"Ajanta Pharma Limited Q1 FY'24 Earnings Conference Call"

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MANAGEMENT: **MR. YOGESH AGRAWAL – MANAGING DIRECTOR, AJANTA PHARMA LIMITED.**
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Moderator: Ladies and gentlemen, good day and welcome to Ajanta Pharma Q1 FY2024 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. Should you need assistance during the conference, please signal an operator by pressing '*' then '0', on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Yogesh Agrawal - Managing Director of Ajanta Pharma Limited. Thank you, and over to you, sir.

Yogesh Agrawal: Good evening, and welcome to all of you. With me, I have Mr. Rajesh Agrawal – Joint Managing Director; Mr. Arvind Agrawal – CFO; Mr. Rajeev Agrawal – AVP (Finance & Investor Relations).

Friends, on July 9th, we celebrated a significant milestone, the 50th Anniversary of Ajanta Pharma. Today, our Company stands strong and distinguished within the pharmaceutical industry. We have not only stood shoulder-to-shoulder with our leading companies, but we have also carved out our own unique mark of excellence.

Over the years we have built large brands across geographies, state-of-the-art research and development center, top notch manufacturing facilities, robust quality systems and efficient business processes that are second to none.

These accomplishments, significant as they are, aren't the only reasons for our success. At the heart of Ajanta Pharma is its people. We cultivated exceptional leadership, developed phenomenal teams and nurtured a resilient culture of excellence.

On this occasion, we would like to thank all our stakeholders - Ajantaites (existing and past), customers, suppliers, banks, business partners, associates and shareholders for their support and contribution leading to Ajanta's success.

Let me take you to another important announcement that I would like to make regarding the interim dividend:

I'm happy to share with you that the Board of Directors have approved the first interim dividend of Rs. 315 crore for the year FY 2024. It translates into Rs. 25 per share, which is 1250% for each Rs. 2 face value share. This total dividend of Rs. 25 per share includes a regular dividend of Rs. 10 per share and an additional Rs. 15 per share distributed as a special dividend on the commemoration of 50 Years of Momentous Journey of the Company.

I am happy to share that we started FY 2024 on a strong note. I and our Joint MD will take you through business wise performance for the Q1 along with the comparison of previous year same period.

Our three verticals of business – Branded Generic, US Generic and Institution Business in Africa generated total revenue of Rs. 1,021 crores against Rs. 951 crores, posting a growth of 7%. During the quarter, 73% of the total sales came from Branded Generic, which is spread across India, Asia and Africa. This business has surety, scalability and sustainability for the long term. The sales stood at Rs. 732 crores against Rs. 688 crores, posting 6% growth.

I invite Mr. Rajesh Agrawal – Joint MD to take you through our India Business. Thank you.

Rajesh Agrawal: Thank you. Good evening to you all.

Indian Business

I'm happy to share key highlights of India Business:

Our performance has been excellent on the back of the market share gain, price increase and new product launches. India business contributed 32% in the total revenue with sales of Rs. 319 crores against Rs. 279 crores posting a healthy growth of over 14%. India business includes revenue from Trade Generics of Rs. 36 crores against Rs. 36 crores.

During the quarter, we launched 3 new products and have a pipeline of launches lined up for the coming year.

Our MR productivity has improved further in line with the revenue growth as MR strength remains unchanged. We continue to grow faster than the IPM by 400 basis points with Ajanta growing at 15% against IPM growth of 11% as per IQVIA MAT June 2023.

It was the same for the therapeutic segments we are present in where our growths are much higher than the segment growth. In the covered market we continue to be 4th largest in IPM and among the top 10 in all our therapeutic segments. As per IQVIA MAT June 2023, we gained one rank since March 2023 and stood at 26th.

In our sales, Cardiology contributed 39%, Ophthalmology contributed 31% and Dermatology contributed 21% of our India business with remaining 9% coming from the Pain segment.

Now I request Mr. Yogesh Agrawal – MD to take you through the other "Business Performance". Thank you. And over to you.

Yogesh Agrawal: Thank you.

I am now happy to brief you about the Branded Generic business in Asia and Africa, which contributed 42% in the total revenue during the quarter.

Asia Business

Let's start with Asia:

In Asia, our business is spread across the Middle East, Southeast Asia and Central Asia, covering about 10 countries. During Q1, the sales was Rs. 254 crores against Rs. 240 crores, a growth of 6%. We launched two new products during Q1 in the region.

