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18th November, 2026

Corporate Relationship Department
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Mumbai 400 001

Scrip Code: **524816**

Manager – Listing
M/s. National Stock Exchange of India Ltd
Mumbai 400 051

Scrip Code: **NATCOPHARM**

Dear Sir/Madam,

Sub:- Transcript of earnings conference call held on 13th November, 2026
Ref:- Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

We are enclosing herewith the copy of transcript of the Company's earnings conference call for Q2 FY26-27 held on 13th November, 2026. The transcript is also available on the website of the Company at https://www.natcopharma.co.in/investor-relations/financials-filings.

This is for your information and records

Thanking you

Yours faithfully

For NATCO Pharma Limited

VENKAT RAMESH CHEKURI
Digitally signed by VENKAT RAMESH CHEKURI
Date: 2026.11.18 21:53:54 +05'30'

Ch. Venkat Ramesh
Company Secretary &
Compliance Officer

NATCO Pharma Limited - Earnings Call – Q2FY27
November 13, 2026

- **Moderator:**

- Ladies and gentlemen, good day and welcome to NATCO Pharma Limited's Earnings Conference Call for the 2nd Quarter FY27. We have with us on the call Mr. Rajeev Nannapaneni - Vice Chairman and CEO, Mr. Amit Parekh - Chief Financial Officer, Mr. Rajesh Chebiyam - Executive Vice President, Crop Health Sciences and Mr. Rajeev Menon, Lead Investor Relations.

- Please note that all Analysts' lines will be in listen-only mode, and there will be an opportunity for you to ask questions after management's opening remarks. Should you need any assistance during the conference call, please raise your hand from the Analyst tab on the screen. While asking questions, please identify yourself and your company. Please note that this conference is being recorded.

- I now hand over the call to Mr. Rajeev Menon. Thank you, and over to you, sir.

- **Mr. Rajeev Menon - Lead Investor Relations, NATCO Pharma Limited:**

- Thank you, Vandit. Good evening and welcome everyone to NATCO's Conference Call discussing our earnings result for the 2nd Quarter of FY27. I am Rajeev Menon, Lead Investor Relations at NATCO. We hope you have received the earnings presentation and press release that was sent out earlier. Let me draw your attention to the fact that on this call we may be making certain forward-looking statements which are not necessarily historical facts. And anything said on this call which reflects our outlook for the future must be reviewed in conjunction with the risk that the company faces. We undertake no obligations to update these forward-looking statements. I would like to state that the material of the call except for Analyst questions is a property of NATCO and cannot be recorded or rebroadcasted without NATCO's express written permission. We will begin with the financial highlights and then follow with an interactive Q&A session. With that, I request our CFO, Amit Parekh to discuss the financial highlights. Over to you, sir.

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**
- Thank you, Menon. Greetings to everyone and thank you once again for joining us in today's Earnings Call.

- The company recorded consolidated total revenues of ₹1,019.4 crores in Q2FY27 compared to ₹794 crores in Q1 of FY27 and ₹1,463 crores in the corresponding quarter of the previous year. The quarter-on-quarter increase was primarily driven by the strong performance of our international formulation business. The Y-o-Y decline was largely attributable to lower lenalidomide revenue during the quarter, which was partially offset by the growth in the base business which also includes our subsidiaries. EBITDA including other income for the quarter stood at ₹310 crores, with EBITDA margin of 30.4%. Consolidated profit after tax stood at ₹202.6 crores compared to ₹206.5 crores in Q1 FY27.

- With regards to our associate company Adcock Ingram Holding Limited, South Africa, the revenue for the quarter stood at ₹1,344 crores and profit after tax at ₹80.5 crores. In July 2026, we acquired additional 13.25% stake in Adcock Ingram Holding Limited, taking our total holdings to 49%. This further strengthens our strategic position in South African market and enhances our participation in the performance of Adcock Ingram. NATCO's share of profit based on 49% holding as on 30th of September 2026 was ₹29.2 crores after adjustment relating to purchase price allocation. Our domestic formulation business revenue stood at ₹145 crores. We also saw strong growth in our Brazil business. Revenue from Brazil stood at ₹121 crores, representing the growth of 66%.

- Thank you all. With this, we will take question and answer. Over to you.

- **Moderator:**

- Thank you, sir. We will now open the call for Q&A session. We will wait for few minutes until the queue assembles. We request Analysts to respond to 2 questions and then return to the queue for more questions. Requesting to please introduce yourself and your company before asking the question. Please raise your hand from the Analyst tab on the screen to ask the question. We will wait for couple of minutes for Analysts to raise their hands and ask the question.

- The first question is from Shekhar Jain.

- **Mr. Shekhar Jain - Individual Investor:**

- Yeah, I am an individual investor. So, I had two questions.

- In March, when we announced that we have first-to-file status for Pomalidomide, I was hoping for a bit of a bump. So, what happened with the Pomalidomide first-to-file status?

- And the second question is, what do we plan to do with the rights issue proceeds? Any colour on that will be very helpful.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- First question was on Pomalidomide. We did get the first-to-file, Shekhar. But it is a shared first-to-file. I don't remember the exact number of generic competitors. I think about 5 to 6 generic competitors came in the first wave. Because there were 5 and 6 competitors, the price erosion was quite steep. So, even though we had 180 days, the earnings bump was not too substantial that could move the earnings. It is the way it is. That is the nature of business.

- The second question is on the rights. So, I think we have multiple end-use requirements. I think primarily it is to reduce the debt that we have raised for Adcock. We are also keeping some money for the possible acquisition. We are looking at various acquisitions. So, that is the end-use expectation.

