



“Torrent Pharmaceuticals Limited Q3 FY'26 Earnings  
Conference Call”

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**MANAGEMENT: MR. SUDHIR MENON – CHIEF FINANCIAL OFFICER &  
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**Moderator:** Ladies and gentlemen, good day and welcome to the Q3 FY26 earnings conference call of Torrent Pharma. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing '\*' and then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sudhir Menon – Executive Director of Finance and CFO. Thank you and over to you, sir.

**Sudhir Menon:** Thank you. Good evening everyone, and welcome to the Q3FY '26 earnings call. This quarter, we continue to see healthy performance in our branded markets, which accounted for roughly 75% of the overall revenues this quarter.

Our 2 largest branded markets, India and Brazil, each continue to deliver healthy double-digit growth. India business grew at 14% and Brazil grew at 27%. Constant currency growth in Brazil for the quarter was 10%, while the secondary sales grew at 13%.

On the generic side, U.S. business grew at 19% and Germany grew at 8%. In constant currency terms, Germany revenues have declined by 6%, mainly due to the continued disruption at the 3rd-party supplier.

Quickly on the financial performance for Quarter 3: Revenues were INR 3,303 crores, up by 18%. Operating EBITDA at INR 1,088 crores, grew by 19%, and operating EBITDA margin stands at 32.9%.

A very quick update on JB Pharma acquisition: We have acquired the controlling stake of 46.39% in JB on 21<sup>st</sup> January, followed by another 2.41% stake purchased from certain employees. So, effectively from 21<sup>st</sup> January, JB will start getting consolidated into Torrent Pharma. As a next step, we expect the SEBI approval for the merger scheme soon, and we will file the merger application with NCLT over the next few days. Overall, we remain on track to complete the transaction as per previously indicated timelines.

I will now hand over the call to Aman for India Business.

**Aman Mehta:** Thanks Sudhir. India revenue at INR 1,798 crores, registered a growth of 14%. As per the AIOCD Pharma Track market data, the IPM growth for the quarter was 10%. We are seeing continued volume outperformance over the IPM in chronic and sub chronic therapies, led by Cardiac, Gastro and Diabetes segments.

The Curatio business grew at 27% in Q3, and also 27% in YTD 9 months for the year, driven by strong demand generation on account of OTC ad spends and field force expansion. We are hopeful that the high growth now should continue for the rest of the financial year as well.

Our field force strength at the end of the quarter stands at 6,900 versus 6,800 last quarter, and we remain on track to close the financial year with a strength of just over 7,000.

Going forward, we expect our India business to continue outperforming the market growth. Our focus during the rest of the year will be to continue improving our market share in focus therapies, improving field force productivity in the expanded divisions, and scaling up of the Curatio business.

An update on JB. Following the acquisition of controlling interest of 48.8% in the company, our priority now is to ensure continuity in business operations and ensure there is a smooth transition under the new leadership team.

I will now hand over to Mr. Sanjay Gupta for the International Business of Torrent.

**Sanjay Gupta:**

Thanks Aman. We will start with the branded generics market of Brazil. Based on internal sales, Q3 constant currency revenue was BRL 224 million, registering a 10% year-on-year growth. IQVIA data shows Q3 market growth at 7%, with Torrent growing at 13%.

We are seeing healthy volume growth, coupled with mid-single digit pricing increase. Torrent has a rich pipeline of 60 molecules, which are currently awaiting approval at ANVISA.

In Germany, our German business registered a constant currency revenue of EUR 29 million, down by 6%. As highlighted last quarter, growth continues to be impacted due to disruption at a third-party supplier.

In the U.S., we registered constant currency revenues of \$36 million, up by 12%. Growth is coming from our new launches, where we have achieved our target market share, and we are also seeing increased purchase volume on existing contracts.

I would like to conclude the opening comments here and open the call up for questions.

**Moderator:**

Thank you. We will now begin the question-and-answer session. Our first question comes from the line of Damayanti Kerai from HSBC. Please go ahead.

