Mankind Pharma

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Operator: Ladies and gentlemen, good day and welcome to Mankind Pharma Limited Q1 FY27 earnings conference call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Please note that this meeting is being recorded. I now hand the conference over to Mr. Archit Gupta from Mankind Pharma Limited. Thank you and over to you, sir.

Management: Thank you, Yeshri. Good evening, everyone, and thank you for joining us for our first quarter FY27 earnings conference call. On the call today, we have Mr. Rajiv Juneja, our Vice Chairman and Managing Director; Mr. Sheetal Arora, Chief Executive Officer and Whole-Time Director; Mr. Sudipto Roy, Senior President of Sales and Marketing; Mr. Ashutosh Dhawan, Global Chief Financial Officer; and Mr. Prakash Agarwal, President of Strategy.

We will commence today's call with opening remarks from Mr. Rajiv Juneja, who will provide an overview of the quarter, followed by key business updates from Mr. Sheetal Arora. Mr. Ashutosh Dhawan will then share the detailed financial performance for the quarter, following which we will open the floor for the Q&A session. Before we begin, please note that today's discussion may include certain forward-looking statements based on management's current expectations. These statements are subject to various risks and uncertainties that may cause actual results to differ materially, and Mankind does not undertake any obligation to update or revise these statements in the future. Please refer to the detailed disclaimer available in the investor presentation uploaded on our website. With that, I now hand over the call to Rajiv sir for his remarks.

Management: Thank you, Archit, and a very good evening to all. Welcome to the Q1 FY27 earnings call. Our disciplined execution and strengthening business fundamentals resulted in improvements across key operating and financial metrics in Q1 FY27, laying the foundation to deliver sustainable growth.

During the quarter, overall revenue increased to 4,031 crores, up 13% year-on-year with an EBITDA of 1,060 crores, and EBITDA margin improved by 250 bps year-on-year to 26.3%. Revenue from the domestic business, excluding consumer healthcare, increased by 11% year-on-year to 3,180 crores in Q1 FY27, led by double-digit growth in the base business and a strong growth momentum in the chronic and BSV specialty business. Secondary sales as per IQVIA grew 12.7% during the quarter, led by healthy volume growth of 4.7%, which increased by 220 bps year-on-year. Growth was supported by continued strong momentum in the chronic portfolio and outperformance in the gastro, vitamins, and gynecology segments, which led to growth recovery in the acute business.

In recent years, the IPM has witnessed a significant shift towards chronic and specialized therapies, driven largely by the rising prevalence of chronic diseases and changing lifestyles. In line with this trend, we are steadily expanding our presence in chronic and specialty therapies while continuing to strengthen our core multi-specialty business. I am delighted to share that our focused initiatives across key chronic therapies have translated into an increase of 80 bps year-on-year in our chronic share, excluding BSV, to 40%, primarily driven by strong growth of 19.4% in cardiac and 12.7% in anti-diabetic. We remain focused on increasing our chronic share to 50% in the medium term. To further strengthen our presence in the multi-specialty business, we have launched a new division, Vistar, which will help scale some of the lesser-focused brands in existing divisions.

Moving ahead, our consumer healthcare business delivered a revenue of 246 crores in Q1 FY27, partly impacted by the discontinued cash and carry business. Despite softer growth, we gained market share in key brands like Manforce, Prega News, and Gas-O-Fast. Also, our modern trade and e-commerce share increased to 15% from 11% a year ago, supported by 38% growth in that channel.

Innovation and specialization continue to remain central to our long-term strategy, and we are steadily building a differentiated science-led pipeline that complements our existing portfolio. We have also partnered with Denovo Science to launch an AI-led drug discovery program, marking an important step in strengthening our innovation-driven and technology-enabled R&D capabilities. We remain committed to delivering innovative, science-backed products at affordable prices, ensuring access across the country and driving sustainable long-term growth. I will now invite Sheetal to walk you through more details on our business performance.