- **Moderator:**

- The next question is from Bhuvanesh Bhoomi.

- **Mr. Bhuvanesh Bhoomi - Individual Investor:**

- My name is Bhuvanesh. I am an individual investor.

- So, I think as of now, Revlimid sales is exhausted. So, what is the next big shot drug in our pipeline?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Next big, I think we have a few launches that are coming up in the next few quarters. For one is definitely Carfilzomib launch is there. It is coming up in the next few quarters. And of which one strength we have first-to-file. 60 mg is shared first-to-file and then we have Trabectedin coming up, which is a smaller product. But we are one among the two first-to-file. Then we have, these are 2 major ones in the US and then we are expecting launch of Olaparib also in the next few quarters in Brazil and Canada. So, these are the major launches coming up in the coming few quarters subject to launch and legal challenge.

- **Mr. Bhuvanesh Bhoomi - Individual Investor:**

- And sir, what's the plan about spinning of our Agri-fertilizer business going forward?

- **Mr. Rajesh Chebiyam - Executive Vice President Crop Health Sciences, NATCO Pharma Limited:**

- See, as you are aware, we did a rights issue, which basically what it does also the capital structure is now changed a bit. Because of that, we have to resubmit the file to SEBI. So, it pushes out by 4 to 6 months from the original plan. So, we're looking at maybe by mid-year, calendar year next year is when we hope to get the demerger done.

- **Mr. Bhuvanesh Bhoomi - Individual Investor:**

- Yeah. Thank you, sir.

- **Moderator:**

- Thank you. The next question is from Ramakrishnan.

- What are the plans regarding the QIP?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- We have done the rights issue. So, we've not done QIP. So, we already completed our rights issue. And essentially, we used that funds to reduce some debt that we had, and we kept some money for some working capital payments and for a possible acquisition that we're looking at.

- **Mr. Ramakrishnan - Analyst:**

- But the QIP makes the, I mean, equity diluted, no?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- It's already done; Rights is already done. So, I think this was done last month. So, it was already completed. There's a dilution. Yes, there was a dilution, but we gave opportunity for all the shareholders to participate. There was a dilution of 10%.

- **Mr. Ramakrishnan - Analyst:**

- Sorry. Does QIP bring more dilution?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- It is already done. The dilution is done. We have done it at 10% dilution overall.

- **Mr. Ramakrishnan - Analyst:**

- My next question is, I mean, this is related to the stock performance. What is happening is P/E is still quite low as compared to the equal or maybe less market capitalization companies in this segment. What steps you're taking? I mean, general observation is communication, broad market communication is still not up to the mark. Are you making any steps like appointing a separate person exclusively for corporate communication so that positive things will be communicated to the market, so that the market takes in the right spirit? But what is happening is, I have been observing last, I mean, if you look at 5, 6 years, returns are practically nil or negative. So, the important factor for any company to grow is to take care of the investor's interest also. That is the only way when you want to increase the capital, when you want to go for further expansion or acquisition, the only possibility is, I mean, proper value to the shares, then the dilution will be low. So, what steps you are taking, I think you need to apply mind more seriously on this subject as you have been doing on the products.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Mr. Ramakrishna, I'd like to differ with you on this. I think if you look at our model, it's a high-risk, high-return model. So, if you look at our earnings in the last 5 years, I think we had probably the best earnings in the industry. If you look at, we are in the top 10 earnings in the company and among the Pharma listed space. But there is a lumpiness in our earnings, and I think which has been always communicated to our shareholders.

- So, there's a certain level of lumpiness that is there. I think what we try to do with our investors and when we engage, we have a dedicated IR team that we engage and we mention what upsides we're looking at and what are we chasing. And we have done that in a regular fashion. And if you look at whatever is there in first-to-files or our investments in eGenesis, for example, which has done the first kidney transplant in human being from a pig. So, these are all very exciting, high-risk ideas. And there's an amount of lumpiness.

- And regarding P/E ratios, this is what my personal opinion is because you asked me this. I think the market appreciates more steady earnings, which are low risk, and they give a higher multiple for that. And I think our market is unwilling to appreciate high-risk, high-return sort of ideas. And I think our job is only to communicate what we're doing. So, I don't look at stock price, we look at the logic of the company. We look at our earnings in the last 4 or 5 years. I think the part of our earnings has been substantially larger than a company which has a higher P/E. I think just look at the math. I think we have done well. And this is the nature of our business. I think our job is only to tell you what we do. And I think I don't control stock prices. So, I think our strategy is this way and this is how we run our business.

- **Mr. Ramakrishnan - Analyst:**

- See, but ultimately, the return on investment is also equally important.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Yeah. See, return is also important, governance is important, strategy is important. I think all these communications are done in a fair manner. And in the end, I think you just have to, it is risk. Appetite is based on the investor's perception. So, I think that I can't control. Okay. That's the best I can do. Thank you.

- **Moderator:**

- Thank you. The next question is from Rashmi Shetty.

- **Ms. Rashmi Shetty - Analyst:**

- Congratulations on a good set of numbers, sir.

- Sir, just wanted to reconfirm that whatever guidance you gave in the last quarter that, you know, FY27 revenue should be in the range of ₹34 to ₹35 billion, and PAT should be nearly ₹700 to ₹750 crores. Do you still hold that? And you feel because in the first half, we have done around ₹400 crores of PAT.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I think we can do better, Rashmi. I think where things are going right now, I think we'll probably be a little less than ₹800 crores of PAT. I think we'd like to bump it up a little bit. I think it will be between ₹775 to ₹800 crores is what I feel. Q3 also looks good. I think Q4 is a little weak, but at least from what I can see. But for the year, I think we should do, I think a little less than ₹800 crore. So, I think we'll probably do better than what you start the year.