**Damayanti Kerai:**

Hi, thank you very much for the opportunity. My first question is on JB acquisition. So, you mentioned now you have 48.8% stake, and it will be consolidated as part of your financials. So, will it be a line-by-line consolidation or how you account for it before the complete merger happens?

**Aman Mehta:**

So, consolidation, Damayanti, is line-by-line only. So, effective from 21<sup>st</sup> January till 31<sup>st</sup> March, the Quarter 4 numbers will include JB numbers.

**Damayanti Kerai:**

Okay, that's clear. And on India segment, the 14% growth, can you split across volume price and new launches, the way you generally do?

- Aman Mehta:** Yes. So, as per the AIOCD PharmaTrac data, our reflected growth is 14%, which is the same as the reported growth. The breakup of 14% is 5.5% volume versus 1.2% of the market, 5.8% price versus 5.6% of the market, and 2.7% new products versus 2.8% of the market.
- Damayanti Kerai:** Okay. Thanks. My last question is on Germany. So, we are yet to see a resolution of the supply disruption. So, what is the timeline? When do you think things can come back on track here?
- Aman Mehta:** So, unfortunately, Damayanthi, I cannot give a timeline because our supplier is caught up in regulatory issues, and I do not have visibility as to when he will start manufacturing again. And these days, it's very complicated in Europe, because they also consider the observations of the U.S. FDA, et cetera. So, it's a little different Europe currently than what I have seen in the past. There's a lot of interaction between the EMA and the FDA, so things are taking longer to resolve. So, honestly, cannot give you guidance.
- Damayanti Kerai:** Okay. And is there a possibility to move to an alternative supplier, or even that will be very time-consuming?
- Aman Mehta:** Well, it is time-consuming, but we are working on it. So, we have started work on it already last quarter, but it will take at least 3 to 4 quarters to get an alternate supplier on board. So, we are trying to move some of the products to our own facilities, but it's a little time-consuming.
- Damayanti Kerai:** Okay. Thank you. I will get back in the queue.
- Moderator:** Thank you. Our next question comes from the line of Gautam Rajesh from Leo Capital. Please go ahead.
- Gautam Rajesh:** Hi. Good evening. Thank you for taking my question. My question was for the GLP-1. Do you have any fill and finish capacity for it, and is that for Indian market or the emerging market?
- Aman Mehta:** No, we do not. We only have capacity for the oral. Everything else will be partnered for India and other markets.
- Gautam Rajesh:** All right. And who would be our partner? Is that possible to reveal?
- Aman Mehta:** We can share that once we launch.
- Gautam Rajesh:** Understood. And which geographies would we be launching in? And only in India will it be partnership or everywhere else if you can tell us that bit.
- Aman Mehta:** For the injectable, partnership is across all territories. The first launch is most likely going to be India, followed by other markets. So, we can share an update once the launch is done next quarter.
- Gautam Rajesh:** Understood. And other markets you do not want to reveal right now, or is that possible?