We maintain our guidance of mid-teens growth for FY 2024.

Africa

Let's move to Africa:

In Africa, the business is spread over West and Eastern African markets in 20 countries. During Q1, sale was Rs. 159 crore against Rs. 168 crores, posting 5% degrowth.

Continued strike in France for pension reforms till mid of May 2023 led to delays in delivery of consignments which is now normalized. Hence we continue to guide for the mid-teens growth in FY 2024.

US Generics

Let's move to the next vertical, US Generics:

US Generics contributed 22% to the total revenue in Q1 with sales of Rs. 213 crore against Rs. 179 crores posting 19% growth. We expect revenue for the next three quarters to be on the similar level.

In Q1, we filed 3 ANDAs and expect to file about 5 ANDAs in the rest of FY 2024. We received three final approvals during the quarter and expect to launch four to five products in the rest of the year. We have 41 products available on the shelf and 21 ANDAs are awaiting approval with US FDA.

Africa Institution

Let's now move to the third and the last piece of our business, which is Africa Institution:

This business contributed 5% in the total revenue which comprises of antimalarial product. In Q1 the sale was Rs. 65 crores against Rs. 77 crores, posting 16% degrowth. As the supplies are dependent on the procurement agencies funds availability, it remains unpredictable.

I now invite Mr. Arvind Agrawal – CFO, to take you through the financial performance. Thank you and over to you.

Arvind Agrawal: Thank you. Good evening and warm welcome to the First Earning Call of FY 2024.

We will look at the consolidated financials as always and provide year-on-year comparison.

The "Key Financial Highlights" for Q1 FY 2024 are as follows:

Total revenue stood at Rs. 1,021 crores against Rs. 951 crores, posting a 7% growth. The gross margin stood at 75%, which was in line with our guidance for the year. The 2% improvement in the margin is a result of softening API prices and the Euro coming back to normal against INR. We expect the gross margin to remain at this level for FY 2024.

Personnel cost increased by 17%, part of which about 6% is on account of regrouping of related expenses from selling expenses as explained in Q4 FY2023 Earning Call and balance was regular annual increment.

Other expenses stood at Rs. 285 crores in Q1, an increase of 7% over the previous year same period.

International logistic cost is now at pre-COVID levels which has resulted in a benefit of about Rs. 25 crores or about 2.5% of export sales against the average of FY 2023.

R&D expenses was Rs. 55 crores against 54 crores for the quarter or 5% of revenue. We expect R&D expenses to inch up a little in the coming quarter and at about 6% for FY 2024.

EBITDA margins stood at 26% of revenue from operations at Rs. 271 crores against Rs. 222 crores on the back of benefit in gross margin and logistics cost. We retain our guidance of about 25%, (+/-1%) EBITDA margin for FY 2024. Other income was at Rs. 32 crores in Q1, mainly contributed by FOREX gain of Rs. 20 crores.

Income tax stood at 23% for Q1 and we expect it to be same level in FY 2024. Profit after tax in Q1 was Rs. 208 crores against Rs. 175 crores, 20% of revenue from operation.

We incurred CAPEX of Rs. 26 crores in Q1 FY 2024. CAPEX including maintenance CAPEX for FY 2024 is estimated to be at Rs. 200 crores which also includes new corporate house CAPEX.

With these highlights I open the floor for the question. Thank you.

Moderator: Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. We have the first question from the line of Onkar Ghugardare from Shree Investments. Please go ahead.

Onkar Ghugardare: My question is regarding the target which you have set for the next three to four years for the Company in terms of revenue as well as margin?

Arvind Agrawal: See three to four years is a very little long-term thing and I think we will not be able to give you the guidance on that. The only thing which we talked generally was that we are expecting mid-teen growth for the next year.

Onkar Ghugardare: You said what kind of growth for the next year?

Arvind Agrawal: Mid-teen growth.

Onkar Ghugardare: And directionally, what kind of revenue and margin trajectory we should look at, I'm not looking for specific guidance, but more of a direction?

Arvind Agrawal: As we mentioned earlier also in Q4, I think the direction is absolutely positive because all the levers are there, branded generic business is growing. So naturally the direction has to be positive.

Onkar Ghugardare: My question was regarding for the next couple of years, any big opportunity you are looking at for increase in revenue?