- **Ms. Rashmi Shetty - Analyst:**

- And this will be largely driven by which of the segments, if you can talk on domestic business, even Brazil, earlier you mentioned that you will be able to achieve sales of $55 to $60 million this year. But I think in this quarter itself we have done so. How much, if you can give some break up, in first half, what we have done in the subsidiary, that is Brazil, Canada, rest of the world, US, and then how should we look at it for the full year?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- So, I think, see, in terms of Brazil and all, for the half year, I think we've done nearly ₹300 crores of revenue in Brazil. We don't do a geographical split for Brazil. I think we're doing it because we have our own sub. In terms of like the earnings itself has not come concentrated manner, like the way it used to come in previous financial years. I think it is fairly diversified. I think a good portion has come from South Africa, a good portion has come from Brazil, a good portion has come from a base US business. And this has come even without Lenalidomide being in the numbers.

- So, I think that way it's more well diversified earnings. I think, in the past, the challenge has been that the earnings have been so concentrated by Lenalidomide, anything else that used to do well also would tail in comparison to Lenalidomide. I think that change you could see in our earnings now. I think it's relatively more diverse.

- **Ms. Rashmi Shetty - Analyst:**
- So, sir, in your base US business, you have seen a better traction in the volumes, as well as pricing, or you're seeing a better pricing and that is driving the entire growth?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- US is a tough bet. I think US is the most important market in our generics business. And you cannot ignore it. But at the same time, you also need to see that sometimes you could be in a product and you can make a lot of money. And sometimes when there are more competitors, there is obviously no margin. But you have to run the basket game and you just have to be patient, and there’re always opportunities that come. But US, still, in my personal view, is always a good business if you have limited competition. It's not a great business when you have a lot of competitors. And that's been the case. And you just have to be patient in that business. But overall, I think relatively the rest of the world is a more stable business compared to US, but you can't ignore US. I think that's how it goes.

- **Ms. Rashmi Shetty - Analyst:**

- Understood. And just last question on the operating margin front. This is the kind of margin which is sustainable, right, whatever we have done in first quarter and in second quarter?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I think so, Rashmi. I think where things are going, I think, yeah, this is a sustainable base. Yes, absolutely.

- **Ms. Rashmi Shetty - Analyst:**

- Okay. Okay. Thank you, sir. That's it from my side.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- That's it. Thank you so much.

- **Moderator:**

- Thank you. The next question is from Rahul Chaudhary.

- **Mr. Rahul Chaudhary - Analyst:**

- I was looking at the cash flow. There is a dividend from associates ₹78 crores. Has that come from Adcock?

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- Yeah, you're right.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- It's come from Adcock.

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- Yes.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- You go on with your next question, Rahul, or we will go to the next call. Okay, we'll go to the next call. Thank you.

- **Moderator:**

- Thank you. The next question is from Abdul Kedar.

- **Mr. Abdulkader - Analyst:**

- Yeah, hi. Thank you for the opportunity.

- So, my first question is with regards to your quarterly run rate in India. I know that has been growing quite well. So, I wanted to understand whether it is entirely driven by Semaglutide and in terms of this Onco price cut, how do we see that getting impacted our India growth ahead?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- The Onco price cut itself is not impacting our sales too much, because a lot of the distributor margin has been shrunk. So, it's not affecting the company. So, I don't see much impact. There could be a small marginal impact, but it will be more than made up by the volume increase. And the first question you had was what? I just forgot. What was it?

- **Mr. Abdulkader - Analyst:**

- Yeah. On the run rate front, is it mainly driven by Semaglutide?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Run rate, I mean, we had some stocking quantity of Semaglutide to our partners. That's the reason why it's a little bit higher. Domestic is like, I would say about Rs 130 to Rs 135 Crore would probably be the domestic base, is what probably we're running at.

- This particular quarter was Rs 145 Crore, but I think there's a little bit of stocking of Semaglutide, which it's not going to be repeatable. So, I think Rs 130-135 Crore is the base domestic now. I think that's the sense, based on the present portfolio.

- **Mr. Abdulkader - Analyst:**

- Okay. Sure.

- And sir, second question I had with regards to your R&D spend. So, this quarter, if I see your other expenses has gone up. So, safe to assume it would be mainly because of R&D. And if you could quantify that amount for this quarter, versus what you were doing last year for FY26, would be helpful?

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- So, Abdul, largely, the reasons are primarily R&D spend itself. But there are a couple of other spends as well, like annual FDA facility fees and programme fees are also there. And there are some legal expenses etc. But large portion of the increase is R&D. That's how I'd put it.

- **Mr. Abdulkader - Analyst:**

- Okay.

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- You know, R&D is very unpredictable. Quarter on quarter, it depends on the milestone, what we achieve in the programme and etc. So, compared to last quarter, this quarter, the R&D spend has been substantially high.

- **Mr. Abdulkader - Analyst:**

- Yeah. So, what I was trying to understand, basically, is that from a full year perspective, are we seeing that trend increasing in terms of the run rate what we were at last year, and in terms of, say, some additional products entering into the pipeline or into development, that is fueling this increase?