- Aman Mehta:** No, we had already shared about Brazil last time as well. Nothing changes in terms of timeline. It's a bit behind what we would have liked. So, probably sometime in the next financial year. So, even though we would be late to the game, the market opportunity is much larger than the Indian market. So, it should still be an interesting opportunity.
- Gautam Rajesh:** Understood. Thank you.
- Moderator:** Thank you. Our next question comes from the line of Neha M. from Bank of America. Please go ahead.
- Neha M.:** Yes, thanks for taking my questions. Sudhir, now that we have acquired the stake in JB, I know that the merger still depends on further approval, et cetera. But how should we think about other than the continuity of operation and transition that you have mentioned, the synergies that we should see? Would that essentially all come through once the merger is done? And if you could just tell us what we can expect in the next, let's say, 6 months or 7 months and probably longer term, how should we look at the synergies from the deal?
- Sudhir Menon:** So, I think in terms of timelines, Neha, until the effective merger order, both the entities will remain separate. And in terms of timelines, we think once we file to NCLT, then probably 6 to 9 months, as indicated earlier, should be the timeline we should be looking at in terms of integrating both the entities. Okay.
- I think in terms of synergy, some part of the synergy will start flowing from now on. And maybe a major part of that will come post the integration happening.
- Neha M.:** And what part of the synergy, if you don't want to quantify it, what areas of synergy do you think you can get now before the merger? I understand what can come after the merger, but what do you think we can bring to the table now before the merger happens?
- Aman Mehta:** No, I think we are happy to quantify at this stage. I think we are waiting to understand the business a bit more over the last couple of quarters. So, broadly, I would say that our synergy number is looking like INR 400 crores to INR 450 crores over the next 2 to 3 years. Maybe 20% of that could be in the first year, up to 80% of that could be in the second year, and the rest in the third year. So, that's what it currently looks like.
- Neha M.:** So, you said INR 400 crores to INR 450 crores in the next 2 to 3 years.
- Sudhir Menon:** That's correct.
- Neha M.:** And the first year is starting now, right? It's not first year after the merger.
- Sudhir Menon:** No, first year would mean now. Obviously, some of the effect would come on subsequently in the coming quarters, but we will start seeing some benefit in the subsequent quarters already.

- Neha M.:** Again, this 20% that you are talking about synergies, these would be largely cost synergies that we would see initially, because I am assuming revenue synergies would require a merger probably or would it be a mix of both?
- Sudhir Menon:** This number is only cost. We have not looked at revenue synergies yet. We will wait for first year business top line to stabilize and then we can look at revenue synergies.
- Neha M.:** Understood. Okay. Thank you so much. That's very helpful. Thank you.
- Moderator:** Thank you. Our next question comes from the line of Aditya Vikram from DB Securities Private Limited. Please go ahead.
- Aditya Vikram:** Thank you. So, quick question. Once the JB merger happens, right, what would be the margin guidance, if at all, considering you are going to have cost savings, JB currently have an EBITDA margin of 18% to 19%. You are sitting at 32%. Even if we consider the synergies, is this going to be margin accretive for our businesses? I understand that you have not done on the revenue side so far, but you must have some ballpark numbers in your head.
- Sudhir Menon:** No. So, I think, firstly, JB's margin is closer to 28% - 29%, EBITDA margin. I think our margin this year has been in the range of 32.5% to 33%. So, there is definitely a scope to bring JB's margin closer to our base business margin in the next financial year. We have already given the number on the cost synergy target for the next 3 years. So, I guess you can work out the margin potential there.
- I think it will be a bit too complicated to look at the combined margin at this stage. But standalone JB, certainly, there is a significant scope for margin improvement.
- Aditya Vikram:** Okay. Thanks for that. So, how is U.S. looking for you? I know there was no tariff on Pharma in any case, right? But after this tariff news out of the way, are you seeing the potential to grow above 20% on the U.S. side in the subsequent quarters?
- Sanjay Gupta:** So, we are a very small player. We do \$35 - \$36 million a quarter. And it's really dependent upon new launches, but also upon the level of competition that we see in the new launches. So, we have a healthy pipeline, and we are augmenting the pipeline for the U.S. But it's hard to give guidance today. It depends really on when the new launches happen and the competitive landscape at that point in time.
- Aditya Vikram:** Okay. And I just want to clarify something one more time. In your opening remarks, you guys said that you will continue with the double-digit volume growth for India business in subsequent quarters as well. Is that correct?
- Aman Mehta:** What we had said was we will continue the above-market volume growth, double-digit growth of overall inclusive price and new products. And our volume growth is about 5.5% for the quarter.

