut Medhekar – Chief Operating Officer: It is similar to Jagsonpal, sir.

Harshit Parekh – BTH Capital: Okay, okay. Thanks.

Amrut Medhekar – Chief Operating Officer: Yes.

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Operator: Thank you. Participants wishing to ask a question may please press star and one.

Those who wish to ask questions may press star and one at this time.

Our next question comes from the line of Urmish Shah with Moneywise. Please go ahead.

Urmish Shah – Moneywise: Thank you for the opportunity. I have 2 questions. The first one is about the degrowth in Indocap and Equirex in terms of brand performance. Could you give me the reason why we are seeing degrowth?

Amrut Medhekar – Chief Operating Officer: These are two different therapy brands. Indocap is primarily focused on general practitioners, physicians, orthopedics, and rheumatology. These are its top 4 specialties, which currently contribute to the brand. It has had its own challenges because it is a legacy brand based on a very old molecule. We are trying to introduce some innovation in terms of packaging as well as broadening its current use. That is taking some time, but hopefully we will see the results because the first part of the innovation is already being executed well, and go-to-market, or GTM, should happen sometime in November. We will see a revival of the brand, sir.

The second brand you mentioned is Equirex. This product belongs to a category that is currently not freely sold. It is a restricted product and is part of the NRX portfolio. Therefore, we cannot do much in terms of the availability and sales of the brand. We can only work on prescription generation, which the team is currently doing. We are going to double down on our efforts to ensure that this brand also achieves double-digit growth.

Manish Gupta – Managing Director: I would like to add something. We do have clear plans for Indocap. Coincidentally, it has not degrown; it has grown more slowly than the market. It is at 4.5%—

Amrut Medhekar – Chief Operating Officer: 1% below the market, sir.

Manish Gupta – Managing Director: Yes, but regarding Equirex, it will be somewhat market-determined growth purely on account of NRX.

Urmish Shah – Moneywise: When you say that the first phase of innovation will deliver results in November, can we expect these figures to improve at least in the next financial year?

Amrut Medhekar – Chief Operating Officer: Yes, of course. All efforts are being made to achieve that, and I am very confident that we will see at least partial results in Q3 itself, even though we may have only 45 days of the quarter available for execution.

Urmish Shah – Moneywise: Right. One question on the product mix. Since we have had two acquisitions, Equitas and Group Pharma, going 2 years and 3 years down the line, and with our vision of 500 crores, what product mix do you envisage in terms of contribution to the top line?

Amrut Medhekar – Chief Operating Officer: Currently, we continue to operate in similar therapy areas. The one area that was clearly missing from Jagsonpal was hospitals and the critical-care portfolio, which has now been added. With that, 2 more major specialties, so to speak, have been

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added. One is critical-care specialists themselves, and the second is infectious-disease specialists in the hospital segment. These 2 areas have been added. Otherwise, we remain focused on our key therapies, primarily gynecology. Purely from a contribution perspective, this is the largest contributor to the—

Management: —followed by orthopedics, and then followed by dermatology.

Urmish Shah – Moneywise: Okay, okay. Thank you, sir. Thank you.

Management: Thank you.

Operator: Thank you. To ask a question, ladies and gentlemen, you may press star and one. Our next question comes from the line of Gulam Soni, an individual investor. Please go ahead.

Gulam Soni – Individual Investor: Hi, sir. Thank you for the opportunity. Can you hear me?

Management: Yes, sir.

Gulam Soni – Individual Investor: My question is that we had 287 crores of revenue in FY26. Now we are aspiring for 500 crores in FY28. Going beyond FY28, are we expecting to double PAT from the FY26 level in FY29?

Management: Can you repeat the question?

Gulam Soni – Individual Investor: We had 287 crores of revenue, and now we are aspiring for 500 crores of revenue in FY28, right? Going beyond FY28, with some operating leverage, increased MR strength, and the operational excellence that we have demonstrated over the last 2 years, are we expecting to double PAT from the FY26 base?

Management: Double the sales?

Gulam Soni – Individual Investor: PAT. PAT.

Management: I think that, given the guidance we have provided on both the sales front and the EBITDA margin front, it is very easy to decipher where the numbers will come from. Our model is the same, asset-light and so on, so depreciation is never a leakage in our scenario, except for tax. It is very easy to arrive at those numbers, and I do not want to tell you whether it is feasible or not. You do the math, and you will arrive at the outcome.