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- So, I think the run rate. So, overall R&D spend, the way we look at it, and most of the pharma looks at it as a percentage of the sales. Last year, obviously, our R&D spend was more than ₹400 crore. This year, overall, it would be 8 to 10% of our top line. So, we may end up around ₹300 to ₹350 crore, depending on how the programme runs. So, yes, there will be, like Quarter 1 was a little lower spend. Quarter 2 is high. Even I think I'm expecting Quarter 3 to be a little higher in R&D, but other spend will be moderate. And Quarter 4 would be okay. So, this is how I look at it. So, I hope I've answered your question.

- **Mr. Abdulkader - Analyst:**

- Yes sir, that helps. And sir, I had a couple of more, if I may.

- Just one on your profit share from Adcock. So, if we look at the annualized run rate versus this particular quarter, the run rate looks a little lower. So, I went through the press release, it talks about certain provisions. So, if you could quantify and help us understand what can be the steady state run rate?

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- Right, sure. So, there are two reasons for lower number in the quarter.

- One is Quarter 1 profits from Adcock was very high. And that is a seasonal effect. There was a flu season in South Africa, because of which Quarter 1 is the highest quarter for the South Africa companies. And that's the reason the major portion came in from there.

- This quarter, obviously, we had the additional acquisition of 13.25% and we had to do purchase price location. There's a one-off amortization because of that allocation, which is around ₹6.5 crores.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- And plus, there was also a bit of VRS in one of the facilities. So, that also there's a one-time charge. The way you want to think of it is, it's probably a 12 million per PAT kind of set up. I think 12 to 14 million, depending on the seasonality of the quarters. But I think what 12 million seems about right.

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- And we get 49% of it.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- And we get a 49% of it and a little bit of amortization. So, 4-5 crores amortization probably.

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- Yeah. It will be.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- So, you should, if EBITDA is about 12 million, I would say 6 million pickup, out of that 6 million, maybe 4-5 crore amortization. So, ₹55 to 60 crores sort of consolidation should look in our PAT.

- **Mr. Abdulkader - Analyst:**

- Understood. Very helpful. Sir, last one, if I may.

- This is with regards to your investment in eGenesis. So, I believe there is some additional investment being done. So, what is our stake currently? And in terms of, if you look at the trial data, after the Phase III trial, how do we plan to commercialize this opportunity, whether it would be kind of an out-licensing deal, which can happen or you may look for a partner to kind of take that ahead?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Regarding stake percentage, I'm not supposed to disclose. So, it's a substantial single digit stake. So, that's all I can say. And in terms of, little less than $25 million into the entity.

- And in terms of how do we expect to monetize, I think there are multiple ways.

- One is we're asking for a license for the India market. So, that discussions are ongoing. So, if we get a license, that would be one way of monetizing the asset.

- Second, obviously, is the company were to go IPO. So, that is another way of monetizing the asset.

- I think a lot of it will revolve around how the asset does in the clinical trial. I think we have one patient who's approaching almost one year now without dialysis. And if that readout looks good, and then we have more patients coming in, then I think we are sitting on a jackpot. So, let's see how things work. These things are, again, very high risk, high return. So, we just have to be patient how things go. But I think next 12 months, I think we'll have clarity on the data. But so far, so good. I think that's all, right.

- **Mr. Abdulkader - Analyst:**

- Got it, sir. Thank you.

- **Moderator:**

- Thank you. The next question is from Ruchi Sethia.

- **Ms. Ruchi Sethia - Analyst:**

- So, my question is around what is the volume share that NATCO is looking for the Semaglutide market?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- In the India market, how much share we have.

- **Ms. Ruchi Sethia - Analyst:**

- Yeah.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Volume?

- **Ms. Ruchi Sethia - Analyst:**

- Yeah, India Semaglutide market.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I think pen has not done so great. The vial has done better. I think if in terms of volume; I'm just making an estimate. I mean, it's an educated guess, right?

- **Ms. Ruchi Sethia - Analyst:**

- Yeah.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I would say we have probably about 5% to 6% share in terms of volume. In value, maybe we only have like 3% share. So, I think that's my estimation. But I think, again, I'm going by approximate estimates.

- **Ms. Ruchi Sethia - Analyst:**

- Yeah. And can you give a percentage split between the vials and the pens?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I'm sorry. Just say that again.

- **Ms. Ruchi Sethia - Analyst:**

- Can you give a percentage split between the vials and the pens?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Percentage split, I can't recollect. I think the brand does like ₹1.5 to ₹2 crores a month, depending on the month. I would say, ₹40 - ₹50 lakhs comes from the pen and I think about ₹1.2 to ₹1.5 crores comes from the vial. So, vial is obviously much cheaper. So, I think obviously the more volume we get from that.

- **Ms. Ruchi Sethia - Analyst:**

- Okay. And given the number of generic entrants that we've had, what is the percentage of patient months that we've seen a change in realization per patient?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- It's been bad. I think it's not been great, honestly. I think everybody's trying to get market share. So, the pricing has been really bad. I think everybody's hoping that you just stick in there and then hope get that 5-6% share and just hope that the wave gets better over a period of time in the next 2-3 years. And then, as the market size of Semaglutide increases, you keep your market share and then as the size increases, you benefit from it. I think that is the hypothesis all of us are working on. I think I'm no different. So, I think we made a dent. I think we're there. But is it profitable? No. And do I see any profits coming in the near future? No. In the long run, maybe. I think it should do well as the size of Sema increases. Yeah.

- **Ms. Ruchi Sethia - Analyst:**

- Okay, got it. Thanks.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Thanks.

- **Moderator:**

- Thank you. We will wait for a few minutes until the queue assembles. Raise your hand from the 'Participant' tab on the screen to ask the question. Next question is from Gagan Thareja.