- Aditya Vikram:** Okay. Understood. Thank you very much for clarifying.
- Moderator:** Thank you. Our next question comes from the line of Kunal Randeria from Axis Capital. Please go ahead.
- Kunal Randeria:** Good evening, sir. Sir, in the previous call, we have mentioned that the Brazil GLP-1 market is around a billion dollars. So, in the first wave of launches in March, what would be the competitive scenario that you see? And typically, what's the price erosion that you would expect based on your understanding of the market?
- Sanjay Gupta:** So, we do not think we will be the first one to launch, right? So, I don't know. It will be somewhere in the range of between 3rd to 5th launch. And we filed Ozempic, which is today a \$270 million market. And the rest is, as you know, has been taken over by Wegovy.
- So, Wegovy will come to us, but it's a little bit down the line. And I cannot really give guidance on Brazilian price erosion, because it depends really on how many players come to the market. And who are the players who come to the market? Some of the players are known for very aggressive pricing and some others are much more reasonable. But to be safe, you can take like at least a 50% price, 45% price erosion on the Brazilian market.
- But honestly, it's hard because it's been all over the map. So, I have seen price erosion of 90% on a couple of products. And I have seen price erosion of 20% also. It honestly depends upon the same thing, how many players and what's the nature of the players.
- Kunal Randeria:** Sure. Sir, in March, it's only the Ozempic generics which are hitting the market or are some players also launching Wegovy generics?
- Sanjay Gupta:** So, generally the Wegovy generics in Brazil are behind. So, the Ozempic was the first one that was launched and Wegovy came much later by the innovator. So, hence the Wegovy generics are all running behind the Ozempic ones.
- Kunal Randeria:** Right. But do you think there could be some substitution happening because Ozempic will become cheaper versus Wegovy?
- Sanjay Gupta:** It's hard because the laws are very strict and I think the Brazilian law requires the pharmacist to keep a copy of the prescription, and to make sure the right product is dispensed against the right prescription. So, the Government has been very strict with the Semaglutide usage, and it's hard for a pharmacist to substitute. So, I expect the substitution to be minimal.
- Kunal Randeria:** Got it, sir. And so, my assumption, if I understand correctly, you will be launching Ozempic this year and then Wegovy sometime next year?
- Sanjay Gupta:** I cannot give you the exact timing because it's in the hands of the regulator. Our products have been with the regulator for a substantial number of months. And they are giving some priority

review for such an important product. So, they have improved our ranking in approval. So, the queue for Semaglutide, you get an opportunity to move up the queue.

So, they have moved us up also in terms of prioritization of approval as compared to other molecules. But I cannot give guidance as to when it will get approved and launched. But we have the pieces in place. So, once we get approved, we will be ready to launch.

**Kunal Randeria:** Got it, sir. And just one more, if I can. I think in the India business, you had said the sales force would go up to 7000 by the end of FY '26. So, would you be on track for that or there would be any changes to that?

**Sanjay Gupta:** Yes, that's correct. It will be just over 7000. So, maybe close to 7100. And as of now, we see maybe some additional visibility in the next coming year as well, financial year could be around 7500, maybe by end of FY '27.

**Kunal Randeria:** Got it, sir. That's very helpful. Thank you and all the best.

**Moderator:** Thank you. Our next question comes from the line of Vivek Agarwal from Citi Group. Please go ahead.

**Vivek Agarwal:** Yes, thanks for taking the question. My question is on Germany; you have highlighted that there is some disruption from one of your suppliers of the product. So, I just want to understand whether the disruption is fully there in the numbers or is it like it is partly reflected or, for example, this quarter you can see the sales dip. Thank you.

**Sanjay Gupta:** No, it's fully there.

**Vivek Agarwal:** Got it, sir. Sir, one question I have on U.S. right. So, for quite some time, actually, if you look, your sales numbers are largely hovering somewhere around \$33, \$35 million. Now, if you look at both of your facilities, maybe facilities are clear. So, when I think you are expecting a meaningful jump in your sales or any possibility that it can go up to \$45, \$50?

**Sanjay Gupta:** It can only go up from here. That's my hope, actually, because it's already low. So, I would guide towards a higher sales number from where we are. And I would guide towards at least 5 to 7 launches a year.