Yogesh Agrawal: I think it's a culmination of a lot of things coming together – increase in the market share from the existing products and existing people, then launching all the new products, and adding more people. So, all the R&D work which we are doing in the current year or which we have done last year will come to light in the next year and subsequently. So, all the things are in a positive direction. So, there are a lot of work which is happening in the R&D, regulatory trying to file the dossier. As we get the approvals, we are able to bring those products to the market. So, overall, I think it's a composition of multiple things which is going right. There is not one single thing which we can point out and say that one big thing will happen like this.

Onkar Ghugardare: So, any big product launch lined up in couple of years which can be a big opportunity for the Company in terms of market size?

Yogesh Agrawal: I can't give you anything specific like that. But as I said, in general all the products which will file in USA, let's say eight this year, they will get approval next year. What we filed last year got approval this year. All those, I think, cumulatively it should add up to giving us the mid-teen growth, that's the aspiration. And the second thing is we are always look out to grow faster than the market, so both things put together, we are optimistic about future growth.

Onkar Ghugardare: So, directionally you are talking about around mid-teens kind of growth for the couple of years down the line?

Yogesh Agrawal: You can say directionally yes, but we don't give out that long guidance. Normally we just say that the next year, which is current year now, this is the guidance, mid-teens we are giving. But directionally you can say that yes, that is our aspiration to grow at a mid-teens.

Onkar Ghugardare: And what about the margin trajectory should remain in?

Yogesh Agrawal: It should remain in the similar vicinity of what we have said for the current year. EBITDA we've guided around 25% to 26%, so around there is what we are looking at to maintain.

Onkar Ghugardare: And what kind of US business we can look for in the next two or three years.

Yogesh Agrawal: In the next two to three years as I said is a little far away, we don't give out the guidances that way. I think the current year we have started off very well in Q1. We posted a healthy growth of 17%-odd; we've done a Rs. 213 crores for Q1. For the rest of the quarters, we can expect similar kind of levels to maintain and post a healthy growth despite the challenges which we have seen in the US of price erosion and things like that. But a lot of things which we are doing right, we should be able to hold on to the current quarter for the rest of the quarter.

Onkar Ghugardare: As I can see the ROE of the Company has been going down for the last two or three years. Any specific things you are looking to increase that?

Arvind Agrawal: Improvement will come in the EBITDA margin, that also will improve positively and one thing is that we have already finished our big CAPEX plan. Now it's only maintenance CAPEX which is going to be there, so ROE is going to improve.

Onkar Ghugardare: So, any internal targets which you have set for this?

Arvind Agrawal: No, we don't give out that number. Thank you.

Moderator: Thank you. We have the next question from the line of Rashmi Shetty from Dolat Capital. Please go ahead.

Rashmi Shetty: The first question is related to US business. We were planning that there won't be any incremental capital allocation on the US business and we would focus more on the branded markets because there was a lot of uncertainty. But now in the US because of the awaiting price erosion and the opportunities are improving due to the supply disruption and all, is the plan changing and we would focus on US also or we still stick to the same plan?

Yogesh Agrawal: No, you rightly said the US is an evolving landscape scenario has turntables now. There is a lot of talk about the shortages which are happening in the US market for various reasons. Some geopolitical, some compliance, regulators and things like that. So, that's the evolving market. Having said that, I think CAPEX we don't need to do because we have enough capacities in the production for whatever products which we have filed and whatever we have work in progress in R&D. Even if we filed in next two years and commercialize, we've done the mapping and we there are no additional capacities required maybe maintenance. So, there is no significant CAPEX required as such otherwise also because we have capacities. In R&D also, we have enough CAPEX which is done so there is enough bandwidth there also. I think CAPEX will otherwise also remain low, whether it is US or non-US. OPEX is what we were saying that we will be very judicious about for the US market, because the cost of filing an ANDA is very high. So, we still remain that that way, we still will continue to be putting a lot of filters in product collection because the cost is very high. Having said that, already we filed 3 ANDAs in this 1st Quarter and we plan to file at least 5 ANDAs in the rest of the year. So, I think the plans - smart product selection, very robust supply chain, no stock out, no back orders, all that are positive with us and we will continue to build on that.

Rashmi Shetty: And any improvement in the price erosion which you have seen, I remember that the last quarter of at FY23, you said that the price erosion in high double digits, but what is the price erosion currently in this quarter?