- **Mr. Gagan Thareja - Analyst:**

- So, the first question is on your working capital and tax rate. I think it would help if you could give the working capital in days sales and enumerate the inventory debtors and payables? And what could be the sustainable tax rate going ahead?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Amit can take that question. First question was on the tax rate. And second is…What did you…Gagan, your voice was very soft, so we couldn't pick up what you said. Tax rate, we understood. And then can you ask. You want debtors, you said?

- **Mr. Gagan Thareja - Analyst:**

- Yeah, I want the working capital. I believe working capital has increased year-on-year in days sales, so can you give the number in days sales for working capital?

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- Right, I will take that. So, I think our tax rate for the quarter is around 27% in India. Overall, on consol level, it is around 29%. And this variation comes because of the subsidiary profitability mix. We expect at overall level, on a full year basis, our standalone tax rate would be around 27%-27.2%, and at consol level, it may be ranging between 29%-30%.

- Coming to the working capital, yes, I think it is a mix of, if we just look at from our India business perspective, I think the DSO would be between 90-120 days. And that is the range we expect to continue.

- **Mr. Gagan Thareja - Analyst:**

- Yeah. Sir, I have one more question, and I think you gave some commentary on Canada, but can you also…Sorry, you gave some commentary on Brazil, can you also give some flavor of how Canada and the other ROW markets have done for you in the first half of this year? And how do you expect the other geographies in ROW to pan out for the balance of the year?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I think ROW business, especially the MENA region, has done well. And Canada has been stable. It has not increased, but we have some big launches coming up in '2027. So, we expect '2027 will be a blowout year in Canada. And Brazil also continues to do well. And I think we had almost 80% growth in Brazil-based business this year. We expect that it will continue to do well next year.

- So, I think Brazil, Middle East, and Canada will drive our Rest of the World business. And, of course, the U.S. exclusivities are also there, so that will also help us. Thank you.

- **Moderator:**

- Thank you. The next question is from Shekhar Jain.

- **Mr. Shekhar Jain – Analyst**:

- Thank you for the opportunity again. You gave some commentary on the semaglutide market in India, which was very helpful. Can you comment on the semaglutide market in the Rest of the World? And if you are looking to expand to rest of the world? That is one question.

- And the second question is about our upcoming launch on carfilzomib. I am a bit confused because different companies seem to have sole exclusivity status for different strengths. So, why does that happen?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- So, let us start with carfilzomib. There are 3 strengths in carfilzomib. So, majority sale is the 60 mg. There is 60 mg, there is 30 mg, and there is 10 mg. So, 60 mg has, I think, I do not remember exactly, about 6 filers, I think, or multiple filers. I cannot remember the exact number of filers, but there are multiple filers. So, even though we have 180 days, it has multiple filers, the value of it will not be that exciting. On the lower strengths, one strength, we have sole FTF. So, that is the one that we intend we will do well. The other strength we do not have exclusivity, so launch will be later after the first wave of launch. So, that is how it is.

- **Mr. Shekhar Jain – Analyst**:

- Yeah. So, my conclusion is, why does not a company apply for FTF in all the strengths when it does the application?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Basically, what happened was, 60 mg was the first product that was launched. So, everybody applied on NCE-1 date when that product was filed. But 30mg and 10mg got approved much later. So, because it got approved much later, anybody could have filed. There is no date limiting, whoever files first will get it.

- **Mr. Shekhar Jain – Analyst**:

- Okay.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- So, then it was a race, so the single winner. NCE-1, what happens is, if everybody files on day one, then everybody gets it. That is why 30mg and 10mg was later. Because it was later, that is the reason why there is no multiple FTFs on 30mg and 10mg.

- **Mr. Shekhar Jain – Analyst**:

- Okay, thanks. Any comments on the global semaglutide market? Is it as competitive?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Like the way our contract is written, we are not focusing on ROW. I think our focus is primarily on U.S. and the regulated market. Yeah, U.S. filing, we are answering the queries, so we can't give any insight about our approval. But, I think, at this time, we

continue to pursue our regulatory queries. So, I have no insight to give at this time, at present.

- **Mr. Shekhar Jain – Analyst**:

- Okay. Thank you, that's helpful.

- **Moderator:**

- Thank you. The next question is from Kunal Randeria.

- **Mr. Kunal Randeria - Analyst:**

- Yeah, hi. Good afternoon, Rajeev. Rajeev, you said your domestic base business is around ₹135 crores a quarter, right. Till last year, I understand it was around ₹100-₹110 crores a quarter. So, is this a sustainable number? And what has driven this?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Kunal, we have done well. I think one is semaglutide has helped; getting ₹6-₹7 crore in semaglutide. And Risdiplam has done well, so that is also helping us. Overall, our base business has done much better. So, I think we have seen a good 20% bump in our domestics. And even if you remove the one-offs of semaglutide stocking quantity, I think as a whole our domestic business has improved dramatically. So, yes, we are seeing the value of that, we are seeing the value of the business.

- **Mr. Kunal Randeria - Analyst:**

- That is good to hear. And what do you think of sustainable growth rate going forward?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I think the internal target is based on what we have planned. We feel we can compound another 15%-20% next year also.

- **Mr. Kunal Randeria - Analyst:**

- Oh, wow! That's good to hear. Secondly, Rajeev, apologies if you've answered this, there was almost a ₹200 crore increase in international generics business. Is there an element of tender or one-off or anything in this?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Yeah, there's an element of…Yeah, the base is around ₹800 crores, Kunal. And that was a one-time sale, yes.