Now, depending upon the timing, our U.S. launch, if it's 10 days it's too late. So, it has to come on time, and sometimes it could help that your competitors are not on time. But we are looking at a one-directional sales growth in the U.S. from here on, but how fast that happens, we are not happy with this current level of \$150-\$160 million. So, the first milestone we are looking to cross is \$200 million per year. And hopefully next year we will do that. I am being optimistic and taking a punt on some of the launches that we will have.

**Vivek Agarwal:** So, you are suggesting that by FY '27, you can do \$200 million kind of number in US?

- Sudhir Menon:** I am targeting based on what I see in our launch plans. But again, it is not in Torrent's hands.
- Vivek Agarwal:** And one question, if I can ask from JB question right, so?
- Moderator:** Sorry to interrupt, Vivek. You do sound a little muffled. May I request you to please check the device mode that you are using?
- Vivek Agarwal:** Sorry. On JB, I think you are right. So, is there any possibility that the growth of this company that can slow down maybe during integration, that kind of disruption because of the transaction? Or do you think that this company can keep growing the way it is growing over the last 2 years during the transition time?
- Aman Mehta:** So, our view strongly is that the fundamentals of the business are fairly robust. So, the medium-term, long-term prospects are looking pretty much as what we expected pre-acquisition and now. What we do expect is a bit of a course correction in this current Q4, because in any change of control situation, there are changes of business practices, and you have to kind of integrate processes and so on. So, Q4 could be a little bit muted in both India and international, but Q1 onwards, they should be pretty much absolutely back on track.
- Vivek Agarwal:** Thank you. But just one more question, if I can squeeze in. This is on Brazil. It looks like that and you have highlighted the product Semaglutide launch seems to have been delayed and close to next year. So, is it taking time to approve the filings out there? Any color actually that would be helpful if you can help us understand that how the regulators are taking on the filings or there is a possibility that even the market formation can get delayed by let say around 6 to 7 months or 9 months or may be 12 months.
- Sudhir Menon:** I can tell you two things. One is the file is solid and the second thing is the regulator is prioritizing this product. That is all. I don't know. I can't give you an exact month and date, but I know that the regulators are prioritizing Semaglutide generics, and I know that the file that we have sent is complete in all ways that we can think of. Other than that, really not much to say.
- Vivek Agarwal:** Thank you, sir. That is it from my side.
- Moderator:** Thank you. Our next question is from the line of Banshi Desai from JP Morgan. Please go ahead.
- Banshi Desai:** Yes. Hi, thanks for taking my question. So, my first question is, until the JB merger concludes, how should we think about, how will the marketing of JB brands work? So, does Torrent MRs get to market JB brands or that will remain separate till the time we merge the entities?
- Sudhir Menon:** No, it will be separate. All the divisions of JB will remain within JB till merger. Only post-merger can any such change be possible.
- Banshi Desai:** So, then in that event, if there is MR attrition on the JB side, then how do we ensure that we do not see disruption in sales?