Management: Good evening, everyone. And thank you for joining us for Mankind Pharma's Q1 FY27 earnings call. It is a pleasure to connect with all of you today. FY27 started with a healthy growth rate, carrying forward the momentum from the last few quarters as we continue to witness sequential improvement across our businesses.

Let me begin with our overall domestic business. In Q1 FY27, revenue from our domestic business increased by 10.5% year-on-year to 3,426 crores. This growth was driven by a 15.8% increase in our chronic portfolio, growth recovery in the acute portfolio, and strong double-digit growth in BSV. Let me share some key highlights for the quarter. Starting with our chronic business, which is an important long-term growth driver for us: In anti-diabetics, excluding Tirzepatide, we outperformed the IPM by 1x. The Glizid brand family continues to demonstrate strong momentum, delivering 29% year-on-year growth in Q1 FY27. In cardiac, we outperformed the IPM by 1.1x, growing 19.4% year-on-year. Our Telmikind family grew approximately 21% year-on-year, while Lipiroz and Starcare grew 30% and 31% respectively.

Coming to acute therapies, our acute portfolio has steadily recovered and is now broadly in line with IPM growth, improving from 6.1% in Q1 FY26 to 10.9% in Q1 FY27. Our gastro portfolio outperformed the market by 1.2x of the IPM, growing at 13.6% year-on-year with 1.8x outperformance in Pantakind. In gynecology, we delivered 12.7% year-on-year growth ahead of IPM growth of 12.1%, primarily led by continued strong double-digit growth in our IVF portfolio. This was up 39% in both Foligraf and HMG and 20% growth in Dydroboon, which is 1.5x of market growth. We continue to see healthy momentum in vitamins, minerals, and nutrients, growing 19.3% year-on-year. Meanwhile, anti-infectives saw a steady recovery from negative 1.1% in Q4 FY26 to 3.6% year-on-year in Q1 FY27.

Our prescription leadership continues to remain one of the strongest indicators of the sustainability of our business. We continue to hold the number one position in prescriptions with 15.2% prescription share in Q1 FY27. This leadership is underpinned by the trust we have earned from doctors over decades, driven by consistent quality, affordability, and disciplined field execution.

Moving to our international business, revenue for the quarter grew 29% year-on-year to 605 crores. As we move forward, our strategic priorities remain clear: to drive scale with profitability, strengthen our presence in chronic and specialty therapies, expand our global footprint with a differentiated portfolio, and accelerate innovation and execution. Equally important is our commitment to fostering talent and nurturing a culture of collaboration and excellence. We aim to build a future-ready healthcare organization that delivers sustainable long-term growth while staying true to our purpose of making quality healthcare more accessible and affordable. With that, I would now like to hand over the call to Ashutosh, who will take you through the financial performance in greater detail. Thank you.

Management: Thanks, Sheetal. A very good evening, everyone. It is good to have you all with us today. I will now take you through the Q1 FY27 financial update.

Our revenue from operations during Q1 FY27 increased by 12.9% year-on-year to 4,031 crores as compared to 3,570 crores in Q1 FY26. This was led by strong growth in the BSV specialty business and 29% growth in the international business. Our gross margins for the quarter increased by 230 basis points year-on-year to 72.8% from 70.5% in Q1 FY26, and showed a 60 basis point increase on a quarter-on-quarter basis. This year-on-year increase is primarily driven by three factors. Firstly, the impact of the sales price increase we have taken. Secondly, a better sales mix as our chronic contribution has increased by 120 basis points on a year-on-year basis. Lastly, there has been a favorable base effect as in Q1 last year, gross margins were compressed due to certain inventory-related accruals taken for slow and non-moving items.

Our reported EBITDA margin for the quarter increased to 26.3% as compared to 23.8% in Q1 FY26. This increase of 250 basis points is primarily driven by two factors: a 230 basis point increase from gross margin expansion and a 20 basis point benefit from operating leverage. R&D expenses for the quarter were 98 crores, which is 2.4% of sales, higher than the R&D spend of 2.2% of sales incurred during Q1 FY26. This 2.4% is lower than our guidance of 2.8-3.0% for the full year FY27. Finance costs for Q1 FY27 declined to 110 crores from 142 crores during Q4 FY26. This reduction was primarily driven by the impact of the repayment of an NCD tranche of 1,250 crores in Q1 FY27.