- **Mr. Kunal Randeria - Analyst:**

- No, sorry, you did ₹660 crores, right? ₹660 crores in the quarter, right?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- No, I am saying consol numbers. Consol numbers are about ₹1,000 crores. So, what I am saying is that base is around ₹800-₹850 crores, and then we always get these one-times, so that is why it is up to ₹1,000 crores. Base is around ₹850-₹900 crores. I think that is what it is.

- **Mr. Kunal Randeria - Analyst:**

- Got it. Got it. And just one more question. Obviously you shared the Crop Health Sciences revenue contribution but in terms of EBITDA, the loss quantum, if you can? And, secondly, are we on track for the demerger by the end of this fiscal?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- EBITDA for the half year? Okay, Rajesh, you can answer that question.

- **Mr. Rajesh Chebiyam - Executive Vice President Crop Health Sciences, NATCO Pharma Limited:**

- Yeah. So, in fact, this quarter, just slight marginal profitability, okay. So, that's about it but we made, from a segmental perspective, about ₹10 lakh profit on that. So, that's what we have. So, compared to Q1, this is a positive quarter for us.

- But having said that, Kunal, again, there are multiple things. We are also battling few other credit-related provisions that we have taken. So, from a business perspective, I would say last year to this year about 15%-17% growth. But our aspirations were even much higher. And, as you know, there's the El Niño and effects related to that was quite horrendous. So, all in all, I'd say the quarter is positive. And looking ahead for the year itself, we are quite positive compared to the last year in terms of maybe around 15%-20% growth.

- **Mr. Kunal Randeria - Analyst:**

- Got it. And the spinoff, is it on track for this end year end?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Yeah, I think we mentioned this earlier on. Because we had the rights issue and then some recapitalizations happened, so we are going back to SEBI for the filing, and then there's an NCLT process. So, we are estimating midyear, Calendar Year 2027, for the demerger.

- **Mr. Kunal Randeria - Analyst:**

- Got it, got it. Thanks. Thank you, all the best.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Yeah, thank you.

- **Moderator:**

- Thank you. Anyone who wishes to ask the question, please raise your hand from the 'Participant' tab on the screen. The next question is from Rahul Chaudhary.

- **Mr. Rahul Chaudhary - Analyst:**

- Yeah. I just wanted to know something about our Para IV pipeline. I am sorry, I might have missed it earlier. With regarding to Ozempic, we have settled with the innovator, but have we got everything else from the regulator so that whenever we are…?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Yeah, we do not have an approval yet, Rahul. We are answering some queries from the FDA. Subject to us answering the queries and getting the clarity from the FDA, then we can speak about our exclusivity. But at this time, we do not have approval.

- **Mr. Rahul Chaudhary - Analyst:**

- And what about Imbruvica? It continues to be listed in our presentation but there also we have hit a hurdle, isn't it?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- No, no, it is done, Rahul. Settled.

- **Mr. Rahul Chaudhary - Analyst:**

- Okay.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- It is settled, and we got it approved in 30 months. So, yeah, the exclusivity, we believe the exclusivity is there, so no problem there. That is sorted. That is covered.

- **Mr. Rahul Chaudhary - Analyst:**

- Sir, I just also was looking at the cashflow statement of H2. So, there is a dividend received from an associate, so is that Adcock?

- **Mr. Rajesh Chebiyam - Executive Vice President Crop Health Sciences, NATCO Pharma Limited:**

- Yeah, you are right. It is from Adcock.

- **Mr. Rahul Chaudhary - Analyst:**

- ₹78-₹79 crores.

- **Mr. Rajesh Chebiyam - Executive Vice President Crop Health Sciences, NATCO Pharma Limited:**

- Adcock has been announcing dividend also, so we get that coming to us.

- **Mr. Rahul Chaudhary - Analyst:**

- Right, Sir. And, Sir, just broad based question. I mean, you have always told us that FY26-27 is going to be a very low-key year and the market is still, I think, valuing us as 19/20 Price/Earning. Anyway, leaving that aside, Sir, what is the outlook for FY27-28? Do we have any big launches coming up?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I think we mentioned that, Rahul. I think we mentioned that in the coming few quarters we expect 3 products - carfilzomib, trabectedin, then olaparib. So, these are the major launches. Based on how they do, I think that will drive the earnings.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Yeah, sure. Yeah.

- **Mr. Rahul Chaudhary - Analyst:**

- With regard to this South Africa company now that we have acquired, are we moving ahead with launching anything in the African market?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- We are working on it. So, we have actually filed multiple products. It has been about one year since we bought this company. So, we have made multiple filings. So, regulatory approval takes about 2 years, 2-3 years. So, I think we will see the value of our portfolio coming in the next 1.5-2 years. But now the regulatory approval process is ongoing, so we believe we will see the value in the next 2 years.

- **Mr. Rahul Chaudhary - Analyst:**

- Sir, any new Para IV thing that we have filed or we are waiting? I mean, how does that happen, Sir, because R&D is happening continuously?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- So, I think, Rahul, we are targeting some Para IVs, sole FTFs. We are targeting something. Hopefully, in the next few quarters, we get the position and we will declare. But as of now, I have nothing to specify.

- **Mr. Rahul Chaudhary - Analyst:**

- Okay. Thank you, Sir. That's all.

- **Moderator:**

- Thank you. The next question is from Digvijay Patil.

- **Mr. Digvijay Patil - Analyst:**

- Yeah, hi. Thanks for the opportunity. So, I just wanted a couple of strategic clarifications. First is, we have announced a dividend, so I just wanted to understand the rationale behind the dividend, given that we have just raised funds.

- And, second, that our debt is coming up in ₹100 crore tranches every quarter, I think, so do we plan to prepay it upfront or are we planning to prepay it every quarter as and when it comes due?