- Sudhir Menon:** The attrition in the last 6 months where the period between the announcement of the deal and till now, the attrition has been pretty much the same as the historical attrition. It hasn't gone up and we don't see any reason why it can go up, especially after the closure of transaction. In fact, we will probably do our best to reduce attrition as much as possible. So, we don't really see that to be an issue post our change of control.
- Bansi Desai:** And also on the purchase price, could we get an understanding of breakup into goodwill and intangible? And how many years should we think about amortizing this?
- Sudhir Menon:** So, Bansi, the amortization policy for Torrent has been 15 years. You just have to wait for one quarter because that whole purchase price allocation work is going on. And maybe by end of February, we should have the numbers in place. So, I think once that is done, I should be able to guide you.
- Bansi Desai:** All right. And also lastly, how should we think about debt repayment? In how many years do we get back to our net cash position?
- Sudhir Menon:** I think this is something which I had guided earlier. So, I think the way I am looking at is, if I correctly remember the numbers, FY '27 will be the first year of integrated Torrent. FY '28, my net EBITDA should be around 1-1.1x. And FY '29, it should be around 0.6 is what I remember, plus minus here and there, I think this is the broad guidance I can give.
- Bansi Desai:** And what should we assume as cost of interest here?
- Sudhir Menon:** So, average cost of interest is roughly 7.6%.
- Bansi Desai:** All right. Thank you.
- Moderator:** Thank you. Our next question comes from the line of Abdulkader Puranwala from ICICI Securities. Please go ahead.
- Abdulkader Puranwala:** Yes. Hi, sir. Thank you for the opportunity. Sir, my first question is pertaining to the JB Chemical acquisition. So, while complete control or the merger of the two entities may take another 6-8 months, in the near term, how are we dealing at the senior level attrition, especially where the CEO and CFO of JB has resigned? So, are we going to have two different managements in place or it would be the Torrent team completely taking over?
- Aman Mehta:** In certain critical roles like CFO, there will be a separate CFO for JB. Similarly, wherever any such critical role is required, there will be a separate team running at the senior level. And eventually, it should all merge into Torrent.
- Abdulkader Puranwala:** Understood. And the second one I had is a bookkeeping question. So, while in most of the geographies, it seems like you have a currency benefit while your other income is still negative for the quarter. So, what explains that negative other income for the quarter?

- Sudhir Menon:** So, there is a hedging loss which we have booked in other income. It is close to INR 45 crores.
- Abdulkader Puranwala:** Understood. Thank you. I will get back in the queue.
- Moderator:** Thank you. The next question is from the line of Gaurav T from Ambit. Please go ahead.
- Gaurav T:** Yes, hi. Thank you and good evening. Just a clarification on the synergy number, INR 400-INR 450 crores in the next 2-3 years. So, JB has this Novartis' Ophthal portfolio which is currently in-licensing. There is an opportunity for growing gross margins on that portfolio by FY '28. So, the INR 400-INR 450 crores number is inclusive of that gross margin synergies on the Ophthal portfolio of Novartis?
- Aman Mehta:** No, it does not include that. There are two parts. There is the Novartis business of the Ophthal portfolio and the Asmarda portfolio. So, the synergy number does not include either of these.
- Gaurav T:** Perfect. Thank you. Secondly, on the Brazil ex of Semaglutide, I think one of your peers reported quarterly numbers where they had a new launch and high growth with DAPA. So, any guidance on the number of new product launches in Brazil ex of Sema and how that growth trajectory can look like for the next 2-3 years, please?
- Sanjay Gupta:** See, we have good visibility on new launches. So, we will be doing about 5-6 launches here.
- Gaurav T:** And in terms of growth can that translate to 20% kind of a growth CAGR ex of Sema for the next 2-3 years?
- Sanjay Gupta:** So, the market growth itself has slowed down considerably. So, we are seeing a market growth of 6-7% and I am targeting 10-15% growth for Torrent. So, driven by new products, and pricing increase in Brazil have muted considerably because we have managed to keep inflation under control with crazy high interest rates. So, the inflation is pretty low, and the price increase we are seeing is not like old times. Nowadays, we are seeing 4 and 5, which also companies are not able to take because of competition. So, combining muted pricing increase, some volume increase and new products, I think in the range of 10%-15% is reasonable to expect. In terms of secondary sales growth, demand growth, prescription growth and primary sales varies up and down a little bit based on wholesale decisions on inventory.
- Gaurav T:** Sure. Thank you for that. I will join back the queue.
- Moderator:** Thank you. The next question is from the line of Tushar Manudhane from Motilal Oswal Financial Services Limited. Please go ahead.
- Tushar Manudhane:** Thanks for the opportunity. Just one more on the JB side. So, any therapy in India or let us say, segment in India and then likewise in the international market, which you think is not going to be remunerative or not aligned with the Torrent Pharma strategy, which you would like to eliminate or reduce considerably?