In Q1 FY27, depreciation and amortization expenses were broadly in line at 226 crores as compared to 219 crores in Q1 FY26. The effective tax rate for Q1 FY27 was 25.4% as compared to 17.7% in Q1 FY26. This increase in the effective tax rate is due to the adoption of the new tax regime this financial year following the expiry of the tax exemption period for our Sikkim plant. Profit after tax for Q1 FY27 grew by 29.1% year-on-year to 574 crores, with the PAT margin improving to 14.2% during the quarter as compared to 12.5% in Q1 FY26, resulting in an increase of 170 basis points. This growth was primarily driven by stronger EBITDA margins and lower financial costs, which were offset by the increased effective tax rate.

Our diluted EPS is 13.7 per share of 1 rupee paid for the current quarter. Cash EPS, which is EPS adjusted for non-cash items like depreciation and amortization, increased during the quarter to 19.2 from 15.9 in Q1 FY26, an increase of 20.8% year-on-year. Net operating working capital days for the quarter on a trailing 12-month basis increased to 52 days as compared to 48 days in the corresponding period last year, mainly due to increased inventory levels.

In Q1 FY27, our cash flow to EBITDA ratio decreased to 77% as compared to 99% in Q1 FY26. This drop of 22% in the cash flow to EBITDA ratio is a combination of the higher effective tax rate, working capital, and the base effect in Q1 FY26. Our CAPEX spend during the quarter increased to 198 crores in Q1 FY27 as compared to 107 crores in Q1 FY26. CAPEX as a percentage of revenue is

4.9%, which is lower than our guidance of 6-7% of revenue for FY27. In line with our prudent financial strategy, we reduced our net debt to 3,377 crores as of June 30, 2026, resulting in a net debt to adjusted EBITDA ratio of 0.9x in Q1 FY27. We remain on track to repay the acquisition-related debt by FY28. With this, we conclude our financial update and welcome any questions you may have. Over to you, Prakash.

Management: We are open for questions.

Operator: Thank you very much. We will now begin with the question and answer session. Kindly announce your company name and then proceed with your question. Allow us a moment, please. Mr. Pankaj Dibrewal, please announce your company name and proceed with your question.

Pankaj Dibrewal - Nikkei Asset Manager: Yes, thank you. This is Pankaj Dibrewal from Nikkei Asset Manager. Am I audible?

Management: Yes, you are audible.

Pankaj Dibrewal - Nikkei Asset Manager: Okay. From an India business perspective, I wanted to get a sense of how we foresee growth. We have always talked about the India business growing at 1.2 to 1.3x the IPM growth. Last year was obviously not a great year, and this year the start has not been as great because the IPM market itself has been very strong. How do you foresee the remaining nine months for this year from an India growth perspective? Then I will come to my second question on BSV. Thank you.

Management: Pankaj, regarding the Indian growth perspective, we have already returned to double-digit growth. Importantly, the quality of growth has improved. If you see our chronic business, it is growing by 15.8%. Acute has also recovered to around 10.9%, and BSV showed strong growth in the first quarter of this year. Even the volume growth has improved to 4.57%, which was 2.3% in the last financial year.

Looking ahead to the next nine months, we are confident of progressively outperforming the IPM because our growth is being driven by structural levers, not short-term factors. The building blocks are in place. First, we are increasing our chronic mix, where we are currently at about 40% and see the potential to move towards 50% over the next 4 to 5 years. Second, we are scaling our hospital business where our market share is still significantly below our peers, giving us a long runway for growth. Third, we are launching a new focused division with non-focused brands in existing divisions. Fourth, we are improving performance in under-penetrated states where our market ranking is below our national standing, creating a meaningful opportunity to gain share. These are the long-term growth drivers that should enable us to consistently gain market share and progressively outperform the IPM.