- And the third question is on the acquisition. So, what would be the Price-to-Earnings? Or some flavor of the value of acquisition that we plan to do given that we have just raised funds?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- So, let me answer your first question, the dividend question. We've been giving steady dividend, Digvijay. This is no different from what policy we've had in the past. I don't think we are really…Raising the funds is not anywhere linked with the dividend. That's the steady income that we give out to shareholders, and we continue to do that.

- And regarding acquisition and all, I mean, you're looking at different assets. Hopefully, we'll be able to close something. But we look for value for money. We don't have a target P/E that we can talk about, but we look for value for money and we are not in haste to do a transaction.

- And you had another question.

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- I'll take it

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Amit, go ahead.

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- So, in terms of the loan, yes, as of September 30, we did have loan. But once we raised the funds, we have repaid the entire loan. So, as on today, we don't have any loans right now.

- **Mr. Digvijay Patil - Analyst:**

- Sure, thank you. Sir, the PAT guidance that you have given, that would include the interest saving and the demerger, which would be probably PAT dilutive right now, like a loss at the PAT level, right?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Demerger is not going to happen this financial year. The loss of the Agro-chemical business will be in the earnings. So, we expect that the Agro business will lose about ₹20 crore at EBITDA level. So, that is already embedded in the earnings. So, when we give a PAT guidance, the loss of the Agro is part of the PAT guidance. And the interest income is also included of the money that we've discussed.

- **Mr. Digvijay Patil - Analyst:**

- Sure. Thank you.

- **Mr. Gagan Thareja - Analyst:**

- Hello? Yeah. Sir, thanks for the follow-up. I just wanted to get some idea from you regarding your ROW outlook for the next year. This year will be a strong one, clearly. How do you foresee FY28 for ROW? Also based on the launch pipeline in U.S., what sort of growth can we envisage in U.S. for next year?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I think, overall, we believe that our business should grow. I don't want to give a guidance for March'28 yet. I think I want to wait till the end of the year. But we expect to grow around 10%-15%. I think that's our expectation. But I think more precise guidance will give closer to the end of the financial year. And it'll be driven by our ROW and our U.S. business. But we'll give you more clarity, I think, closer to the time.

- **Mr. Gagan Thareja - Analyst:**

- Yeah. If I refer back to your commentary at the start of this financial year, you had indicated that FY28 and FY29 could be strong years for NATCO post 2027.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Right.

- **Mr. Gagan Thareja - Analyst:**

- So, if you're targeting 15% topline growth, is there potential for margin improvements which lead you, I mean, to believe that these 2 years could be strong?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I think the challenge here is that, see, that is driven by the base business. I think all the upsides of our investments that we made or Para IVs that we made that we could possibly monetize are over and above that. So, I think that is not included in that because those are all very uncertain. So, I think that we are not including. Just certain outcomes we are giving guidance on. But any one-times or exclusivity or any upsides from the investments, that we are not including.

- **Mr. Gagan Thareja - Analyst:**

- Okay.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- And It is tough to judge. And I will be very honest with you, as much as we like to give guidance for the future years, I think you can have more clarity only when you are closer to the year. We can only make a positive judgment that it will go in a particular manner. I prefer to talk about it closer to the end of the financial year. At that time, I think, I will have more clarity and it will be easier for me to judge. Thanks. Next caller.

- **Moderator:**

- Thank you. The next question is from Rajat Srivastava.

- **Mr. Rajat Srivastava- Analyst:**

- Yeah, hi, Rajeev. Rajeev, just one question. In the cashflow statement I can see that there is some ₹300 crore CapEx already done in the first half, which looks quite high if I compare it to last year. Can you tell us where is this CapEx going? And if you could just share the CapEx guidance for full year?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I think we target about ₹400 crore worth of Capex every year. We are upgrading our Chennai and Mekaguda facilities, our API facilities. Our API new blocks we have built, so that has taken away most of the cash. And we are also upgrading our formulation facilities. We added a new oncology line in our Nagarjuna Sagar site, just coming to market. We just started production now. And also we are setting up a cartridge line to make semaglutide internally, so that Capex is also ongoing. That line will get ready next financial year. And general basic maintenance Capex.

- So, our run rate is around ₹400 crores a year. I think typically we spend about ₹350-₹400 crores. This year we spent a little more in the half year. But, yeah, that is mostly how we do things.

- **Mr. Rajat Srivastava- Analyst:**

- Sure. Thanks.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Sure. Thank you.

- **Moderator:**

- Thank you. The next question is from Aman Hasan.

- **Mr. Aman Hasan - Analyst:**

- Sir, my question is regarding our associate appointed a new CEO, so what are the strategy? Can you tell us?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Say that again, I did not understand. Can you repeat that question one more time?

- **Mr. Aman Hasan - Analyst:**

- Our associate Adcock appointed new CEO.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Oh, yes. Of course, of course. Yes-yes. What about him?

- **Mr. Aman Hasan - Analyst:**

- So, what is the upcoming strategy, I want to know?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- He is Mr. Rhulani. So, he has been appointed recently. He comes from very good experience in Innovator Pharma. I think he was with Pfizer, I think was his last job before he joined us. He is a good person, and I think he has a lot of experience in prescription business, which has been the weakness of Adcock. So, I think after he came in we have seen a lot of uptick, and also other colleagues who have been recruited recently. I think we have seen an uptick in the prescription business. I think that is the strength that they have. So, we are happy with how things are going.