- Sudhir Menon:** Not therapy exactly, but certainly the JB trade generics business is not something which we are looking at continuing. It has been practically run at 0 margin and if we keep running, it will keep giving us stock returns. So, we are planning to, if not discontinue, at least shift some of it to our base trade generics business as early as possible.
- Tushar Manudhane:** That is as far as India business and on the international market side?
- Sanjay Gupta:** International is all fairly complimentary. So, nothing that we see there which doesn't align with our current strategy.
- Tushar Manudhane:** And at a group level, within let us say, Europe or LATAM or any other, let us say, developed markets where we have been doing pretty well, may it be in India, Brazil, US, which is sort of growing, Germany, certain temporary constraints, but any other geographies where Torrent would intend to make a mark or start building in addition to these core geographies?
- Sanjay Gupta:** So, you are talking in the context of JB, right?
- Tushar Manudhane:** No, at a Torrent group level.
- Sanjay Gupta:** So, four large markets like India, Brazil, Germany, US and we are preparing future large markets like Russia, then Mexico, then the Philippines. So, these should become in the medium term roughly \$50 million markets and that is what we are targeting. And then there is another series of markets below that that are currently in the \$10 million range, and we want to take them up to \$25 million. So, that is the way we look at our geographical portfolio.
- Tushar Manudhane:** And sir, \$50 million each or the combined you refer to and over what period?
- Sanjay Gupta:** So, it will take 3-4 years, but the JB doesn't bring us much in terms of front-end sales in Mexico, neither in the Philippines. And so in Russia they do add, so we have current business of \$20 million, and they bring, let us say, another 50% of that. So, it leads to a scale improvement generally in all emerging markets, especially in Africa and Eastern Europe and Russia. So, this combined scale provides you an opportunity to be more visible on the market, to invest more on the market, to increase profitability and to increase momentum.
- Tushar Manudhane:** Got it, sir. Thank you. That is it from my side.
- Moderator:** Thank you. Our next question is from the line of Girish Bakhru from OrbiMed. Please go ahead.
- Girish Bakhru:** Hi, thanks for taking my question. Sanjay, I am just trying to understand ANVISA better here. I know you don't have a crystal ball, but given that there are 11-12 filers on Sema, has it happened in the past where a regulator has had the situation where there are so many filers on the new product? And how many can it approve in the first wave? Typically ANVISA approves, I think, 2-3 products in any semester, right?

- Sanjay Gupta:** No, it is not like that. It is pretty much like anywhere else in the world. There is no kind of quota system in Brazil. So, they give some flexibility for you to prioritize and indicate to them which are your priority dossiers and then you can kind of push them up the queue. But they can approve as many as you want. I have never seen any limitation from ANVISA in terms of number or approvals.
- Girish Bakhru:** So, when you say wave of launch, you being, let us say, maybe in the second wave, first wave can be as big as 5 approvals also, right?
- Sanjay Gupta:** Yes. I am hoping to be in the first 5, but let us see. Because our file is there. So, again, we have Ozempic, which is ahead. Wegovy is behind. And the bigger market is Wegovy.
- Girish Bakhru:** Understood. And typically, for a product like this, supply chain is different or is like, again, same like other generics?
- Sanjay Gupta:** No. It is not a Torrent supply chain on this one, right, because we are not manufacturing. And then it is a device. So, it is slightly different. But otherwise, it will work. We have the systems to make it work.
- Girish Bakhru:** My question is more on the distribution side. Do we have to have large distributors, local distributors like RD and this Abra Pharma tied up to get large pretty market?
- Sanjay Gupta:** So, these big distributors, they have a refrigerated supply chain. So, we don't anticipate any problems because they are so large. So, Santa Cruz, Abra Pharma that you mentioned, they all have capabilities to distribute refrigerated products, temperature controlled products. So, not an issue.
- Girish Bakhru:** But would they take more than 3-4 suppliers? I understand capacity can be an issue here. So, they may take. Typically, let us say, whoever gets in the first wave would lock in these distributors, right?
- Sanjay Gupta:** You can't lock in distributors so easily because basically Brazil is a prescription market, right. So, you have to convince the physician that your product is a viable product. So, pretty much like India, right. So, if the physician is writing and they are seeing the RXs coming in, they would stock your product. So, the battle is less. It is not like a trade market, right. Brazil is more of a prescription driven market. So, we have to convince the doctors that our product has the right quality, right price and we give the right service level. So, it should be fine as far as the distributors. We do that every day, controlling chains and distributors. That is part of our bread and butter. And we don't anticipate a barrier to entry on that front.
- Girish Bakhru:** Understood. And I just wanted to also check; oral pill is already filed by Novo in Brazil. I think approval may be probably on this year or later or next year. But would you file oral in Brazil as well, in India?