Yogesh Agrawal: Thankfully, it has stabilized quite a lot and you would hear this commentary I think in multiple con-calls of Indian and multinational companies. So, we are seeing that into the high single digit as average price erosion. So, that has come down in a normal range, which used to be there earlier also.

Rashmi Shetty: And do you have any update on the Vivomo launch and your update on Topiramate and Chantix products, what is happening over there? We still have queries or we have approval for any launch timelines which you can give?

Yogesh Agrawal: Three products you asked for, the first one is a Vivomo that is already commercialized. We did commercialized in the last quarter only so I think it's just initial supplies are started. The second is Chantix, that is work in progress. It depends on the regulatory landscape. From our side we have given everything that the FDA has asked for. There have been no more questions from the FDA. So, now we're just waiting for the FDA to give us a nod. We are getting ready to launch. All going well if we get the nod, it could be a Q4 or next year Q1 launch. So, subject to the regulatory approvals and the third was the Topiramate, that is I think we are bound by some confidentiality which we have signed with the Company with which we have settled the matter so I think we'll leave it at that.

Moderator: Thank you. We have the next question from the line of Kunal Randeria from Nuvama. Please go ahead.

Kunal Randeria: On the domestic business, 14% growth is quite impressive, but could you just share how much of the growth was impacted due to Met XL price cuts in the last quarter?

Rajesh Agrawal: Met XL price cuts we have not calculated the exact impact, but the overall impact we have been able to nullify by way of the growth in volumes that we have tried to push forward. But that figure can be worked out and shared with you at a later date, because it's a very kind of an intricate figure on that.

Kunal Randeria: Could you share how much of your domestic revenue comes from the trade generics?

Arvind Agrawal: Rs. 36 crores in this quarter.

Kunal Randeria: And that is growing at a much, much faster rate and would you like to share maybe slightly aspirational outlook for the next couple of years on this?

Arvind Agrawal: No, actually it has grown only by 10%. Last year it was Rs. 33 crores This year it is Rs. 36crores, so it has just grown by 10%. So, our overall business has grown by 14%, but that was grown by 10% only.

Rajesh Agrawal: And aspirationally going forward, I expect it to grow in low double-digit number itself, maybe between 10% and 12%. So, that's what we aim for.

Kunal Randeria: Just a slightly larger question on this. One of your bigger competitors has entered this business very recently. What is it about this market that all of a sudden making it a very attractive for pharma players?

Rajesh Agrawal: As a matter of fact, most of the large companies have been in this segment for quite some time. We have been very careful and a late entrant as such. Having said that, we have done exceptionally well in the last three years because of our own internal focus on the strategies that we deployed for this segment. This segment continues to be a very attractive for all the Indian pharma companies because it operates at a very different kind of a business model and it's growing in low double-digits. So, it's an attractive market for all of us actually to operate in.

Kunal Randeria: But do you think maybe in the longer run it could cannibalize the branded growth?

Rajesh Agrawal: This business has been existent in the country for over 2 decades and so far we haven't seen that playing out. So, I don't know really if that's going to play out in the future as well, at least in the near future, foreseeable next five-year horizon, I don't see that as a major threat to the prescription pharmaceutical business.

Kunal Randeria: Just last one for Arvind Ji. Arvind Ji you mentioned in the presentation the freight costs have gone down sharply. So pre-COVID it used to be around 4% of revenues last year it was on 6.5%. So, would it be fair to assume it's back to around 4% and you expect it to remain so?

Arvind Agrawal: Yes, I think it should remain at this level now because these are the levels which have come down now. So, we expect this to be the level which should be there and accordingly that benefit should flow in the P&L.

Moderator: Thank you. We have the next question from the line of Foram Parekh from B&K Securities. Please go ahead.

Foram Parekh: Can you just throw some color like US segment has grown by 19%, so what are the levers for this growth?

Yogesh Agrawal: It's been a combination of existing products, increase in the market share and some new product launches. So, combination of all these things we've been able to register a good sales and good growth.

Foram Parekh: So, and you just said that price erosion has now settled to lower single digit. So, do you see any further de-escalation of price erosion or mean it will settle at the same price?