- **Mr. Aman Hasan - Analyst:**

- Yes. My second question, I had read a news regarding Adcock shutting down its plants because of non-profit product.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- They have laid off some people recently in one of the lines, I think. And that one-time charge is already reflected in Adcock's earning, yes. Yes, in one particular factory this has happened. Yes, that's correct.

- **Mr. Aman Hasan - Analyst:**

- Yes. My last question is, how big we take acquisition? How is big?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Right now our position is that we own 49% of Adcock. I think that's our position at this time.

- **Mr. Aman Hasan - Analyst:**

- What is cash in our book?

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- Yeah, as of today, if we consider the rights issue inflows, we are around ₹2,250 crore net cash.

- **Mr. Aman Hasan - Analyst:**

- Net cash. And how big is transaction which we acquire?

- **Mr. Amit Parekh - CFO, NATCO Pharma Limited:**

- New acquisition.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- You mean Adcock's 13% or future acquisition?

- **Mr. Aman Hasan - Analyst:**

- No, no, upcoming acquisition.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- We don't know. I mean, we're shopping for different transactions, so we expect to use some portion of this cash to do this transaction.

- **Mr. Aman Hasan - Analyst:**

- Okay-okay. Thank you.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Thanks.

- **Moderator:**

- Thank you. Please raise your hand from the 'Participant' tab on the screen to ask the question. The next question is from Subhash Gupta.

- **Mr. Subhash Gupta - Analyst**:

- Good afternoon. Can you throw some light on the commercialization of NRC-2694? Any timeline to it?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- As of now, no, Subhash. I think we are still trying to redo the strategy. So, we've done some Phase-I data, so I think now we're trying to see what the right strategy is in terms of what our Phase-II strategy should be. At this time, I have nothing to report.

- **Mr. Subhash Gupta - Analyst**:

- My second question is with respect to the performance in this quarter. If you look at the performance excluding the associates, there has been substantial improvement in Profit Before Tax. It has almost doubled over the previous quarter, is this sustainable?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I think, Subhash, our business has cycles and it has different territories do well in different times and there's also an element of one-time orders that you get, tenders that you get. So, when we give a guidance, we give it for the whole group. I don't give it for one particular entity. Sometimes India does well, sometimes Canada does well, sometimes Brazil does well, sometimes U.S.A. does well. So, generally, when we give a guidance, we don't try to capture volatility that happens in each market. So, when we give a guidance, it is netting off all the ups and downs that we have. So, I wouldn't want to look at it on a quarter-to-quarter and entity-by-entity basis, you should look at the whole year to get a better understanding of what happens.

- **Mr. Subhash Gupta - Analyst**:

- And my final question is with respect to acquisitions. Are we thinking of concluding any acquisitions in the current financial year, whether in India or abroad?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- We are trying, Subhash. We are trying one transaction. We are running it, I think, quite seriously. Hopefully, we will be able to close it. But, again, it is all subject to all the regulatory and all the agreements getting done. But we are. Yes, we are actually trying to do one more transaction.

- **Mr. Subhash Gupta - Analyst**:

- Thanks a lot. Thank you.

- **Moderator:**

- Thank you. The last question is from Digvijay Patil.

- **Mr. Digvijay Patil - Analyst:**

- Yeah, sorry for coming back in the queue but I just wanted some clarity that you just mentioned about the acquisition. So, prior to the rights did we have any bankers set up for doing an M&A transaction or are we doing it after the rights closure? Or how is that timeline going?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- We are always looking at transaction, Digvijay. Nothing is linked with rights. Rights is a parallel process, and then the engagement for transaction is a parallel process. So, I think we spent, if you look at it, in the last 2 years, on different transactions we spent in the last 4-5 years, we spent nearly ₹3,500 crore in acquisitions. This has helped us set up a front end in the U.S., we have able to build a reasonable front end in South Africa. So, obviously, South Africa being the biggest chunk of that money.

- So, I think, this is always an ongoing process. You look at multiple transactions but, in the end, you only consummate one or two. That's how it goes.

- **Mr. Digvijay Patil - Analyst:**

- So, just a thought on the acquisition, why not purchase the entire stake of Adcock? We have 51 pending there, that seems like a target that we can directly acquire right now. Currently we have 49%.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I would love to, Digvijay, but at this time only 49% was at offer so that's why we are here. Hopefully, if the major shareholder chooses to do it, then we'll. At this time, it's not at play but, certainly, I think if they are interested, we are also interested. At this time, only 49% is at play, so that's what we bought.

- **Mr. Digvijay Patil - Analyst:**

- Hopefully.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- I think the asset is so valuable that 49% also is very meaningful. That's why we took it.

- **Mr. Digvijay Patil - Analyst:**

- Sure. So, we have the first right of refusal, right, there?

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Absolutely.

- **Mr. Digvijay Patil - Analyst:**

- Sure, thanks.

- **Mr. Rajeev Nannapaneni - Vice Chairman & CEO, NATCO Pharma Limited:**

- Yeah. At this, I will end the call, yeah. Again, thank you very much. Thanks for your questions.

- **Moderator:**

- Thank you. Passing the call to Mr. Rajeev Menon for the closing remarks.

- **Mr. Rajeev Menon – Lead, Investor Relations, NATCO Pharma Limited:**

- Thank you, everyone, for joining today. If there is any question unanswered, please reach out to the Investor Relations team. Thank you.

- **Moderator:**

- Thank you very much to NATCO's management team. Ladies and gentlemen, on behalf of NATCO Private Limited, that concludes today's conference. Thank you for joining us and you may now disconnect your line and exit the webinar. Thank you.

END OF TRANSCRIPT