Gulam Soni – Individual Investor: Okay, okay. Thank you, sir. My other question was that we have very good managerial bandwidth in terms of Amrut and Manish. Beyond 500 crores, what brands or what kind of therapy areas in chronic or sub-chronic segments are we targeting to develop into major brands like the legacy ones from JPL?

Management: As I mentioned, sir, for this 500-crore vision, we are currently clearly focused on the 4 therapy areas I mentioned: gynecology, orthopedics, dermatology, and, obviously, critical care, which has been newly added. Beyond that, we are exploring opportunities because eventually we want to build an organization focused on the sub-chronic and chronic segments. We want to reduce our dependence on acute therapy, because those businesses are more cyclical in nature

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and do not bring sustainable and predictable numbers for us. Chronic and sub-chronic segments will be our focus areas, and therefore we will certainly evaluate any opportunity that comes our way in the chronic segment. However, as mentioned earlier, the valuations we are currently seeing for those kinds of targets are certainly not what we would like to pay at present.

Gulam Soni – Individual Investor: Okay, okay. Thank you, sir.

Management: Thank you.

Operator: Thank you. Ladies and gentlemen, we will now take one last question, which will be from the line of Vansh Gupta with Prescient Capital. Please go ahead.

Vansh Gupta – Prescient Capital: Hi. Thank you for the opportunity. Am I audible?

Management: Yes. Please go ahead.

Vansh Gupta – Prescient Capital: Thank you, sir. Last quarter, we spoke about brand premiumization in our portfolio, which, I believe, management said would lead to higher gross margins. However, if I look at our gross margin on the standalone business, it has hovered around 64% to 65% for the last 8 or 9 quarters. Could you shed some light on what a sustainable gross margin could be for us going forward?

Management: Your voice is a little inaudible, sir. If you could keep the microphone a little farther away and speak a little more slowly, we will try to—

Vansh Gupta – Prescient Capital: Am I audible now?

Management: You are audible, sir. Just speak a little more slowly so we can understand you.

Vansh Gupta – Prescient Capital: Sure, sir. Last quarter, we spoke about brand premiumization leading to higher gross margins for our business. However, if I look at the gross margins on the standalone business, they have hovered in the range of 64% to 65% over the last 8 or 9 quarters. Can you please share what a sustainable gross margin could be for us going forward, given that we have also acquired {? Equitas Pharma ?}, which is a 78% to 80% gross-margin business? Could you shed some light on what a sustainable margin could be going forward?

Management: Let me answer this. You will notice that we are presenting 2 sets of numbers: standalone and consolidated. I think our standalone margins, because that is fundamentally a branded business for us, will continue to improve. We are currently close to 65%, and this number should improve year-on-year by 50 to 75 bps based on product mix, price increases, and other factors. Margins in the Equitas business are much lower, given the nature of the business. Since it is a critical-care and hospital business, among other factors, it is a price-driven business. It will follow its own margin trajectory and will certainly improve from where we are initiating the business, but that journey will be far slower, and it will nowhere match JPL's gross margins at any point in time.

Vansh Gupta – Prescient Capital: Got it, sir. And so—

Management: The blended margin will, of course, be what is presented in the consolidated numbers.

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Vansh Gupta – Prescient Capital: Got it. Directionally, can we expect an improvement in our gross margin going forward, or should it remain in the same range as it is right now on a consolidated basis?

Management: On a consolidated basis, we should be closer to where we are in Q2.

Vansh Gupta – Prescient Capital: Okay. Got it.

Management: Yes, because that was the first quarter of consolidation of Equitas.

Vansh Gupta – Prescient Capital: Got it, sir. When we talk about brand premiumization, are we essentially referring to new brands that we intend to launch? Are we expecting the bulk of our growth for the rest of the year to come from newer products that we are launching, or are we expecting some existing brands to perform well for us?

Management: Obviously, the business is based on the existing brands. New brands will take their own time because these are based more on trust and credibility, which take time to build. Sometimes it takes multiple quarters, and sometimes it takes multiple years, to build a highly scaled brand. Even though the trajectory looks like very high percentage growth for new brands because the scale is very small, in terms of real growth and absolute value growth, it will be driven by the existing brands.

Vansh Gupta – Prescient Capital: Thank you, sir. When we are confident about the improvement in our EBITDA and top line in Q3 and, I believe, Q4 as well, we are expecting the bulk of our growth to come from existing brands. If that is the case, could you please share which brands you are bullish on for the remainder of the year?