Pankaj Dibrewal - Nikkei Asset Manager: Thank you. Can we expect Mankind to consistently outperform the IPM from here on, given the field force changes and the long-term drivers mentioned? Is that a fair expectation?

Management: We will definitely achieve double-digit growth with the measures we are taking. Increasing our hospital penetration and promoting non-focus brands in the new division will ensure double-digit growth comes in the time to come.

Pankaj Dibrewal – Nikkei Asset Manager: Okay. The second question is on BSV. I remember last year we spoke about 18-20% growth on BSV, whereas actual growth was about 5-6%, largely coming from exports while domestic was in decline. Looking at this year now, the first quarter has started on a decent note. How do we see BSV growth panning out for this year?

Management: Let me correct you, Pankaj. Last year, BSV growth was around the early teens, well spread across domestic and international. This quarter, the growth is around 21%. We have given guidance for high double-digit growth, which is in the high teens.

Pankaj Dibrewal – Nikkei Asset Manager: If we break that into domestic and exports, how should we think about it?

Management: BSV domestic is around 17% and international is around 25%.

Pankaj Dibrewal – Nikkei Asset Manager: That helps a lot. Thank you and wish you all the best.

Operator: Thank you. Next is Rashmi Shetty. Rashmi, kindly announce your company name and proceed with your question.

Rashmi Shetty – Daulat Capital: Hi, am I audible? I am from Daulat Capital.

Management: Yes, you are.

Rashmi Shetty – Daulat Capital: Thanks for the opportunity. Regarding net working capital, you mentioned that inventory has increased and currently working capital is around 52 days. Will it remain elevated at the end of the year, or is it expected to decline?

Management: We expect it to come down by the year-end because of some price advantages and other factors. Inventory levels are currently slightly above the normal trends we used to maintain. We can expect rationalization in inventory levels in the coming quarters.

Rashmi Shetty – Daulat Capital: Was the high inventory level due to high raw material prices witnessed during the quarter?

Management: Since we were sitting on a comfortable inventory level, the gross margins were pretty healthy at 72.8%. The price increase impact has not flown into the financials yet because of the good inventory level. However, in the next quarter, we may see a compression in gross margin levels because the prices of commodities and the dollar have increased. Having said that, we would like to maintain the same guidance of gross margins upward of 71% and EBITDA guidance of 25.5-26.5%.

Rashmi Shetty – Daulat Capital: That takes into account the impact of high raw material prices and other inflationary costs?

Management: Absolutely, yes.

Rashmi Shetty – Daulat Capital: On the consumer healthcare business, I see a low growth of around 3.8% and you have discontinued some cash and carry business. Could you explain what you have done and how we should look at this business?

Management: At Mankind, we believe any business must have a very strong foundation. Wherever we found things needed adjustment, we took action. The cash and carry business involved general trade, so we stopped sales there. As a whole, the market has been a bit softer. On the other hand, in terms of market share, Manforce condoms, Prega News, and Gas-O-Fast shares have increased. We see high single-digit to double-digit growth starting from the second quarter onwards.

Rashmi Shetty – Daulat Capital: Regarding debt levels, are we expecting complete repayment by FY28?

Management: Yes, for the acquisition-related debt.

Rashmi Shetty – Daulat Capital: Thank you so much. That is all from my side.

Operator: Thank you. Next question is from Kunal Damesha. Kunal, kindly announce your company name and proceed with your question.

Kunal Damesha – Macquarie: Hi, this is Kunal from Macquarie. First, a question for Ashutosh. Regarding the cash EPS of around 19 rupees for the quarter, does that exclude the entire depreciation and amortization or just the acquisition-related amortization for BSV?

Management: This is the reported EPS after adjustments of all tax, depreciation, and amortization. Cash EPS is the cash portion.

Kunal Damesha – Macquarie: So the full depreciation and amortization has been taken out?

Management: Yes.

Kunal Damesha – Macquarie: That is not the normal practice of large pharma; typically, they only remove acquisition-related amortization. If I remove only the BSV-related amortization and keep Mankind-related depreciation, what would the cash EPS be?