Yogesh Agrawal: Very difficult to predict, but just wanted to correct I did not say low single digit, I said high single digit. It's around 8%-odd so that's the price erosion which we are seeing that. No, it's very difficult to predict. As you know the US is a very different set of market. Having said that from the visibility we have right now we feel it should remain in this similar range unless something unexpected happens.

Foram Parekh: In India business, would we have any guidance on the number of launches that we expect in this year?

Rajesh Agrawal: In this year we would expect anywhere between 3 to 5 more launches to come in. We are expecting to launch first-time in the country products in the cardiovascular segment anytime soon. And other than that, we would still be in the top three in the industry to launch those products which we have lined up for the remaining year.

Foram Parekh: I see that EBITDA margin has come back to 25% as guided. But 2-3 years down the line, do we expect it to be in the normal what we used to have? So, any guidance over there like can we inch up to 30% margin in three to four years' time?

Arvind Agrawal: You will appreciate that such a long-time guidance will be difficult. Directionally, I have always been telling that yes, we will keep on improving on this because all the levers are now in place and we are able to really contain the cost, etc., which were beyond our control. So, there is absolutely no problem on that account, but giving any number will be very, very difficult.

Moderator: Thank you. We have the next question from the line of Rashmi Shetty from Dolat Capital. Please go ahead.

Rashmi Shetty: I just missed the number or did you give any guidance on the US sales for FY 2024?

Yogesh Agrawal: Yes, we are saying mid-single digit growth.

Rashmi Shetty: So, I just want to ask one more thing that all the expansion plans like adding field force and the registering more products in the Asia and Africa branded business, that we have already completed, right?

Yogesh Agrawal: Yes, a big part has been completed. Now normal increase whatever happens, but the expansion drive is completed.

Rashmi Shetty: With this we are also seeing a softening of the input cost, then we are seeing all our geographies are expected to do well. Branded like even mid-teens and even US price erosion will be coming down which would help gross margins to improve. So, do you think that this 25% EBITDA margin in FY 2024 is very conservative in nature or you feel that the investment in other expenses or adding the expenses or something is likely to go up. And that would hold back the expansion in a big way in EBITDA margin.

Arvind Agrawal: You are absolutely right because there are other expenses which are still to be incurred. There are other things also as you must have seen R&D expenses in this quarter was just 5%, which we expect that it will inch up to 6% as I mentioned in my call. So, I think we are very confident about this 25% (+/-1%) EBITDA margin for this year.

Moderator: Thank you. We have the next question from the line of Akash Dobhada from Motilal Oswal Financial Services. Please go ahead.

Akash Dobhada: I have just one question, does US sales guidance include Chantix sales as well?

Yogesh Agrawal: No. It doesn't include Chantix.

Moderator: Thank you. We have the next question from the line of Chandragupta, an investor. Please go ahead.

Chandragupta: I have two questions. First is there is a news about the launch of malaria vaccine recently in Africa on a large scale. So, just wanted to know whether it will have any impact on our Africa sales both Institutional as well as the Branded that was the first question. The second question is this interim dividend you're calling it as the first interim dividend. So does it indicate there would be more to follow or broadly, does it indicate any shift from buybacks to dividends as a means of cash distribution. Because now that the share price has improved, whether there is any thought process like that to move from buybacks to dividends, this is the second question. Thank you.

Yogesh Agrawal: First question about the malaria vaccine, it's very early to kind of gauge that what impact it will have in the private antimalarial business market or the Institution business. I think there will be a scaling up which will take some time in Africa, the funding has to be organized. There are certain other challenges of vaccination, and even if the vaccination is done at what percentage level and it's going to take some time, even if it is implemented at full capacity. So, with that my assessment would be, it would be very marginal impact and it will take a long time for it to have a significant impact on the antimalarial business right now. Regarding the dividend, as we have shared in our press release also, we marked the occasion of Ajanta's 50th Year Anniversary. So on account of that Rs. 10 is our normal dividend, which we have paid, which we normally do every year, interim dividend and Rs. 15 was on the occasion of the 50th Anniversary. It was a first dividend in the first quarter so that's why we are calling it the first dividend. Let us see during the year how things progress and what kind of cash balance and what kind of approach we take. So, I am unable to guide you or tell you what will happen in the rest of the year and what kind of dividends will be given?

Moderator: Thank you. We have the next question from the line of Amar Maurya from AlfAccurate Advisors. Please go ahead.