Management: Currently, the top 10 brands that I mentioned in my opening statement will contribute the majority of the delta.

Vansh Gupta – Prescient Capital: There is no specific brand that you believe will help carry the majority of the growth?

Management: Unlike many pharma businesses, we are not a 2-brand or 1-brand-driven organization. Our brands are of reasonable size across businesses and specialties, and therefore that blend and mix will continue. However, we intend to make the majority of these brands leaders in their respective therapy areas. Equally, we are pushing each of those therapy areas to build up for us. I cannot pinpoint that 1 or 2 brands will constitute the majority of growth, but I am very sure that these 10 brands, which currently constitute roughly 60% of the business, will largely contribute to growth. New products will, of course, only accelerate from here. Currently, they represent 2.3% to 2.5% of our overall growth contribution. The contribution from new brands will only increase from here.

Vansh Gupta – Prescient Capital: Got it, sir. There is one nuance on which I wanted clarity. I believe that last quarter as well, we discussed the Pharmarack data, with IPM growing at about 19%. This quarter also, IPM has grown faster than our revenue. Given that Pharmarack data is essentially secondary sales, that should translate into revenue growth for us as well. If there is any lead-lag relationship between the Pharmarack data and our top line, can you give us the expected timeline

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for when we can expect that to be reflected in our revenue?

Management: I cannot comment on these external audits and market research regarding the extent of the lead or lag, but suffice it to say that we are seeing a merging of the two data points, hopefully within a couple of quarters. Currently, the external data is obviously running a little faster than what we have primarily reflected. Secondary sales are growing in line.

Vansh Gupta – Prescient Capital: Right. But is it fair to assume—

Management: They have been reflecting anywhere between 12% and 16.8%. The 16.8% is the highest figure they have shown in any given month in the last 6 months.

Vansh Gupta – Prescient Capital: Right, but I mean last quarter—

Management: I also want to differentiate that the largest proportion comes from prescription-branded products for us, and that growth is in excess of double digits. It is more than 10%, for sure, internally as well. However, it is not growing at the rate of 16.8% reflected in the data. This 16.8% is secondary-market stockist data. Hopefully, it will be translated very soon.

Vansh Gupta – Prescient Capital: Right. So, again—

Management: You also have to bear in mind that the IPM data these agencies provide is based on sampling. Therefore, you will always see a mismatch. Our internal numbers are real. That is what I would say. I do not want to be either carried away or defensive about what the IPM reflects, because that is their data. Our data is our data, and we can stand behind it. We are confident of faster growth, but we are not yet anywhere near the IPM-reflected growth.

Management: We want to get closer to that destination. [laughs]

Vansh Gupta – Prescient Capital: Got it, sir. That makes sense. Just one last question from my end. Given that it has been about a quarter since we acquired the Equitas portfolio, are we facing any challenges in ramping up the portfolio?

Management: Not at all. It has rolled out exactly as we had envisaged. You have to bear in mind that the hospital business is a rate-driven, contract-driven business. Contracts are typically taken for a year. You would also notice that there have been price pressures in the last 12 months, especially on the API front. These are critical-care products, and you cannot do much about that. Nothing has been a surprise. The corrective actions we have taken will start reflecting in the financials only from Q4 onwards, because we have done a great deal of work on the supply chain, better procurement, more efficient procurement, and other areas. All these benefits will only start accruing from Q4.

Management: I am sure you will appreciate that this had to move into integration within 90 days. The team has worked very hard internally to ensure that the integration is smooth and that the business is welcomed into the family. These activities have been very well planned and executed on the ground.

Vansh Gupta – Prescient Capital: Understood, sir. Would it be fair to assume that we are still maintaining our guidance of 100-crore top line by FY28 for the Equitas portfolio?

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Management: 100%. Nothing changes for us.

Vansh Gupta – Prescient Capital: Got it, sir. That is all from my end. Thank you so much for the responses.

Management: Thank you, sir.

Management: Thank you.

Operator: Thank you. I would now like to hand the conference over to the management for closing comments. Over to you, sirs.

Management: Thank you, participants, for all your questions and engagement. Should you have any further queries, please reach out to our IR team at Go India Advisors. We remain committed to transparent communication and creating long-term value for all our stakeholders. Thank you once again, and wish you a good evening. Thank you.

Management: Thank you.

Operator: Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.

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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