Management: Total depreciation is in the range of 225 crores, with broadly 50% allocated towards acquisition-related depreciation. We can do the calculation and share those numbers with you subsequently.

Kunal Damesha – Macquarie: My second question is regarding GLP-1 molecules. We are excluding Tirzepatide when we say we are outperforming anti-diabetic. Regarding the covered market perspective, has there been a meaningful change since FY22? Has the gap between IPM growth and our growth widened, and what is the strategy to return to the earlier covered market proportion?

Management: If you look at the molecules we have launched over the last 3 years, like Glizid and newer molecules in DPP-4 and SGLT-2, we are among the top eight or nine players. Historically, we were in older molecules. In the diabetes space, we have also launched insulin. Historically, we were not very big in anti-diabetics, but we have been outperforming the segment by 1.2 to 1.3x.

Regarding GLP-1, we are very strategic in terms of our launch. Now that GLP-1 is generic, we have included that in the base, but we are stating "excluding Tirzepatide" to show we are still outperforming. We hope to return to 1.2 to 1.3x for the overall covered market.

Kunal Damesha – Macquarie: Except for Tirzepatide, you do not think there is a meaningful change?

Management: Exactly.

Kunal Damesha – Macquarie: Rajiv, what is driving the cautiousness around launching GLP-1? Mankind has always been aggressive with new product launches. Why hold back here, especially when you are doing well in newer oral therapies?

Management: When we have an advantage in a first-phase launch where we are one of the first few companies, we go all out. However, when we saw that more than 20 companies were launching over 35 brands for a single injectable, our thought was to let the storm pass. We took a strategic rather than cautious approach. We did not want to put resources into something that is immediately hyper-competitive. We are working on launching it as a therapy rather than just a single molecule. We have launched two brands from the gynecology and diabetic divisions along with proteins and other supplements so we can focus on the complete therapy.

Kunal Damesha – Macquarie: I still don't quite get it because hypertension seems more competitive than GLP-1, yet we are there. Why the strategic wait?

Management: It is strategic. Let a few quarters pass and we will see how it evolves.

Management: Kunal, to give you a data point, five years back in FY21, our covered market was only 56% and we were ranked 10 in the anti-diabetic segment. In FY26, our covered market increased to 74% and we are ranked 7th overall with a market share of 4.5%. So there is a significant change in the covered market and our ranking improved by three positions.

Kunal Damesha – Macquarie: Should that increase in covered market not have accelerated your growth relative to the market?

Management: Yes, as we mentioned, with those launches in SGLT-2 and DPP-4, you have seen accelerated growth.

Kunal Damesha – Macquarie: My question was from an overall domestic formulation perspective. Have we seen a shift in the covered market that might be a driver for missing IPM growth?

Management: No. From an IPM perspective, we added respiratory inhalation products and insulins which we did not have before. We have also launched lipid-lowering profiles and cholesterol products. We are also focused on in-licensing, such as the recent CNS brand Rebotril from Roche. So there is a lot of initiative to increase our covered market in chronic and specialty areas.

Management: If you are referring to new launches, they have been softer compared to the IPM. In Q1, the new introduction (NI) contribution was 2.8% compared to the IPM's 4.1%. This is a contributor to the slower growth rate.

Kunal Damesha – Macquarie: Thank you and all the best.

Operator: Next question is from Neha Manpuria. Neha, kindly announce your company name and proceed with your question.

Neha Manpuria – Bank of America: This is Neha from Bank of America. Regarding the new products, we mentioned last year that due to the MR reorganization, we were not launching as many products, leading to a lag. Now that things have normalized, should we expect higher launch momentum and a narrowing growth gap going forward?

Management: Our launches today are very strategic. As Rajiv mentioned, we launch limited, individual products and try to make them big. For example, our recent launch Vonaprazan has become number one. In anti-diabetics like Empagliflozin, we are within the top three brands of new launches. We are selective, which has been a strategic move for us.