Amar Maurya: Sir, just wanted to understand one thing, this Chantix opportunity, how big the opportunity is in US?

Yogesh Agrawal: We're not going to give you any number because things can change a lot from now to till that time. Already one player got approval, they could be launching. How many more people are there and what approvals they will get, it's difficult to gauge.

Amar Maurya: So, what would be the current market size?

Yogesh Agrawal: As I remember as per IQVIA it is quite sizable, it is $100-odd million I think. I think currently as per IQVIA it could be a $500 million, but that's not a real sale once you do the chargeback and all that it could be much lower, so it could be a few 100 million, let's say.

Moderator: Thank you. We have the next question from the line of Kunal Randeria from Nuvama. Please go ahead.

Kunal Randeria: Just one question. When would you need to increase your domestic field force to sustain this mid-teens kind of a growth that you aspire for?

Rajesh Agrawal: So, couple of things – A) Our projection forecast for the domestic has been low-teens and not the mid-teens. B) We don't foresee that we need any kind of expansion in the field force. I believe that we have optimum coverage in every specialty and the increase in productivity is what will drive our business going forward. We have enough room to grow in every specialty with the existing number of medical representatives.

Kunal Randeria: And this should I assume that for the next two to three years you don't need to do?

Rajesh Agrawal: Hard to say two to three years. I would rather stick to the current year, at least in the foreseeable 9 months or maybe at least in one year, we don't see any major addition happening. There may be some minor additions or deletions based on the addition in the number of customers that happened in any particular territory, but nothing of significance as such.

Moderator: Thank you. We have the next question from the line of Gagan Thareja from ASK Investment Managers. Please go ahead.

Gagan Thareja: My question pertains to Africa and Asia business, I think for the quarter, the sales growth reported is 6% for Asia year-on-year and a drop of 5% year-on-year for Africa branded. Africa and Asia both seem to be very volatile and the first quarter seems have been relatively weak. Any comments there and how should we think of it from a full year perspective?

Yogesh Agrawal: So, as I said in my opening commentary for Africa, primary reason was the disruption in the supply chain because of the strike in France which persisted till mid-May and only in the June, the supply chain got restored. So, despite that challenges, we have posted a decent growth. If you see our Q4 was practically Rs. 100 crores last year against that we have smartly recovered and almost Rs. 159 crores we have posted in this Q1.

Gagan Thareja: Can tell us a little more on why a strike in France has caused the disruption in African sales. I understand there might be a couple of countries which are in a way sort of French states, maybe in Africa, but how does this whole thing interplay I am unable to understand.

Yogesh Agrawal: So, I will make you understand all the supplies goes through France. All the shipments go to France and from there the distribution occurs. So, the containers got backed up on the port, ship was not able to dock, whatever stock was there from the France onwards to Africa that got blocked. So that was the reason for this disruption and that is how it got impacted.

Gagan Thareja: Why were the supplies routed through France?

Yogesh Agrawal: I can't get you into so many details, but that's how the business is done there. That's the way the nature of the business is, it goes through France.

Gagan Thareja: Is it a regulatory requirement?

Yogesh Agrawal: It's a commercial matter and not a regulatory requirement.

Gagan Thareja: And why has been the Asia sales relatively weak, you know 6% growth in Asia?

Yogesh Agrawal: So, Asia started off slightly softer this quarter. But having said that we are expecting in the next two or three quarters, we will bounce back and the growth should come back. There's no particular reason which I can tell you why the growth have been slightly below what we were expecting it to be.

Gagan Thareja: But you retain your full year double digit top-line guidance for these both Branded Generic markets?

Yogesh Agrawal: Yes.

Gagan Thareja: You did a sizable increase in your international field force last year. Would some sort of operating leverage play out of that in the current year?

Arvind Agrawal: Not current year, normally for any addition in the field force, it takes about two years for them to really start giving us the advantage. So not this year but next year onwards we should definitely get some benefit out of that.

Moderator: Mr. Agrawal, would you like to make any closing comments?

Yogesh Agrawal: Thank you everyone for joining this call. If there are any further questions that remain unanswered today, please reach out to our Investor Relations. Thank you.

Moderator: Thank you members of the management. Ladies and gentlemen, on behalf of Ajanta Pharma Limited, that concludes this conference. Thank you for joining us and you may now disconnect your line. Thank you.