- Sanjay Gupta:** So, we are looking at that because Aman has that product in India and potentially we can extend it to Brazil. But we haven't filed it as yet.
- Girish Bakhr:** Understood. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Vivek Agarwal from Citi Group. Please go ahead.
- Vivek Agarwal:** Yes, thanks for the follow-up. Although you are not quantifying as far as the revenue synergies are concerned from JB, but any possibility that is it real possibility for any kind of revenue synergies over a period of time, etc.? Any qualitative color actually can make that to be helpful?
- Aman Mehta:** Qualitatively, if we look at some of the past revenue synergies that we have been able to kind of deliver, most recently being in Curatio brands and divisions, it is generally where the Torrent division has had a kind of longer duration of presence in those regions and areas where you then start selling or cross-selling. Overtime, that does really kind of show positive outcomes. So, you would have seen the growth of the Curatio basket of drugs or products has increased every year sequentially as a result of this. So, not saying that this is what we can expect in the case of every acquisition or in JB, but there are certainly pockets where even within the established JB brands, there are areas where Torrent's divisions or field force has had a much longer presence or has a stronger brand equity or corporate equity which can be leveraged. So, this would be across Cardiac and Gastro especially, which are the two largest business contributors for Torrent and JB both. So, because of our number of field force that we have in Torrent, the opportunity is quite significant to at least get the reach enhanced as quickly as possible. And even in overlapping areas, there could be low market share of JB versus higher market share of Torrent in some products and there you can really look at opportunities. But this is something that we would not want to focus on in the first year. First year would be pretty much in terms of topline business as usual. First year would be probably more on the cost side and second year onwards, this is when we can start really looking at this.
- Vivek Agarwal:** Understood. Thank you. That is quite helpful. Thank you.
- Moderator:** Thank you. The next question comes from the line of Tushar Manudhane from Motilal Oswal Financial Services Limited. Please go ahead. Tushar, your line has been unmuted. You may proceed with your question.
- Tushar Manudhane:** Thank you for the follow-up. What is the net debt number at the end of 3Q?
- Sudhir Menon:** So, net debt number as in December is roughly INR 880 crores.
- Tushar Manudhane:** And how this trajectory with this acquisition, while you have shared the net debt to EBITDA ratio, but if you could just quantify, maybe at the end of FY '26, subsequently 27, the net debt number?

**Sudhir Menon:** So, I think at this point, it is difficult to tell you the numbers, Tushar, but the guidance which I gave you or which I gave earlier, I think that you should be able to work it out.

**Moderator:** Thank you. Ladies and gentlemen, we will take that as our last question for today. I would now like to hand the conference over to Mr. Sanjay Gupta - Executive Director of International Business for closing comments. Over to you, sir.

**Sanjay Gupta:** Thank you very much for joining this call and look forward to updating you in the future about our progress. Thank you.

**Moderator:** Thank you. On behalf of Torrent Pharma, that concludes this conference. Thank you all for joining us, you may now disconnect your lines.