Neha Manpuria – Bank of America: My second question is on the gross margin. Ashutosh, you mentioned a guidance of 71% plus for the full year. Given the current quarter and potential cost pressures from the crisis in West Asia, is there any other reason for conservatism, especially with a higher chronic mix?

Management: That is the only caveat we are putting because of the West Asia crisis. We are taking a conservative approach there, but the overall EBITDA guidance has not changed; it remains 25.5–26.5%.

Neha Manpuria – Bank of America: Thank you so much.

Operator: Next question is from Binov Pathiparampil. Kindly announce your company name and go ahead with your question.

Binov Pathiparampil – Elara: This is Binov from Elara. You recently acquired the brand Rebotril from Roche. How big is it and what is the potential there?

Management: Rebotril has IQVIA numbers in the region of 20 to 30 crores. We expect it will give us entry to many specialists because it is a textbook brand for that molecule. We expect growth to start once the specialist connecting process matures.

Binov Pathiparampil – Elara: Do you think it could be a 100 to 200 crore brand?

Management: The aspiration is there, but CNS is a category that takes time as it is a highly specialized portfolio. Our goal is to build a strong portfolio in the CNS segment as well.

Binov Pathiparampil – Elara: Thank you.

Operator: Next is Siddharth Nigandhi. Siddharth, please announce your company name and proceed with your question.

Siddharth Nigandhi: Thanks for taking my question. It is glad to see green shoots of recovery. Regarding the reorganization and focus you mentioned last time, could you give us metrics on attrition and share gains or outperformance in sub-therapies to help us understand these green shoots better? Secondly, on consumer products, if you stopped the cash and carry business but there is brand pull, should that not have translated into higher general trade sales? Why did we see lower growth instead?

Management: I will take the first part regarding green shoots in the acute business. In gastro, from negative 2.5% in Q2, we have seen sequential recovery to 6.9% in Q3, 9.2% in Q4, and now 13.6%. Vitamins moved from 5% in Q2 to 19.3% now. Gynecology moved from 6.9% to 12.7% in Q1. Ophthalmology moved from 6.2% in Q2 to 17.5% in Q1. Across all acute therapies, we have seen improvement. Acute therapy growth was as low as 3.3% in Q2 and is now at 10.9%, par with the industry. Since 60% of our portfolio is acute, being at par has led to double-digit growth.

In chronic, cardiac improved from 14.5% in Q2 to 19.4% now. Anti-diabetic moved from 11.4% to 12.7%. Chronic respiratory continues with strong 20% plus growth. Overall, chronic moved from 12.2% growth in Q2 last year to 15.8% now. This resulted in an overall growth move from 6.3% in Q2 to 12.7% in Q1 FY27. Green shoots are visible in both acute and chronic.

Siddharth Nigandhi: Any metrics on attrition?

Management: In the last 1.5 years, we have seen a lot of realignment, improving processes, and better traction in doctor visits. Attrition and vacancies are now in control and have dropped significantly to normal levels. The sequential improvements you see are a result of this stability.

Siddharth Nigandhi: And on the consumer products side?

Management: The consumer market is dynamic. E-commerce and modern trade are gradually taking share from general trade. While we took corrective action in cash and carry, our modern trade and e-commerce channels grew significantly. Last year, that channel share was 11%, and it is now 15%, supported by 38% growth. Overall, the consumer market has been softer, but the positive side is that market shares for Manforce, Prega News, and Gas-O-Fast have improved.

Operator: Thank you. Next question is from Ritika Agarwal. Ritika, kindly announce your company name and proceed with your question.

Ritika Agarwal - Valuequest: This is Ritika from Valuequest. My question is an extension to the earlier question on Semaglutide. Previously, you suggested you would be in the first wave of the launch. Even then, the understanding was that there would be 20 to 30 players. What changed in your thought process that you did not launch in that phase?

Management: We never explicitly said we would be among the first few companies to launch. We did not launch in the first phase because we took a strategic call. During that period, our focus was on internal corrections within the company, such as addressing high attrition. We decided to correct those things before launching the product.

Management: To add to that, because of the huge competition, the price drop was very significant. Since we are sourcing from a partner, it did not make sense to engage in a price war. Instead, we have gone strategic and are promoting through top-level key opinion leaders and looking at a therapy approach. A price war would not make for a profitable launch. We have already launched the product in two segments—anti-diabetes and gynecology—but we expect a gradual takeoff given the hyper-competitive environment and price wars.

Ritika Agarwal – Valuequest: Are we looking to launch this product on the export side?

Management: No, we do not have an export strategy for this.

Operator: Thank you. We have a follow-up question from Rashmi Shetty.

Rashmi Shetty – Daulat Capital: Regarding the export business, we saw very strong growth this quarter. What is driving this? Besides BSV, is the US contributing significantly or were there any one-off opportunities?

Management: BSV grew by 25% and the US has also done well. We had a couple of launches and currency tailwinds helped to the extent of 12-13%. Altogether, it is in line with our guidance of high-teens growth in constant currency terms.

Rashmi Shetty – Daulat Capital: The high-teens is for Mankind plus BSV?

Management: That is correct.

Rashmi Shetty – Daulat Capital: Regarding an earlier product in the US that contributed highly—was that a one-off and has it seen competition?

Management: That came into the base last year in FY26. The bulk was in FY25, and it normalized in FY26.

Rashmi Shetty – Daulat Capital: A question for Prakash regarding BSV. For FY26 and this current quarter, what is the ratio of domestic business to export business?

Management: Last year, the ratio of domestic to international was around 50-50.

Rashmi Shetty – Daulat Capital: And this year as well?

Management: A similar range, plus or minus 2%.

Operator: Thank you. Next is Gaurav Bhama. Kindly announce your company name and proceed with your question.

Gaurav Bhama – JM Financial: Gaurav Bhama from JM Financial. What was the guidance given for consumer healthcare from Q2 onwards?

Management: We have said high single-digit to double-digit.

Operator: Thank you. Next is Shirish Savarma. Kindly announce your company name and proceed with your question.

Shirish Savarma – Bernstein: I am from Bernstein. Can you explain the current situation with BSV and how the integration is progressing? Secondly, on the guidance for domestic growth in the early teens, do you expect the IPM to grow at that rate or will you grow above the IPM?

Management: Regarding the second question, we expect sequential recovery and full-year double-digit growth. We expect the chronic business to perform better and the acute business to recover, as demonstrated in Q1. Regarding BSV, we have maintained that it will be run as an independent operation, both domestically and internationally. We have made small tweaks to the management team where required. We have added a biotech facility and enhanced the R&D biotech facility. BSV is run independently by professionals. We are focused on demand creation for specialist brands like Foligraf and Antid. Gynecology coverage has increased from 33,000 in FY25 to 37,000 now. We have more than 80% coverage in the IVF category, which is seeing strong growth of over 35%. There is also clinical work ongoing for products like Histoglobe. In the international business, we are increasing penetration in existing markets and seeking approvals in large markets like Russia. We have given guidance for high-teen growth for BSV.

Shirish Savarma - Bernstein: Following up on that, regarding the acute segment, why did we not perform as well as we used to, and how will that change?

Management: We have mentioned that 60% of our business is in acute. In this segment, relationships and presence matter significantly. Approximately 18 months ago, we performed a deep correction, which included personnel changes. Recovery in this area happens gradually as it must be built on a strong foundation. You can see things are improving quarter-by-quarter. We believe prescriptions equal sales. Our policy ensures that we do not rely purely on last-week sales; we want strong sales from the first week of the month. We are on track for double-digit growth and an EBITDA margin of 25.5-26.5% this year. Our aspiration is to return to a 1.3 to 1.7x outperformance of the IPM. It takes time, but every quarter is showing improvement.

Operator: Thank you. I now hand the conference over to the management for closing comments.

Management: Thank you. For any further queries or clarifications, please reach out to us at investor.relations@mankindpharma.com. Have a nice day.

Operator: Thank you, members of the management team. On behalf of Mankind Pharma Limited, that concludes this meeting. Thank you for joining us; you may now exit the meeting.